## Markets (forms)

There are at least 3 possibilities to look at the same market:

| 1 A market in numerical form | Quantity supplied |  |
| :---: | :---: | :---: |
| Price | Quantity demanded | 0 |
| 0 | 20 | 4 |
| 1 | 16 | 8 |
| 2 | 12 | 12 |
| 3 | 8 | 16 |
| 4 | 4 | 20 |
| 5 | 0 |  |


| 2 The same market in a diagram |
| :--- | :--- | :--- |

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[^0]:    3 The same market in algebraic form

    - $\quad D=20-4 P$
    - $\quad S=4 P$
    - At the equilibrium point: Quantity demanded = quantity supplied
    - Therefore at the equilibrium point: $\mathrm{D}=\mathrm{S} \quad \rightarrow \quad 20-4 \mathrm{P}=4 \mathrm{P}$
    - Results:

    Equilibrium at
    $P=2.5$ and
    $\mathbf{Q}=10 \quad$ (Quantity demanded $=20-4 \mathrm{P}=20-4 * 2.5=10$ )
    (Quantity supplied $=4 \mathrm{P}=4 * 2.5=10$ )

