



Section 1: Guided Reading and Review

Understanding Demand

A. As You Read

As you read Section 1, for each boxed example, fill in the key term the example illustrates in the space provided.

1. the higher the price of pizza, the fewer slices people will buy.

2. eating salad or tacos instead of pizza when the price of pizza goes up

3. buying fewer slices of pizza when rising prices reduce real income

4.

Price	Quantity
1	5
2	4
3	3
4	2

5.

Price	Quantity
1	300
2	250
3	200
4	150

B. Reviewing Key Terms

Complete each sentence by writing the correct term in the blank.

- A _____ is a table that lists the quantities of a good a person will buy at each price that may be offered in the market.
- A _____ is a table that lists the quantities of a good demanded by all consumers at each price that may be offered in the market.
- A _____ is a graphical representation of a demand schedule.
- The _____ is the change in consumption resulting from a change in real income.
- The _____ says that when a good's price is lower, consumers will buy more of it.