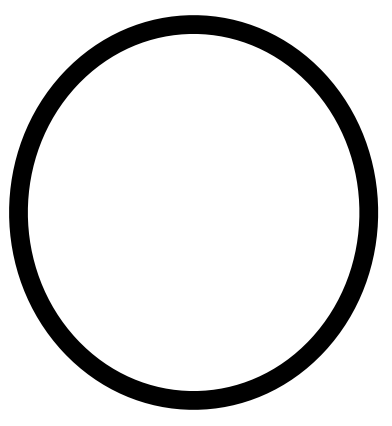
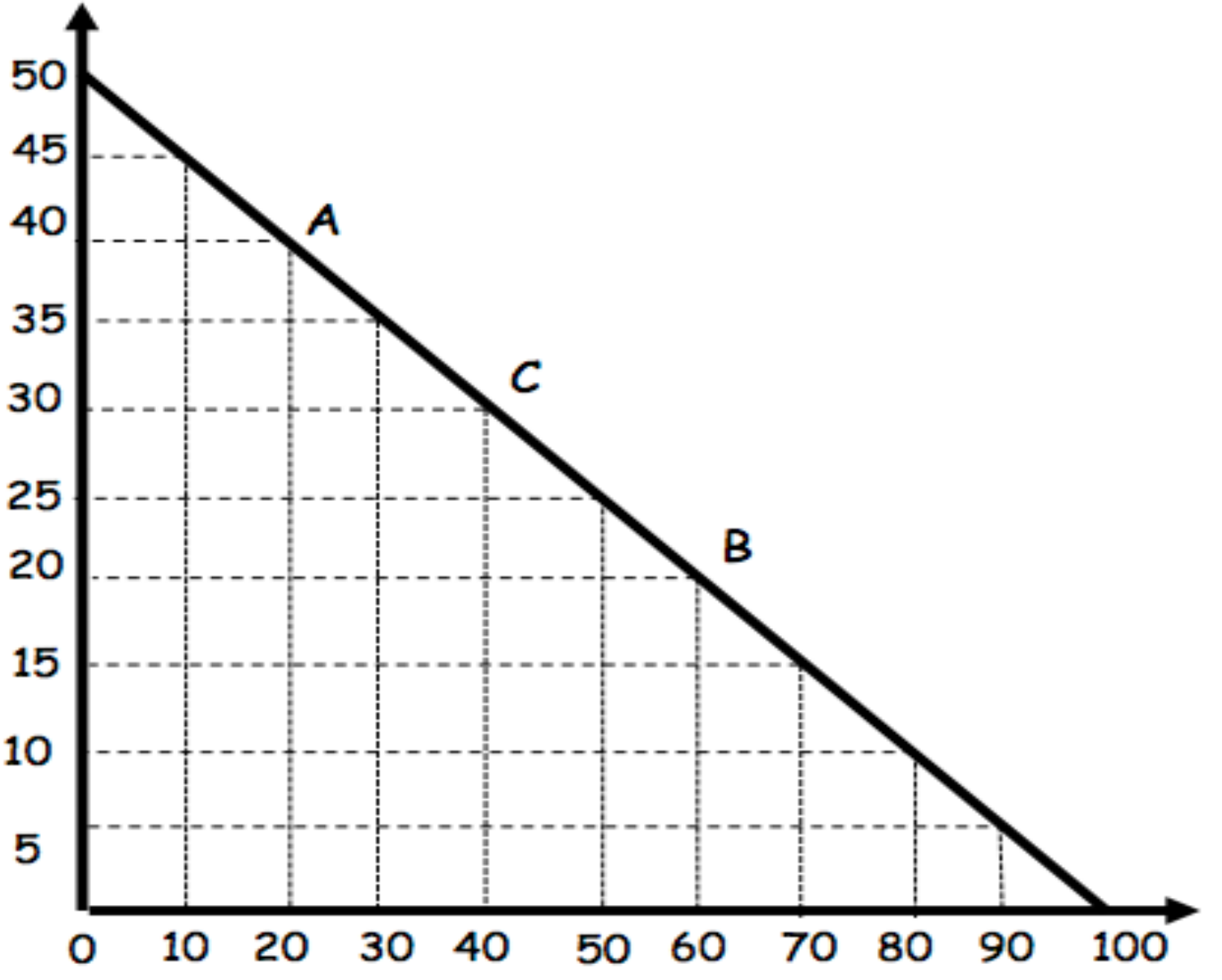
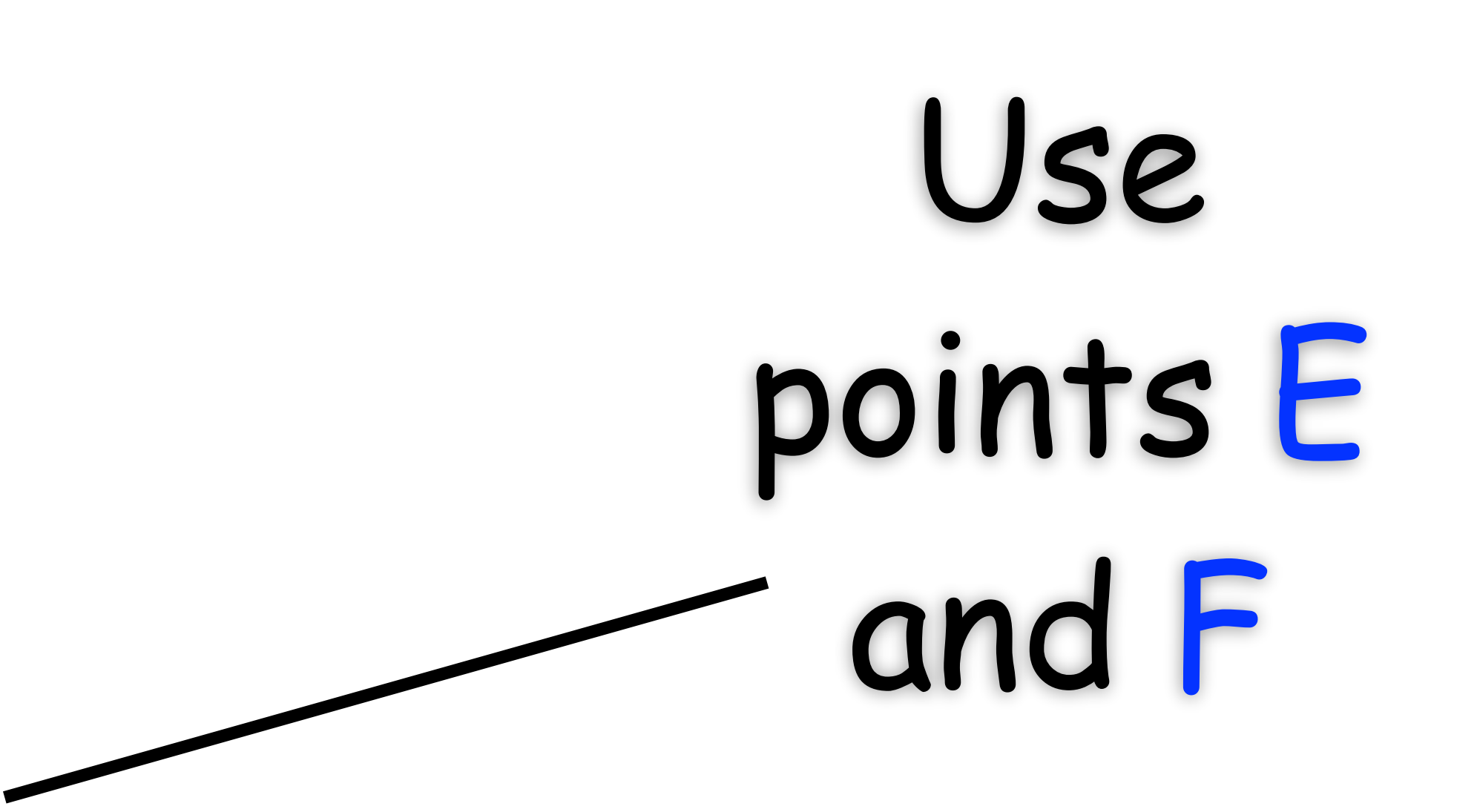
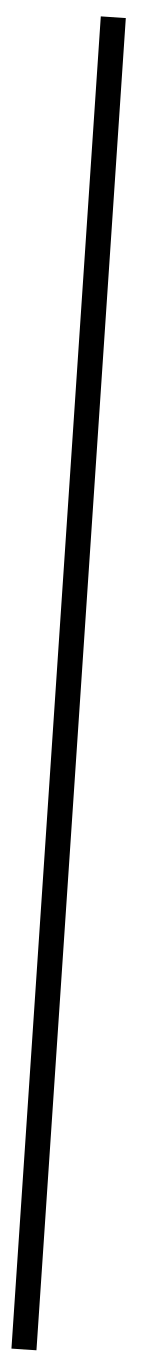
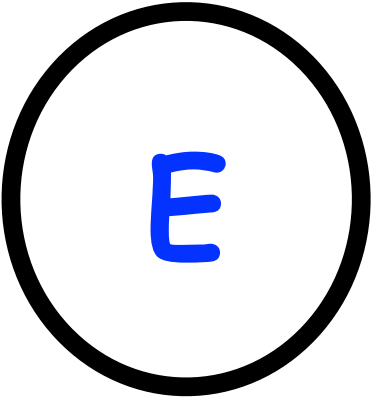
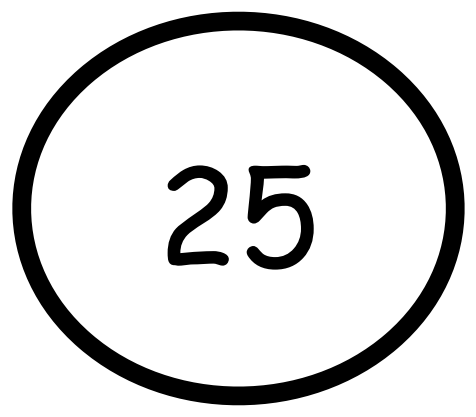



50
45
40
35
30
25
20
15
10
5
A
C
B
0
10
20
30
40
50
60
70
80
90
100


Use
points E
and F




E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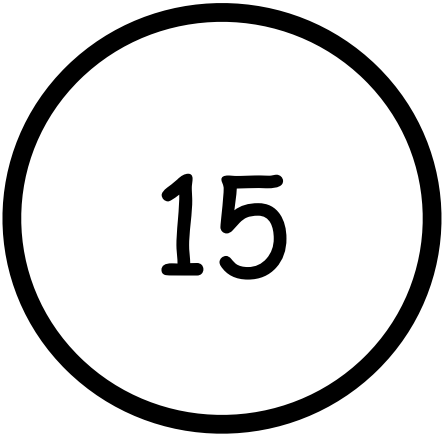
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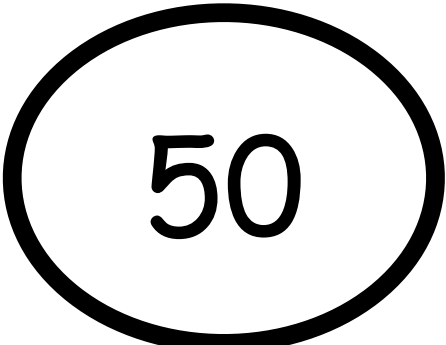
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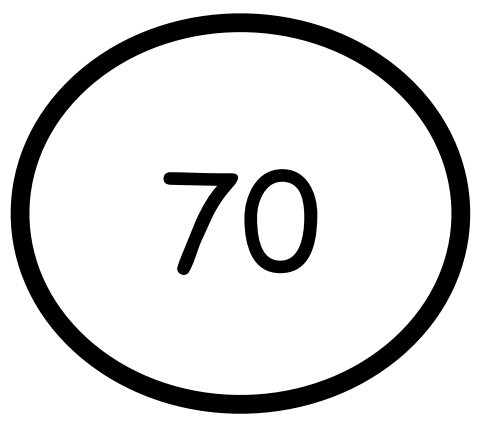
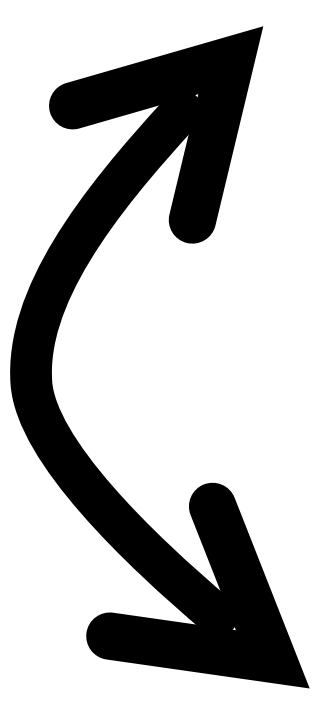

70

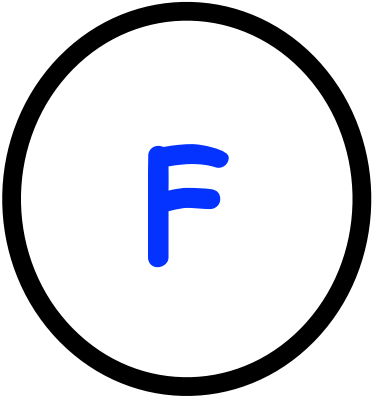
Use these two quantities



Use these two prices

Elasticity at point B

Make "B" the Midpoint


F

%Δ Qd=

$$(70-50) \div [(70+50)]/2 =$$

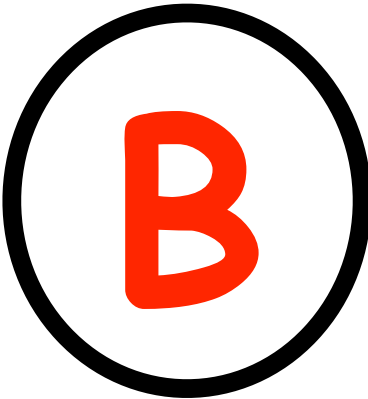
$$20 \div 60 = 0.33$$

%Δ Price =

$$(25-15) \div [(25+15)]/2$$

$= 10 \div 20 = 0.5$

Price Elasticity of Demand at point B = 0.33/0.5 = -0.66


B

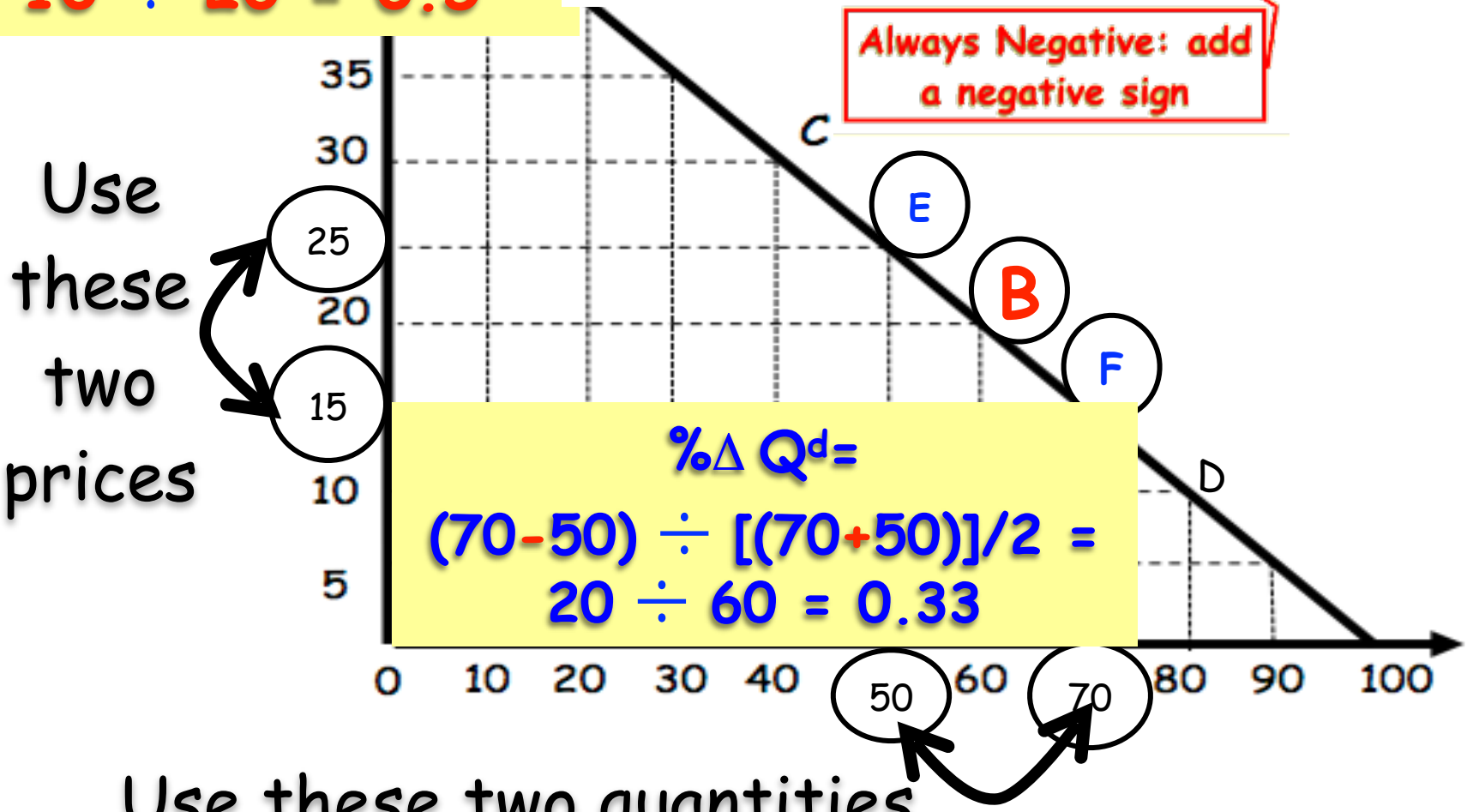
Always Negative: add a negative sign

Elasticity at point B

%Δ Price =
(25-15) ÷ [(25+15)]/2
= 10 ÷ 20 = 0.5

Price Elasticity of Demand at point B = 0.33/0.5
= -0.66

Always Negative: add a negative sign



Elasticity at point B