

**Question #85281, Economics / Microeconomics**

Answer:

Point, where the demand of the products meets its supply is known as, an equilibrium point, with its corresponding price and quantity of equilibrium.

In perfectly competitive market Demand=Supply

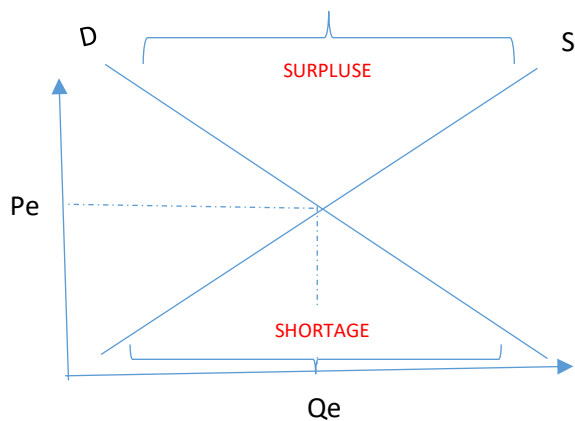
$$20 - 0.2Q = 5 + 0.1Q$$

$$20 - 5 = 0.1Q + 0.2Q$$

$$15 = 0.3Q$$

$Q = 50$  equilibrium quantity

$P = 20 - 0.2 * 50 = 5 + 0.1 * 50 = 10$  equilibrium price



Answer provided by <https://www.AssignmentExpert.com>