

# EC 131 - Lecture 4

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Textbook readings: Chapter 4 (Pages 73–84)

## 1 Supply

- Supply schedule
- Supply curve
- Firm Supply
- Market Supply
- Movements along supply curve
- Shifts in Supply Curve
  - Input prices
  - Technological change
  - Price of Substitutes in production
  - Number of firms
  - Expected price changes

## 2 Market Equilibrium

- Surplus
- Shortage / Excess demand
- Equilibrium price / Equilibrium quantity

- Law of supply and demand
- Changes in equilibrium
  - Shifts in Demand
  - Shifts in Supply
  - Shifts in Demand and Supply
  - Ambiguous changes
- Demand equation / Supply equation
- Calculating equilibrium