

**KING SAUD UNIVERSITY**

**COLLEGE OF BUSINESS ADMINISTRATION**

**MUZAHIMIYAH BRANCH- KSA**

**Home Assignment (ECON- 101) - 1**

**Student Name:** ……...………………………………………………………………

**Student ID**……………………………… **Seq. No:** …………

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**Instructions:** All questions are compulsory.

 Solve the problems in a separate paper attaching this question paper.

1. Calculate price elasticity of demand from A to B, from B to A and at midway between points A and B from the following table:

|  |  |  |
| --- | --- | --- |
| Point | Px (in SR) | Qx (in Kg.) |
| A | 100 | 20 |
| B | 75 | 35 |

1. Define- price elasticity, income elasticity and cross elasticity of demand with formula.
2. What is law of supply? Explain it with suitable example.
3. Define- Substitute goods, Complementary goods, Giffen goods, Normal goods and Inferior goods.
4. Distinguish between microeconomics and macroeconomics.