

<b>CHAPTER</b> <b>4</b>	<b>SKILL ACTIVITY</b>
<b>Using Charts and Graphs</b>	
<b>3</b>	

You and the other members of your group are preparing to start a new business selling two products: an apple-strawberry fruit juice and a lemon-lime sports drink. These two tables provide the minimum and maximum price and quantity demanded for each good per day. ♦ *Given what you have learned about the relationship between price and quantity demanded, fill in the remaining values.*

Price of Fruit Juice	Quantity Demanded/Day
\$1.00	35
\$4.00	5

Price of Sports Drink	Quantity Demanded/Day
\$1.00	70
\$4.00	10

Use the two completed demand schedules to draw the demand curve for each product on a separate sheet of paper. Label the horizontal axes with the quantities demanded and the vertical axes with the prices. If it is available, your group can use spreadsheet software to create the demand schedules and to draw the demand curves based on them.

### Apply the Skill

1. Why do demand curves slope down and to the right? \_\_\_\_\_  
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2. What principle of a market economy does this behavior demonstrate? \_\_\_\_\_  
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3. What are some reasons why demand might differ for the two products? \_\_\_\_\_  
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4. (a) Suppose you were one of the consumers of these products. How many units of each product would you buy at each price? (b) How does your individual demand compare to the market demand? (c) Compare your individual demand to another group member's individual demand. How would you explain any differences?  
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