**Mid-term ASSIGNMENT**

**Last date of submission: 06 July 2021**

1. What is PPF? Draw a PPF and show the efficient, inefficient and unattainable point.

2. What will be the impact in price of car if price of oil is increased? Explain with diagram

3. Answer the following questions based on the following table. Explain the value of the price elasticity of demand.

|  |  |  |  |
| --- | --- | --- | --- |
| Point | Price | Quantity Demand | Income |
| A | 122 | 250 | 18500 |
| B | 199 | 150 | 11000 |

1. Calculate price elasticity of Demand when price moves from point A to Point B? Interpret the result
2. Calculate price elasticity of Demand when price moves from point B to Point A? Interpret the result
3. Calculate income elasticity of Demand when price moves from point B to Point A? Also explain the value you get.

4. Distinguish between change in quantity demand and change in demand with diagram.

Submit your assignment via following link

<https://aiubedu60714-my.sharepoint.com/:f:/g/personal/nasir_uddin_aiub_edu/EmeQI6ox-KVHmMXPzzQ5Q8UBUT0UfuyiFyHtctqZ6Sth9g>