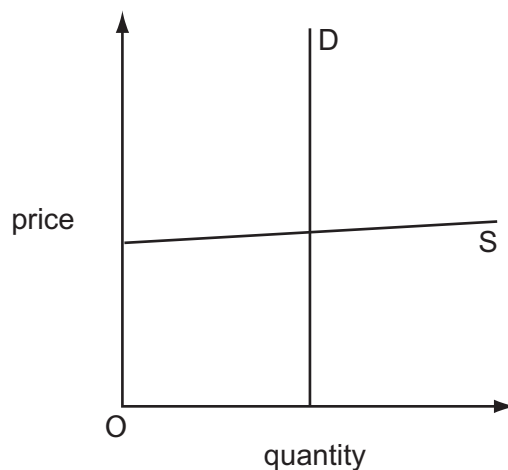


- 5 The diagram shows the demand for and supply of a product.



What can be deduced about the product?

- A It has infinite price elasticity of demand.
 - B It has no substitutes.
 - C It is an inferior good.
 - D It takes a large proportion of consumer income.
- 6 The table shows the price elasticity of demand for four goods and services.

	price elasticity
motor cycles	1.6
telephone calls	1.0
football tickets	0.3
light bulbs	0.0

If the price of each item increased by 1 %, for which of these items would the total expenditure increase?

- A football tickets only
- B motor cycles only
- C football tickets and light bulbs
- D motor cycles and telephone calls