

JAIIB Examination



A Day

**INDIAN ECONOMY AND INDIAN
FINANCIAL SYSTEM**

Module B

Chapter 13 – Market equilibrium



www.edutap.in



hello@edutap.co.in



+91 81462-07241



PRICE MECHANISM



TABULAR REPRESENTATION OF MARKET EQUILIBRIUM

	PRICE	DEMAND	SUPPLY	SATTE OF MARKET	PRESSURE ON PRICE
A	500	9	18	SURPLUS	DOWNWARD
B	400	10	16	SURPLUS	DOWNWARD
C	300	12	12	EQUILIBRIUM	NEUTRAL
D	200	15	7	SHORTAGE	UPWARD
E	100	20	0	SHORTAGE	UPWARD



PRICE MECHANISM

➔ What happens when supply and demand come together?

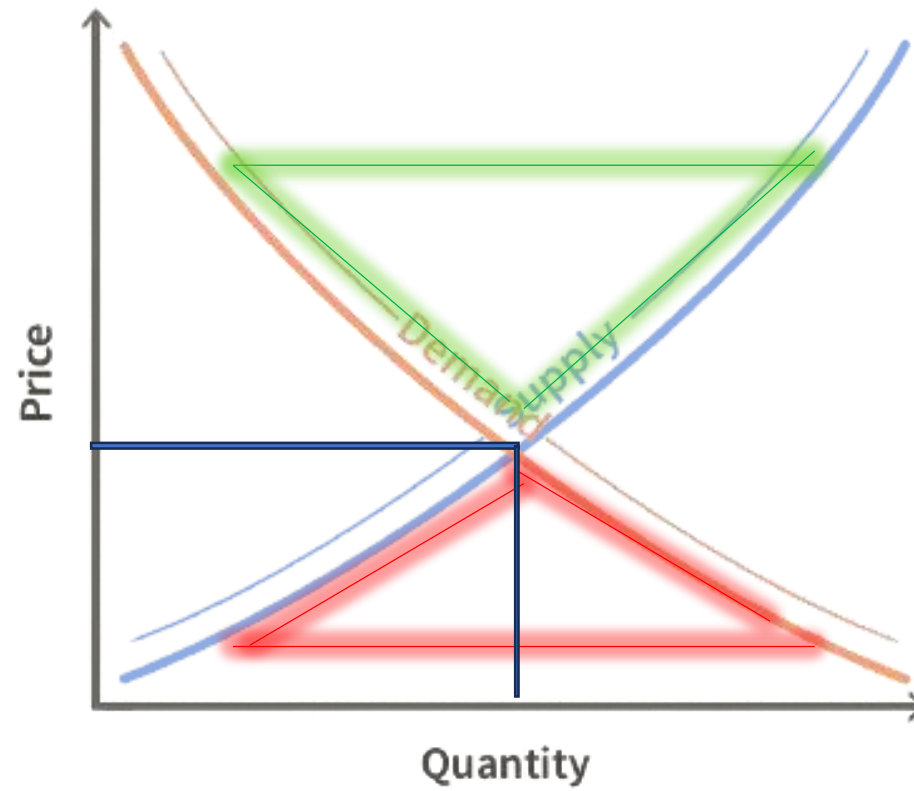
- **Supply & demand interact with each other to produce market equilibrium.**
- **Market equilibrium** is where the quantity demanded = quantity supplied, resulting in a stable market price.
- Equilibrium price is also called **Market Clearing price**.
- Equilibrium price remains unchanged as long as other factors remain unchanged.





PRICE MECHANISM

GRAPHICAL REPRESENTATION OF MARKET EQUILIBRIUM



Previous homework

Q.

Which among the following affects the quantity supplied of a good, other than its own price?

- (a) Technological advancements
- (b) Climate change
- (c) Political involvements
- (d) Income of buyers

Answer: Option D



TARGET JAIIB 2025

IN ONE ATTEMPT

BANKER'S CAPSULE COURSE

IE&IFS + PPB + AFM + RBWM



One-Shot Concept Classes



Short Notes



Test Series



FLAT **75%** OFF

USE CODE

JAIIB75

Thank You

For More Info Contact us:



+91 8146207241



hello@edutap.co.in



www.edutap.co.in