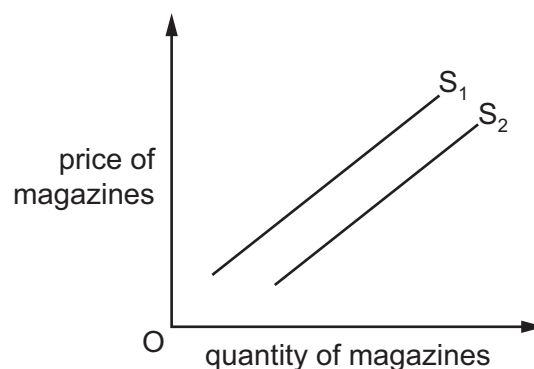


- 8 Two goods, X and Y, are complementary goods. Column 1 of the table below shows the original market situation at time period 1 and column 2 shows the situation following an increase in the price of good Y.

	1	2
price of good X	10	10
quantity demanded	50	40
price of good Y	20	30
quantity demanded	80	60

The value of cross elasticity of demand for good X with respect to the price of good Y lies between

- A -1.7 and -2.6.
 - B -0.8 and -1.3.
 - C -0.3 and -0.8.
 - D +0.3 and +0.6.
- 9 A firm publishes and sells magazines. The diagram shows a shift in the firm's supply curve from S_1 to S_2 .



What would have caused this shift in the firm's supply curve?

- A a fall in the subsidies paid to magazine publishers
- B a fall in the price of paper
- C a rise in the real income of customers
- D a rise in the wages of the firm's workers