

- 6 A supply curve is represented by the equation, quantity supplied =  $10 + 5P$ , where  $P$  = the price of the product.

Which price rise would cause the quantity supplied to double?

- A** \$1 to \$2      **B** \$1 to \$3      **C** \$1 to \$4      **D** \$1 to \$5

- 7 Along which axis can the market demand curve be aggregated from individual demand curves?

- A** both the horizontal and vertical axis  
**B** the horizontal axis only  
**C** the horizontal or the vertical axis but not both  
**D** the vertical axis only

- 8 The table shows the price of a good and total expenditure on the good during specific periods when the market is in equilibrium.

period	price (\$)	total expenditure (\$)
1	12	96 000
2	5	40 000
3	8	64 000
4	10	80 000
5	4	32 000

What can be deduced from this data?

- A** The good has constant opportunity cost.  
**B** The good is an inferior good.  
**C** The price elasticity of demand is equal to one.  
**D** The price elasticity of supply is equal to zero.