

QUIZ- ASSESSMENT AS

Sales revenue for goods with elastic demand rises when price falls.

True

False

If a supplier can increase production easily when prices rise, the more elastic the supply is said to be.

True

False

In general, goods classified as inelastic take up a large portion of people's budgets.

True

False

Elasticity of demand measures how sensitive the quantity bought of a good to a change in its price.

True

False

The equilibrium price in a market is the only acceptable compromise between buyers and sellers.

True

False

If the price of good A (a substitute for good B) increases, the demand for good B will decrease.

True

False

Demand for a product depends on its price.

True

False

The quantity supplied of a product will increase or decrease when price changes.

True

False

The quantity demanded of a product will increase or decrease when price changes.

True

False