

Chapter 9 – Supply

Question 1

Define Supply.

Ans: Supply refers to the quantity of a commodity that a firm is willing and able to offer for sale at a given price during a given period of time.

Question 2

What are the 6 Determinants of Supply?

Ans: 6 important factors affecting supply are:

- Price of a given commodity
- Prices of other goods
- Prices of factors of production
- State of technology
- Government policy
- Goals of the firm

Question 3

What are the 3 Determinants of Market Supply?

Ans: 3 Determinants of Market Supply are:

- Number of firms in the market
- Future expectation regarding price
- Means of transportation and communication

Question 4

Define Market Supply Schedule (MSS).

Ans: Market Supply Schedule refers to a tabular statement showing various quantities of a commodity that all the producers are willing to sell at various levels of price, during a given period of time.

Question 5

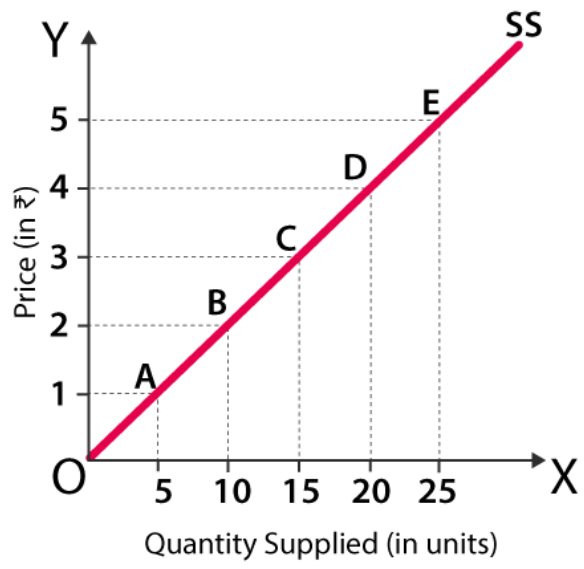
What is the Supply Curve?

Ans: Supply curve refers to a graphical representation of the supply curve.

Question 6

Graphically represent the Individual Supply Curve.

Ans:



Individual Supply Curve