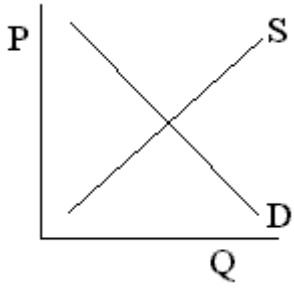
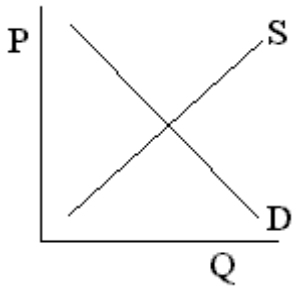
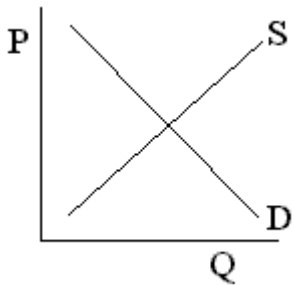
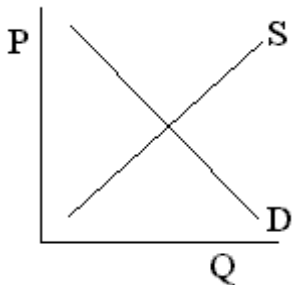
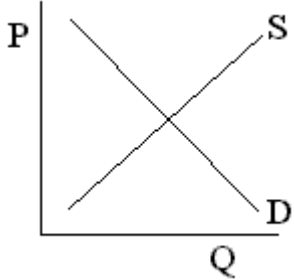
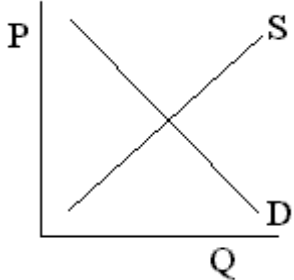
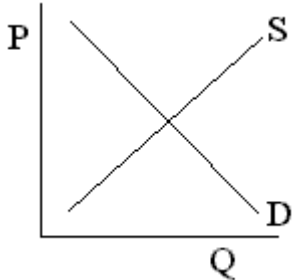
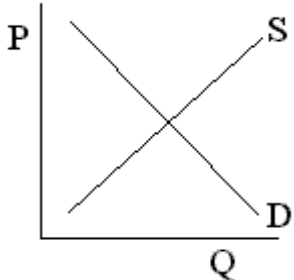
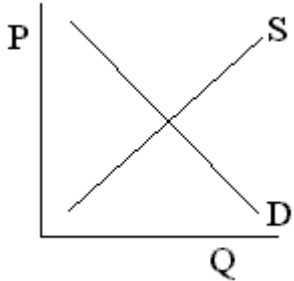


Changes in Supply & Demand

Directions: In order to make rough forecasts of the impact of economic changes, fill in the table. Draw new curves on the graphs to aid you. Show the initial effects predicted by the hypotheses of the indicated events on the markets. For changes in demand and supply (meaning shifts in the curve), equilibrium price, and quantity, use + or - to show increase or decrease; for no change, use **0**. If the effect cannot be deducted from the information given, use **U**.

Market	Event		D	S	P	Q
1. Ice Cream	It is discovered that ice cream can give children brain cancer if eaten too frequently.		_____	_____	_____	_____
2. Peanut Butter	There is a drought and peanut farmers are hit especially hard this year.		_____	_____	_____	_____
3. Petroleum	OPEC announces a significant reduction in the amount of oil that will be produced by each member.		_____	_____	_____	_____
4. DVDs	There is new technology, which now makes it easier to produce DVDs than just a few months ago.		_____	_____	_____	_____

Market	Event		D	S	P	Q
5. Coca-Cola	Pepsi lowers the price of its 12 ounce cans to 40¢.		---	---	---	---
6. Hot Dog Buns	Hog dogs are on sale for the Memorial Day holiday, when many have holiday picnics.		---	---	---	---
7. Cigarettes	The federal government passes a new law, which will increase the tax on all tobacco products by 15%.		---	---	---	---
8. Porsche	The nation is in a recession & millions are either out of work or have received pay cuts. Due to declining sales, several Porsche workers are laid off.		---	---	---	---
9. Pizza	The price of breadsticks falls. Also, the price of pizza sauce declines.		---	---	---	---