NAME Nattapat Reunyota STUDENT ID 6204640160

CASE 3 Decrease in Demand & Increase in Supply

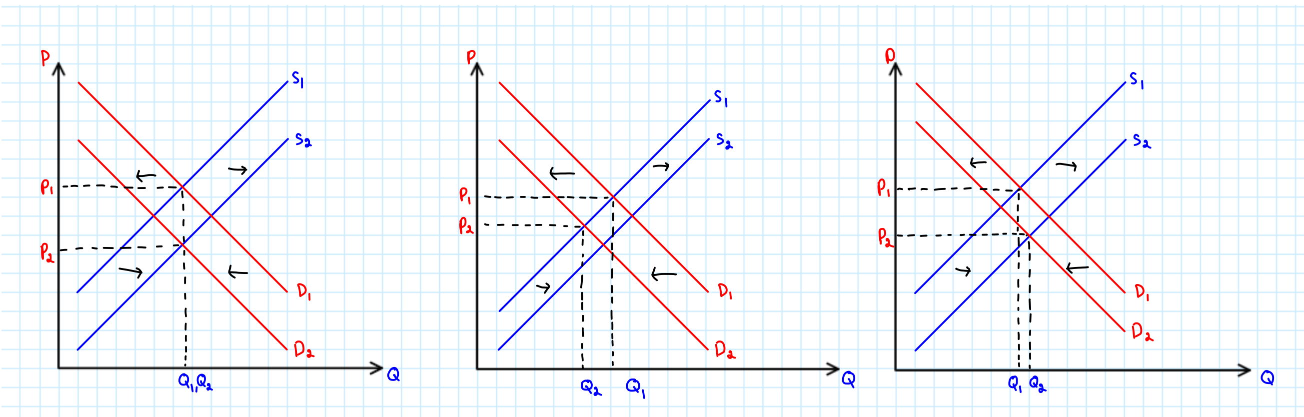
Consider Market for computer

EVENT 1 (On Demand Side)

people use I-pad instead of computer

EVENT 2 (On Supply Side)

Cost saving technology of computer become available to publisher



Quantity demand decrease at same amount of quantity supply increase

Quantity demand decrease more than quantity supply increase

Quantity supply increase more than quantity demand decrease

Full Explanation

On demand side: When people use I-pad instead of computer the needed for computer decrease. So demand curve will shift to the left from D_1 to D_2, imply that Quantity demand for I-pad are decrease at any observable price level.

On supply side: When cost saving technology of computer become available to publisher so supply curve for airpod will shift to the right from S_1 to S_2, Imply that quantity supply has increase at any observable price.

In case 1 Quantity demand decrease at same amount of quantity supply increase
Quantity remain the same but price decrease

In case 2 Quantity demand decrease more than quantity supply increase
Quantity and price decrease

In case 3 Quantity supply decrease more than quantity demand increase
Quantity increase but price decrease

NAME Nattapat Reunyota STUDENT ID 6204640160

CASE 4 Increase in Demand & Decrease in Supply

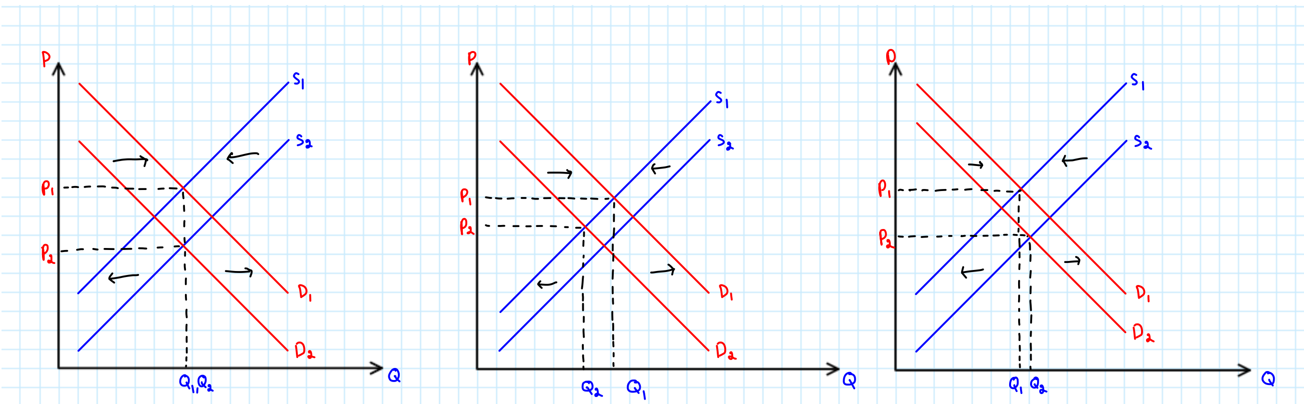
Consider Market for Seafood

EVENT 1 (On Demand Side)

People want to eat more seafood

EVENT 2 (On Supply Side)

fisher man collect less fish this year



Quantity demand increase at same amount of quantity supply decrease

Quantity demand increase more than quantity supply decrease

Quantity supply decrease more than quantity demand increase

Full Explanation

On demand side: People want to eat more seafood the needed for fish increase. So demand curve will shift to the Right from D_1 to D_2, imply that Quantity demand for fish are increase at an observable price level.

On supply side: When fisher man keep less fish this year so supply curve for fish will shift to the left from S_1 to S_2, Imply that quantity supply has decrease at any observable price.

In case 1 Quantity demand decrease at same amount of quantity supply increase
Quantity remain the same but price increase

In case 2 Quantity demand decrease more than quantity supply increase
Quantity and price increase

In case 3 Quantity supply decrease more than quantity demand increase
Quantity increase but price increase

NAME Nattapat Reunyota STUDENT ID 6204640160

CASE 1 Decrease in Demand & Decrease in Supply

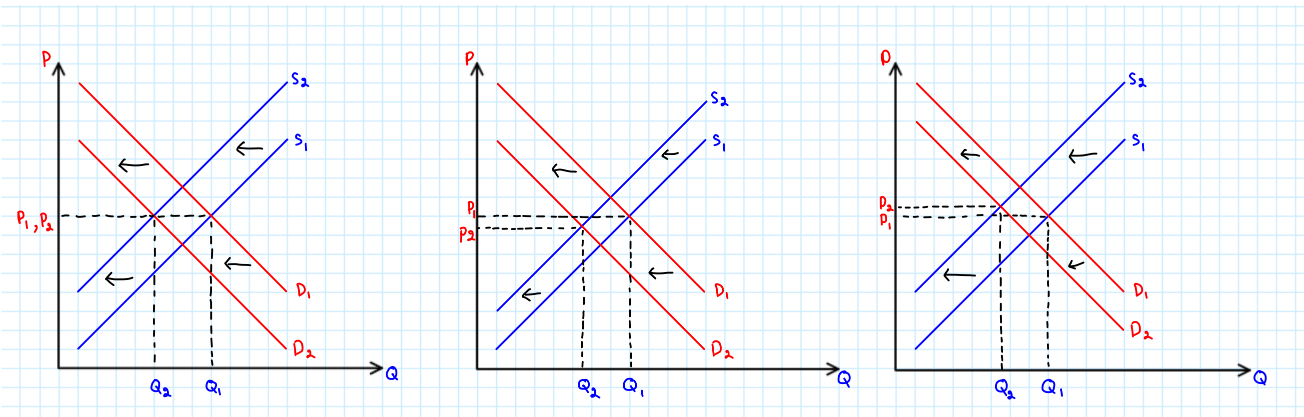
Consider Market for winter jacket

EVENT 1 (On Demand Side)

During the summer, the needed of jacket is low so demand for jacket decrease.

EVENT 2 (On Supply Side)

the cost of making jacket increase



Quantity demand decrease at same amount of quantity supply

Quantity demand decrease more than quantity supply

Quantity supply decrease more than quantity demand

Full Explanation

On demand side: During the summer, the needed of jacket is low so demand curve for jacket will shift to the left from D_1 to D_2, imply that people are willing to buy less at any observable price level. Quantity demand has decrease at any observable price level

On supply side: the cost of making jacket is increase, seller want to sell less jacket so supply curve for jacket will shift to the left from S_1 to S_2, Imply that quantity supply has decrease at any observable price.

In case 1 Quantity demand decrease at same amount of quantity supply
price not change but quantity decrease

In case 2 Quantity demand decrease more than quantity supply
price and quantity decrease

In case 3 Quantity demand decrease less than quantity supply
price increase but quantity decrease

NAME Nattapat Reunyota STUDENT ID 6204640160

CASE 2 Increase in Demand & Increase in Supply

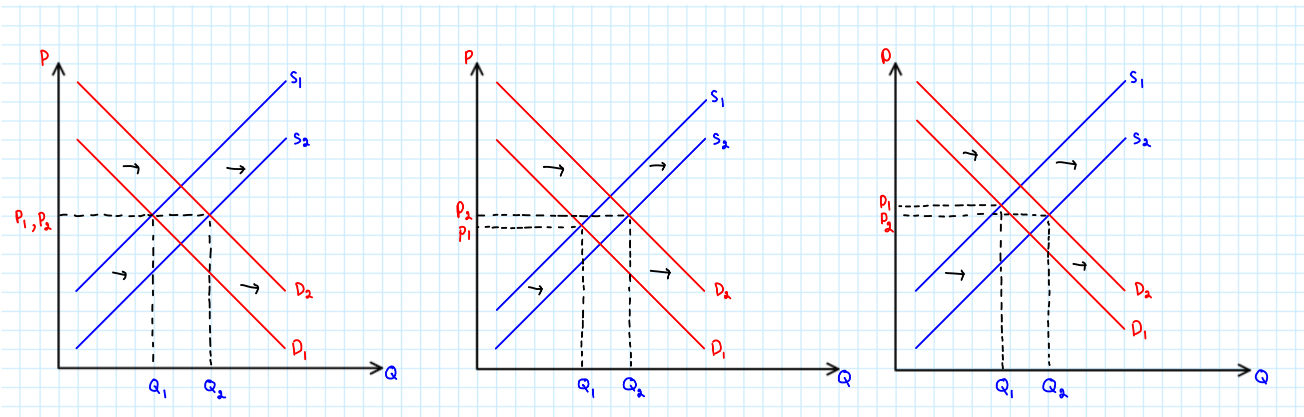
Consider Market for Airpod

EVENT 1 (On Demand Side)

People want to use airpod

EVENT 2 (On Supply Side)

The technology for making airpod develop



Quantity demand increase at same amount of quantity supply

Quantity demand increase more than quantity supply

Quantity supply increase more than quantity demand

Full Explanation

On demand side: When people want airpod the needed for airpod are increase. So demand curve will shift to the right from D_1 to D_2, imply that Quantity demand for airpod are increase at any observable price level.

On supply side: The technology for making airpod develop so supply curve for airpod will shift to the right from S_1 to S_2, Imply that quantity supply has increase at any observable price.

In case 1 Quantity demand increase at same amount of quantity supply
price not change but quantity decrease

In case 2 Quantity demand increase more than quantity supply
price and quantity increase

In case 3 Quantity supply increase more than quantity demand
price decrease but quantity increase

NAME Nattapat Reunyota STUDENT ID 6204640160

EE211 | HW1 | Due Date: Tuesday 11 Feb 2020 by 08.00

Instructions:

1) Attempt all 4 cases.
2) Submit as a PDF file or photo files (A single PDF file preferred)
3) On your work, please do not forget to write down your full name and student ID.
4) Any questions or concerns, send me your message via pwrasai@econ.tu.ac.th

QUESTION: In each case, you can introduce a market for a good or service you are interested in. Think and name an event on demand side that might shift the demand curve to a direction specified on each case. Do the same for same for the supply side. Give a full explanation on what will happen to equilibrium price and equilibrium quantity in each case.

Note: In each case, it is not necessary to be the same market. Be creative.

Caveat: Copy and Plagiarism is an academic crime and will not be tolerated. If caught, all parties involved will be penalized by Thammasat University's Honest Code.