

# Mastering Supply, Demand, and Equilibrium



# Objectives

You will be able to:

Develop a deep understanding of supply, demand, and market equilibrium and how they impact market outcomes.

Explore strategies for teaching supply, demand, and disequilibrium in an engaging and accessible way.

Learn how to connect supply and demand concepts to real-world market examples for student comprehension.

# Meet Amanda Stiglbauer

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Cal

Economics & Business  
Course Developer &  
Facilitator- UC Scout



B.A. Economics  
M.T. Secondary Education

18

Years Teaching - AP Micro/Macro,  
Econ & PF, AP Human Geography  
AP Micro Question Leader

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## Session Agenda

- Demand
- Demand Activities
- Supply
- Supply Activities
- Equilibrium Activities and More!



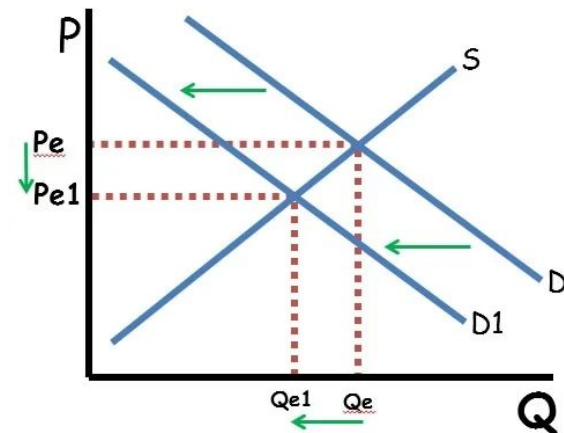
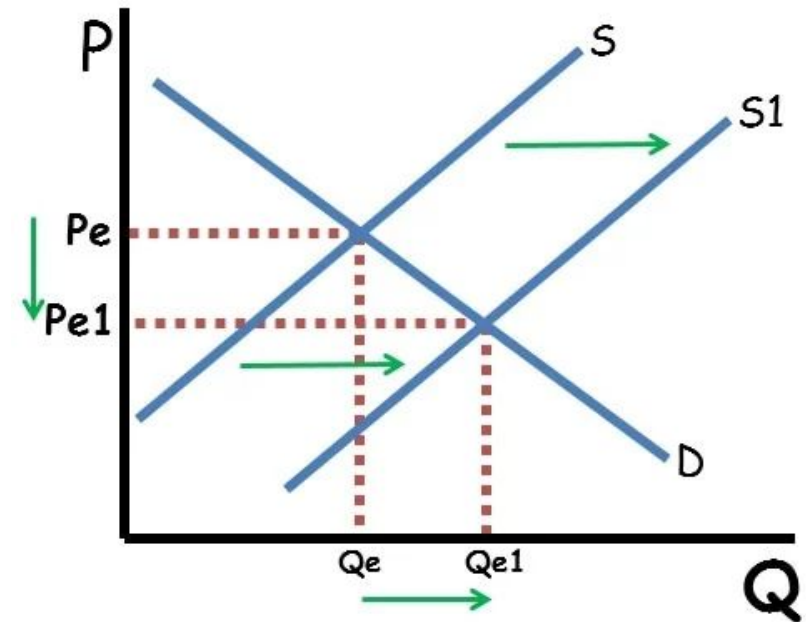
What questions  
do you have  
about today's  
topic - Demand,  
Supply, &  
Equilibrium?



Students, write your response!

# Tips for Supply and Demand

1. Label all axes and curves.
2. Hash marks from equilibrium to vertical and horizontal axes.
3. Show the direction of change with arrows.
4. WHEN IN DOUBT, GRAPH IT OUT!

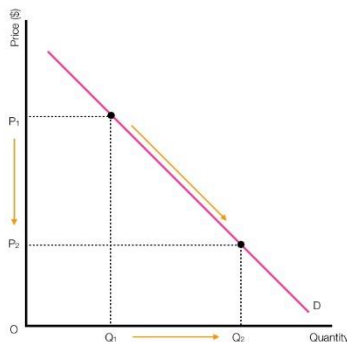


# Changes in QUANTITY Demanded and Demand

## Quantity Demanded

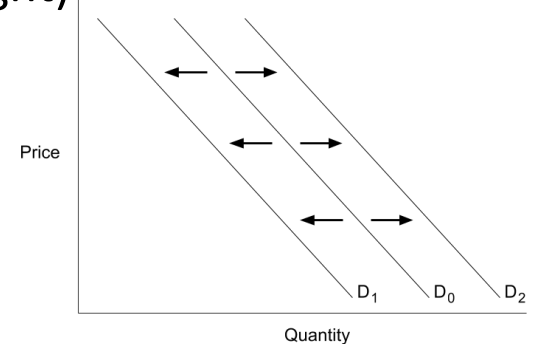
- Only a change in PRICE can alter
- Movement along the SAME demand curve

Change in quantity demanded



## Change in Demand

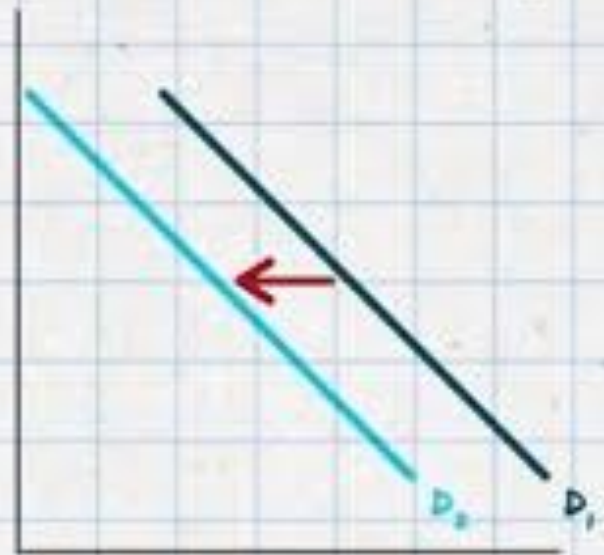
- caused by an outside factor, such as:
  - **T**astes, **I**ncome, **M**arket Size, **E**xpectations, **R**elated Goods (**TIMER**)
- shifts to a NEW demand curve (to the left or right)





**QUANTITY  
DEMANDED**

**VS.**



**DEMAND**



# Break Out Room Activity

## ~3 minutes

Work with your group to analyze the demand for **GOLDFISH**. Give an example of how demand would increase **AND** decrease based on your assigned determinant. See the chart below for an example:

	Increase Demand	Decrease Demand
1. Tastes & Preferences		
2 Income		
3 Market Size		
4 Expectations		
5 Related Goods		

# Demand Cartoon Activity

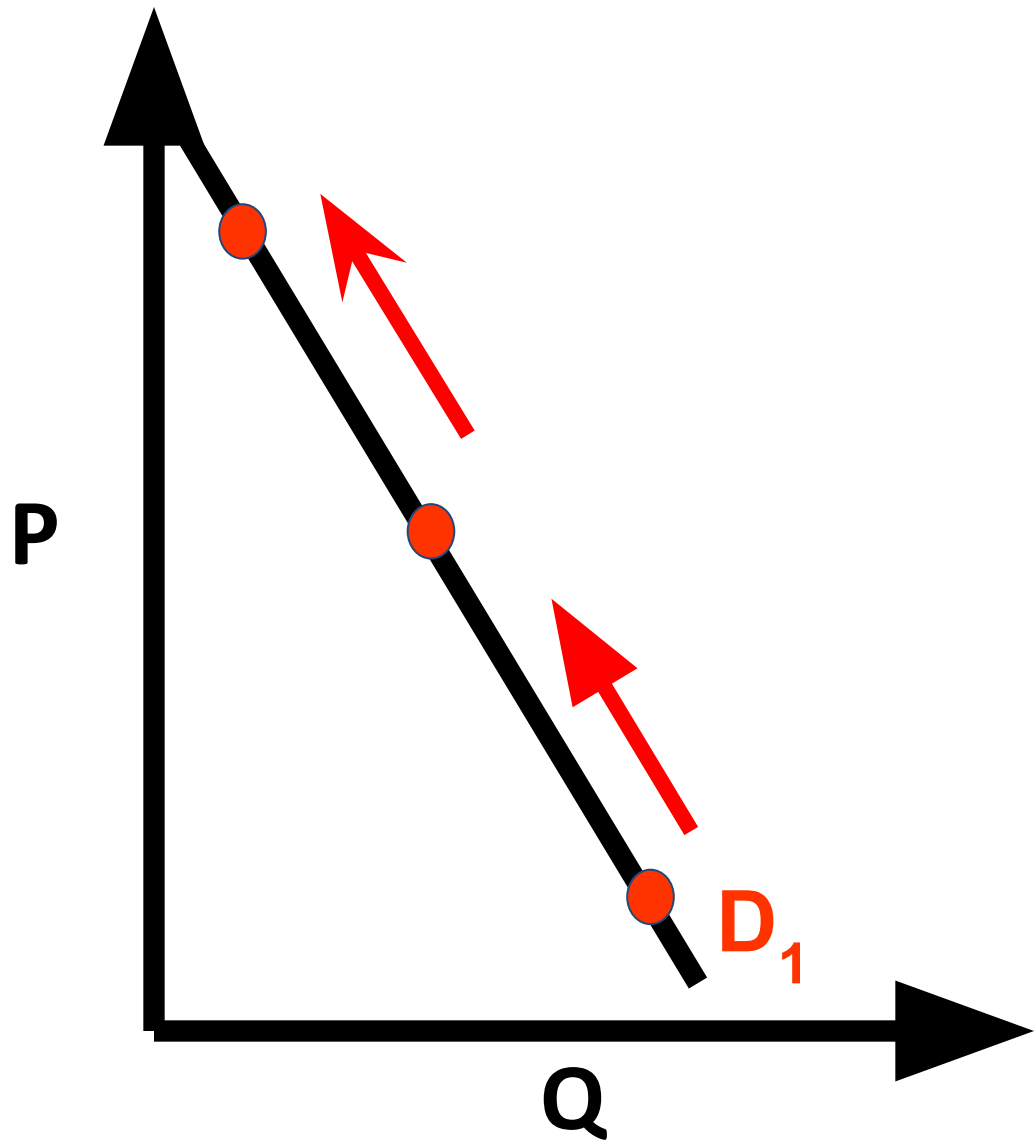
## Instructions:

1. Go to [cartoonstock.com](http://cartoonstock.com) or any other cartoon site.
2. Locate ONE cartoon that illustrates a change in the QUANTITY DEMANDED (think - price!)
3. Then, find TWO cartoons that illustrate (different) determinants of demand
4. Copy and paste the cartoons to a Google Slides presentation (one slide per cartoon, for a total of 3 slides)
5. On each slide, identify the product and state *which* determinant shifts the demand curve (or causes a movement along the demand curve) and tell what the product is.
6. Next, construct a correctly labeled graph to show *how* the demand curve shifts or moves. Include arrows where appropriate to show the direction of the change.
7. Examples are included on the slides that follow.



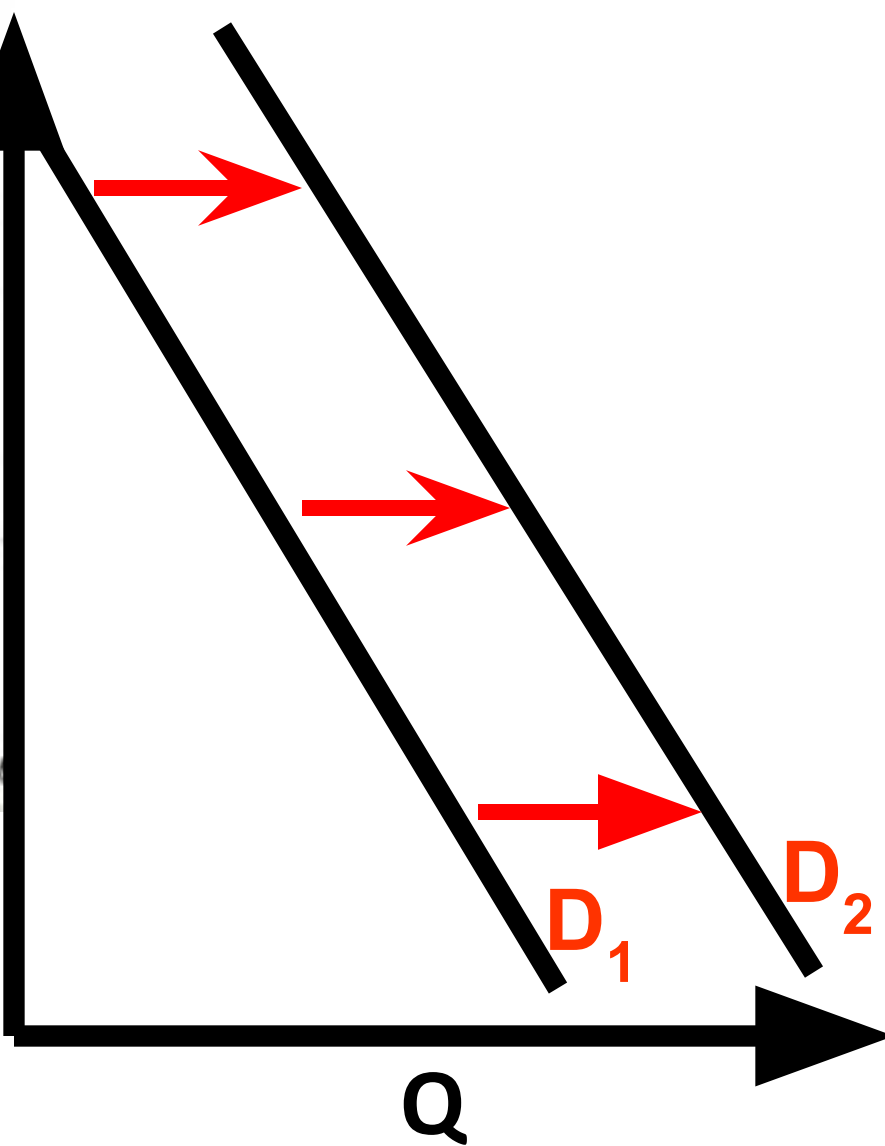
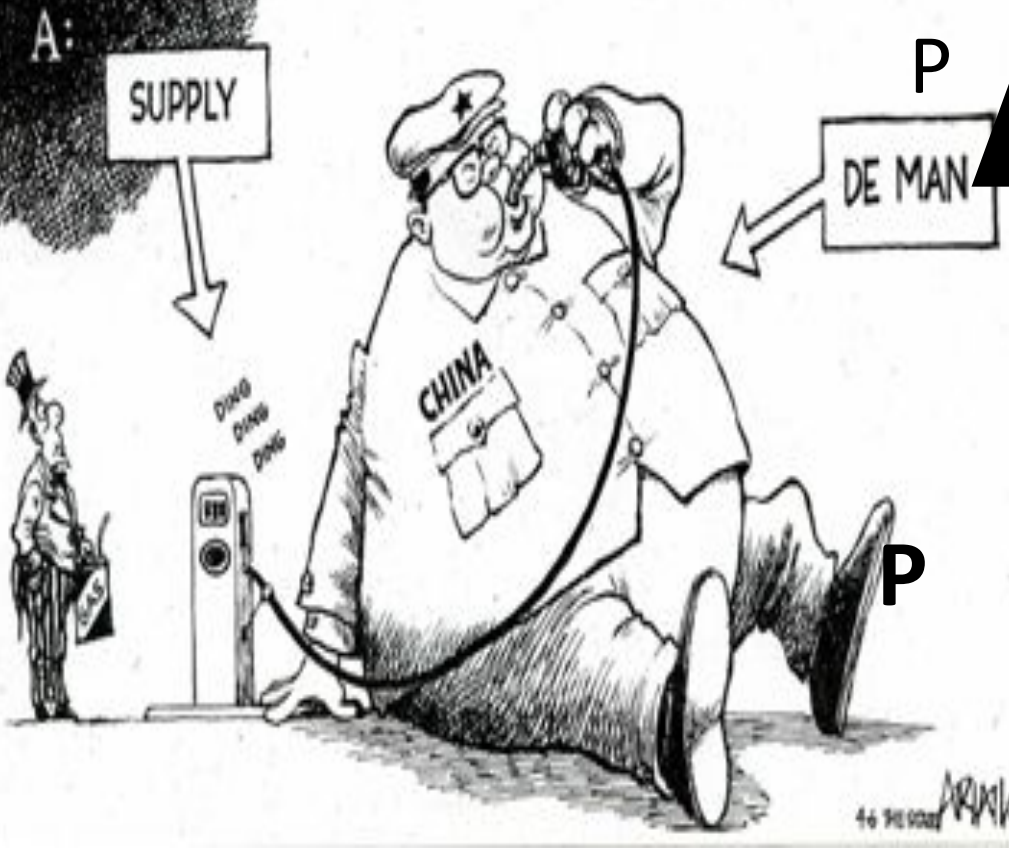
# Food Prices

## Price Change



Q: IS THERE A SIMPLE EXPLANATION FOR THESE HIGH GAS PRICES ?

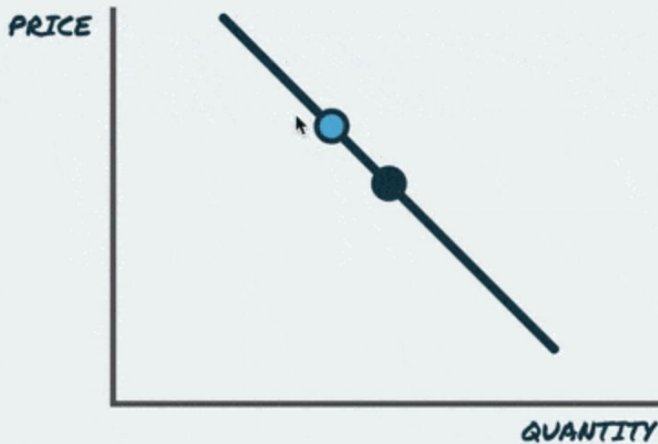
# NUMBER of BUYERS Product: Gasoline



# Change in Demand vs. Change in Quantity Demanded Interactive Practice (3 Sets)

🔔 Featured in [Unit Plan: Finding Equilibrium, Supply meets Demand](#)

## DEMAND CURVE FOR SODA



### BREAKING NEWS

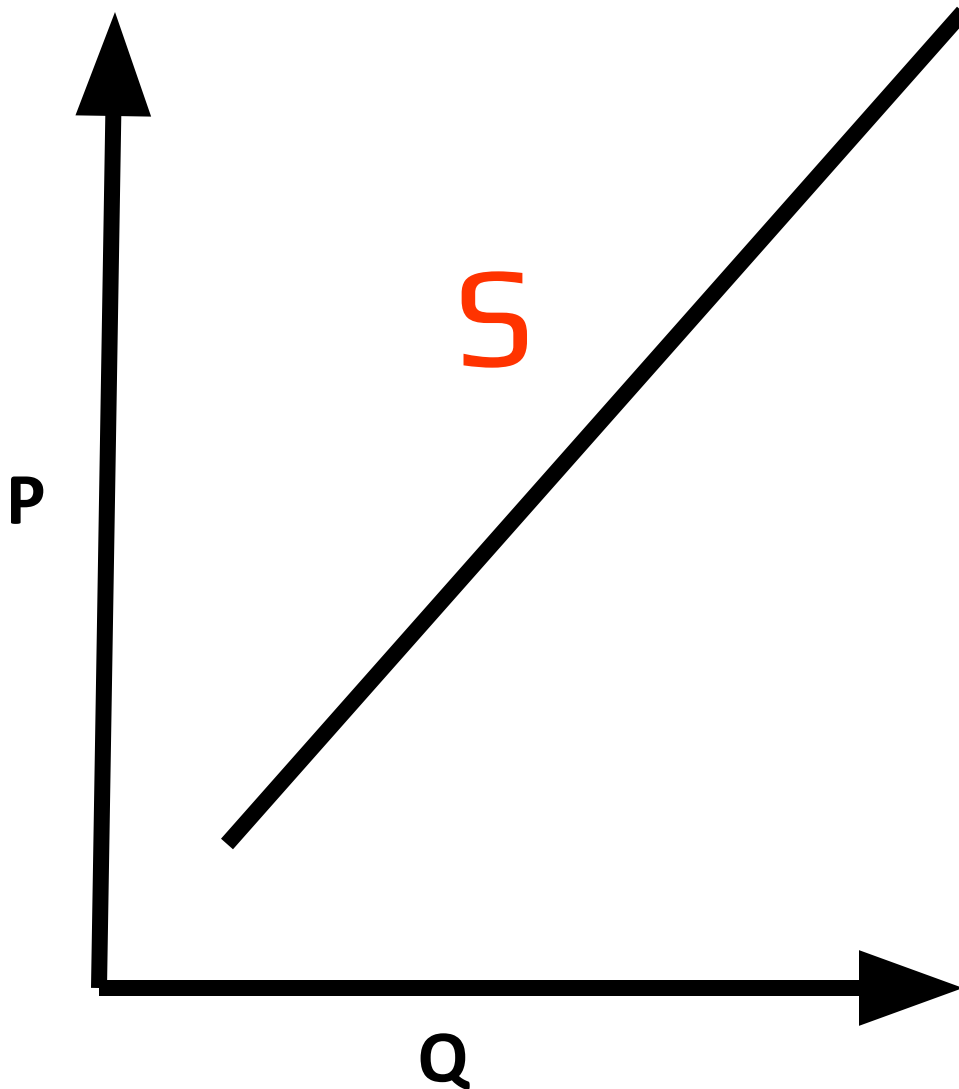
Government enacts a tax on soda producers and the price of soda increases.

Consider the demand curve for soda. What happens?



SUBMIT

# SUPPLY



- **THE LAW OF SUPPLY:** quantity Supplied of a Product Varies **Directly** with Its Price.
- **SUPPLY:** The **Willingness** and **Ability** to Supply a Product at a Given Price.

# Difference between a change in supply and quantity supplied

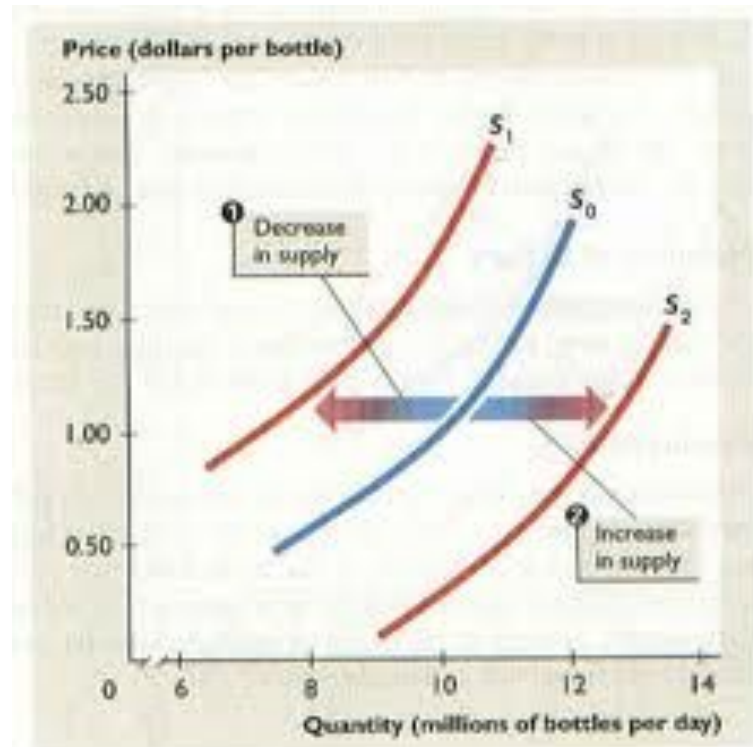
## Quantity Supplied

- Only a change in PRICE can alter
- Movement along the SAME supply curve



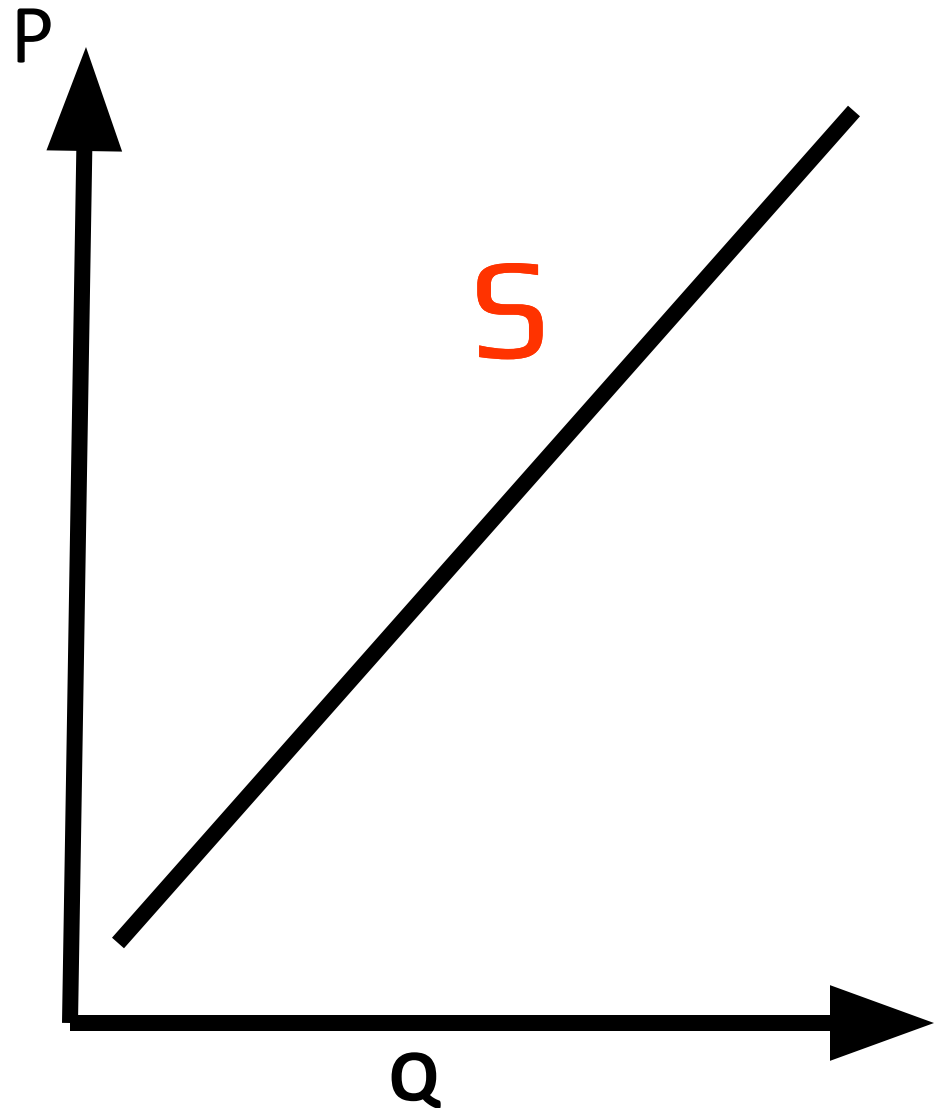
## Supply

- outside factor, such as increase in the price of an input, technology
- shifts to a NEW supply curve (to the left or right)



# DETERMINANTS OF SUPPLY

- **R**esource Costs
- **O**ther Goods' Prices  $P$
- **T**echnology
- **T**axes & Subsidies
- **E**xpectations of Future Price
- **N**umber of Sellers





# Let's Practice!

## MRU Change in Supply vs. Change in Quantity Supplied Interactive

Change in Supply vs. Change in Quantity Supplied Interactive Practice

Change in Supply vs. Change in Quantity Supplied

**SCORE 10/10**

- |      |       |
|------|-------|
| 1. ✓ | 6. ✓  |
| 2. ✓ | 7. ✓  |
| 3. ✓ | 8. ✓  |
| 4. ✓ | 9. ✓  |
| 5. ✓ | 10. ✓ |

Student name:  
Amanda

Featured in [Unit Plan: Finding Equilibrium, Supply meets Demand](#)

### SUPPLY CURVE FOR HAIRCUTS



Q. New COVID-19 safety rules reduce the productivity of hairdressers. Consider the supply curve for haircuts. What happens?

**CORRECT** ✓

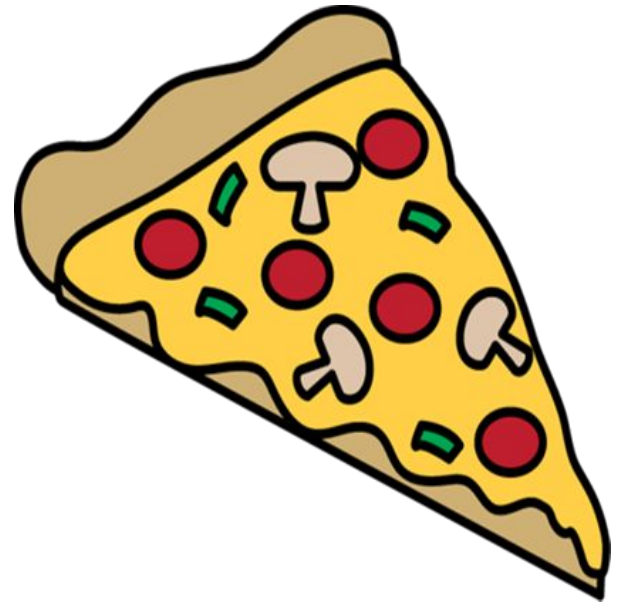
**Supply curve shifts left**

A decrease in productivity raises production costs for hairdressers. This will cause the supply curve to shift to the left.

**NEXT**

# Supply of Pizza Activity

- You are a producer of pizza.
- Using the chart on the next slide, create two examples for each respective determinant—one example that will increase supply for pizza and one that will cause supply to decrease for pizza.
- Be specific in each of your examples.



# Changes in Supply of Pizza

<b>Determinant</b>	<b>Increase in Supply</b>	<b>Decrease in Supply</b>

## Objective

Students will be able to:

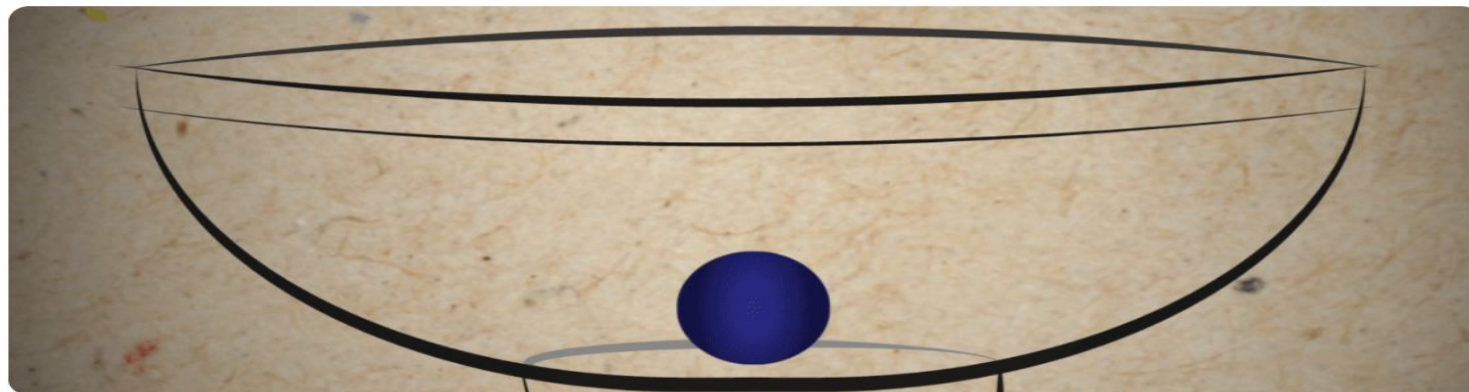
- Gain a full understanding of supply and demand analysis, including manipulating supply and demand curves.

## Standards

State Standards

## Concepts

Demand, Opportunity Cost, Supply



OPEN VIDEO [↗](#)

In this economics video series, students will learn about Supply, Demand, and Equilibrium.

## Description

This unit of ten videos covers some of the most fundamental concepts in microeconomics: supply, demand, equilibrium, opportunity cost, consumer and producer surplus, demand and supply curve shifters, and the difference between a change in demand and change in quantity demanded. It also covers the empirical results that verify supply and demand

Students browse: <https://econedlink.org/resources/supply-demand-and-equilibrium-vid...>

Pear Deck Interactive Slide  
Do not remove this bar

# Market Simulations



# Market Simulation - DO IT!

Download [In The Chips Guide](#)

Virtual Lesson Alternative ([MobLab Activity](#)): [Instructions and Slides](#)

## Introduction:

Understanding how markets work and the role of prices within markets is an important key to being able to explain and predict economic behavior. In true markets, prices are determined by the interaction of buyers and sellers.

## Video Demonstration:



Students browse: <https://fte.org/teachers/teacher-resources/lesson-plans/eflessons...>

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# Economics in the Headlines

## EconEdLink



Students learn how to identify headlines in the news and current events as illustrations of problems in supply and demand. Students will be linked to news sites to create their own analysis of supply and demand issues in problems facing our society.

### Introduction

Why did the price of gas suddenly go up last week? What prompted the local shoe store to have a sale? Why are scalpers able to charge prices so much higher than those printed on the concert tickets? Supply and demand are at work in our everyday lives, causing changes in prices and quantities sold, and affecting our decisions about what to buy.



### Learning Objectives

- Identify factors that change supply and demand for products.
- Explain how changes in supply and demand affect prices and quantities produced.

Name:

Class Period:



### Economic News Sources

AP and Honors Economics—Mrs. Stiglbauer and Mr. Hinson

You need to learn about the world by reading, watching, and listening to economic news. Try to do it daily or weekly. There are some news sites listed below—this is NOT exhaustive.

#### TheState

#### Marketplace (podcasts)

<https://www.npr.org/podcasts/381444600/marketplace>

#### Economic News: CNBC

<https://www.cnbc.com/economy/>

#### Economic News: NPR

<https://www.npr.org/sections/economy/>

#### BBC News: Business

<https://www.bbc.com/news/business>

#### The Economist

<https://www.economist.com/>

#### Reuters (international)

<https://www.reuters.com/news/archive/economicNews>

#### The New York Times

<https://www.nytimes.com/section/business/economy>

#### CNN Business: Economy

<https://www.cnn.com/business/economy>

#### Wall Street Journal

<https://www.wsj.com/news/economy>

#### MarketWatch

<https://www.marketwatch.com/>

#### Planet Money (podcasts)

<https://www.npr.org/sections/money/>

- Be aware that there are many “news-like” sources available that aren’t actually economic news. Be sure you can recognize them. Their presentation may interfere with the value of the economic news. They want to persuade you, entertain you, sell you something or just give opinions. Opinions and analysis are fine if they are backed by accurate, factual, and rational analysis. Avoid “sponsored content”—they paid for you to see it.
- **How do you know** if a site isn’t strictly economic news? Check the headlines...are they dominated by political stories or outrageous claims? They may have stories that show an obvious political bias. Just because a story mentions politics doesn’t mean that it has no value. Politics does influence economics. However, we want to avoid articles that use economics to support/disparage a political party. They may attempt to discredit/credit a person based on politics. We want to find economic news sites that tell us the facts of the economy without straying (as much as possible) into political gamesmanship.

1. **Where do you get your news currently? If you don’t get news currently, why not? If you do, how did you pick the sources?**



Students browse: <https://docs.google.com/document/d/1bxY7vo8oNB40ZEK5I6CnE7nEPgndyn...>

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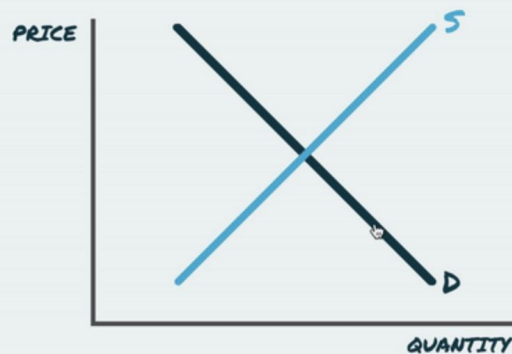
# Shifts in Supply or Demand - MRU

TEACHER RESOURCES

## Shifts in Supply or Demand Interactive Practice (3 Sets)

🔔 Featured in [Unit Plan: Finding Equilibrium, Supply meets Demand](#)

### EYE GLASSES MARKET



#### BREAKING NEWS



Laser vision correction grows in popularity.

Consider the market for prescription eye glasses. What happens?

SUBMIT



Questions - Ask a Reader!



Students, write your response!

Pear Deck Interactive Slide  
Do not remove this bar

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