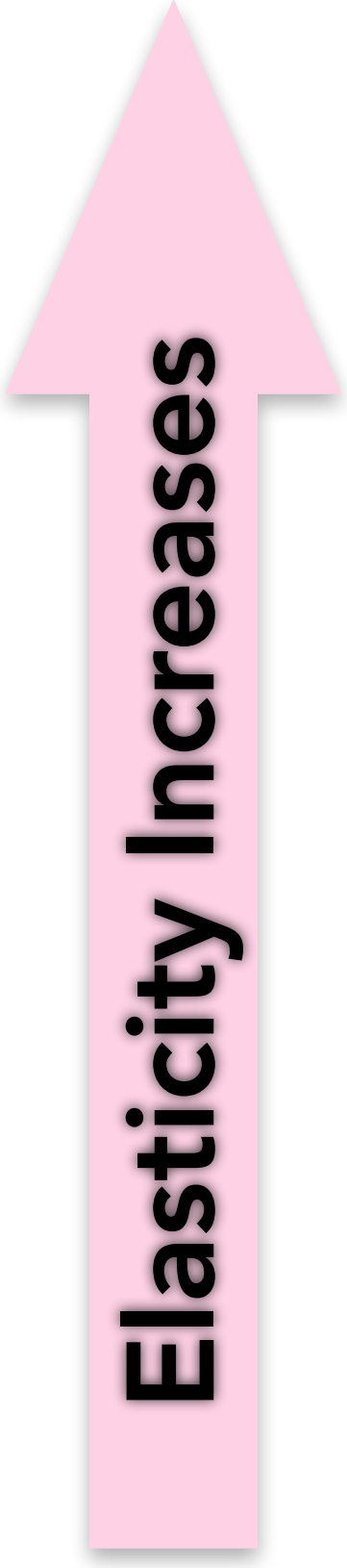


Price	Q demanded	Elasticity
140	0	
130	5	
120	10	
110	15	
100	20	
90	25	
80	30	
70	35	
60	40	
50	45	
40	50	
30	55	
20	60	
10	65	
0	70	



As Price Increases



Elasticity Increases

-13.00

-6.00

-3.67

-2.50

-1.80

-1.33

-1.00

-0.75

-0.56

-0.40

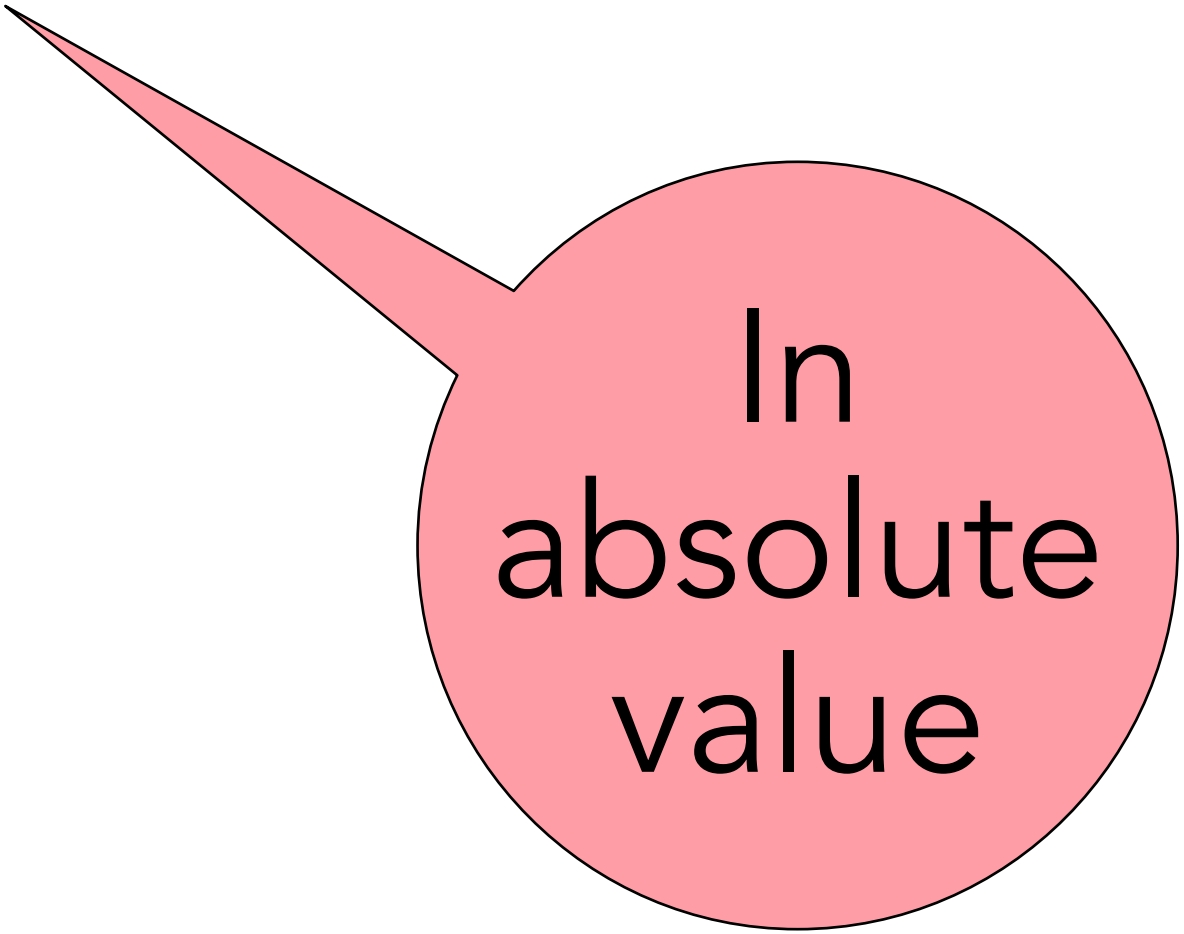
-0.27

-0.17

-0.08



Ignoring
the sign



In
absolute
value

If we calculate the
elasticity at all points
along a demand line:

13.00

6.00

3.67

2.50

1.80

1.33

1.00

0.75

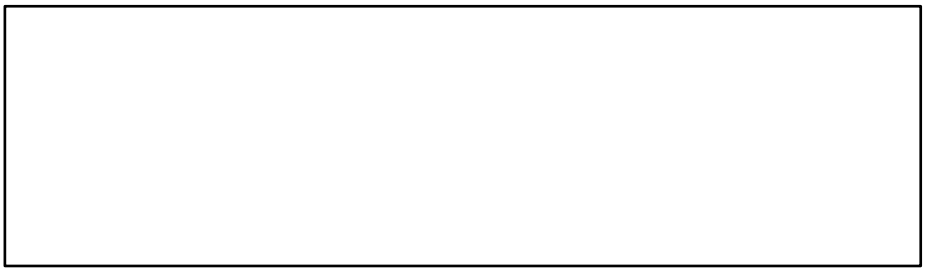
0.56

0.40

0.27

0.17

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lel

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As Price Increases

Elasticity Increases

In absolute value

Ignoring the sign

