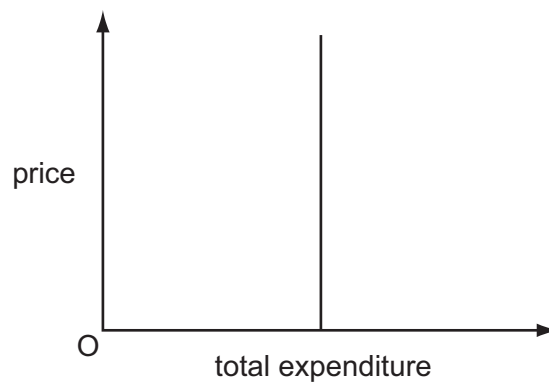


- 8 The diagram shows the relationship between the price and the total expenditure on a good.



Which statement is correct?

- A** The income elasticity of demand for the commodity is unity.
- B** The income elasticity of demand for the commodity is zero.
- C** The price elasticity of demand for the commodity is unity.
- D** The price elasticity of demand for the commodity is zero.
- 9 The table gives an individual's demand for four goods at two income levels.
- Over this range of income, for which good does the individual have an income elasticity of demand = 1?

good	income level	
	\$1000	\$1100
<b>A</b>	50	50
<b>B</b>	50	55
<b>C</b>	50	60
<b>D</b>	50	100