



New chat



1. Input:

MO

Demand, supply, market equilibrium and disequilibria



2. Output ChatGPT:

Demand refers to the quantity of a product or service that consumers are willing and able to purchase at a given price, while supply refers to the quantity of the product or service that producers are willing and able to offer for sale at a given price.

Market equilibrium occurs when the quantity of the product demanded by consumers is equal to the quantity supplied by producers at a given price. At this point, the market is in a state of balance, with no excess demand or supply.

Disequilibria occur when the market is not in a state of equilibrium. If the price of a product is too high, there will be excess supply and a surplus of the product, while if the price is too low, there will be excess demand and a shortage of the product. In both cases, the market is not in balance, and there is a disequilibrium.

When there is excess supply, producers may have to lower their prices to clear their inventories, while excess demand may cause prices to rise. As prices change, the quantity demanded and supplied may also change, eventually leading the market back to equilibrium. However, if the market is subject to external factors such as taxes or subsidies, the equilibrium may shift to a new price and quantity level.



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3. **Graphs** about demand, supply, equilibrium and disequilibria

