

Answer on Question #44155 – Economics – Microeconomics

A supply curve shows:

Solution

Supply curve shows the relationship of price to the amount of product, which businesses are willing to sell. The curve is generally positively sloped.

The curve depicts the relationship between only two variables - price and quantity supplied. All other factors, affecting supply, are held constant. However, these factors are part of the supply equation and are implicitly present in the constant term.