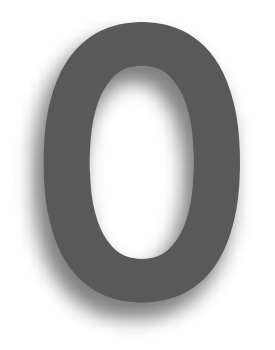
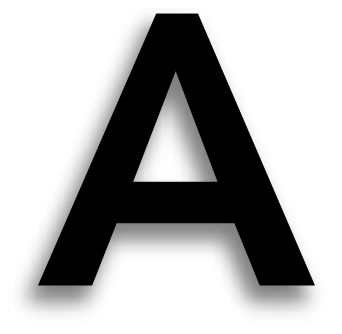

10

7



7


10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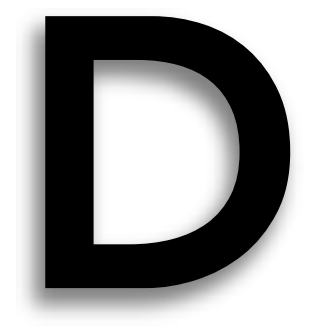
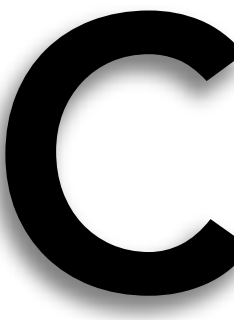
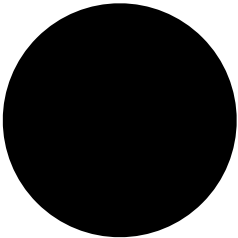
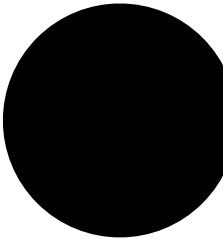
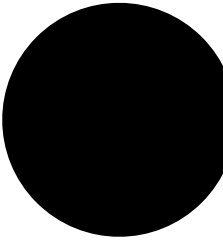
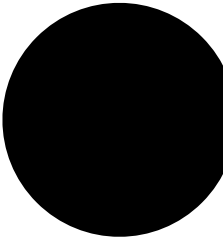




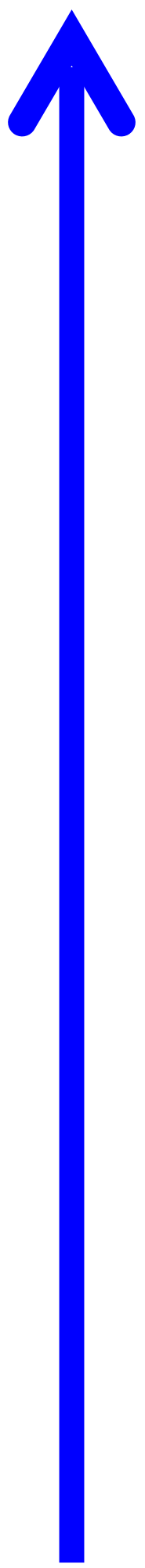




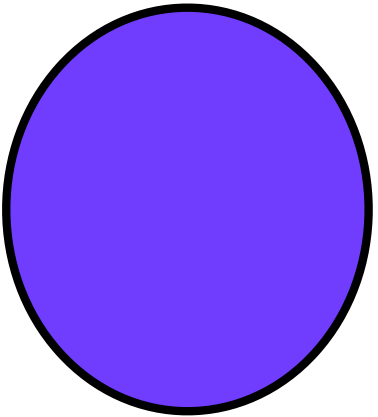




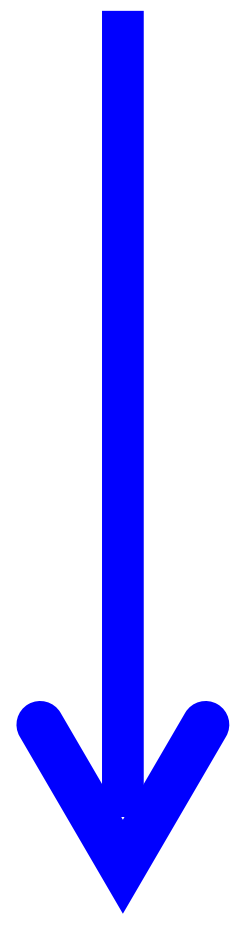
Supply

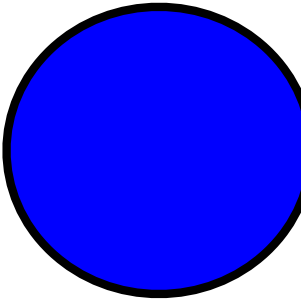


Make B the Midpoint



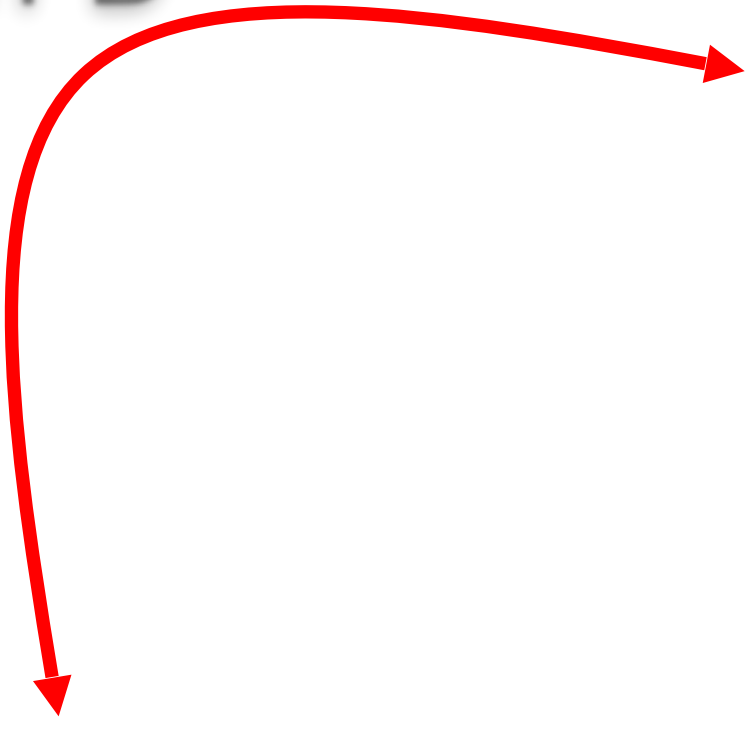

4






B

Same distance from B



Choose two points same distance from B (one above, one below)

Calculate the Elasticity at point B

$$\%\Delta Q^{s} =$$

$$(8-4)/(8+4)/2$$

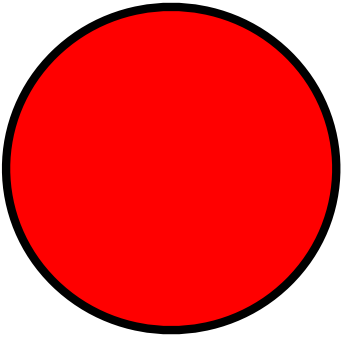
$$=0.66$$

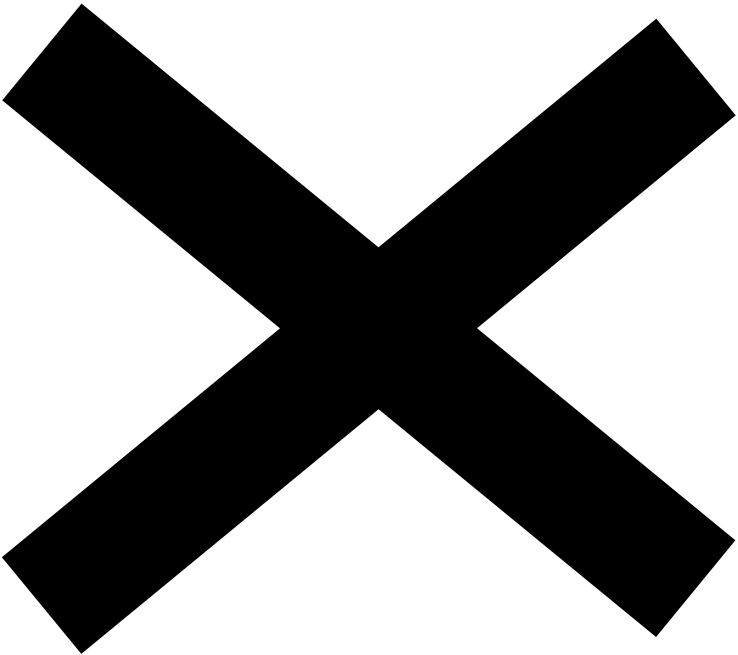
$$\%\Delta P =$$

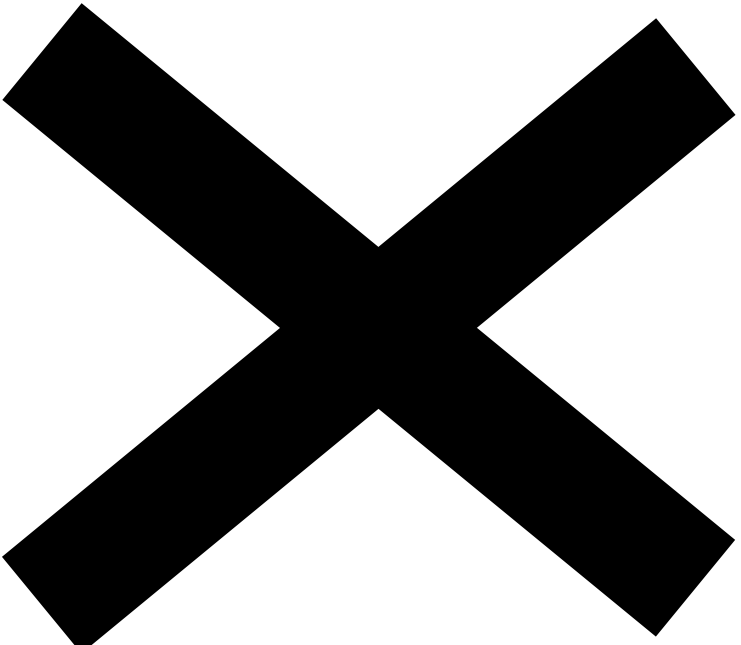
$$(6-2)/(6+2)/2$$

$$=1$$

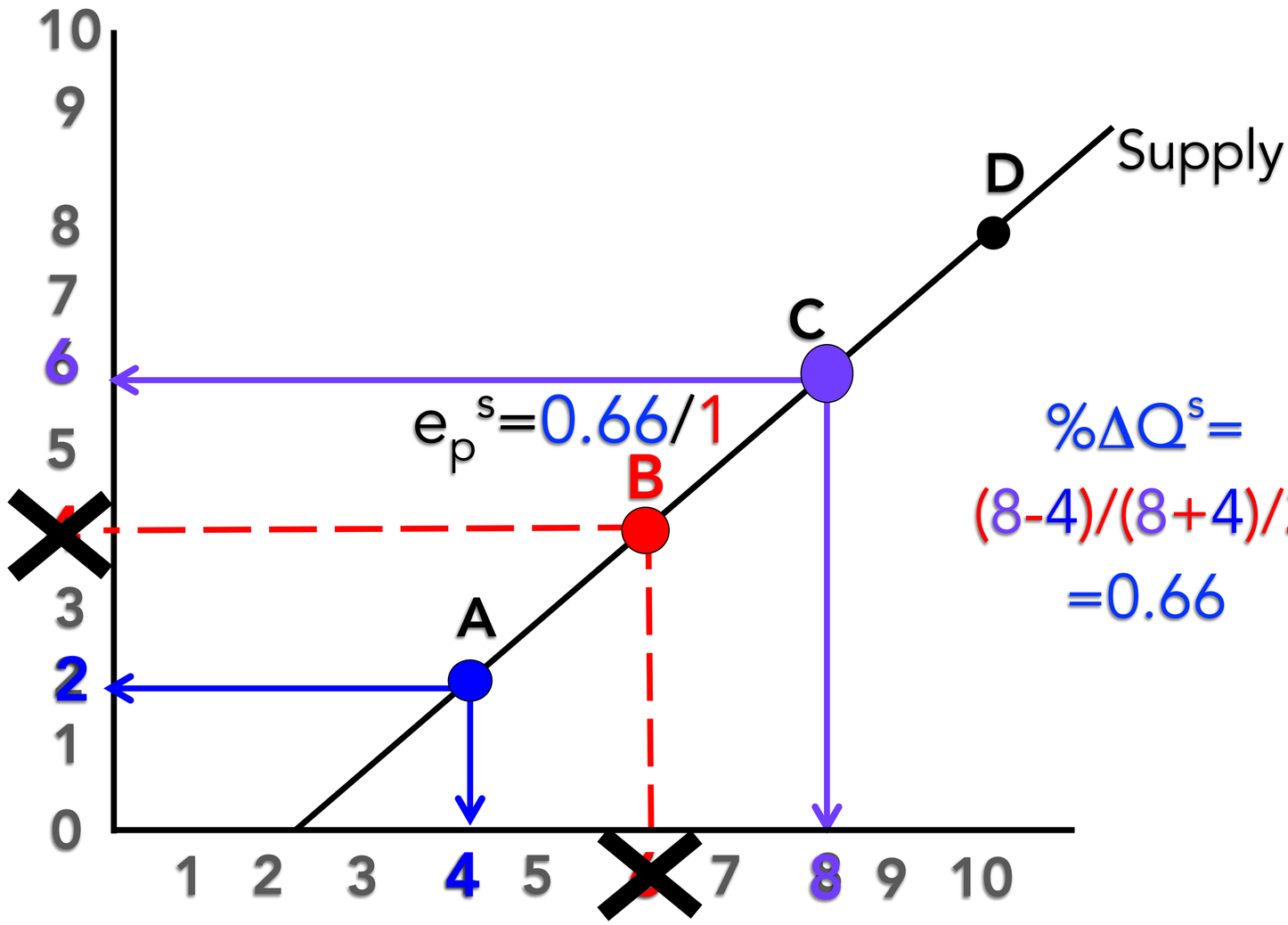
$$e_p^{\,s} = 0.66/1$$







Calculate the Elasticity at point B



$\%\Delta P = \frac{(6-2)}{(6+2)/2} = 1$

$\%\Delta Q^s = \frac{(8-4)}{(8+4)/2} = 0.66$

Elasticity Changes Along Supply