

## Economics - 9th Class English Medium Economics Chapter 5

# Q1. Perfect Define of Equilibrium Ans 1: Equilibrium in economics refers to the state of balance in market, where the quanitty demanded by consumers equals the quantity supplied by producers at a particualr price level. This equilibrium price and quantity represent the point of agreement between buyers and sellers, ensuring that all goods or services produced are effectively consumed, and there is no excess supply or demand. Q2. What is One price Ans 1: In the perfect market, a law of one price holds. After the market forces of supply and demand of buyers and sellers, are at rest or in equlibrium, a single price for a good will prevail. the self intrested, competitive forces of buyers and sellers acting through supply and demand guarantee this important result. Q3. Write determination of Market Equilitbrium Ans 1: Q4. What is determined by the intersection of supply and demand? Ans 1: The intersection of supply and demand in economics determines the equilirbium price and quantity of a good o service in a market. At this interesection point, the quantity of the good that producers are willing to supply mathches the quantity that consumers are willing to buy. Q5. Define Economic Equilibrium Ans 1: All other things being equal a buyer will always choose a seller with the lowest price, whereas a sellers will choose, if possible, to sell at higher price. Only one price is possible where both seller and buyer and this is the state of equilibrium. Q6. Market Equilibrium Explaination with Diagram Ans 1:

### Q7. What is Perfect Competiton

**Ans 1:** In our analysis of market equilirbrium, we assume perfect competition in the market. A Market is perfect inwhich there are engought uyers and sellers that no single buyer or seller can influence price of quantity by his or her individual actions.

#### Q8. What is Market Equilibrium

**Ans 1:** At equilibriun price, consumers get precisely the quantitity of the good they are willing to buy at that price, and producers sell precisely the quantity they are willing to sell at the price

#### Q9. Define Equilibrium

**Ans 1:** The Concept of equilibrium is used in both physical and social sciences and it is of central importance in economic analysis. In economics, a market is said to be in equilibrium whenall selleers and buyeers are satisfied with one rice and there is no tendency for production or prie in that market to change.

#### Q10. What is meant by equilibrium price and quantity?

**Ans 1:** Equilirbrium Price: This is the price at which the quantity of a good or service that producers are willing to supply equals the quantity that consumers are willing to purchase. At this price, there is neither a surplus nro a shortage of the product in the market.

**Ans 2:** Equilibrium Quantity: This is the quantity of the good or serice that is bought and sold at the equilibrium price. It represents the level of production adn consumption that maximizes societal welfare, as it reflects the optimal allocation of resources based on consumer preferences and producer costs.