

What We Learned In This Lesson

In the study of economics, we learned that one of the more effective ways of allocating scarce resources is to use **PRICE**.

PRICE = A mechanism used to measure the **VALUE** of a product or service.

The 2 forces that determine Price of goods & services are:

- a) **DEMAND** - The amount of goods & services that consumers (people) are willing to buy.
- b) **SUPPLY** - The amount of goods/services that is offered in the market place, or that is available to be bought.



How Demand & Supply affect Price

SUPPLY **DEMAND** **PRICE** ↓

DEMAND **SUPPLY** **PRICE** ↑

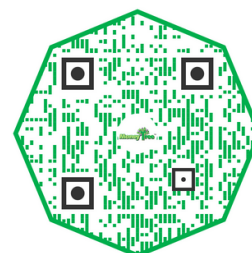


When Supply is greater than Demand, Price will **FALL**.
When Demand is greater than Supply, Price will **RISE**.

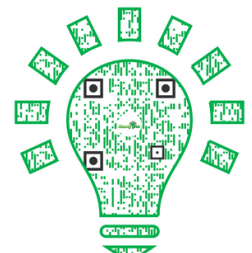
Why is this important?

Learning about supply, demand, and price is important for kids because it helps them make informed decisions, develop financial awareness, think critically about value, plan for the future, and understand how the economy impacts their daily lives.

Parents
Scan here!



Students
Scan here!



Worksheet

1. Complete the following:

- a) Net Worth is the Difference between the amount of **TOTAL ASSETS** a person has against the Amount Of **TOTAL LIABILITIES** a Person has.
- b) Opportunity cost is **THE COST OF PASSING UP THE NEXT BEST CHOICE WHEN MAKING A DECISION**.



2. The Way You **THINK** and **TREAT** Money, Will Ultimately Determine Your Wealth.



3. Fill in the blanks with the appropriate number

- (1).....Expenses & Liabilities (Loans).
(2)...acquire **ASSETS**; anything that will pay them Profits, Dividends or Interest
(3)....Debt
(4).....Just enough for their Expenses & have little or no money left

Describe the money mindset of a poor person:	They earn....(<u>4</u>)
Describe the money mindset of a middle-class person:	They have to pay for....(<u>1</u>) Although they look good, they are in....(<u>3</u>)
Describe the money mindset of a wealthy person:	They use most of their Money to... (<u>2</u>)

4. The Right Mindset that will help you create surplus:



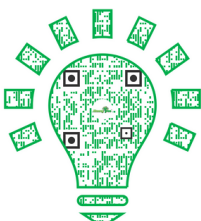
Control your **EXPENSES** .

- Plan before you spend.
- Avoid acquiring Liabilities.

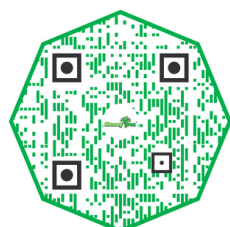
Make your **MONEY WORK** For You.

- Save & Invest Your Money.

**Students
Scan here!**



**Parents
Scan here!**



Worksheet

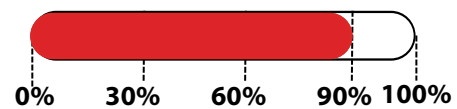
1. Why you need to learn about money?

a) Money is NOT EVERYTHING,
But Almost Everything has to do With Money.



b) 90 % of people above the age of 65 years old
are BROKE!

Shade the percentage for question 1 (b).



2. Match the following questions to the appropriate answer.

a) What is Demand?



The amount of goods/services that is offered in the market place, or that is available to be bought

b) What is Supply?



The amount of goods/services that consumers (people) are willing to buy

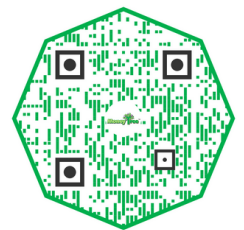
3. Give 2 reasons why Demand goes up:

- a) DEMAND GOES UP WHEN A PRODUCT/SERVICE IS NEEDED
- b) DEMAND GOES UP WHEN A PRODUCT/SERVICE IS THE "IN" THING

Students
Scan here!



Parents
Scan here!



4. Complete the following:

a) When Demand is greater than Supply, Price will
INCREASE.

Circle the right answer for question 4 (a & b)



b) When Supply is greater than Demand, Price will
DECREASE.



5. Understanding how Demand & Supply affect Price will help you make Better Decisions in the following:

Fill in the blanks.

- a) SPENDING Your Money
- Don't rush to buy things that are newly launched.
- b) INVESTING Your Money
- The reason why most people choose to invest in property is because there will always be demand.

