

Supply & Demand | Worksheet



Matching

Match the definition in Column A with the term in Column B.

Column A

- _____ Resources or goods limited in relation to demand.
- _____ The total amount of products available for sale.
- _____ More products demanded than supplied.
- _____ Those who create or supply goods and services.
- _____ More products are supplied than demanded.
- _____ The consumers' desire to buy products at a specific price.

Column B

- a. Supply
- b. Demand
- c. Surplus
- d. Scarcity
- e. Shortage
- f. Producer

Multiple Choice

1. **What primarily influences a producer's ability to supply a product?**
 - a. Historical demand patterns for the product.
 - b. Production costs and availability of resources.
 - c. Median salary of the target consumer demographic.
 - d. Competitive strategies among producers in the market.
2. **Why is profit important for producers in a market economy?**
 - a. It leads to continual price increases.
 - b. It drives innovation and efficiency.
 - c. It helps avoid tax payments.
 - d. It allows market control and competition elimination.
3. **What happens to prices when supply is low, and demand is high?**
 - a. Prices increase
 - b. Prices decrease
 - c. Prices stay consistent
 - d. Prices become regulated
4. **What happens to prices when supply is high and demand is low?**
 - a. Prices increase
 - b. Prices decrease
 - c. Prices stay consistent
 - d. Prices become regulated

Application

Think of a product that was extremely high in demand a few years ago. How have the demand and prices for that product changed in relation to one another over the years? Optional extension: research the price trends of the product you selected and document price changes over the years.



Supply & Demand | Answer Key

Matching

Match the definition in Column A with the term in Column B.

Column A

- d. Resources or goods limited in relation to demand.
- a. The total amount of products available for sale.
- e. More products demanded than supplied.
- f. Those who create or supply goods and services.
- c. More products are supplied than demanded.
- b. The consumers' desire to buy products at a specific price.

Column B

- a. Supply
- b. Demand
- c. Surplus
- d. Scarcity
- e. Shortage
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Multiple Choice

1. **What primarily influences a producer's ability to supply a product?**
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Application

Potential answers will include an example of a product or service of notable demand in the past decade (iPhone, AirPods, X-Box, Ugg boots, oat milk, etc...). An explanation of price changes includes an account of the supply and demand for the product throughout time. Students use words like shortage or scarcity in their explanation and account for current economic trends.