

- 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.