

Factors influencing supply and demand.

Assessment Task

Factors influencing demand and supply and price (Pair activity) (LO1 AS3)

Read the information and do the exercise that follows.

The laws of demand and supply change over time. This is because there are other factors involved and because the demand influences the supply and the supply influences the demand. Therefore, the laws of supply and demand are dynamic.

Study the factors in the table below. Complete the table by stating what effect each of the factors will have on demand, supply and price.

Factor	Demand	Supply	Price
A famous rock star dies. How does this affect the market for his/her CDs? [3 marks]			
DVDs are replaced with Blu Ray discs. How does this affect the DVD market? [3 marks]			
Summer clothes are sold at the end of the summer season. [3 marks]			
A big clothing store has a summer sale. [3 marks]			
It starts raining during the outdoor Saturday food market. How does this affect the market for umbrellas? [3 marks]			
An extra supplier starts selling umbrellas during a rainy outdoor food market day. [3 marks]			

Peer assessment checklist

Criteria	Level 4 Outstanding	Level 3 Achieved	Level 2 Partially achieved	Level 1 Not achieved
My partner could correctly indicate the effect each of the factors stated would have on demand, supply and price.	16-18 effects correctly identified	12-15 effects correctly identified	7-11 effects correctly identified	0-6 effects correctly identified