

Grade 8

Economics

Topic: Market Demand

What is meant by Market Demand?

The market demand actually represents the demand of all the consumers combined together. Or Market demand is the sum of the individual demand for a product from buyers in the market.

Define Market Demand Schedule

A market demand schedule is a tabulation of the quantity of a good that all consumers in a market will purchase at a given price. At any given price, the corresponding value on the demand schedule is the sum of all consumers' quantities demanded at that price. For Example

Price of Milk per litre (in ₹)	Demand of Mr. X. (in Litres)	Demand of Mr. Y. (in Litres)	Market Demand (in Litres)
5	1	2	$1 + 2 = 3$
4	2	3	$2 + 3 = 5$
3	3	4	$3 + 4 = 7$
2	4	5	$4 + 5 = 9$
1	5	6	$5 + 6 = 11$

What is a Market Demand Curve?

The market demand curve is the summation of all the individual demand curves in the market for a particular good. It shows the quantity demanded of the good at varying price points. Because quantity demanded decreases as price increases, the market demand curve has a negative, or downward, slope. The market demand curve for the above schedule can be drawn as:

