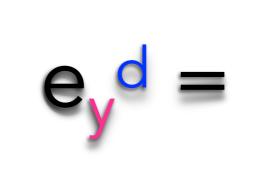
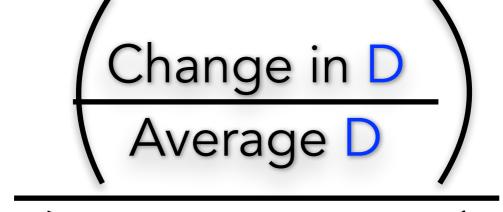
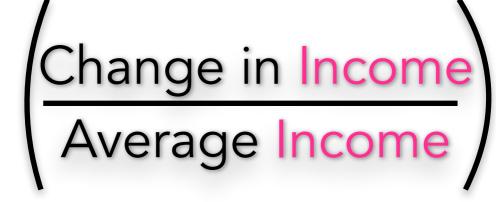
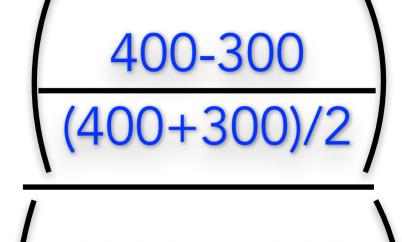


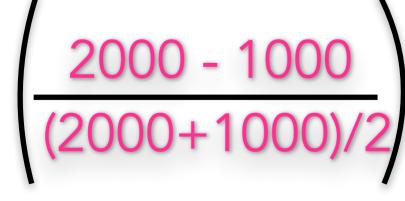
## $\%\Delta$ D %\LambdaIncome

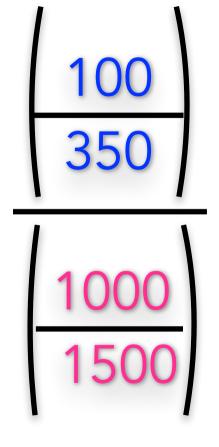


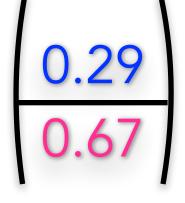












Income	Demand Good X
1000	300
2000	400

$$e_y^d = \frac{\%\Delta D}{\%\Delta lncome}$$

$$\mathbf{e_y^d} = \frac{\frac{\text{Change in D}}{\text{Average D}}}{\frac{\text{Change in Income}}{\text{Average Income}}} = \frac{\frac{400-300}{(400+300)/2}}{\frac{2000-1000}{(2000+1000)/2}} = \frac{\frac{100}{350}}{\frac{1000}{1500}} = \frac{0.29}{0.67} = 0.43$$

 $e_y^d = \frac{\% \text{ change in demand}}{\% \text{ change in Income}}$