

# DEMAND DEFINED

**The desire, ability and willingness to buy a particular product at a particular time and price.**

As high schoolers, you may have the desire to buy a Lamborghini, but you do not have the ability (funds) to do so. Your desire and willingness does not, therefore, affect demand for that product - *at this time*.

PRICE ↑  
Q.D. ↓

# LAW OF DEMAND

↓ PRICE  
↑ Q.D.

**The quantity demanded of a good or service varies inversely with its price.**

**In other words: *When the price goes up, quantity demanded goes down.***

**Likewise, *when the price goes down, quantity demanded goes up.***