**LESSON PLAN/NOTE FOR WEEK 3 ENDING 26/1/2024**

**Term: 2nd**

**Week: 3**

**Date: 22/01/2024**

**Class: SS 2**

**Subject:** Economics

**Topic:** price determination

**Sub-Topic**: Determination of equilibrium price and quantity.

**Period**: 6th

**Time:** 8:50-9:30

**Duration:** 40 minutes

**Number in class:** 9 students

**Average Age:** 14 years

**Sex**: mixed

**Specific objectives:** By the end of the lesson, the students should be able to:

(1) Explain price and price determination

(11) Describe equilibrium price

(111) Calculate equilibrium, price and quantity.

**Rationale:** To be able to determine the interaction between demand and supply.

**Previous knowledge:** The students have been buying and selling at difference prices.

**Instructional Material:** A chart showing equilibrium price and quantity.

**Reference material:** Gbenga Babalola (2017) metropolitan economics for senior Secondary schools.

**LESSON DEVELOPMENT**

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| **Stages/steps** | **Teacher's Activities** | **Students' Activities** | **Learning points** |
| **Introduction** | Reviews the previous lesson | Participate actively in the lesson | To arouse the students interest to learn. |
| **Step 1** | Guides and leads the students to explain price and price determination. | Explain price and price determination and pay attention | For better understanding of the lesson. |
| **Step 11** | Guides and leads the students to describe equilibrium price | Describe equilibrium price and pay attention | To encourage critical thinking |
| **Step 111** | Guides and leads the students to calculate equilibrium, price and quantity | Calculate equilibrium, price and quantity and pay attention | To enable the students reason logically. |
| **Summary** | Summarises the as:  **Price Determination**  Price refers to the amount of money paid per unit of goods or services.  **Price determination**  is the interaction between the forces of demand and supply. It is also known as price system or price mechanism. The law of demand and supply state that the higher the price, the lower the quantity demanded. While the lower the price, the higher the quantity of the commodity demanded.  **Equilibrium price:** This is determined where the demand of any particular good equals the supply of that same good in the market.  **Mathematical Representation of equilibrium price and quantity.**  When solving for equilibrium price and quantity, you need to have a demand function and a supply function. Sometimes, you will be given an inverse demand function (that is, p= 5-Q). In this case, you need to solve for Q as a function of P. Once you have your demand and supply function, you need to simply set quantity demanded equals to quantity supplied and solve. **Example,(1)**  If the monthly quantity demand function for a product is Qd=10,000-80p, and the monthly quantity supply function for a product is Qd=20p, then equilibrium price and quantity is when Qd=Qs I.e 10,000 -80p =20p. solving mathematically, 20p+80p=10,000, 100p=10,000, p=100.  :. The monthly equilibrium price=#100. Now to find equilibrium quantity, we can plug our equilibrium price (#100) into either our demand or supply function. If we plug it into our demand function we get: Qd=10,000-80×100  10,000-8000=2000.To supply function we get: Qs=20×100=2000.The reason we set Qs= Qd is because we know that equilibrium they must be equal.  **Example 2**  Supposed that demand is given by the equation Qd=500-50p, supply is Qs=50+25p. What is the equilibrium price and quantity?  At equilibrium,  Qd=Qs, 500-50p=50+25p  500-50=25p+50p  450=75p, P=450/75, P=#6. To get quantity, plug p= #6 into both quantity function: 500-50×6 =200  50+25×6= 200. So now we know that equilibrium price is #6, while equilibrium quantity is 200. | Copy and submit the Note book for marking | For future reference. |
| **Evaluation** | Evaluates the lesson as:  (1) Explain price and price determination.  (2) Describe equilibrium price | Respond to the questions | Ascertaining the attainment of the stated objectives |
| **Conclusion** | Rounds up the lesson by marking and correcting students work. | Check and do their correction | Consolidation of the lesson. |
| **Assignment** | Give home work as:  (1) Given the demand and supply equation Qd=55-1/3p, Qs=10+2/3. Determine the: (a) equilibrium price. (b) equilibrium quantity. (c) if the price falls to #15, what will be the excess demand? (d) if the price rises to #60, what will be the excess supply? | Respond to the questions by doing the home work. | To ensure continuity of learning. |



26th January, 2024

Deputy Head Instructor Admin

APPROVED!