

Name: _____

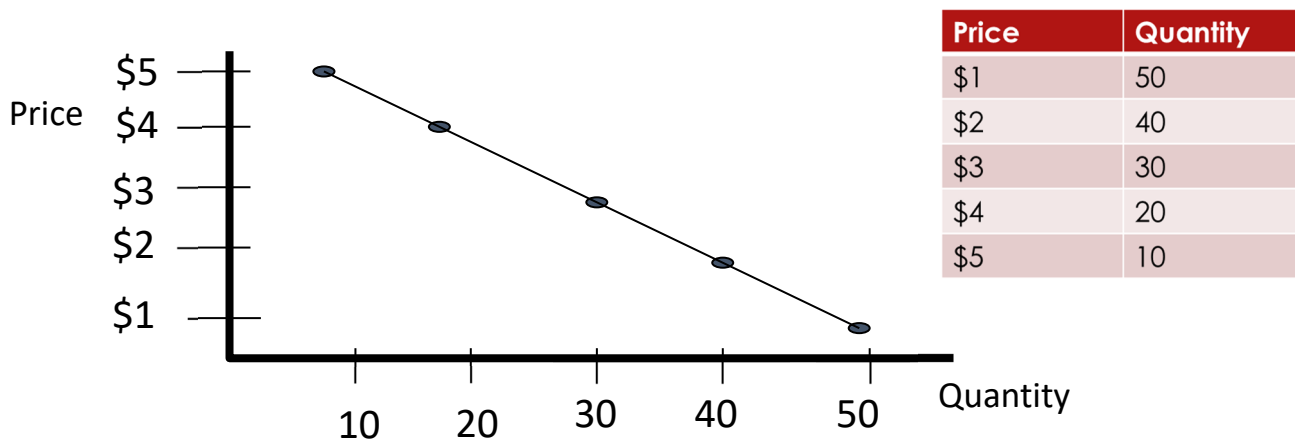
Unit 3 – Demand

I. What is demand?

Demand (D) -

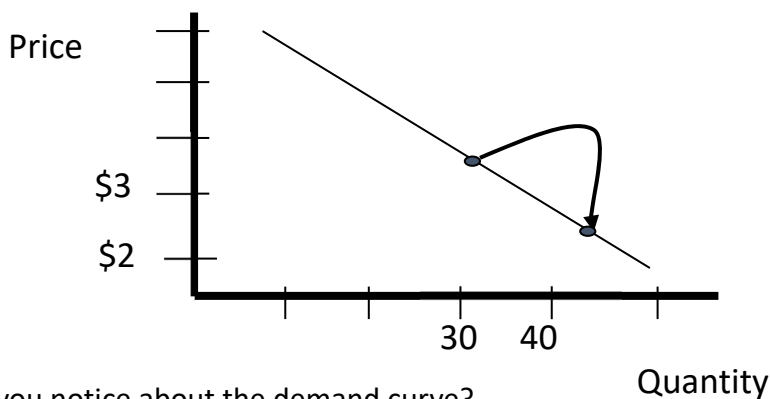
When we present this data in a table it is called a demand schedule

When we present this data in a graph, we call it a _____



II. What is quantity demanded?

Quantity demanded (QD) -



What do you notice about the demand curve?

- 1) _____
- 2) _____

What kind of relationship

- 1) _____ relationship between _____
- 2) As the _____ goes _____, the quantity we purchase goes _____
- 3) As the _____ goes _____, the quantity we purchase goes _____

Using the demand schedule, *graph a demand curve*.

Make sure your _____ is on the _____,

Price	Quantity
\$10	1500
\$20	1300
\$30	1150
\$40	1000
\$50	950
\$60	900

and _____ is on the _____

Complete the sentences below:

As the price increases, the quantity ____.

There is a/an _____ relationship between price and quantity.

The only thing that price changes is _____, the demand curve will never shift if there is a _____ change.

III. *Law of Demand*

The law of demand explains the inverse relationship

The Law of demand - _____

(3) Reasons why this is true

1) Income effect: _____ (purchasing power decreases)

2) Substitution effect: _____

3) Decreasing Marginal Utility: _____
_____; therefore, sellers will have to lower the price of the product.

In order for us to get a new demand curve, or to cause the demand curve to shift, we have to change something other than price.

When price changes, _____

Demand changes are caused by **TRIBE**

T - _____

R - _____

I - _____

P - _____

E - _____

Name: _____

Practice 1: Demand Change

- 1)
- 2)
- 3)
- 4)

Practice 2: Demand Change: Demand (D) or Quantity Demanded (QD)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)
- 7)

Practice 3:

- 1)
- 2)
- 3)
- 4)

- 5)