

Supply and Demand

Matching:

Substitution Effect

Quantity Supplied

Income Effect

Demand

Law of Supply

Demand Curve

Supply

1. _____ - the desire that consumers have for a good or service and the prices they are willing to pay
2. _____ - takes place when a consumer reacts to a rise in the price of something by consuming less of that thing and more of a similar alternative
3. _____ - when consumers buy less of something without increasing their purchase of other things
4. _____ - the total amount of a good or service available for consumption
5. _____ - a graphical representation of a demand schedule
6. _____ - producers offer more of a good or service as its price increases and less as its price falls
7. _____ - how much of a good or service a producer is willing and able to sell at a specific price

Matching

Demand Schedule

A. a graphical representation of a supply schedule

Supply Schedule

B. point of balance between quantity demanded and quantity supplied

Supply and Demand

C. a table that lists the quantity of something that a person will buy at various prices in a market

Equilibrium

D. states that when stuff is cheaper, consumers will buy more of it; when stuff is more expensive, consumers will buy less of it

Supply Curve

E. shows the relationship between price and quantity supplied for a specific good or service; how much the supplier will offer at various prices

Law of Demand

F. the amount of stuff that exists and how much consumers are willing to pay for it