

Short questions

1. Given the following data for the supply and demand of movie tickets, calculate the price elasticity of supply when the price changes from \$9.00 to \$10.00.

Price	Quantity Demanded	Quantity Supplied
\$7	100	25
\$8	90	45
\$9	75	75
\$10	55	105
\$11	30	125

2. Yesterday the price of envelopes was \$3 a box, and Julie was willing to buy 10 boxes. Today, the price has gone up to \$3.75 a box and Julie is now willing to buy 8 boxes. What kind of demand is Julie's demand for an envelope? Explain.
3. When the price of cheese increases by 40 percent, the quantity demanded of pizza decreases by 60 percent. What is the cross-price elasticity of demand for pizza and cheese?
4. a) Find the elasticity of demand between the price of \$1 and price \$1.50 with the quantity demanded being 500 and 400 respectively, using the midpoint method. Next, find the total revenue before and after the change in price.

b) Find the income elasticity when the income increases from \$20,000 to \$30,000 with quantity changing from 10 to 2.