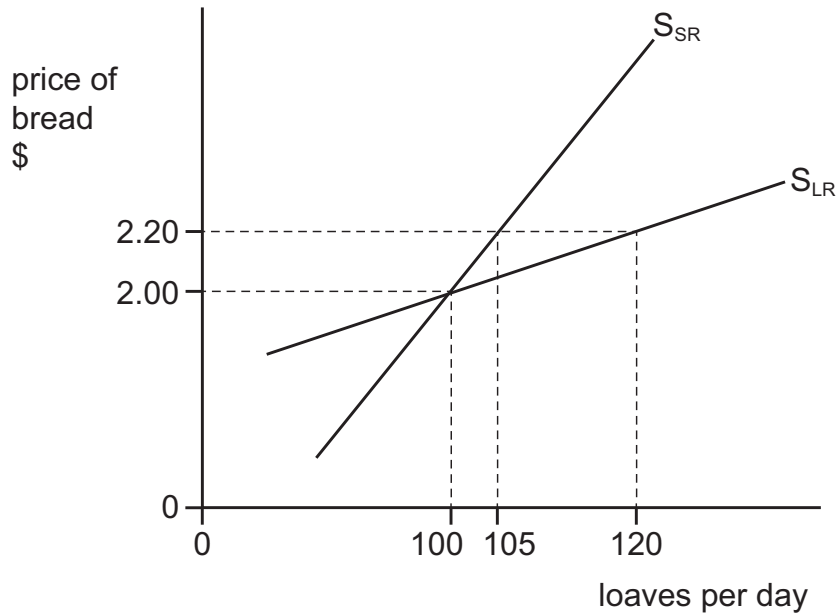


8 The diagram shows the short-run supply curve (S_{SR}) and long-run supply curve (S_{LR}) for a bakery.

The price of a loaf of bread increases from \$2.00 to \$2.20.



What is the bakery's price elasticity of supply (PES) in the short run and in the long run when the price of a loaf of bread increases?

	short run	long run
A	0.5	2.0
B	0.5	1.4
C	2.0	0.7
D	2.0	0.5