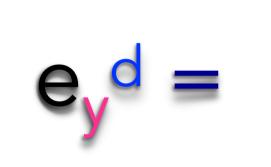
% change in Income

% change in Qd

Size of the change in Qd

Size of the change in Income





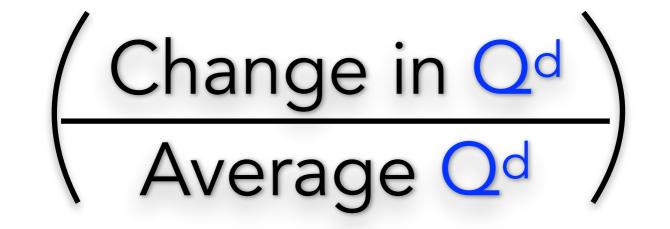
Demand

Formula to calculate the income elasticity of

demand



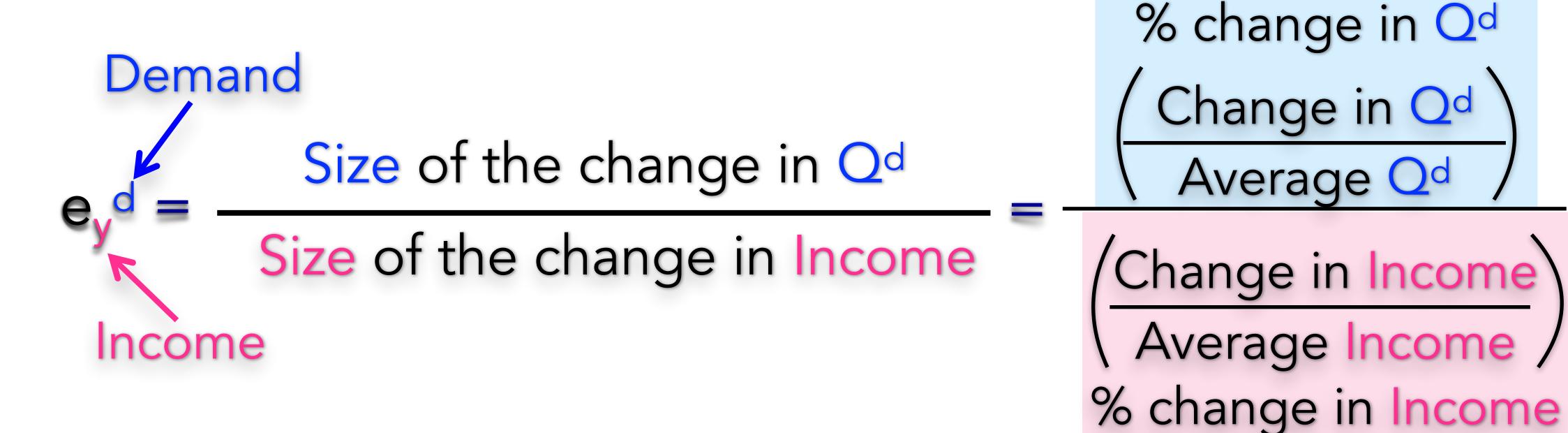






 $e^{d} = \frac{\%\Delta Q^{d}}{}$ %\LambdaIncome

Formula to calculate the income elasticity of demand



$$e_y^d = \frac{\%\Delta Q^d}{\% \text{Income}}$$

Income	Quantity Demanded for Good X
1000	300
2000	400