

CONCEPT: THE BASICS OF SUPPLY

- Supply relates to the behavior of _____ in our perfectly competitive market.

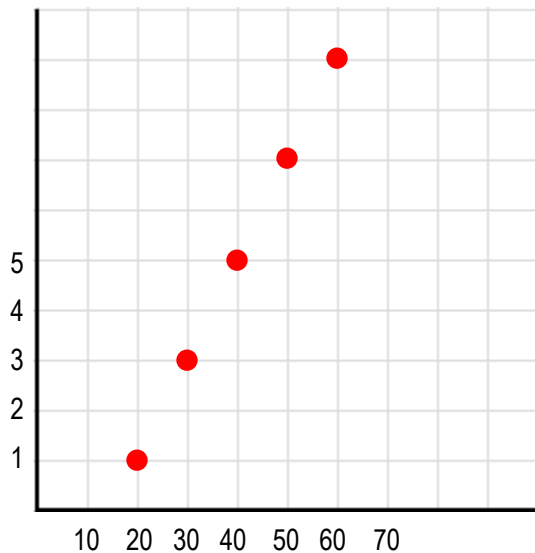
□ The **quantity supplied** is the amount of a good that sellers are willing to produce.

- The **supply schedule** lists pairs of prices and quantities supplied.

The Law of Supply

When the price of a good rises, the quantity supplied of that good rises

- The **supply curve** is a graph showing the relation between the price of a good and its quantity supplied.



Supply Schedule for Wheat	
Price (\$)	Quantity
9	60,000
7	50,000
5	40,000
3	30,000
1	20,000