

Do not write your name on the assignment. Write your name only on the back of this sheet of paper and staple your answers on the front of this sheet of paper. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to follow these directions will cost you 1 point on the assignment and failure to type it will cost you 10 points.

- 1) (20 points) Illustrate an increase in the price of gasoline on the supply and demand for hybrid-cars. Explain why the curve(s) moved as drawn. What happens to the equilibrium price and quantity?
- 2) (20 points) Illustrate an increase in the cost of land on the supply and demand for corn. Explain why the curve(s) moved as drawn. What happens to the equilibrium price and quantity?
- 3) (20 points) Illustrate an increase in the number of firms on the supply and demand for cars. Explain why the curve(s) moved as drawn. What happens to the equilibrium price and quantity?
- 4) (20 points) Illustrate an increase in the selling price of bread on the supply and demand for bagels. Explain why the curve(s) moved as drawn. What happens to the equilibrium price and quantity?
- 5) (20 points) Illustrate an expected increase in the future price of cars on the supply and demand for cars. Explain why the curve(s) moved as drawn. What happens to the equilibrium price and quantity?