

- 7 A manufacturer increases the price of a product from \$4 in an attempt to increase total expenditure on the product.

The table shows the outcome of the policy.

price (\$)	total expenditure 000s (\$)
4	400
5	500
6	600

What is the price elasticity of demand for the product?

- A perfectly elastic
- B perfectly inelastic
- C relatively elastic
- D relatively inelastic