

Supply & Demand Practice Worksheet

Practice exercises for supply/demand analysis and market scenarios

Part 1: Housing Market Analysis

Scenario 1: Apartment Hunting in {{STATE_NAME}}

In your city, 1-bedroom apartments usually rent for \$1,200/month. Recently, a major employer announced they're bringing 5,000 new jobs to the area.

a) How will this affect demand for apartments?

Explain the impact on demand...

b) What will likely happen to rental prices? Why?

Predict price changes and explain your reasoning...

c) As a renter, how should you respond to this news?

Describe your strategy...

Scenario 2: Home Buying Decision

{}{{STATE_NAME}} recently passed legislation making it easier to build new homes, and construction material costs have dropped 15%.

a) What will happen to the supply of homes?

Increase Decrease Stay the same

b) What will likely happen to home prices?

Rise Fall Stay the same

c) If you're planning to buy a home in 2 years, should you act now or wait? Explain.

Explain your timing strategy...

Part 2: Labor Market

Scenario 3: Career Choice

The demand for software developers is increasing rapidly due to AI growth, while coding bootcamps are graduating thousands of new developers.

a) What happens to salaries for software developers?

Analyze salary trends considering both demand and supply...

b) How can you differentiate yourself in this market?

Strategies to stand out when supply is high...

Scenario 4: Skilled Trades

Many electricians in {{STATE_NAME}} are retiring, and fewer young people are entering trade schools.

a) What is happening to the supply of electricians?

Increasing Decreasing

b) What does this mean for electrician wages?

Predict wage trends...

c) Is this a good career opportunity? Why or why not?

Evaluate the career opportunity...

Part 3: Consumer Goods

Scenario 5: Gas Prices

Gas prices have risen from \$3.00 to \$4.50 per gallon due to reduced oil production.

a) This is an example of a decrease in supply/demand

b) List 3 ways you could respond to higher gas prices:

- 1.
- 2.
- 3.

c) Is gas elastic or inelastic in the short term? Why?

Analyze the elasticity...

Scenario 6: Seasonal Shopping

You need to buy a winter coat for next year.

a) When is demand for winter coats highest?

Identify peak demand timing...

b) When would be the best time to buy to get the lowest price?

Optimal purchase timing...

c) How much might you save by timing your purchase correctly? (Estimate percentage)

Estimate savings...

Part 4: Matching - Identify the Shifter

Match each event to whether it shifts DEMAND or SUPPLY:

Event	Shifts Demand or Supply?	Direction (Left/Right)
New technology reduces production costs	Select...	Select...
Population in {{STATE_NAME}} grows by 10%	Select...	Select...
A hurricane destroys factories	Select...	Select...
Consumer incomes rise significantly	Select...	Select...
Government increases taxes on production	Select...	Select...
A product becomes trendy on social media	Select...	Select...

Part 5: Personal Application

Your Personal Market Analysis

Choose a product or service you plan to purchase in the next 6 months:

What will you buy?

What supply and demand factors affect its price?

List relevant supply and demand factors...

When is the best time to make this purchase?

Optimal timing based on supply/demand analysis...

What negotiation leverage do you have?

Consider elasticity, alternatives, and market conditions...

How much could you save with good timing and strategy?

Estimate your potential savings...