

## Demand and Supply – Day 4 Questions

Econ 201/Haworth

*The questions below are provided to test your understanding of this day's material.*

*To receive credit for this assignment, go to Assignments and find the folder entitled Daily Questions. Inside that folder, you'll find a folder entitled Section 1. Once you're in that folder, click on the link that says **Demand and Supply-Day 4** and complete the assignment. When you are finished, you may submit. Remember that the deadline for submitting this Day 4 Daily Question assignment is Monday, February 6, at 9:00pm.*

1. Which of the following statement is a correct statement describing the Law of Supply?
  - a. changes in the supply curve shift variables lead to changes in the supply curve
  - b. the supply curve has two endogenous variables, Price and Quantity supplied
  - c. the typical supply curve has a positive slope
  - d. the typical supply curve has a negative slope

*Questions 2-3 address the market for soft drinks in Louisville.*

2. Which of the following is a shift variable for the demand curve:
  - a. changes in the cost of producing soft drinks
  - b. changes in the price of soft drink substitutes
  - c. changes in future profits
  - d. changes in the current price of soft drinks
  - e. answers b, c and d are correct
  - f. answers b and d are correct
  
3. Which of the following is a shift variable for the supply curve:
  - a. changes in the future price of soft drinks
  - b. changes in wages paid to soft drink employees
  - c. changes in the price of soft drink complements
  - d. changes in the number of soft drink demanders
  - e. none of the above are shift variables for the supply curve