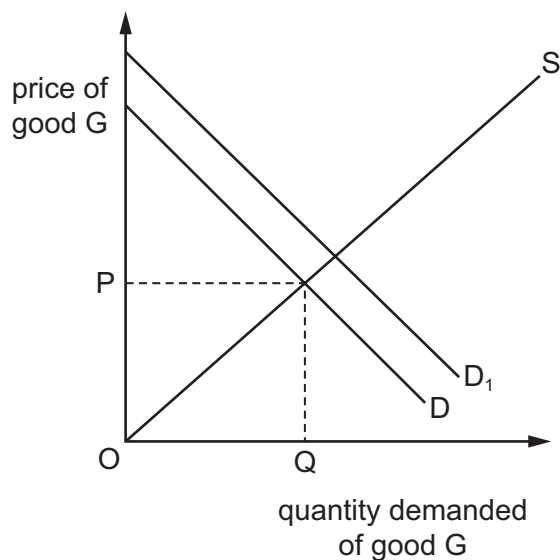


- 10 The diagram shows the relationship between price (P) and demand (D) for a normal good G.



What would cause a shift to  $D_1$ ?

- A a decrease in the price of a substitute good
  - B a fall in the level of advertising for the good G
  - C a rise in the price of good G
  - D an increase in the incomes of consumers
- 11 What is **most** likely to cause an increase in the consumer surplus in the market for a normal good?
- A an increase in consumer incomes
  - B an increase in the number of substitute goods
  - C an increase in the price of a complementary good
  - D an increase in the price of the good
- 12 The cross elasticity of demand between two products, X and Y, is negative.

What would be the immediate effect of a rise in the price of product Y?

- A Quantity demanded of product X will fall.
- B Supply of product X will rise.
- C The cross elasticity of demand will rise.
- D The price of product X will rise.