

# Law of Demand

## Notes

### “LAW OF DEMAND” TARGETS

**Knowledge**

**Reasoning**

**Skill**

### DEFINITION

If all things are equal, \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

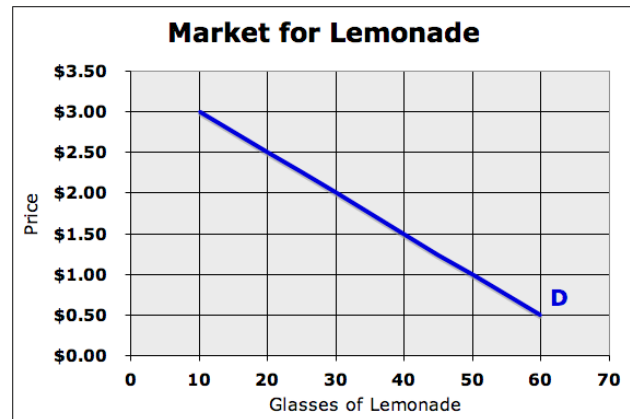
1)

2)

### DEMAND CAN CHANGE IN TWO WAYS

1) **Change in “Quantity Demanded”**

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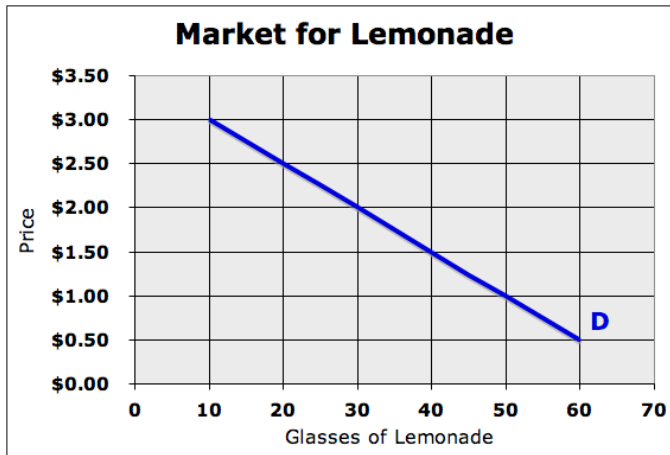
2) **Change in “Demand”**

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YOU DRAW THE GRAPH

Draw an increase in demand.

**Increase in Demand**



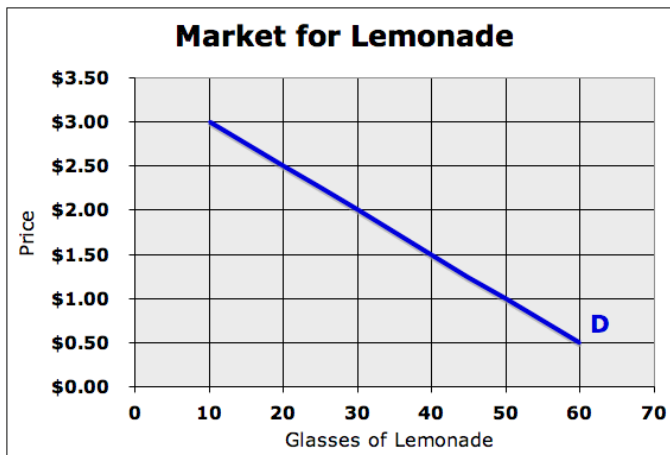
INCREASES DEMAND

**There are six factors that will increase demand.**

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

Draw a decrease in demand.

**Decrease in Demand**



DECREASES DEMAND

**There are six factors that will decrease demand.**

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

THE EFFECTS OF SHIFTING DEMAND

When the demand curve shifts, it affects quantity and price. Complete the table by deciding whether quantity and price increase or decrease for each scenario.

	Effect on Quantity	Effect on Price
<b>Increase in Demand</b>		
<b>Decrease in Demand</b>		