

9) Demand/Supply – Macroeconomics

Quantity	Demand	Supply	New Demand	New Supply
1,250,000	38,550	20,000	44,332.5	17,000
1,252,000	37,100	21,000	42,665	17,850
1,254,000	35,650	22,000	40,997.5	18,700
1,256,000	34,200	23,000	39,330	19,550
1,258,000	32,750	24,000	37,662.5	20,400
1,260,000	31,300	25,000	35,995	21,250
1,262,000	29,850	26,000	34,327.5	22,100
1,264,000	28,400	27,000	32,660	22,950
1,266,000	26,950	28,000	30,992.5	23,800
1,268,000	25,500	29,000	29,382.5	24,650
1,270,000	24,050	30,000	27,657.5	25,500
1,272,000	22,600	31,000	25,990	26,350
1,274,000	21,150	32,000	24,322.5	27,200
1,276,000	19,700	33,000	22,655	28,050
1,278,000	18,250	34,000	20,987.5	28,900

DEMAND

Equilibrium Price = \$27,657
Equilibrium Quantity = 1,265,000 units

INCREASED DEMAND

New Equilibrium Price = \$29,382 (increase)
Equilibrium Quantity = 1,268,000 units (increase)

NEW SUPPLY

Equilibrium Price = \$27,500
Equilibrium Quantity = 1,265,000 units

INCREASED SUPPLY

New Equilibrium Price = \$25,075 (decrease)
Equilibrium Quantity = 1,268,700 units (increase)

SUMMARY

Demand increase:

The increase in demand caused an increase in the equilibrium price and quantity. The increase in demand made the price rise, and because of that production is increased so the quantity goes up. Because of the production increase you can create jobs for people to keep up with the production needs.

Supply Increase:

The price goes down and the quantity goes up. The increase in supply generates a price drop due to the excess of product volume. Ultimately, The hike in supply makes the price fall and a rise quantity demand.

