Name:

Date:

School:

Facilitator:

3.04 Supply

Total Points: 50

# Supply and Supply Elasticity

**Introduction**

Begin to think like a supplier (i.e. a producer or business owner). What are some things you must do to be successful? What is the ultimate goal of any business owner/supplier?

**Supply**

Supply is the       of a product that would be offered for sale at       possible prices in the      . That means the       a producer will       when the prices is: $1, $2, $5, $100, $1000, etc.

The Law of Supply states that       will normally offer more for sale at       prices and       at lower prices.

Remember we are now the ones who are creating the       and      . In a       economy, it is only natural that we are willing to       more of a product when the       for which it is selling is higher.

**Supply Curves**

A supply curve is a       which shows the amount a producer will make varies, depending on the       that consumers will pay. This is a       of how much consumers are willing to pay.

An individual supply curve illustrates how the       that a producer will make varies, depending on the       that will       in the market.

How many cans will Coca-Cola sell at all possible      .

A market       curve illustrates the       and prices that all producers will offer in the market for any given       or      .

How many cans will all soft drink companies sell at all possible      .

**Supply Schedule**

Economists       supply by listing quantity and prices in a supply      .

A supply       is a representation of the supply graph in the form of a table.

**Supply Graph**

When the supply data is graphed, it forms a       curve with an       slope.

Refer to graph to answer the following questions:

How many is the producer willing to supply when the price is $2? $4? $5?

**Elasticity of Supply**

      is determined by how responsive       is to changes in price.

Supply is       when a       increase in price leads to a larger increase in output.

Supply is       when a       increase in price causes little change in supply.

Supply in       when a change in price causes a       change in supply.

**Determinants of Elasticity of Supply**

Determinants of supply elasticity are related to how       a producer can act when the change in       occurs.

If adjusting       can be done quickly, the supply is      .

If production is       and requires much advance planning, supply is      .

Another factor is      .

If       is easy, supply is      .

If       is difficult, the supply is      .