The Pop Price

Trace how supply and demand change a price.

4.E.3 "Explain that prices change as a result of changes in supply and demand for specific products."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline each change in supply or demand. Circle the new price that follows it, then give the change and its price the same number.

A Week at the Pool

1. At the town pool, Nia's snack cart sells frozen fruit pops for $2 each. Supply is the number of pops a seller has ready to sell. Demand is how many pops people want to buy at a price. On a mild Monday, Nia has plenty of pops, and the usual number of swimmers want them. Her $2 price is a starting point for watching what changes.

2. On Tuesday, the weather turns very hot. More swimmers want fruit pops, but Nia brings the same number as on Monday. With demand up and supply unchanged, she raises the price to $3. On Wednesday, the heat continues and about the same number of swimmers want pops. Nia brings many more pops in a borrowed freezer. Supply rises, so she lowers the price to $2.

3. On Thursday, cool rain keeps many swimmers away. Nia brings the same number of pops she brought on Wednesday, but fewer people want them. Demand falls while supply stays about the same. She lowers the price to $1 so more of the remaining swimmers will choose a pop. Across these days, a price changed when the number of available pops changed or when the number of people wanting pops changed.

2 ANSWER WITH EVIDENCE

Use the passage

1. Why did Nia raise the price to $3 on Tuesday?

2. What changed on Wednesday, and why did the price fall to $2?

3. Why did Nia lower the price to $1 on Thursday?

4. The price fell on both Wednesday and Thursday. What was different about the cause each day?

3 YOUR TURN

Your own words

Choose a product other than fruit pops. In four sentences, give its starting price, then explain one day when demand changes but supply does not and a different day when supply changes but demand does not, including the new price each day.

The Pop Price

PART 1 · READ AND MARK

Underline each change in supply or demand. Circle the new price that follows it, then give the change and its price the same number. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Why did Nia raise the price to $3 on Tuesday?	**More swimmers wanted pops, so demand rose while supply stayed the same.**
2	What changed on Wednesday, and why did the price fall to $2?	**Nia brought many more pops, so supply rose while demand stayed about the same.**
3	Why did Nia lower the price to $1 on Thursday?	**Fewer swimmers wanted pops, so demand fell while supply stayed about the same.**
4	The price fell on both Wednesday and Thursday. What was different about the cause each day?	**On Wednesday, supply rose because Nia brought more pops. On Thursday, demand fell because fewer swimmers wanted pops.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

A shop sells umbrellas for $8 each. On a rainy day, more shoppers want umbrellas, and the shop has the same number, so the price rises to $10. The next day, a large shipment arrives, while the number of shoppers wanting umbrellas stays about the same. With more umbrellas for sale, the shop lowers the price to $7.

Accept other clearly explained price changes that match the stated change in supply or demand. In Part 3, the response should hold supply steady for the demand change and demand steady for the supply change.