

Directions:

1. Copy the following schedule and identify the amount of surplus or (shortage) at each price in the column provided. (See p. 149)

Price	Quantity of Peaches demanded:	Quantity of Peaches supplied:	Surplus or (Shortage)
\$4.00	2 bushels	10 bushels	
\$3.50	4 bushels	8 bushels	
\$3.00	6 bushels	6 bushels	
\$2.50	8 bushels	4 bushels	
\$2.00	10 bushels	2 bushels	

2. Plot the information on a graph.
3. Identify the equilibrium price & quantity.
4. Identify the surplus & shortage areas. (See p. 150)
5. Provide all the necessary label and titles.
6. What will occur at a price of \$2.50? Identify the amount.
7. What will occur at a price of \$3.50? Identify the amount.