Supply, Demand, and Prices

Grade 5 • SOCIAL-STUDIES • Students explain how changes in supply and demand can affect the prices of goods and services. • Standards: D2.Eco.1.3-5

Read each scenario carefully. Decide whether the price will go up, go down, or stay the same based on the change in supply or demand.

1. A toy store receives twice as many teddy bears as usual, but the same number of customers want to buy them. What will likely happen to the price of teddy bears?

2. During summer vacation, many more families want to visit the water park than in winter. What will likely happen to the price of water park tickets in summer?

3. A bakery makes the same amount of bread as always, but fewer people come to the store to buy it. What will likely happen to the price of bread?

4. A storm destroys many orange trees, so farmers have fewer oranges to sell. Shoppers still want the same amount of oranges. What will likely happen to the price of oranges?

5. A popular athlete starts wearing a certain brand of sneakers, and suddenly many more students want that style. The shoe store has the same number of sneakers in stock. What will likely happen to the price?

6. Three new pizza restaurants open in town, but the number of people who want pizza stays the same. What will likely happen to pizza prices?

7. After a health report says carrots are very healthy, more shoppers want to buy carrots. Farmers grew the usual amount this year. What will likely happen to carrot prices?

8. A factory creates a faster machine that makes twice as many bicycles per day. The number of customers who want bicycles has not changed. What will likely happen to bicycle prices?

9. A new video game system becomes less popular after a year, so fewer kids want to buy games for it. Game stores still have the same number of games available. What will likely happen to game prices?

10. Heavy rains ruin part of the strawberry crop, reducing the number available. At the same time, a cookbook featuring strawberry recipes becomes popular and more people want strawberries. What will likely happen to strawberry prices?

Answer Key — Supply, Demand, and Prices

For the teacher / parent. Do not distribute with the worksheet.

1. The price will go down *(When supply increases and demand stays the same, prices typically decrease)*

2. The price will go up *(When demand increases and supply stays the same, prices typically increase)*

3. The price will go down *(When demand decreases and supply stays the same, prices typically decrease)*

4. The price will go up *(When supply decreases and demand stays the same, prices typically increase)*

5. The price will go up *(When demand increases and supply stays the same, prices typically increase)*

6. The price will go down *(When supply increases and demand stays the same, prices typically decrease)*

7. The price will go up *(When demand increases and supply stays the same, prices typically increase)*

8. The price will go down *(When supply increases and demand stays the same, prices typically decrease)*

9. The price will go down *(When demand decreases and supply stays the same, prices typically decrease)*

10. The price will go up *(Both decreased supply and increased demand push prices upward, so the price will definitely increase)*