

EC 131 - Lecture 4

Boston College
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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