Problem 1.1

Table 1.8

	Session 1	Session 2
Mean Price	$21.81	$29.00
Number of Transactions	16	17
Total Profit of All Sellers	$149.00	$123.00
Total Profit of All Buyers	$131.00	$147.00
Total Profit of All Traders	$280.00	$270.00

Problem 1.2

Figure 1.5
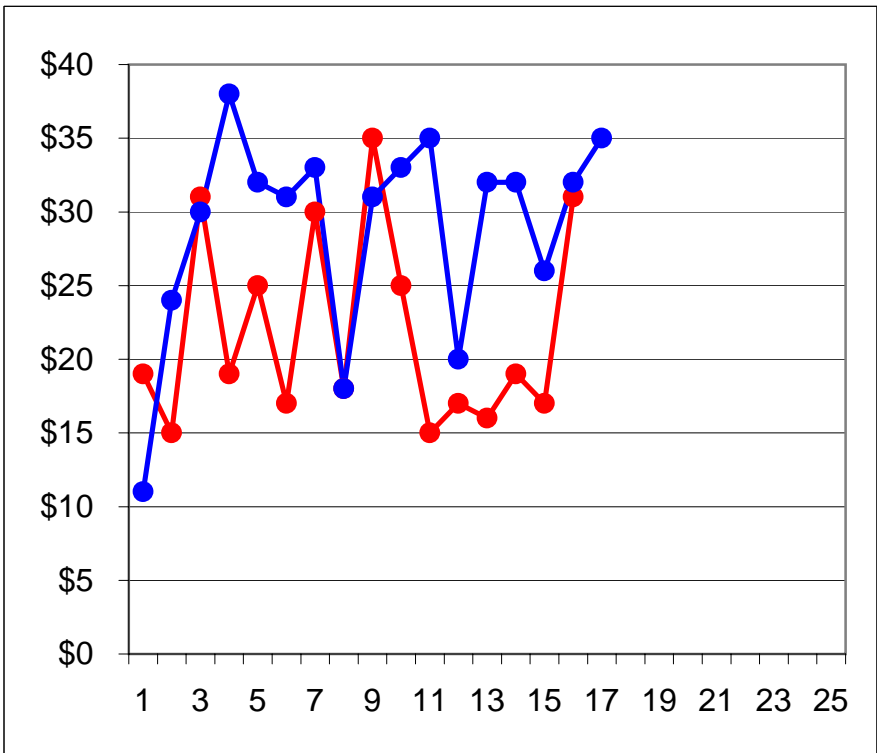
Problem 1.3

Table 1.9: Supply Table: Session 1
Price Range	Amount Supplied
P<$10	0
$10<P<$30	15
P>$30	23

Table 1.10: Demand Table: Session 1
Price Range	Amound Demanded
P>$40	0
$20<P<$40	8
P<$20	24

Table 1.11: Supply Table: Session 2
Price Range	Amount Supplied
P<$10	0
$10<P<$30	8
P>$30	23

Table 1.12: Demand Table: Session 2
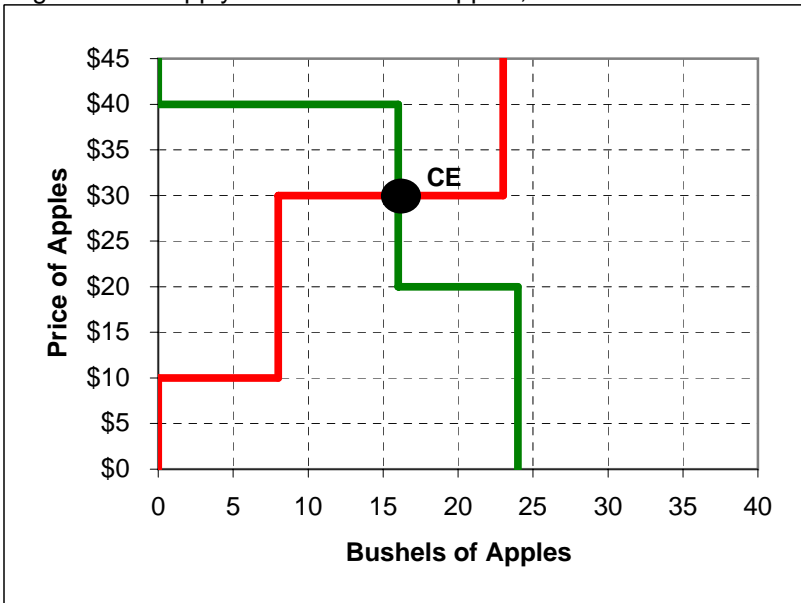| Price Range	Amound Demanded
P>$40	0
$20<P<$40	16
P<$20	24

Problem 1.4

Figure 1.6: Supply and Demand for Apples, Session 1
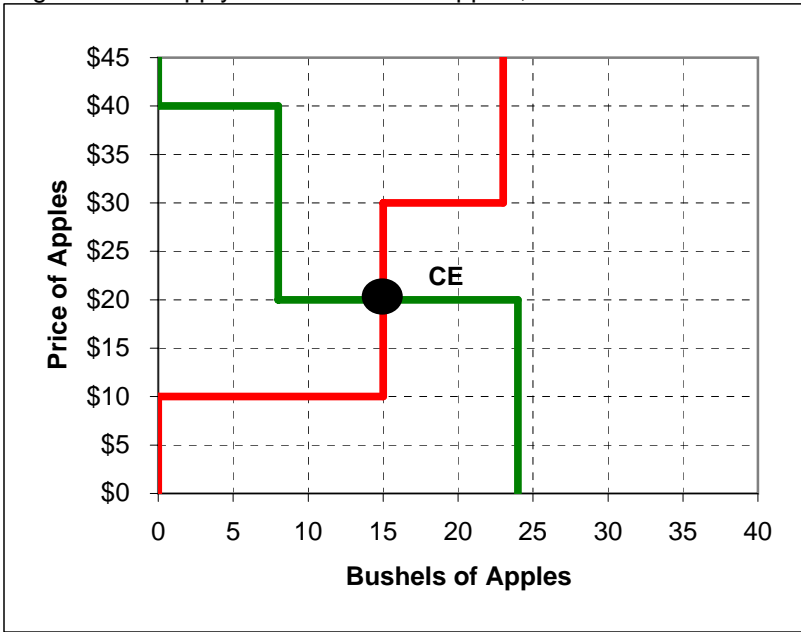
Problem 1.5

Figure 1.7: Supply and Demand for Apples, Session 2.

Problem 1.6

Table 1.13 Predicted and Actual Outcomes-Session 1

	Exper. Outcome	Comp. Predict.
Mean Price	$21.81	$20
Number of Transactions	16	15
Total Profit of Sellers	$149.00	$150.00
Total Profit of Buyers	$131.00	$160.00
Total Profits of All Traders	$280.00	$310.00
Market Efficiency	90%	100.00%

Table 1.14 Predicted and Actual Outcomes-Session 2

	Exper. Outcome	Comp. Predict.
Mean Price	$29.00	$30
Number of Transactions	17	16
Total Profit of Sellers	$123.00	$160.00
Total Profit of Buyers	$147.00	$160.00
Total Profits of All	$270.00	$320.00
Market Efficiency	84%	100.00%

Problem 1.7

Table 1.15 Who Trades? - Session 1

	Exper Outcome	Comp. Predict.
# of Low-Cost Sellers	14	15
# of High-Cost Sellers	2	0
# of High-Value Buyers	8	8
# of Low-Value Buyers	8	7

Table 1.16 Who Trades? - Session 2

	Exper Outcome	Comp. Predict.
# of Low-Cost Sellers	7	8
# of High-Cost Sellers	10	8
# of High-Value Buyers	15	16
# of Low-Value Buyers	2	0

Problem 1.8
Part a.

Number of Transactions	23
Commissions	$46

Part b.
Arrange as in competitive equilibrium. It maximizes total profit.

Transactions	15

Part c.
Arrange as in competitive equilibrium.
If 10% of profits, you want to maximize total profits.