



## Section 1: Guided Reading and Review

# Understanding Demand

### A. As You Read

As you read Section 1, for each boxed example, fill in the key term the example illustrates in the space provided.

- |  |   |   |
|--|---|---|
| <p>1. the higher the price of pizza, the fewer slices people will buy</p> <p>_____</p> | <p>2. eating salad or tacos instead of pizza when the price of pizza goes up</p> <p>_____</p> | <p>3. buying fewer slices of pizza when rising prices reduce real income</p> <p>_____</p> |
|--|---|---|

4.

Price	Quantity
1	5
2	4
3	3
4	2

\_\_\_\_\_

5.

Price	Quantity
1	300
2	250
3	200
4	150

\_\_\_\_\_

### B. Reviewing Key Terms

Complete each sentence by writing the correct term in the blank.

6. A \_\_\_\_\_ is a table that lists the quantities of a good a person will buy at each price that may be offered in the market.
7. A \_\_\_\_\_ is a table that lists the quantities of a good demanded by all consumers at each price that may be offered in the market.
8. A \_\_\_\_\_ is a graphical representation of a demand schedule
9. The \_\_\_\_\_ is the change in consumption resulting from a change in real income.
10. The \_\_\_\_\_ says that when a good's price is lower, consumers will buy more of it.