

- 5 Worldwide, the film industry has increased its expenditure to over \$1 billion each year on successful anti-piracy measures which it finances by charges on DVD products.

How would this be shown in a demand and supply diagram of the market for legally produced DVDs?

| | demand curve | supply curve |
|----------|--------------|--------------|
| A | shifts left | shifts left |
| B | shifts left | shifts right |
| C | shifts right | shifts left |
| D | shifts right | shifts right |

- 6 The demand for a commodity has unitary price elasticity.

Which diagram shows the relationship between total expenditure on the commodity and its price?

