

Change in Supply or Demand Activity Sheet

Directions: Use a market graph (supply and demand graph) to show what happens to price, quantity, supply, and demand after the given event takes place. List the determinant that changes either supply or demand.

Example: A herd of wild goats eats through half of this year's peanut crop. What happens to the market for peanut butter?

Determinant (Det):

Supply (S):

Demand (D):

Price (P):

Quantity (Q):

1. The price of paper increases. What will happen to the supply of books? $S \downarrow P \uparrow Q \downarrow$ input
2. The government issues a new tax on all vehicles that get less than 20 miles per gallon of gas. What will happen to the supply of SUVs? $S \downarrow P \uparrow Q \downarrow$ Gov. Reg.
3. Mr. Burgess hits the big time as a back-up dancer for Beyoncé'. What will happen to Mr. Burgess' demand for macaroni and cheese? $D \downarrow P \downarrow Q \downarrow$ income, inferior
4. The Gap announces a sale on denim jeans. What will happen to the demand for Gap denim jeans? Δ in Q_D only
5. The price of pulled pork rises. What happens to the supply of pork rinds? $S \downarrow P \uparrow Q \downarrow$
6. The price of peanut butter goes up. What will happen to the supply of jelly? $D \downarrow P \downarrow \rightarrow Q \downarrow$ comp. \rightarrow inputs relate
7. Mrs. Powell's new song "Teachin' Economics LIKE A BOSS" reaches number one on the Hip Hop Charts. What will happen to her demand for new rims on her car? $D \uparrow P \uparrow Q \uparrow$ income normal
8. The federal government eliminates the payroll tax employers pay for hiring workers. What happens to the supply of jobs? $S \uparrow P \downarrow Q \uparrow$ Gov reg.; inputs; taxes
9. Minute Maid invents a new orange peeler. What will happen to the supply for orange juice? $S \uparrow P \downarrow \rightarrow Q \uparrow$ tech \rightarrow
10. The price of sports cars begins to fall. What happens to the supply of sedans? $S \downarrow P \uparrow Q \downarrow$ relate goods
11. LeBron James signs a contract to play basketball for the Orlando Magic. What will happen to the demand for Magic tickets? $D \uparrow P \uparrow Q \uparrow$ tastes
12. The price of Spaghetti O's decreases. What will happen to the demand for can openers? $D \uparrow P \uparrow Q \uparrow$ comp
13. Ms. Pickens shaves her head bald. What will happen to her demand for scrunchies? $D \downarrow P \downarrow Q \downarrow$ con
14. CNN says that there will be flooding in the lakes of Central Florida. What will happen to the current supply of sand bags? $S \downarrow P \uparrow Q \downarrow$ Expectations
15. The price of tobacco decreases. What will happen to the supply of cigarettes? $S \uparrow P \downarrow Q \uparrow$ relate goods
16. Costco announces an upcoming sale on HDTVs. What will happen to the current demand for HDTVs at Costco? $D \downarrow P \downarrow Q \downarrow$ expectations