

Name:

Date:

Supply and Demand

Directions: Read Prices! Prices! Prices! Why They Go Up and Down, by David A. Adler

1-9: Match each word in the word bank with its definition below.

profit

revenue

marketplace

supply

variable cost

price

fixed cost

demand

shortage

1. Money spent no matter how many of an item are made

2. Money received from selling goods and services

3. Money received from the sale of items that is more than the cost of producing and selling that item

4. Places where goods and services are offered for sale

5. Amount of money needed to purchase an item

6. Quantity of something that is available for sale

7. Quantity of an item people are able (and willing) to buy

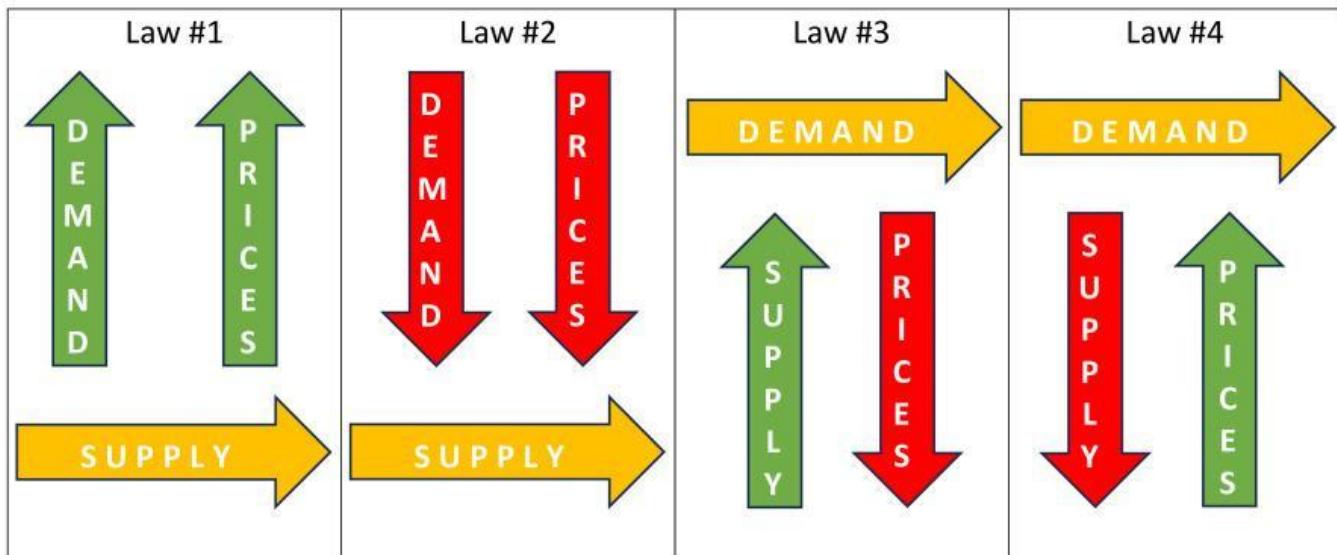
8. Having less of an item than people want

9. Money spent to make and sell an item based on the number of items made

Laws of Supply and Demand

Directions: 10-13: Show what happens to the price in each law of supply and demand.

Use the law illustrations to help you.



go up

go up

go down

go down

stay the same

stay the same

go up

go up

go down

go down

stay the same

stay the same

10. When Demand goes up, and Supply stays the same, Prices _____.

11. When Demand goes down, and Supply stays the same, Prices _____.

12. When Demand stays the same, and Supply goes up, Prices _____.

13. When Demand stays the same, and Supply goes down, Prices _____.