**Supply Curve**

**Supply is the quantity of goods and services which firms are WILLING and ABLE to SELL at a given price point and period**

**Individual Supply**

1) Imagine your favourite ice cream was on offer at a number of possible prices. How many bars of chocolate would you be prepared to buy each month at each possible price? Fill in the table below

|  |  |
| --- | --- |
| **Price of favourite ice cream** | **Your supply per week** |
| 65 |  |
| 55 |  |
| 45 |  |
| 40 |  |
| 35 |  |
| 25 |  |
| 15 |  |

2) You now completed your **supply schedule** for the ice cream which is a table relating quantity supplied to price.

Use this information to pot a line graph with the graph paper provided to show the firm’s supply curve for the ice cream.

**Market Supply**

Producers of apples have the following information about the amount of apples consumers will buy each month given a number of possible prices. The market demand schedule is as follows.

|  |  |
| --- | --- |
| **Price of apples (cents)** | **Market demand per month** |
| 50 | 400,000 |
| 40 | 300,000 |
| 30 | 200,000 |
| 20 | 100,000 |
| 10 | 0 |

4) With the price on the vertical axis and quantity per month along the bottom axis, plot the market supply curve for apples with the graph paper provided and label it SS.

5) Use the graph to work out how many apples would be supplied at a price of

1. 25 cents
2. 35 cents

7) Explain why the market supply curve for apples slopes downwards.

8) Explain the difference between individual demand and market supply

9) Without looking it up, can try and guess what the Law of Supply is?