

Large
change
in
Price



No change
in Q^d

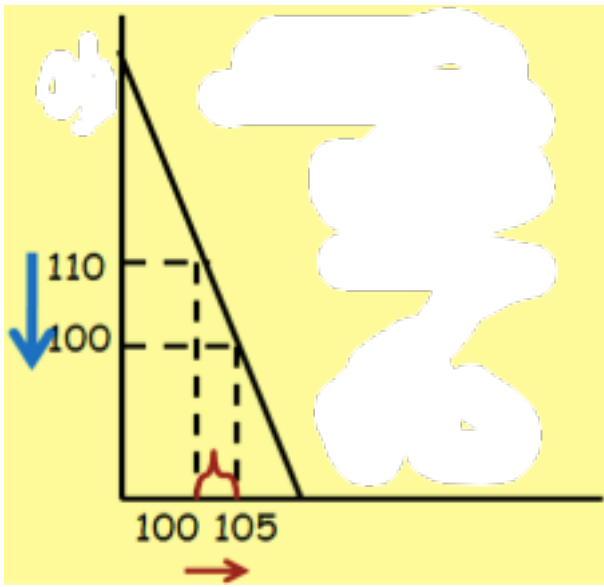
$e_p d < 1$

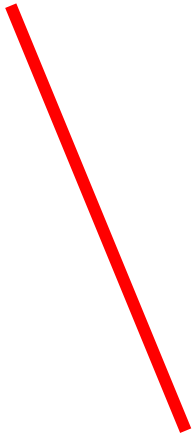
% Change
in
Quantity

% Change in
Price



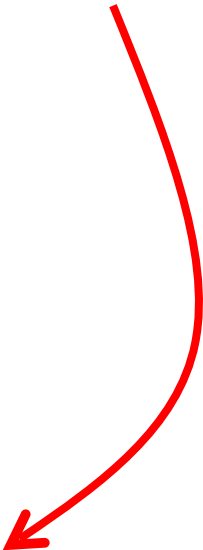






Consumers Under react:

Demand Inelastic



$e_p^d =$

ZERO change in Q

Large change in price





$$e_p^d = \frac{\% \Delta Q^d}{\% \Delta P}$$

Extreme insensitivity to
prices: Perfectly Inelastic
Demand

$e_p d = 0$



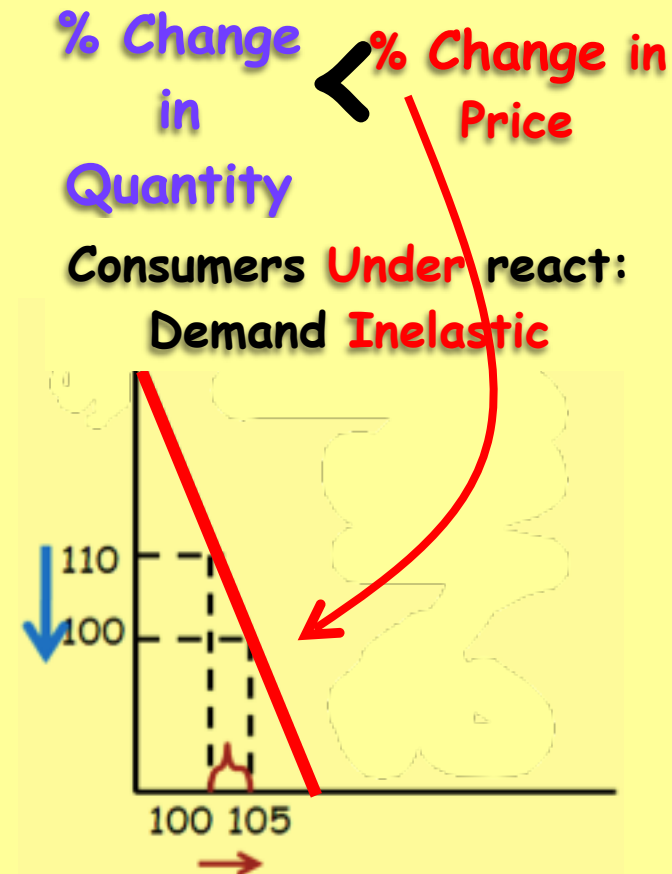
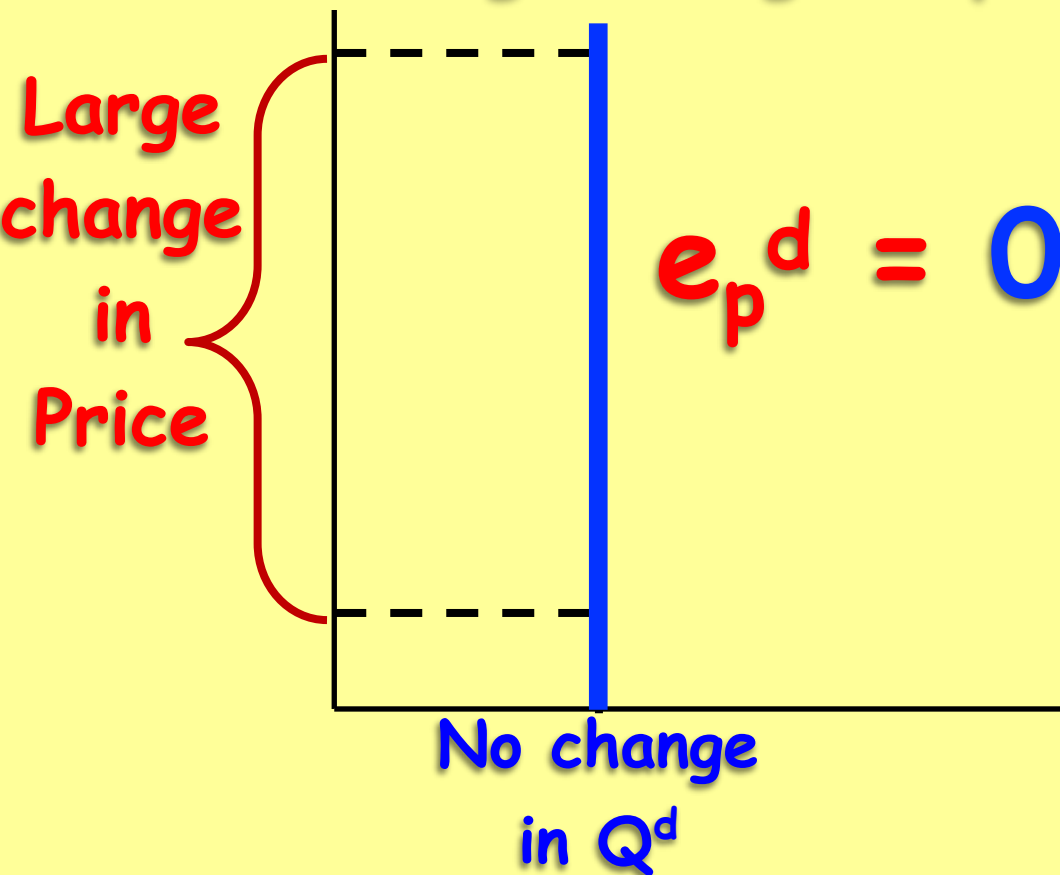
$$e_p^d = \frac{\% \Delta Q^d}{\% \Delta P}$$

Extreme insensitivity to prices: **Perfectly Inelastic**

Demand

$$e_p^d < 1$$

$$e_p^d = \frac{\text{ZERO Change in } Q}{\text{Large change in price}}$$



$$e_p^d = \frac{\% \Delta Q^d}{\% \Delta P}$$

