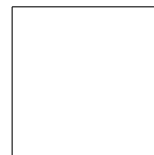


MATH 104 Quiz 9a PRINT NAME _____



April 7, 2006

SIGNATURE _____

(5 pts) 1. Assume that for some commodity, the price elasticity of demand is given by the formula $E = E(p) = \frac{5p}{144-4p}$ for $0 < p < \$36.00$. Find the price p for which the revenue is a maximum.

(10 pts) 2. Suppose the demand equation for a commodity is $q = 350 - p^2$ dollars.

a) Find the elasticity of demand $E = -\frac{p}{q} \cdot \frac{dq}{dp}$.

b) Is the demand elastic or inelastic when $p = 10$? Explain why?