**Assessment Questions - Microeconomics 201**



**1. What is the most likely effect this news headline will have on the oil market?**

a) price will decrease

b) price will increase

c) demand will increase

d) demand will decrease

**2. What sort of relationship is there between demand and price of a good?**

a) inflated

b) inverse

c) direct

d) disproportionate

**3. Changes in the demand of a good result from which of the following?**

a) changes in market size

b) changes in technology

c) change in the price of the good

d) price changes of resources

**4. If the demand for a product stays the same, and the supply decreases, then what would be the result?**

a) The new equilibrium price would be higher.

b) The new equilibrium price would be lower.

c) The equilibrium price would be the same.

d) There would be no equilibrium price.

**5. Which of the following is NOT a supply shifter (determinant)?**

a) technology

b) government tools (taxes/subsides)

c) market size/population

d) number of sellers/competition