

- 5 The table shows the demand and supply schedules for rice. The current price is \$2.00 per kilo.

price per kilo \$	quantity demanded (million tonnes)	quantity supplied (million tonnes)
2.50	5	30
2.00	10	25
1.50	20	20
1.00	30	15
0.50	40	10

What will happen if the price is reduced to \$1.00 per kilo?

- A The demand curve will shift to the left.
- B The market will move from shortage to surplus.
- C The market will move from surplus to shortage.
- D The supply curve will shift to the right.