





3. Supply and Demand mechanics.

a.  $Quantity = 100 - 5 * price$  is a supply curve or a demand curve? Why?

b. Fill in the following chart for the equation provided above.

Price	Quantity
2	
4	
6	
8	
10	

c. Graph this information with price on the y axis and quantity on the x axis.

d. If in addition you know that  $Quantity = 10 + 10 * price$ , what is the equilibrium price? What is the equilibrium quantity?

e. Graph both these equations, clearly illustrating which is the supply curve, which is the demand curve, the equilibrium price and the equilibrium quantity.



