

## “ Computer Lab Assignment: How a Change in Demand or Supply Will Change the Market Equilibrium”

In economics, the price is the independent variable and is graphed on the vertical axis or Y-axis. The quantity demanded and the quantity supplied are dependent variables and are graphed on the horizontal or X-axis. When the price changes, there is movement along the demand and supply curves. The price results in a change in the quantity demanded and the quantity supplied. If a determinant of demand changes, then the demand curve shifts since there has been a change in demand. If a determinant of supply changes, then the supply curve shifts since there has been a change in supply.

### **PART 1:**

1. Use the data in the table below and the [Step Sheet: Creating a Graph in Microsoft Excel](#) to create a graph showing an increase in demand.

Quantity	Demand 1	Demand 2	Supply
100	6	8	1
200	5	7	2
300	4	6	3
400	3	5	4
500	2	4	5
600	1	3	6

2. Use the [Step Sheet: Importing Graphs from Excel into Word Documents](#) to place your graph in the space below.

3. Using your graph, answer the following questions:
- What is the first equilibrium quantity demanded? \_\_\_\_\_
  - What is the first equilibrium quantity supplied? \_\_\_\_\_
  - What is the first equilibrium price? \_\_\_\_\_
  - What is the new equilibrium quantity demanded? \_\_\_\_\_
  - What is the new equilibrium quantity supplied? \_\_\_\_\_
  - What is the new equilibrium price? \_\_\_\_\_

4. Use the data in the table below and the [Step Sheet: Creating a Graph in Microsoft Excel](#) to create a graph showing an increase in supply.

Quantity	Supply 1	Supply 2	Demand
100	2	1	6
200	3	2	5
300	4	3	4
400	5	4	3
500	6	5	2
600	7	6	1

5. Use the [Step Sheet: Importing Graphs from Excel into Word Documents](#) to place your graph in the space below.

6. Using your graph, answer the following questions:
- What is the equilibrium quantity demanded? \_\_\_\_\_
  - What is the equilibrium quantity supplied? \_\_\_\_\_
  - What is the equilibrium price? \_\_\_\_\_
  - What is the new equilibrium quantity demanded? \_\_\_\_\_
  - What is the new equilibrium quantity supplied? \_\_\_\_\_
  - What is the new equilibrium price? \_\_\_\_\_

## Part 2:

1. The four tables below contain data that will help you complete the rest of this assignment. Each of the tables is labeled as to whether the data reflects a change in demand or a change in supply.
2. Choose a good that you enjoy and are familiar with (something you wear, something you like to use or play with, etc)
3. Create 2 headlines that could be used in a newspaper: one that reflects an increase or decrease in demand and one that reflects an increase in supply or decrease in supply.
4. Use Microsoft Excel and the [Step Sheet: Creating a Graph in Microsoft Excel](#) to create a graph showing each of the changes.

### Data: Increase in Demand

Quantity	Demand 1	Demand 2	Supply
100	6	8	1
200	5	7	2
300	4	6	3
400	3	5	4
500	2	4	5
600	1	3	6

### Data: Decrease in Demand

Quantity	Demand 1	Demand 2	Supply
100	8	6	1
200	7	5	2
300	6	4	3
400	5	3	4
500	4	2	5
600	3	1	6

### Data: Increase in Supply

Quantity	Supply 1	Supply 2	Demand
100	2	1	6
200	3	2	5
300	4	3	4
400	5	4	3
500	6	5	2

600	7	6	1
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**Data: Decrease in Supply**

Quantity	Supply 1	Supply 2	Demand
100	1	2	6
200	2	3	5
300	3	4	4
400	4	5	3
500	5	6	2
600	6	7	1

5. Type in your headline:

6. Import your graph and then explain why the headline reflects the change you have shown.

7. Repeat Steps 5 and 6 for your other three headlines.

