Name_____ KEY _____ Period_____ Date_____

# Graphing Supply & Demand

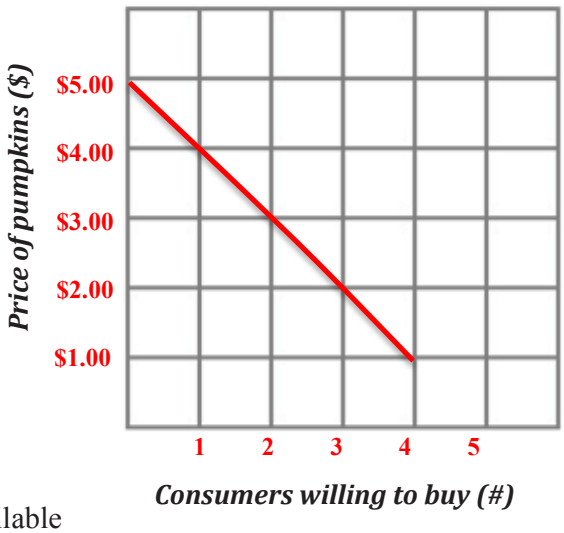
***Supply Curves**:* show the relationship between the amount of product available (# of producers willing to sell) on the x-axis and the price of the product on the y-axis

***Demand Curves**:* show the relationship between the number of consumers willing to purchase a product (x-axis) and the price of the product (y-axis)

## *1. Pumpkins at the Farmer's Market:*

A. **Supply Curve:** There are 4 farmers who would like to sell their pumpkins at the farmer's market. Zero farmers will sell their Pumpkins for $0 each. At $1, 1 farmer will sell their pumpkins. At $2.00, 2 farmers will sell their pumpkins. At $3.00, 3 farmers will sell their pumpkins. At $4.00, all 4 farmers will sell their pumpkins.


B. **Demand Curve:** At $1 per pumpkin, four buyers will purchase pumpkins. At $2 each, 3 people will buy pumpkins. At $3, 2 people will buy pumpkins. At $4, 1 person will buy pumpkins. Zero people will pay $5 for a pumpkin.

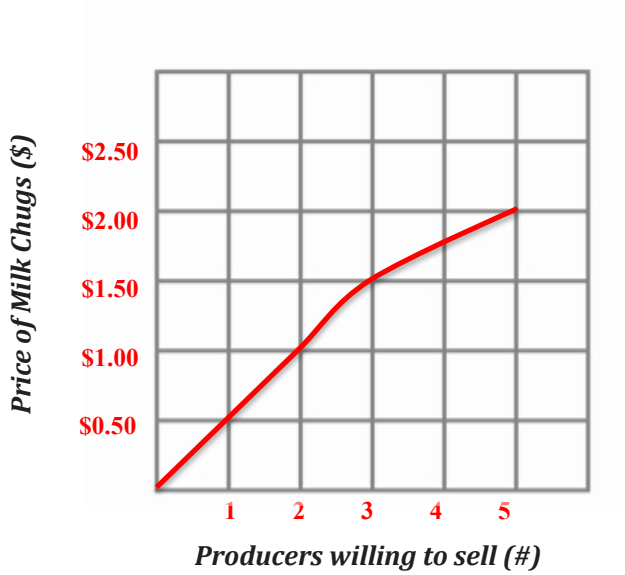



**Application Questions:**

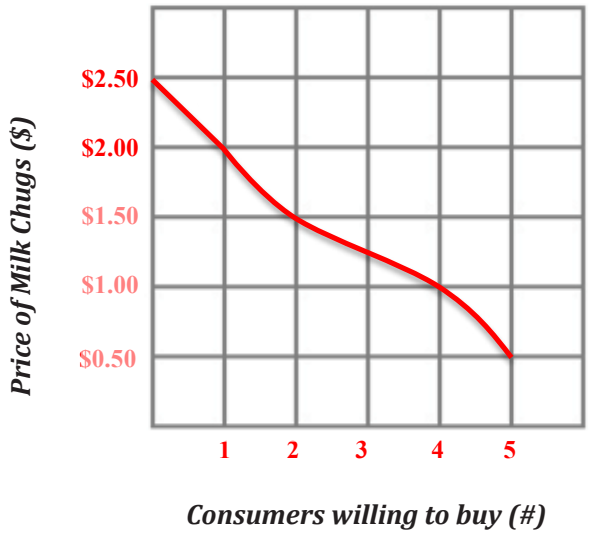
1. Give an example of something that would increase the demand for pumpkins at the farmer's market.
   *Any logical answer is acceptable. Examples include: Halloween, a local event requiring pumpkins (such as a pumpkin walk), etc.*
2. Give an example of what could decrease the available supply of pumpkins at the farmer's market.
   *Any logical answer is acceptable. Examples include: drought, disease, pests, early frost, or anything decreasing the pumpkin harvest.*

## 2. *Chocolate Milk Chugs:*

A. **Supply Curve:** Your school wants to start selling chocolate milk chugs in their vending machines. There are 5 vending companies who have offered to supply the milk. Zero companies will sell their milk chugs for $0 each. At $0.50, 1 vendor will sell their milk chugs. At $1.00, 2 vendors will sell their milk. At $1.50, 3 vendors will sell their milk. At $2.00, all 5 vendors will sell their milk.




B. **Demand Curve:** At $0.50 per milk chug, 5 students will purchase milk. At $1 each, 4 students will buy milk chugs. At $1.50, 2 students will buy milk chugs. At $2, 1 person will buy milk chugs. Zero students will buy milk chugs for $2.50 each.




**Application Questions:**

1. What could be done at the school to increase the demand for chocolate milk chugs?

*Any logical answer is acceptable. Examples include: teach students about the health benefits of milk consumption, remove the soda pop machines, decrease the price of milk chugs, etc.*

2. What would be the ideal price for the milk chugs?

*Help students see that the supply and demand curves for chocolate milk intersect between $1.00 and $1.50. Explain simply that the equilibrium price balances supply and demand.*