



[Summary]

Aggregate Supply and Aggregate Demand Model - I

Subject:	Business Economics
Course:	B. A. (Hons.), 3 rd Semester, Undergraduate
Paper No. & Title:	Paper – 301 Macroeconomics - I
Unit No. & Title:	Unit – 3 Aggregate Supply and Aggregate Demand Model
Lecture No. & Title:	Lecture – 1 Aggregate Supply and Aggregate Demand Model - I

Summary

At the end Let us summarize by quickly revising, what we have learnt today. In today's session we have understood what is:

Aggregate Demand: It is the total demand for goods and services in an economy. It is the sum total of expected demand of all goods & services produced during a given period of time.

Aggregate Supply: It is the total supply of goods and services in an economy for a given period of time keeping in mind that the AS curve is always constant.

Effective Demand: The point on AS curve where the AD is equal to AS is known as effective demand.