

Difference between Demand and Supply

Basis of Difference	Demand	Supply
Meaning	It refers to the quantity demanded by buyers in a given period of time.	It refers to the quantity supplied by sellers in a given period of time.
Inter-Relationship	When demand increases, supply tends to decrease and vice versa.	When supply increases, the demand tends to decrease and vice versa.
Represents	It represents the willingness of buyers.	Supply represents the willingness of sellers.
Price Effect	Quantity demanded increases with a fall in price and vice versa, other things being the same.	It increases with a rise in price and vice-versa, other things being the same.
Curve	The demand curve is always downward sloping.	The supply curve is always upward sloping.
Law	The Law of demand states that the quantity demanded increases with a fall in price and decreases with a rise in price, other things being constant.	Law of Supply states that quantity supplied increases with a rise in price and decreases with a fall in price, other things being constant.
Variation Effects	If demand is more than the supply, there would be a surplus in the market.	If supply is more than demand in the market, there would be a deficit.
Price Relationship	It is inversely related to the price.	It is positively related to the price.
Expresses	It expresses the preferences and tastes of the consumer in the market.	It expresses the stock availability by the seller in the market.