Demand and supply

- demand and supply curve, formation of curves

Demand is expressed by equation:

$Q_D = a - b * P$ a … constant   b … demand tend

1. Determine the demand function:

P	10	8	6	4	2
Q_D	0	2	4	6	8

2. What happens to demand of recorders (identify and illustrate graphically):
a) decline in prices recorders
b) drop in prices DVD
c) increase in income residents

3. We have a demand equation over the phone $P = 5000 - 0,5 \, Q_D$
a) draw the demand curve,
b) P = 3000, what is the amount,
c) amount is 6000 pieces, what is the price.

4. Mr. Horak and Mr. Vesely are the only consumers of beer. Their demand curves are: $P = 30 - 2Q_h$ and $P = 30 - 3Q_v$. What is the market demand curve. Solve it and draw graph.

Supply is expressed by equation:

$Q_s = c + d * P$ c … constant   d … supply tend

5. Identify the supply function:

P	100	140	180	220
Qs	7	9	11	13

6. What happens to supply at the car´s market. Identify and illustrate graphically:
a) decrease in car prices   b) increasing the income of the population
c) petrol price increase   d) price decline on trains and buses

7. Which of these things affect the demand and supply of cars KODA:
a) wage levels
b) strike in the company
c) price of cars manufactured
d) introduction of new technology on cars
e) price of imported cars of the same type

8. We have a supply function $P = 40 + 2 \, Q_s$
a) draw the supply curve
b) P = 80, what is the amount Q_s
c) $Q_s = 40$, what is the price

Resources:
1) M. Nečadová, P. Sirůček – Materiály ke studiu kursu mikroekonomie 1
2) R. Holman – Ekonomie   3) R. Frank – Mikroekonomie a chování