

MA 110 WORKSHEET (1.2) SURPLUS AND SHORTAGE

Name _____

1. Let the demand and supply functions be represented by $D(p)$ and $S(p)$, where p is the price in dollars.

$$D(p) = 5000 - 90p \text{ and } S(p) = 150p$$

- A. Find the price when the demand is 3650. Is there a surplus or a shortage at this price?

- B. Find the equilibrium price and demand (supply) for the given functions.

- C. At what prices is there a shortage?

- D. At what prices is there a surplus?