

## Pure Competition

- (1) market model
- (2) Many buyers & sellers
- (3) The demand curve for this market is perfectly elastic, price is uniform.
- (4) Price is equal to marginal revenue. Also equal to avg revenue & also equal to demand.  
Firms can enter & exit the market at any time as there are no barriers to enter & exit.
- (5) Products are homogenous (All firms are producing same product)