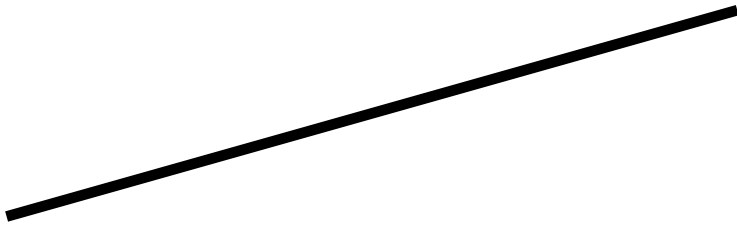
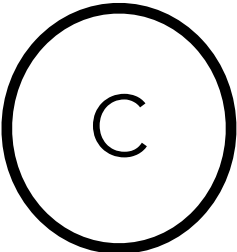


Use
points C
and D









30



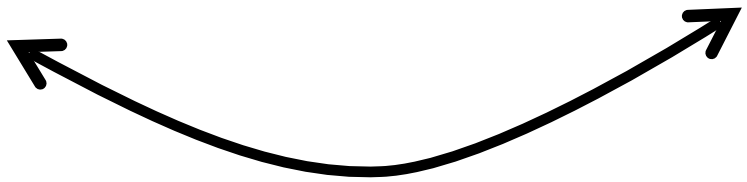
10



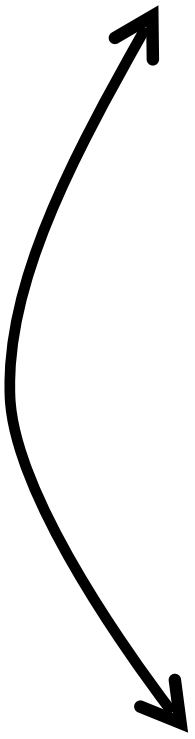
40



80



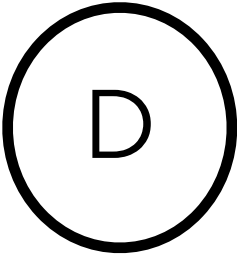
Use these two quantities



Use these two
prices

To calculate the elasticity at one point:

Make "B" the Midpoint by using **any** two points which are the **same distance**
from **B**





%Δ Qd =

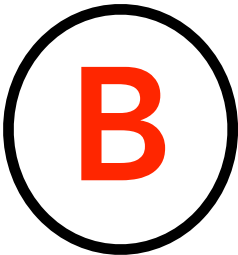
$$(80-40) \div [(80+40)]/2$$
$$= 40 \div 60 = 0.67$$

$\% \Delta \text{Price} =$

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

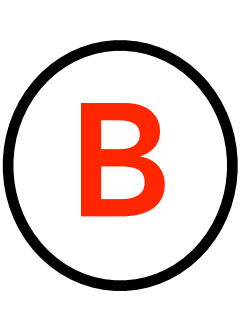
$$= 20 \div 20 = 1$$

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





Always Negative:
add a negative
sign



To calculate the elasticity at one point: **B**

Make "B" the Midpoint by using **any** two points which are the **same distance** from **B**

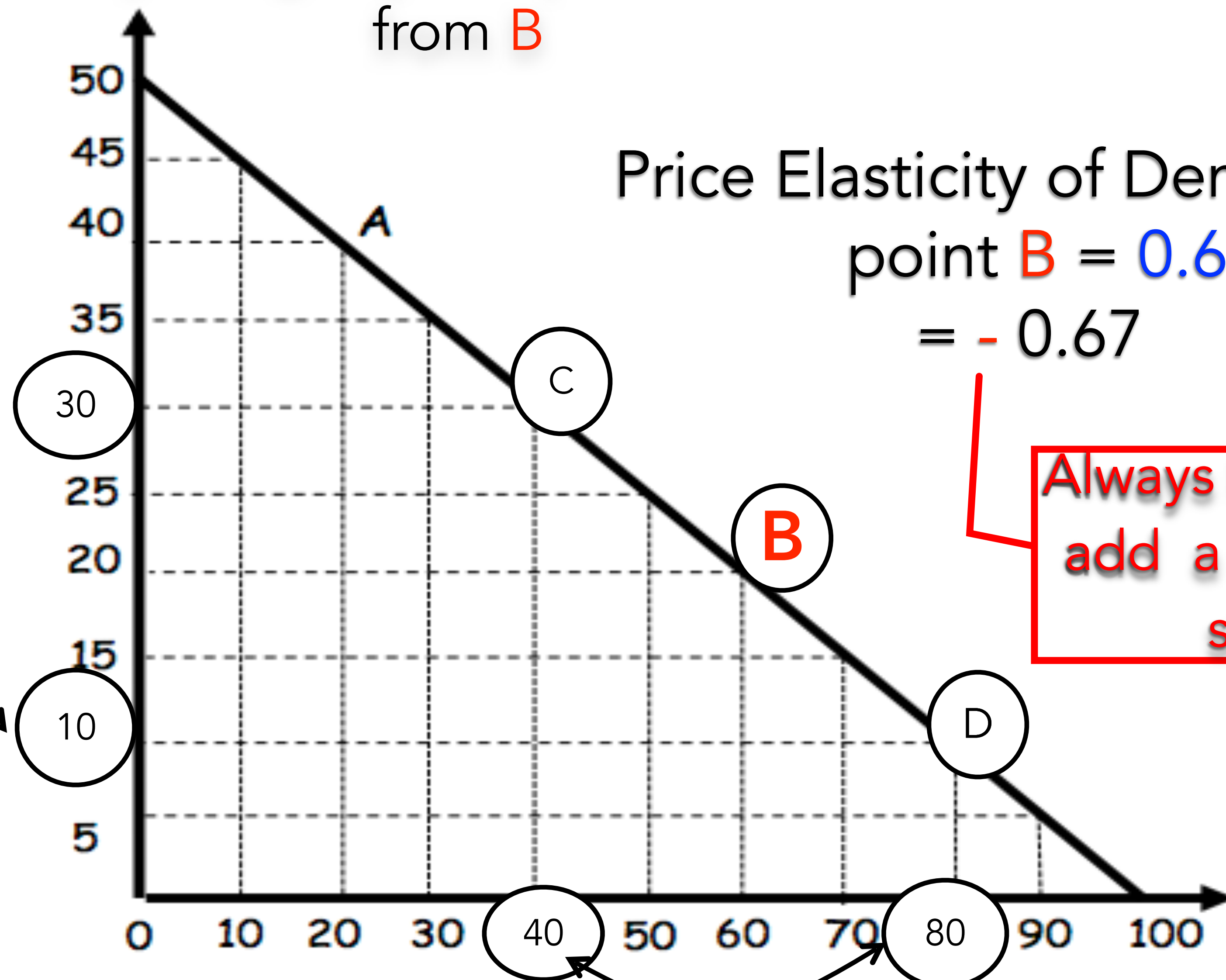
$\% \Delta Q^d =$

$$(80 - 40) \div [(80 + 40)] / 2 \\ = 40 \div 60 = 0.67$$

Use these two
prices

$\% \Delta \text{Price} =$

$$(30 - 10) \div [(30 + 10)] / 2 \\ = 20 \div 20 = 1$$



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

Always Negative:
add a negative
sign

Use these two quantities

To calculate the Elasticity at point B

