



Is the elasticity at **A**

$> 1$ ?

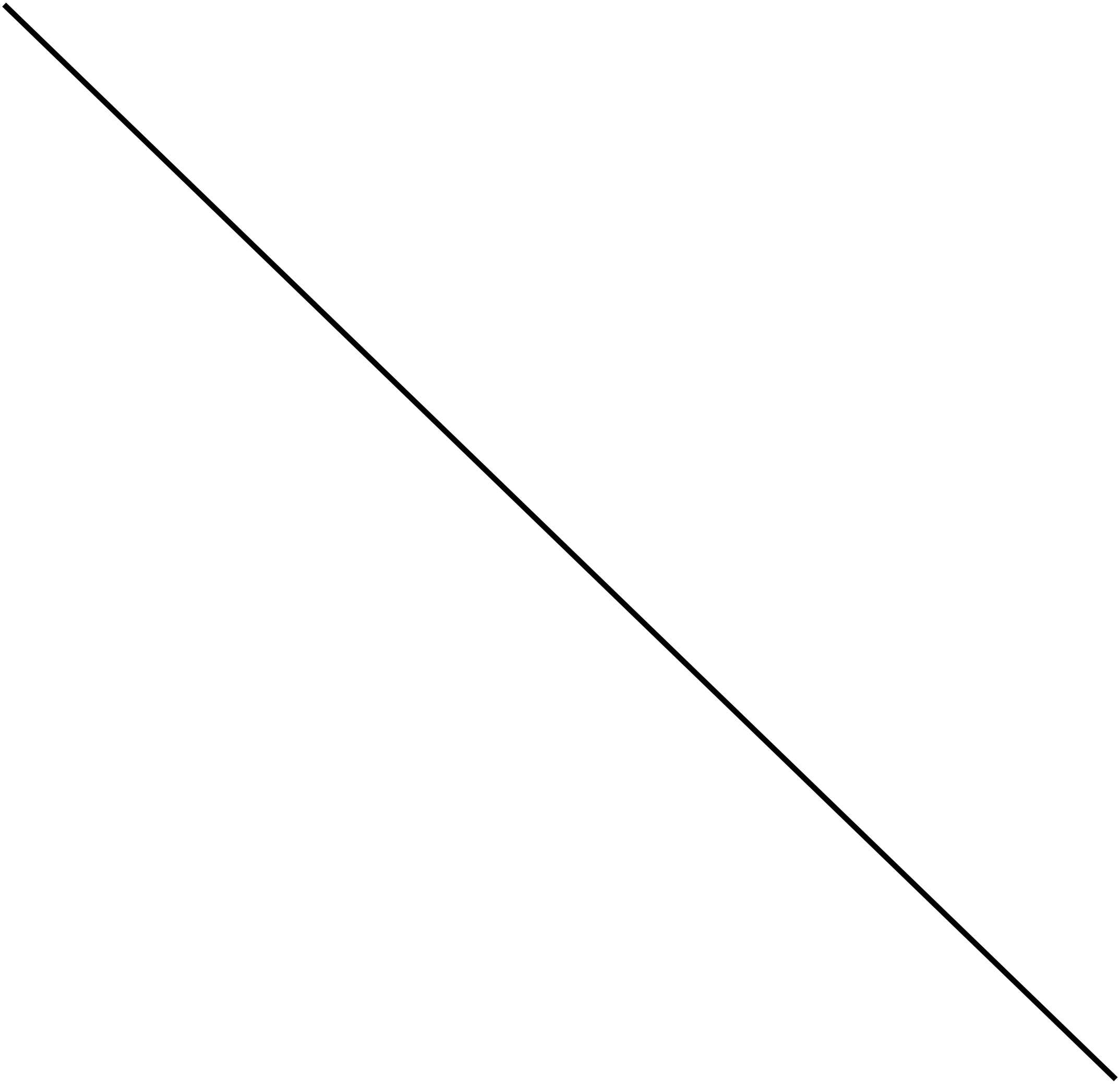
$< 1$ ?

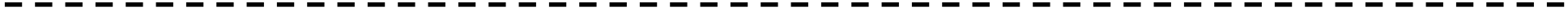
$= 1$ ?











50



4

5

40

3

5















30

2

5

2

0

1

5

10





































10

1

2



1

4

1

6

1

8

20





**B**











Is the elasticity at  $F$

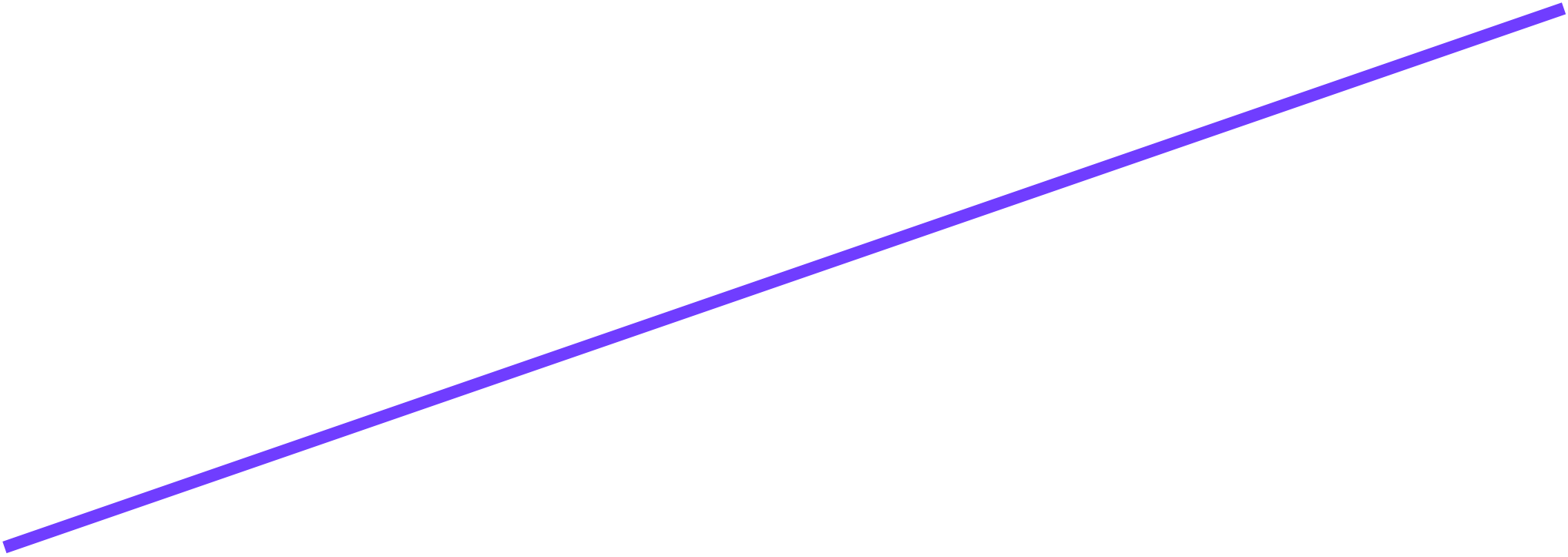
$> 1$ ?

$< 1$ ?

$= 1$ ?

Is the elasticity = 1 at Equilibrium?

Is the elasticity at **A**  
> the elasticity at **B**?  
< the elasticity at **B**?  
= the elasticity at **B**?





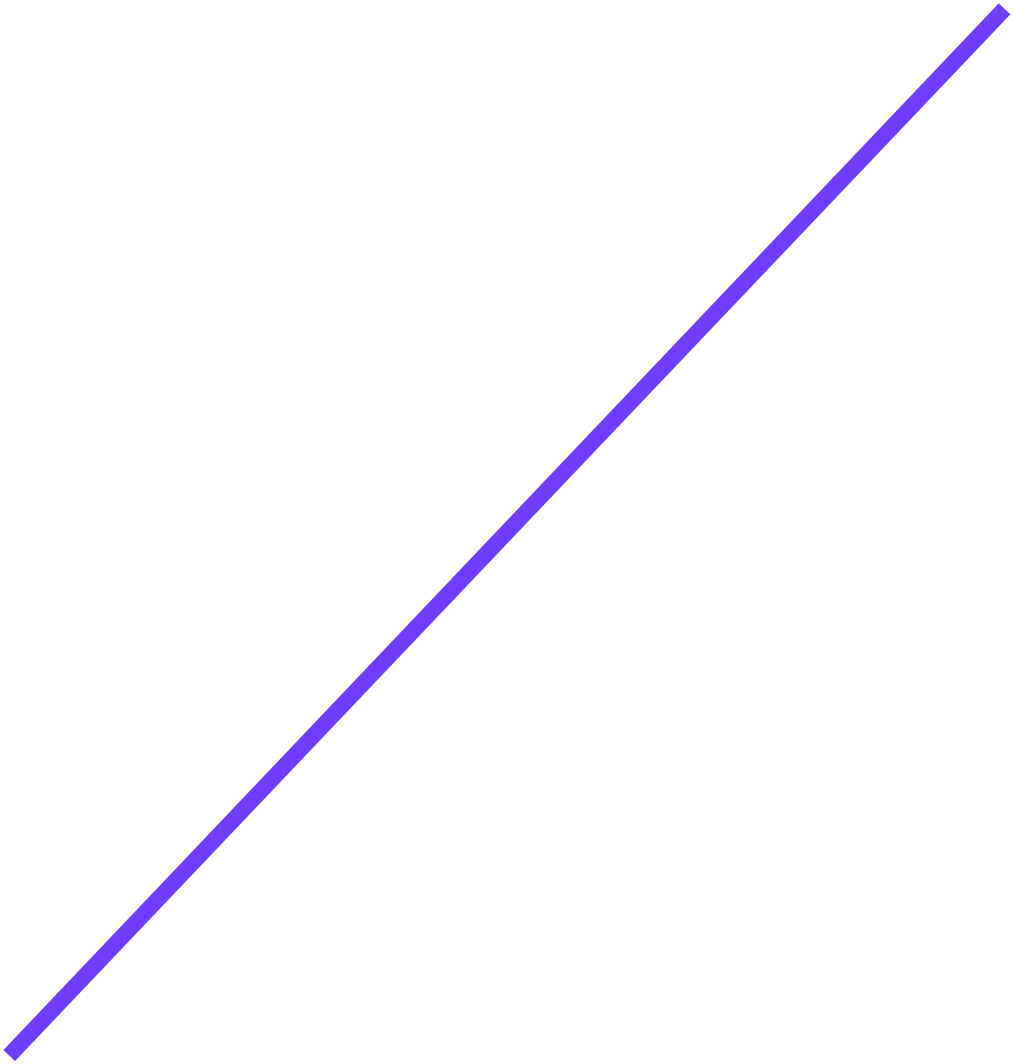


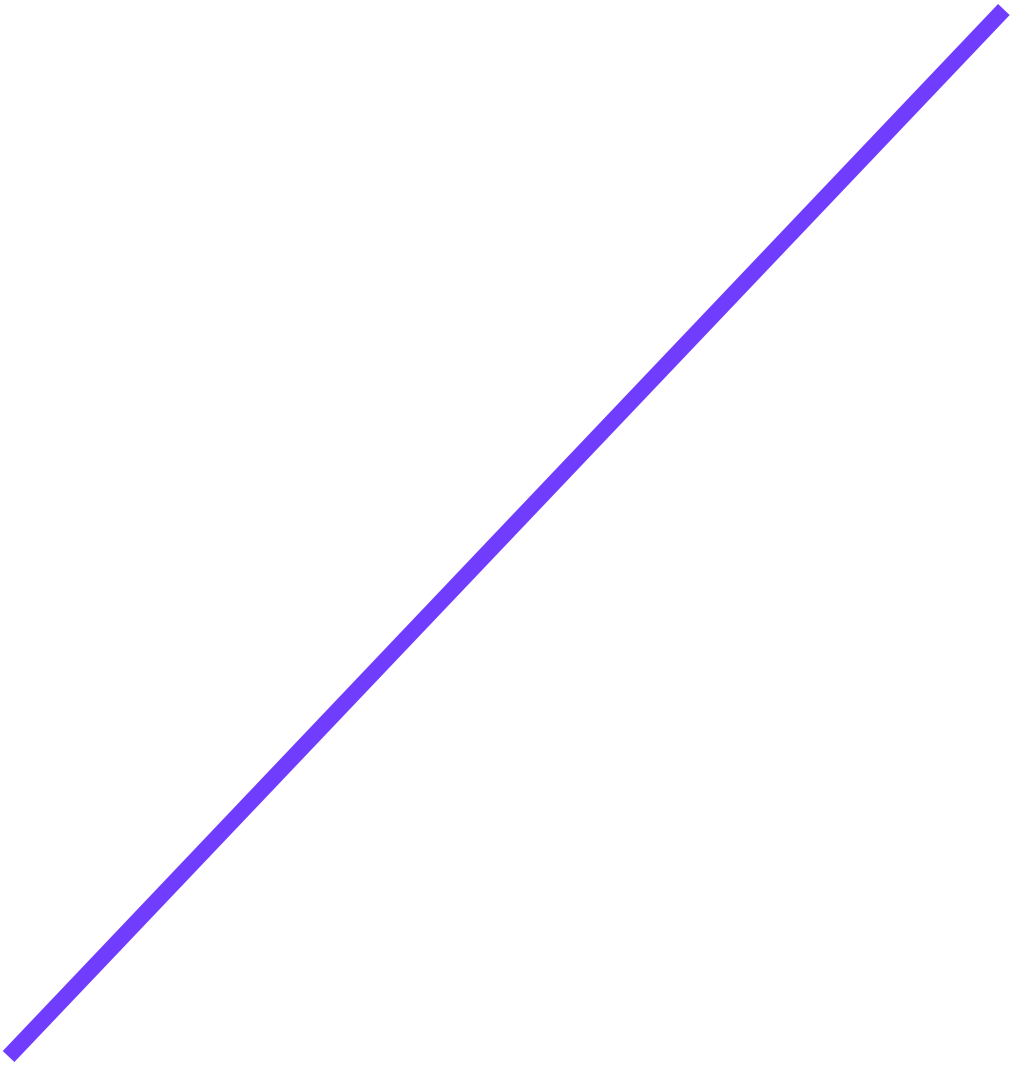


Midpoint?

Equilibrium?















50

25

S

Is the elasticity at  $E = 1$ ?

F (midpoint)



A

C







E





e







S



S

S



e



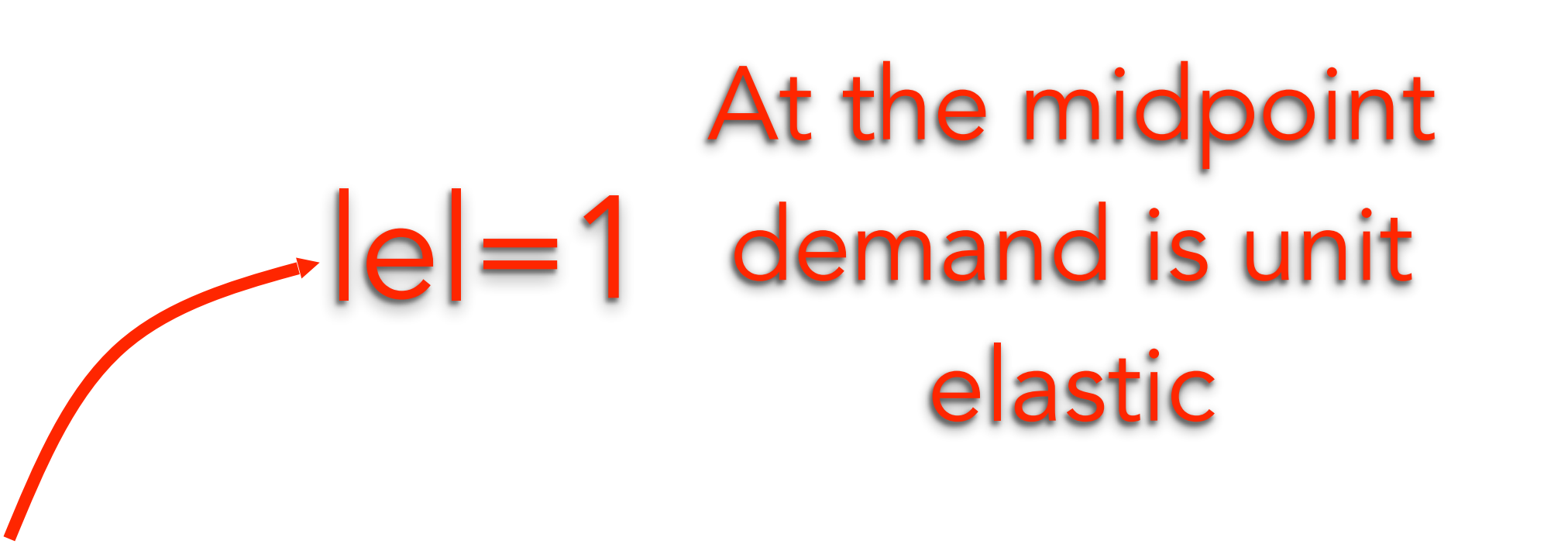




lel < 1



$|e| > 1$



$$|e| = 1$$

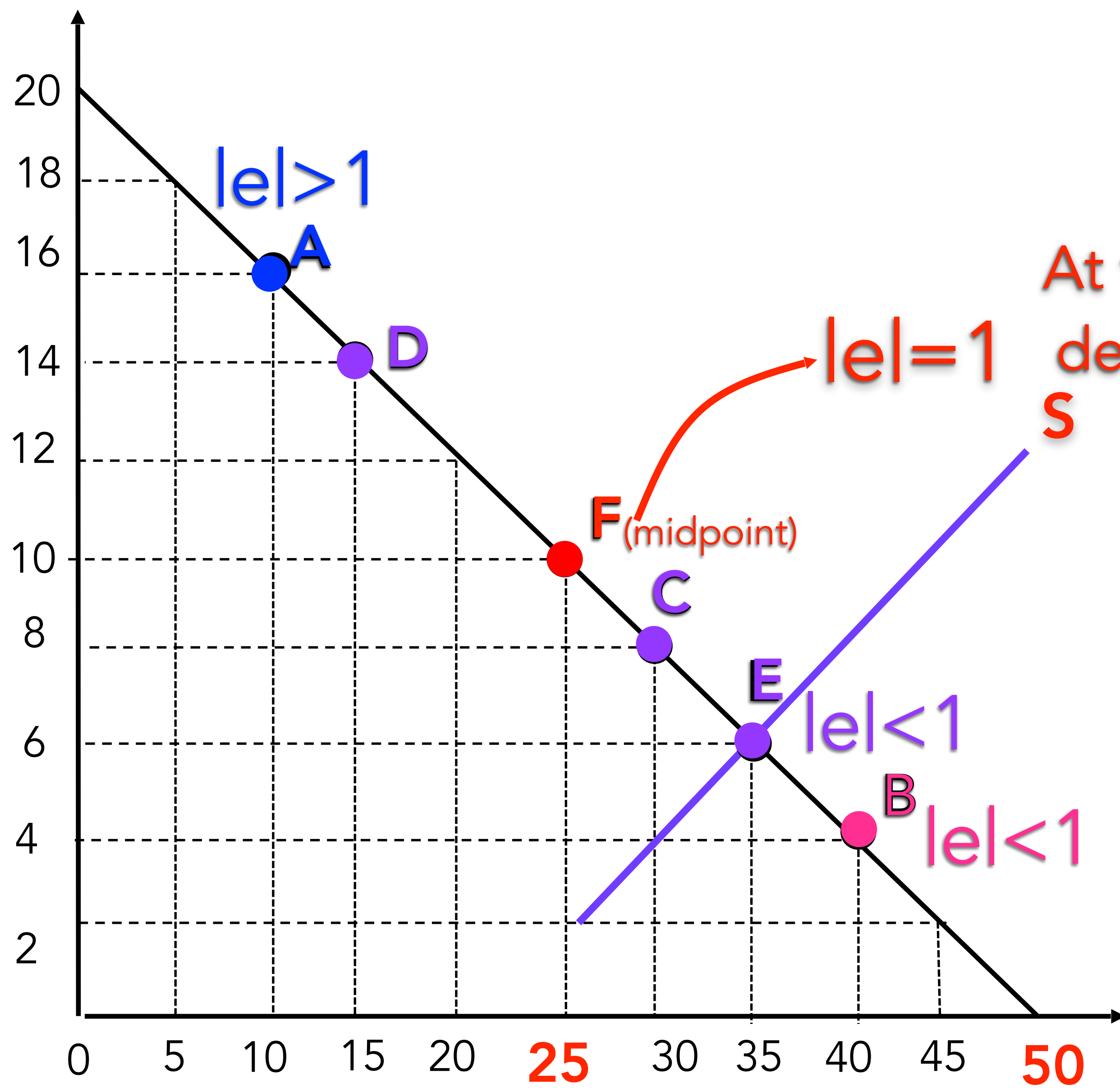
At the midpoint  
demand is unit  
elastic



B

$|e| \leq 1$

$|e| \geq 1$



At the midpoint  
demand is unit  
elastic

Is the elasticity at **F**  
> 1?  
< 1?  
= 1?

Midpoint?

