

Demand

1. The income of people living in northern Bangladesh declined due to the flood of 2024. What will happen to the overall demand for luxury goods among the people living in northern Bangladesh?

Price

D

Quantity

Market for Luxury
Goods

2. The price of football decreases. (Football is a substitute good for basketball). What will happen to the demand for basketballs?

Price

D

Quantity

Market for Basketballs

3. The price of movie tickets decreases. What will happen to the demand for movie theater popcorn? (They are a complementary good)

Price

D

Quantity

Market for Movie theater

Popcorn

4. The automobile showrooms decided to add a free one year servicing promotion on their sold products, which increased the popularity for them. What will happen to the demand for automobiles?

Price

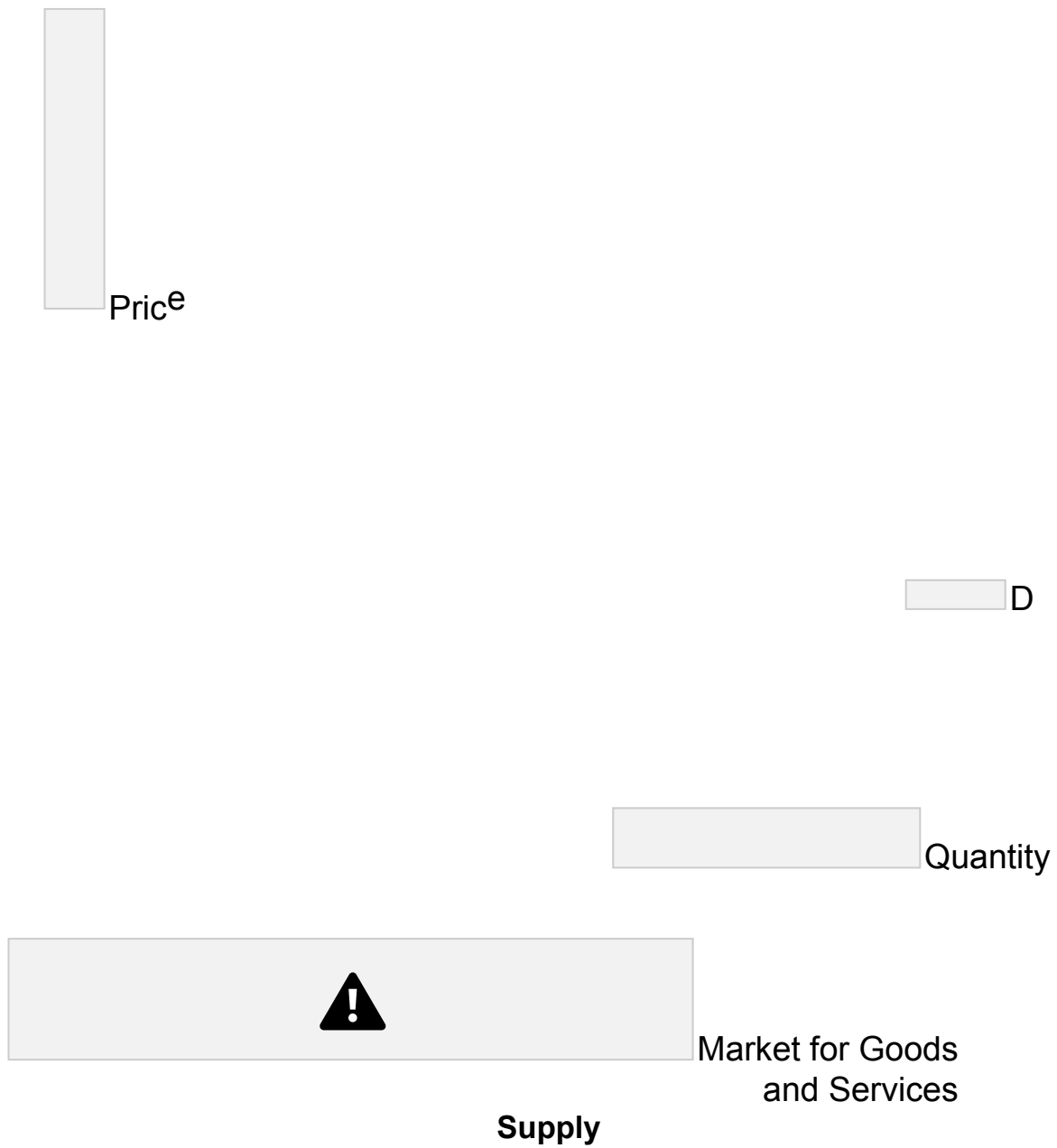
D

Quantity



Market for
Automobiles

5. People are assuming that income tax will increase in the next budget and hence their disposable income will decrease in the near future. (Think about expectations). What will happen to their overall demand?



1. The government adds a subsidy to basketball production. What will happen to the supply of basketballs?



Price



S



Quantity



Market for Basketballs

2. The government adds a new tax to computer production. What will happen to the supply of computers?



Price



Quantity



Market for Basketballs

3. Air purifier producers expect an increase in the popularity of air purifiers in Bangladesh. What will happen to the current supply of air purifiers?

Price

S

Quantity



Market for Air Purifiers

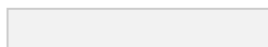
4. The price of filters, a major input in air purifiers, decreases. What will happen to the supply of air purifiers?



Price



S

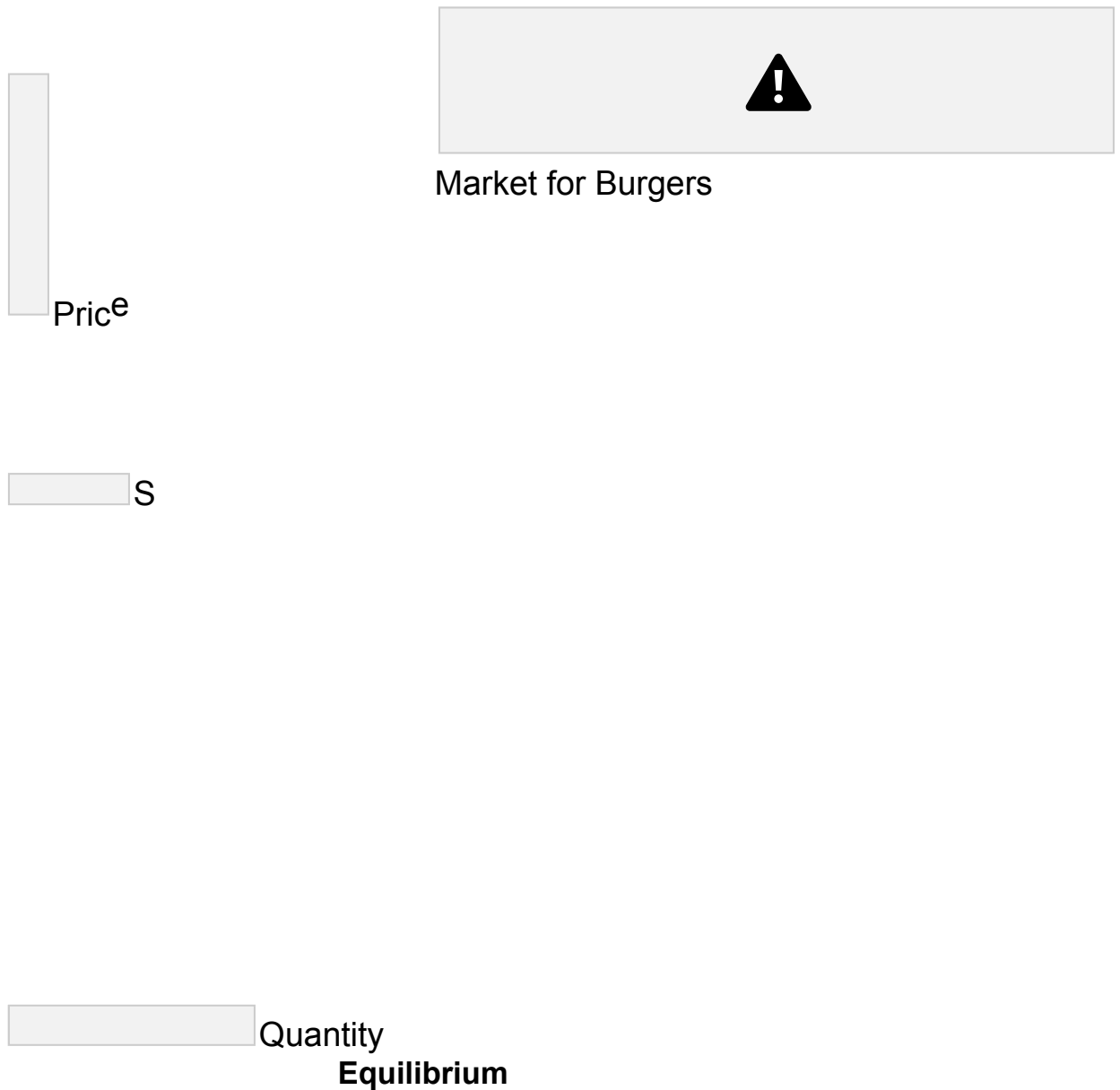


Quantity



Market for Air Purifiers

5. The price of meat has increased. What will happen to the supply of burgers?



1. The income of people living in Bangladesh declined after the recent flood.
What will happen to the equilibrium price and quantity in the luxury good market

Country: Bangladesh?

Price

S

D

Quantity

Market for Luxury Goods

2. The price of Tea decreases. What will happen to the equilibrium price and quantity in the market for coffee? (Tea is a substitute good for coffee)



Price

S

D

Quantity



Market for Coffee

3. The price of white shirts increases. What will happen to the equilibrium price and quantity in the market for black pants? (White shirts are a complement to black pants)

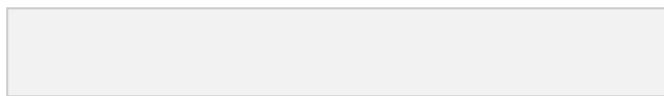


Price

S

D

Quantity



Market for Black
Pants

4. The price of cotton increases. What will happen to the equilibrium price and quantity in the market for black pants? (pants are made with cotton)

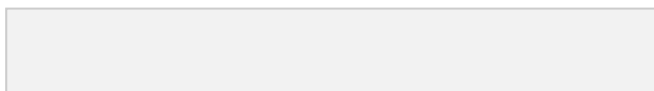


Price

S

D

Quantity



Market for Black
Pants

5. A popular magazine named white shirts is a “must have” for all young professionals. At the same time, a new textile machine decreases the cost of producing white shirts. What will happen to the equilibrium price and quantity in the market for white shirts?

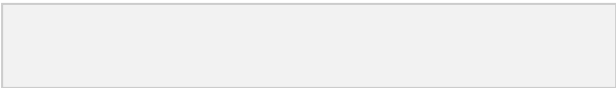


Price

S

D

Quantity



Market for White
Shirts