**Demand: Guided Notes**

**-The Basics of Demand**

-Economists study \_\_\_\_\_\_\_\_\_\_\_\_\_\_:

–A market is any place where people come together to \_\_\_\_\_ and \_\_\_\_\_ goods or services.

-“Demand” - the willingness \_\_\_\_\_\_ ability of consumers to buy a good or service at a specific period of time

–\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_: ready to buy a good or service

–\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_: having the means to buy the good or service

**-The Law of Demand**

-The quantity demanded varies \_\_\_\_\_\_\_\_\_\_\_\_\_\_ with price, other things constant (a.k.a. Price Effect)

 \_\_\_\_\_\_\_\_ Price = \_\_\_\_\_\_\_\_ Quantity demanded

 \_\_\_\_\_\_\_\_ Price = \_\_\_\_\_\_\_\_ Quantity demanded

**-The Demand Schedule and Curve**

****

-A **\_\_\_\_\_\_\_\_\_\_\_\_** is a table that lists the quantity of a good that a person will purchase at each price. This is the STORY.

-The vertical axis ALWAYS shows **\_\_\_\_\_\_\_\_\_\_\_.**

-The horizontal axis ALWAYS shows **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.**

**- The D\_\_\_\_\_\_\_\_\_\_\_\_\_\_ slopes D\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**-What is the difference between demand and quantity demanded?**

-Demand is a ­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_(the story) or \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the picture)

-Quantity demanded refers to how many \_\_\_\_\_\_\_\_\_\_\_ will be demanded at a particular \_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**-Movement Along a Demand Curve Versus a Shift of the Curve**

-A ­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in ­­­\_\_\_\_\_\_\_\_\_\_\_\_\_ creates a change in the quantity demanded, other things constant.

 -This causes movement ALONG the demand curve.

-A \_\_\_\_\_\_\_\_\_\_\_\_\_\_ in one of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of demand causes a change in demand.

 -This causes a SHIFT of a demand curve