

Class - XI "Economics"  
Lesson - 5 "Theory of Demand"

Last Lecture = "Exceptions to the law of Demand"

Today's Topic - "Movement along a Demand Curve and shift in Demand Curve"

Movement along Demand Curve

Movement along a demand curve refers to moving "up" or "down" the demand curve. When we move down the curve, it is a situation of "Extension" of Demand.

Movements along a Demand Curve

Change in Quantity Demanded

Extension of Demand

Contraction of Demand

caused by decrease in own price of the commodity

caused by increase in own price of the commodity

It occurs when quantity demanded increases in response to a fall in own price of the commodity.

It occurs when quantity demanded decreases in response to a rise in own price of the commodity.

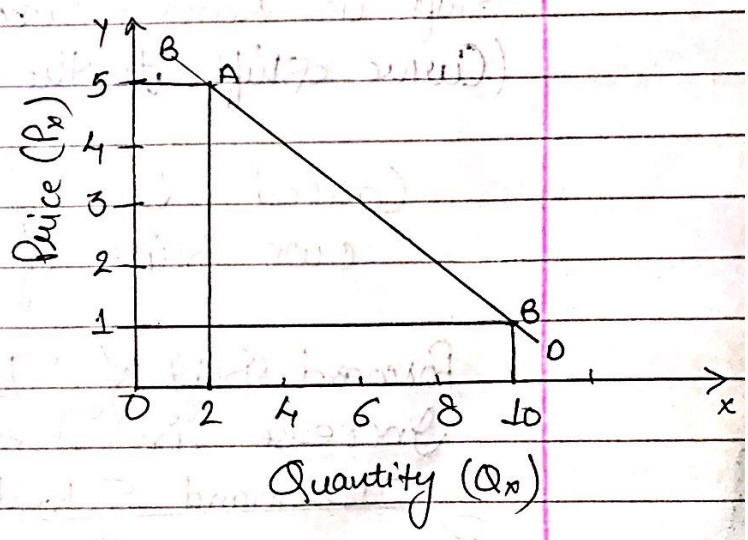
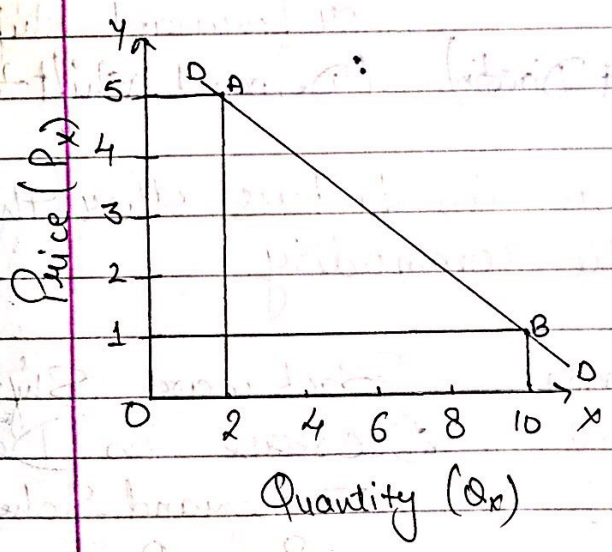
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Movement along a demand curve is called: Extension & Contraction of Demand

Extension Demand Schedule / Downward Movement along Demand Curve

Contraction Demand Schedule / Upward Movement along DD

$P_x$	$Q_x$		$P_x$	$Q_x$	
5	2	fall in own price	1	10	Rise Price
1	10	Rise in Quan. Dem.	5	2	fall in price



## Shift in Demand Curve

Shift in demand curve will show increase or decrease in demand due to change in other determinants of Demand like:-

Y (Income of Consumer),  $P_s$  (Price of Substitute Goods)  
E (Expectations of Consumer), T (Taste & Preference of Cons.)

### Shift in Demand Curve

#### Change in Demand

Decrease in Demand or Backward Shift in Demand Curve.  
(Curve Shift to the left Direction)

Increase in Demand or forward shift  
(Demand Shift to Right)

Caused by change in factors other than own price of the commodity

Forward Shift of Demand  
Increase in Demand

Backward Shift of Demand  
Decrease in Demand

#### Demand Schedule

$P_x$	$Q_x$
10	20
10	30

#### Demand Schedule

$P_x$	$Q_x$
10	30
10	20

