

Demand and Supply Group Fact Sheet

Group Number _____ Hour _____

Group Members: _____

DEMAND

Only a change in PRICE causes a *change in quantity demanded* which is shown as movement ALONG the demand curve.

Changes in the six determinants of demand cause the demand curve to SHIFT, representing a change in demand.

A *shift* to the RIGHT represents an *increase* in demand.

A *shift* to the LEFT represents a *decrease* in demand.

List the six determinants of demand. (pages 99-101)

1. CONSUMER INCOME
2. CONSUMER TASTES
3. SUBSTITUTES
4. COMPLEMENTS
5. EXPECTATIONS
6. NUMBER OF CUSTOMERS

SUPPLY

Only a change in PRICE causes a *change in quantity supplied*. This is shown as MOVEMENT along the supply curve.

Seven factors cause a change in supply which causes the supply curve to SHIFT to the right or left.

A *shift* to the RIGHT represents an *increase* in supply.

A *shift* to the LEFT represents a *decrease* in supply.

List the seven factors that cause a change in supply. (pages 120-123)

1. COST OF RESOURCES
2. PRODUCTIVITY
3. TECHNOLOGY
4. TAXES AND SUBSIDIES
5. EXPECTATIONS
6. GOVERNMENT REGULATIONS
7. NUMBER OF SELLERS

Combining Demand and Supply.

Label the following parts of this economic model:

- A. Price
- B. Quantity
- C. Demand Curve
- D. Supply Curve
- E. Shortage
- F. Surplus
- G. Market Equilibrium

Write the name of the parts listed above on the dashed lines.

