



**Chapter 5: Supply
Opener**

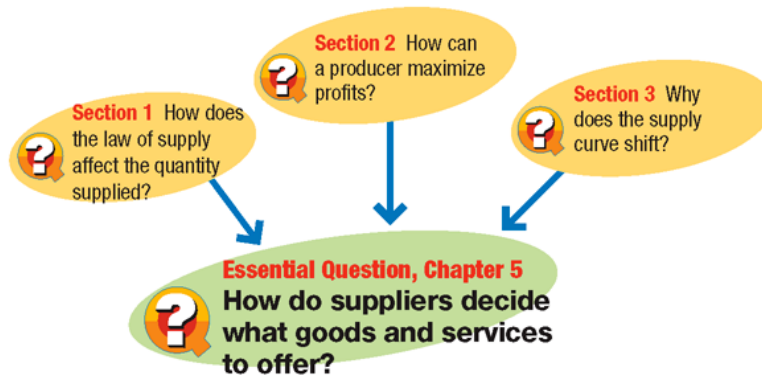
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ECONOMICS

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Essential Question

- How do suppliers decide what goods and services to offer?



Guiding Questions

Principles of
ECONOMICS

- Section 1: Understanding Supply
 - How does the law of supply affect the quantity supplied?
 - The law of supply states that as the price increases, the quantity supplied increases.



Guiding Questions

Principles of
ECONOMICS

- Section 2: Costs of Production
 - How can a producer maximize profits?
 - The costs of production must be weighed by a producer so that he or she can maximize profits.



Guiding Questions

Principles of
ECONOMICS

- Section 3: Changes in Supply
 - Why does the supply curve shift?
 - Many things can affect supply and cause the supply curve to shift, including costs, prices, technology, changes in the global economy, and government intervention.

