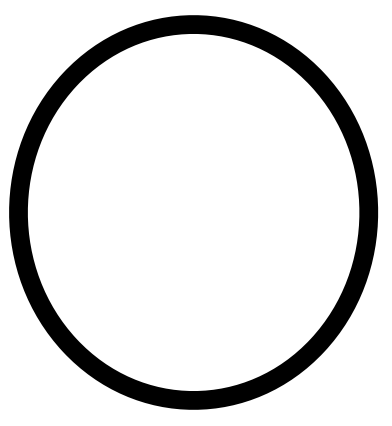
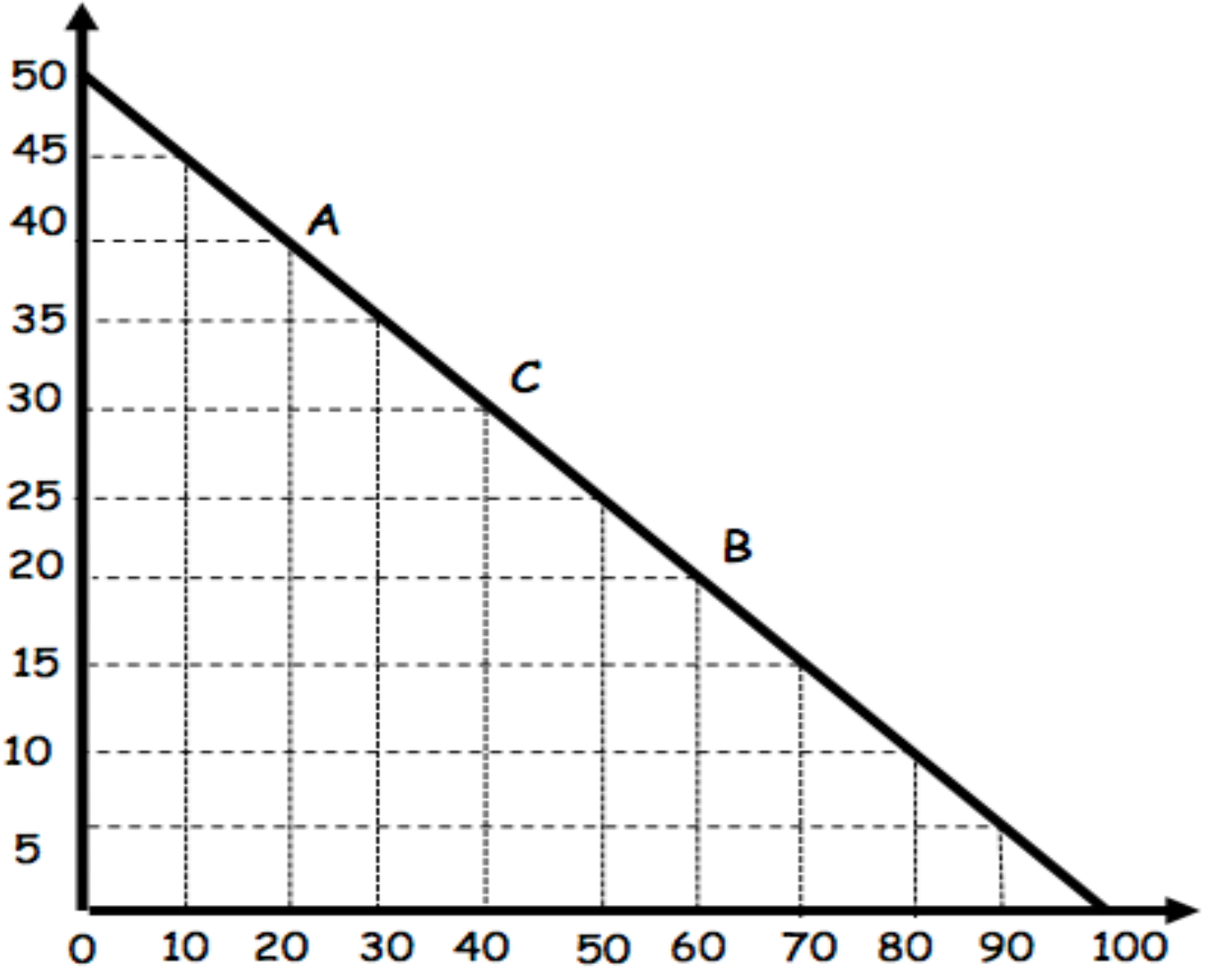
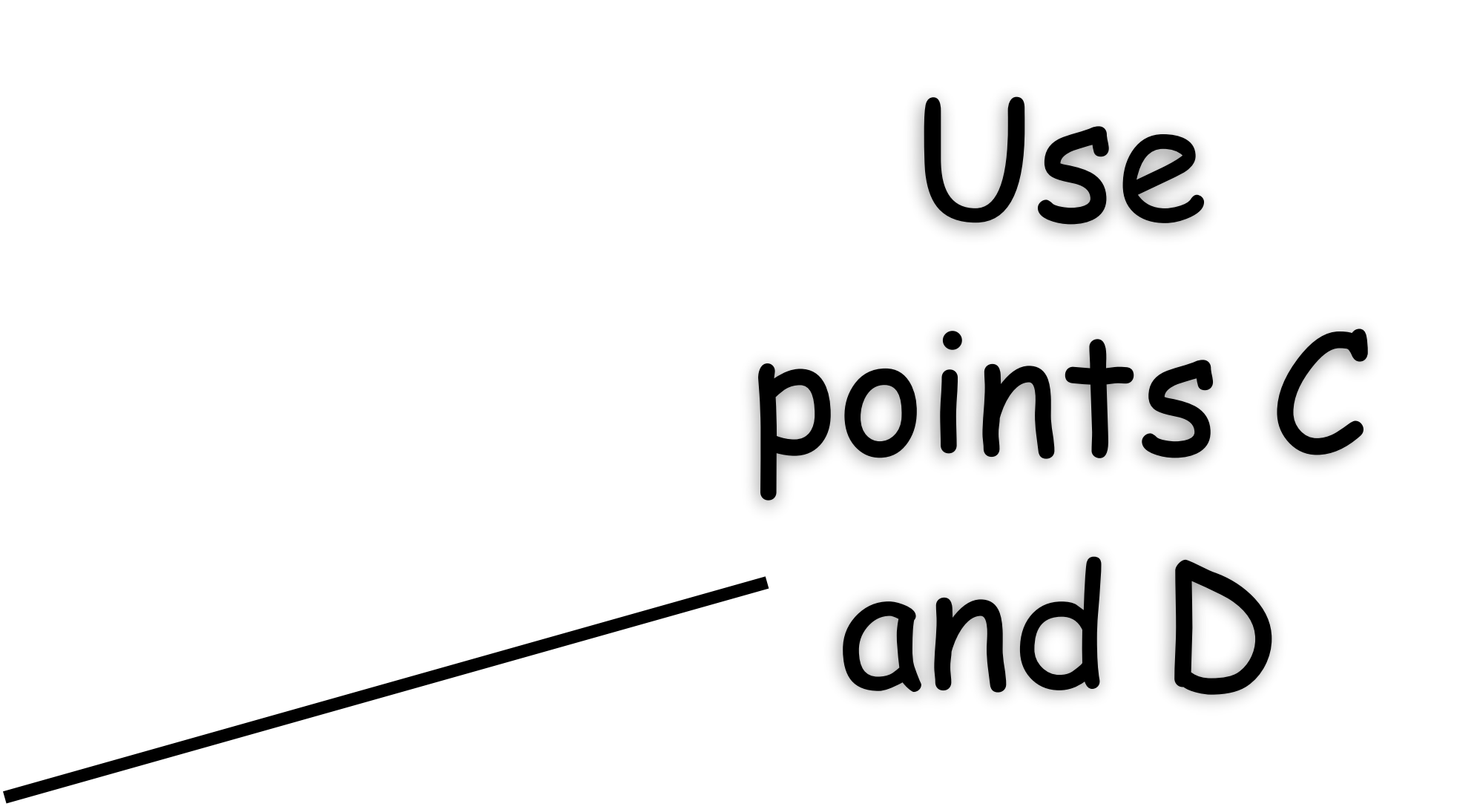
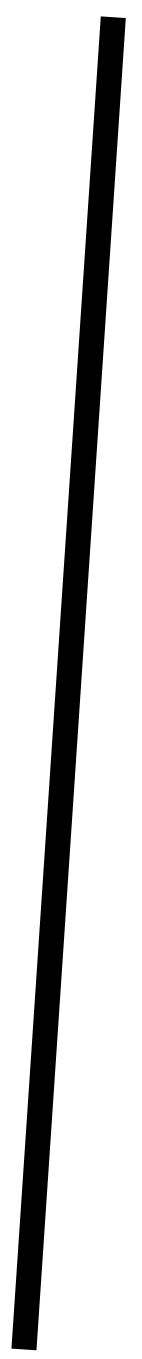
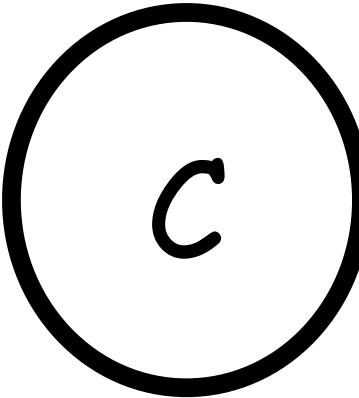
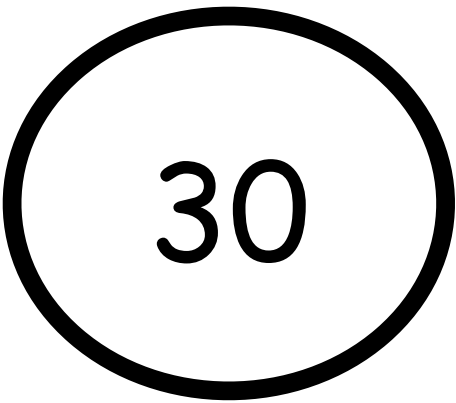



50
45
40
35
30
25
20
15
10
5
A
C
B
0
10
20
30
40
50
60
70
80
90
100


Use
points C
and D




C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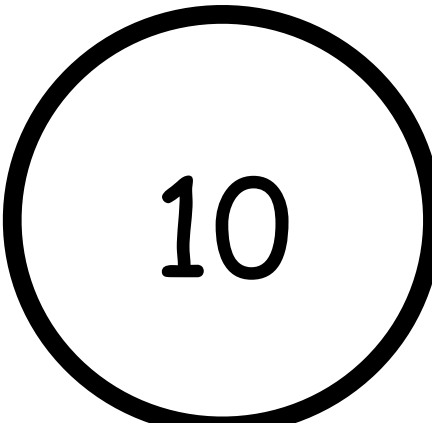
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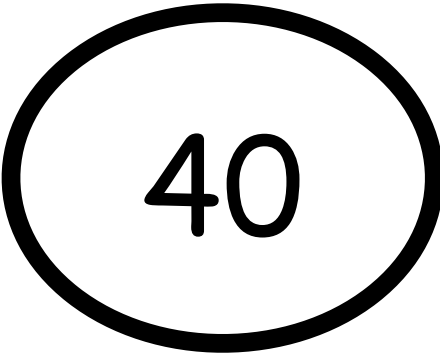
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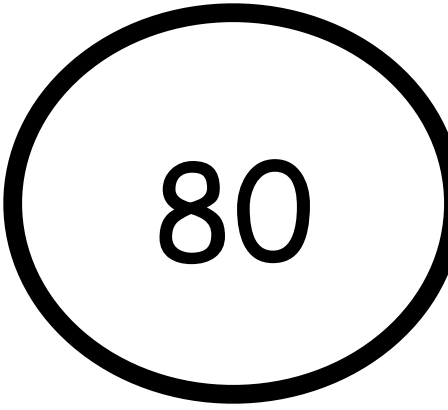
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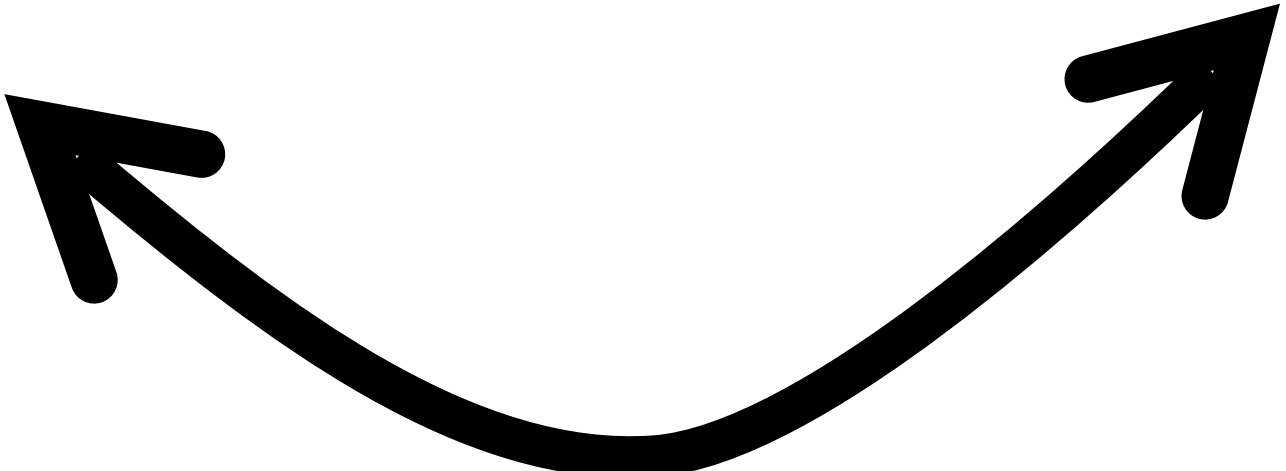
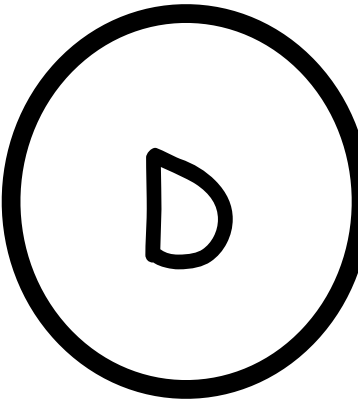


Use these two quantities

Use these two prices

Elasticity at point B

Make "B" the Midpoint



%Δ Qd=

$$(80-40) \div [(80+40)]/2 =$$

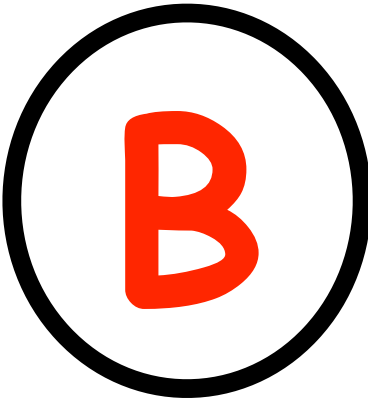
$$40 \div 60 = 0.67$$

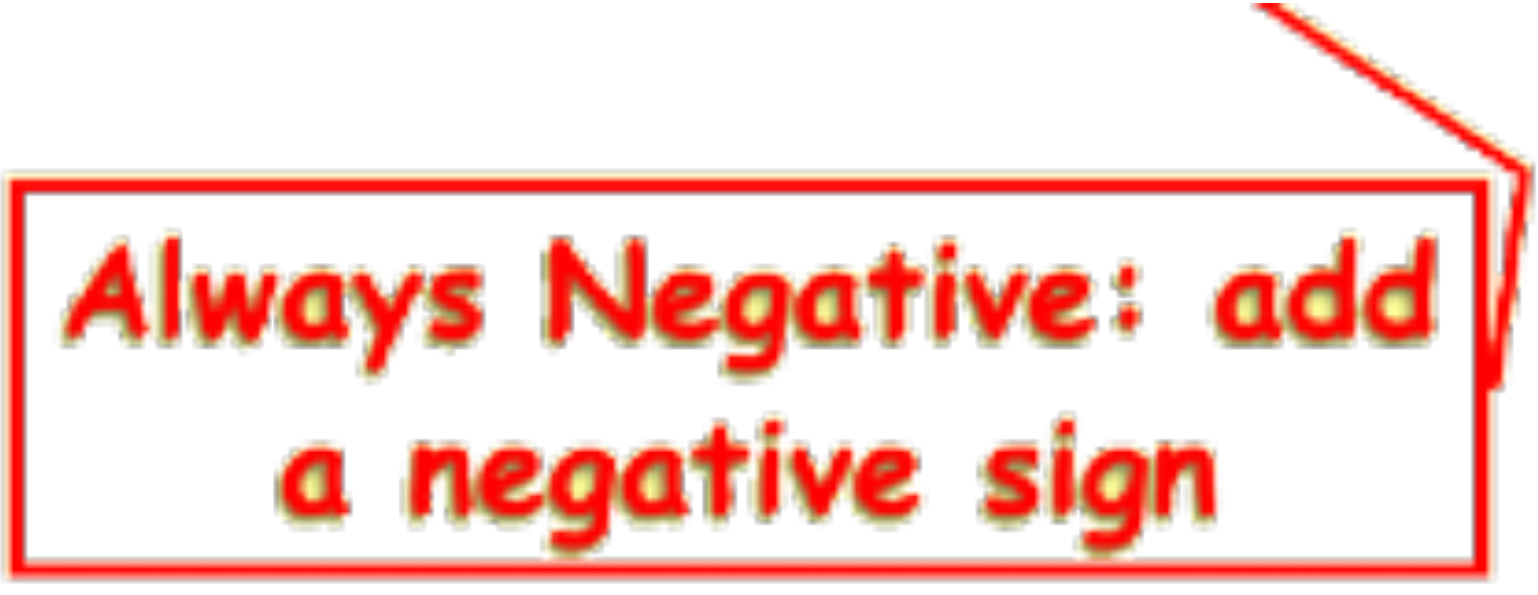
%Δ Price =

$$(30-10) \div [(30+10)]/2$$

$= 20 \div 20 = 1$

Price Elasticity of Demand at point B = 0.67/1 = -0.67


B

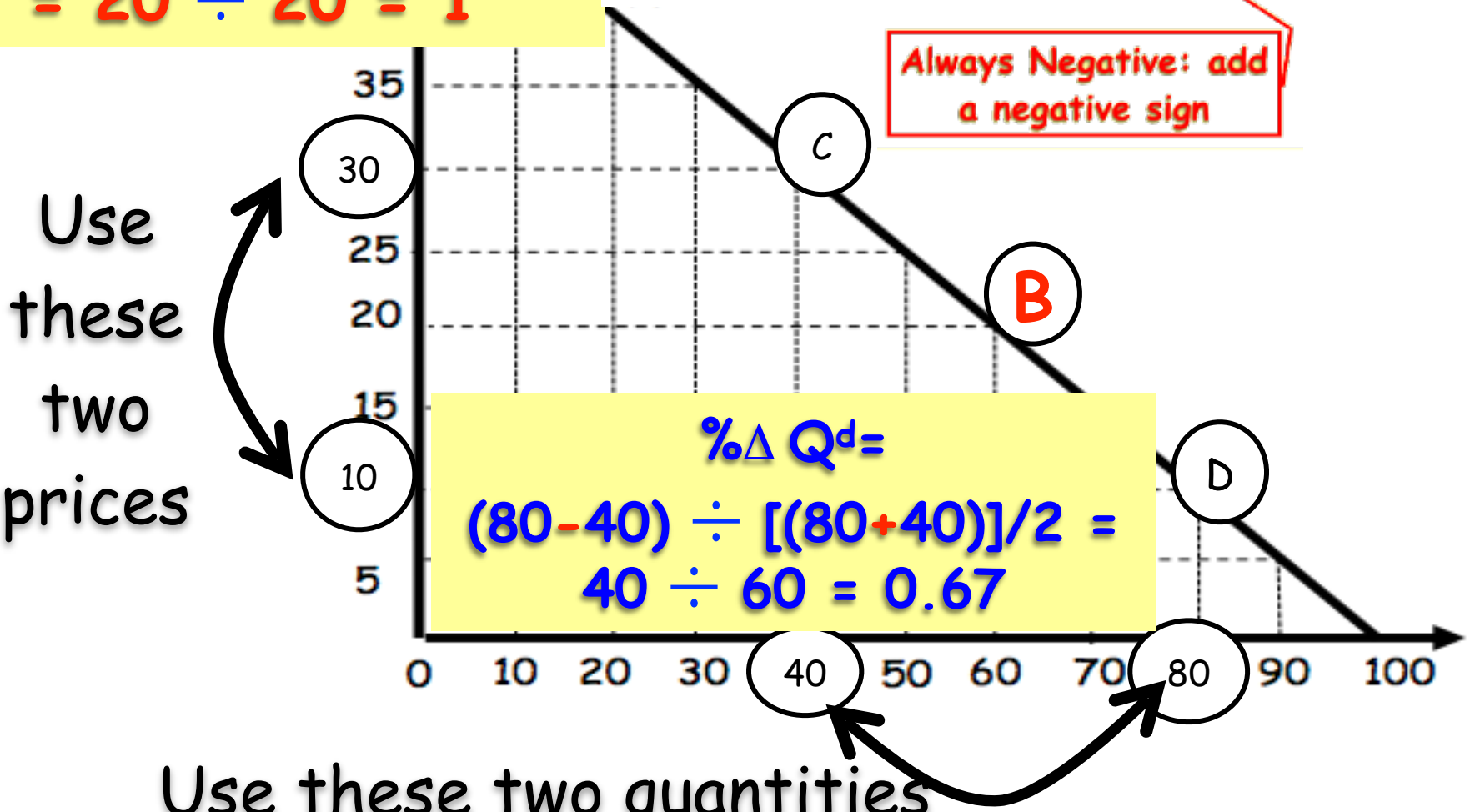

Always Negative: add
a negative sign

Elasticity at point B

%Δ Price =
(30-10) ÷ [(30+10)]/2
= 20 ÷ 20 = 1

Price Elasticity of Demand at point B = 0.67/1
= -0.67

Always Negative: add a negative sign



Elasticity at point B