RM 3-7-4: Understanding Demand and Supply

1. The demand schedules for hot dogs for three individuals are shown below. Draw the market demand schedule for them:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Price** | **Individual Quantity Demanded** | | | **Total Quantity**  **Demanded** |
| ***Bob*** | ***Lisa*** | ***Martin*** |
| $2.00 | 2 | 1 | 3 |  |
| $1.75 | 3 | 2 | 4 |  |
| $1.50 | 4 | 3 | 5 |  |
| $1.25 | 5 | 4 | 6 |  |

1. The supply schedule for hot dogs for three sellers are shown below. Draw up the market supply schedule for them:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Price** | **Individual Quantity Supplied** | | | **Total Quantity Supplied** |
| ***Joe’s Dogs*** | ***Speedy***  ***Dogs*** | ***Top Dogs*** |
| $2.00 | 300 | 250 | 200 |  |
| $1.75 | 275 | 225 | 175 |  |
| $1.50 | 250 | 200 | 150 |  |
| $1.25 | 200 | 175 | 125 |  |

1. The following is the demand and supply for pizza by the slice sold by the school cafeteria. Fill in the last column. What price will students actually pay?

|  |  |  |  |
| --- | --- | --- | --- |
| **Quantity Demanded** | **Price per Slice** | **Quantity Supplied** | **Surplus/Shortage?** |
| 320 | $0.50 | 160 |  |
| 260 | $0.75 | 200 |  |
| 240 | $1.00 | 240 |  |
| 200 | $1.25 | 260 |  |
| 160 | $1.50 | 320 |  |