

- 11** The demand for electric vehicle batteries is derived from the demand for electric vehicles. To tackle climate change, a government subsidises producers of electric vehicles.

What are the likely effects of this subsidy on the price and sales of electric vehicle batteries?

	price	sales
<b>A</b>	decrease	decrease
<b>B</b>	decrease	increase
<b>C</b>	increase	decrease
<b>D</b>	increase	increase