

Microeconomics: supply and demand assignment

[Economics](#), [Microeconomics](#)



After studying the newspaper have got a microeconomic related topic which prices go up, as a result, demand will decrease. According to my previous study knowledge, I had some ideas about production cost, import cost, transportation cost and other similar cost by which we can determine the cost and profit. After taking the microeconomic course, it seems to me that the scenario is different. Here we need not only production and other similar cost and profit but also supply and demand, changing situation, income and substitution effect, equilibrium price, elasticity, cost behavior, market position etc..

Here my selected product is Onions (Deeds and Indian). This is because; onions are one of the most important commodities of our daily meal. Recently the prices of onions go up in the retail market not only Deeds onion but also Indian onion. Retailer said that, the prices of local onion increased by TX. 10 a keg and was selling at TX. 70 a keg while the just harvested onion was retailing at TX. 45 a keg and Indian onion at TX. 40 a keg over the last week due to supply shortage.

So that, I have decided to write an essay about onion (Deeds and Indian) where Indian onion is the substitute of Deeds onions including the demand and supply of onions, equilibrium price, effect on price, substitution and income effect, production function, elasticity, cost function and market structure of onion. 2. Data Collection: After studying the newspapers, I have found a microeconomic related topic that is, " Onion, flour, vegetables, fish prices go up" which is published by Financial Express on 15th December, 2012 and ' Prices of onions, green chili skyrocket' which is published by New Age on 22 December, 2012.

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