

Name: _____ Date: _____

SUPPLY & DEMAND

Read each cause statement. Predict what will happen to the price and explain why.

Cause: A bakery accidentally bakes too many cupcakes one morning. Instead of 30 cupcakes, they now have 300. What will happen to the price of the cupcakes?

Effect: The price will _____ because _____

Cause: A car dealer has too many cars of last year's model still on his lot left to sell. The new models will be delivered next week. What will happen to the price of last year's model cars?

Effect: The price will _____ because _____

Cause: There are lots of holiday ornaments still on store shelves the day after Christmas. What will happen to the price of the ornaments?

Effect: The price will _____ because _____

Cause: Today is the day before the 4th of July holiday and the fireworks stand is almost out of fireworks. What will happen to the price of fireworks?

Effect: The price will _____ because _____

Cause: An oil well explosion reduces the amount of oil available to make gasoline for cars and trucks. What will happen to the price of gas?

Effect: The price will _____ because _____

