

24. Correct. The answer is true. Let the demand equation be $Q = a + bP + cY$. We know that $E_p = b(P/Q)$, $b = E_p * P/Q = -0.6 * 38/750 = -0.03$. Similarly $c = E_y(Q/Y) = 0.5 * 38/8 = 2.375$. $a = Q - bP - cY = 38 - (-0.03)750 - 2.375 * 8 = 41.8$.