









It has been observed that a 5% increase in price, caused a 10% reduction in quantity demanded.

## Elasticity of Demand (ignoring the sign) is greater than one: Elastic

$$e_p^d = -10\% / 5\% = -2$$

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

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

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