

## Elasticity Graphing Practice

Directions: Work through this practice and *graph out each scenario necessary and then explain the reason why you know the elasticity*. Make sure you are demonstrating the correct supply or demand curve. Try your best to show elastic and inelastic goods.

1. Graph the demand market for bananas (assuming there are lots of other fruit options.)
2. Your monthly income is \$500 from your part time job. But your favorite soda has gone up \$3 since last week. Graph the demand market for your soda.
3. The Kit-Kat factory can make 1 million Kit-Kats in a day, but has the ability to make 1.5 million. Halloween has increased the demand for this chocolate. Graph the supply elasticity of the Kit-Kat market.
4. The price of diamonds has gone up from \$500/carats to \$1500/carats. Graph the demand elasticity for the diamond market.
5. Mo's factory is designed to supply both index cards and business cards, however Mo is only producing business cards at the moment. Graph the supply elasticity of the index cards market.
6. Your uncle wants to quit smoking. Graph his demand elasticity for cigarettes in the short run **and** the long run. 2 graphs. Do it. Give the reasons why for both long and short run.
7. Grandma Betty's refrigerator just died! Good thing, it was 25 years old. Graph the demand elasticity for the refrigerator market.
8. The price of potatoes has gone up since the winter season is rolling around. Graph the farmer's supply in the short-run.
9. Jimmy Joe's sandwich shop has had the highest consumer satisfaction rating for 4+ years. All other sandwich shops are decreasing in sales since everyone loves Jimmy Joe's. Jimmy Joe's increased their prices by \$2 last week. Graph the demand elasticity for the Jimmy Joe's sandwich market.
10. Plastic is produced in high quantities. Graph the supply elasticity for plastic pens.
11. Nuclear power engineers go to school for 8 long years, but are highly skilled once they reach the workplace. Graph the supply elasticity for nuclear power in the short-run.
12. Your mom's favorite child broke the dishwasher beyond repair - the thing was only five years old. Graph the demand elasticity for a new dishwasher.
13. The price of gas has increased by \$2 since last month. Graph the demand elasticity in the short-run and the long-run. Give the reasons why for both long and short run.
14. Graph the demand market for salt as a seasoning.
15. Your mom, the master chef, just got a sizable raise. Graph her demand elasticity for homemade soup.