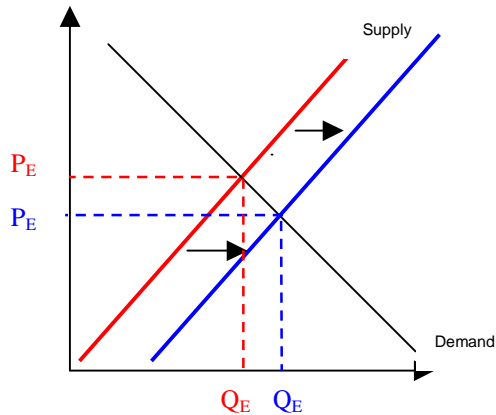


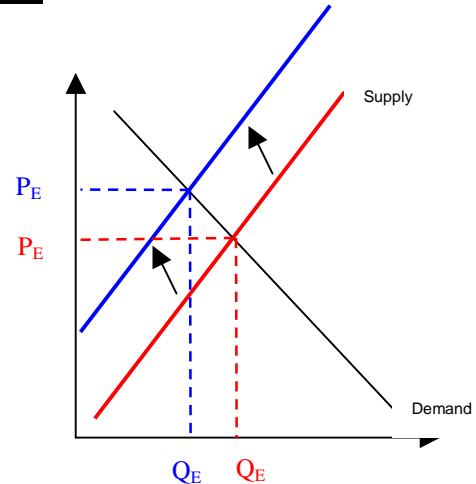
WHAT HAPPENS TO EQUILIBRIUM PRICE (P) AND QUANTITY (Q) WHEN SUPPLY AND DEMAND SHIFT?

(Red - before the shift: Blue - after the shift)

SHIFTS IN SUPPLY

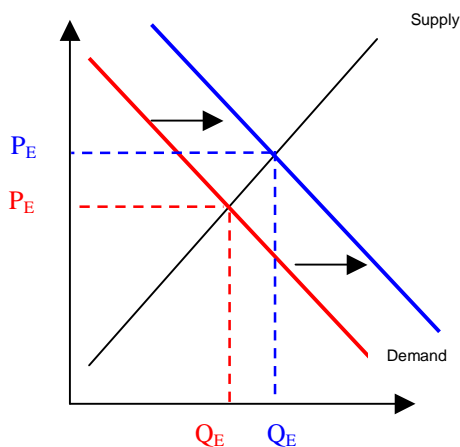


An \uparrow in Supply \Rightarrow $\downarrow P_E$ and $\uparrow Q_E$
(Rightward shift of supply curve)

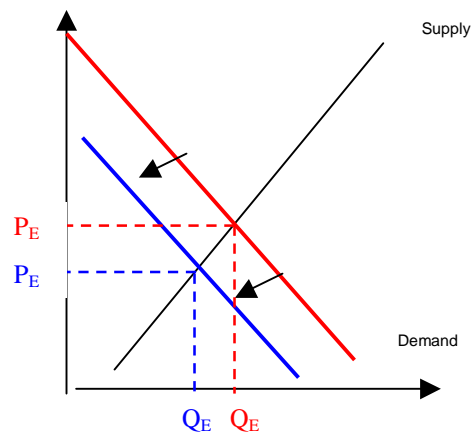


A \downarrow in Supply \Rightarrow $\uparrow P_E$ and $\downarrow Q_E$
(Leftward shift of supply curve)

SHIFTS IN DEMAND



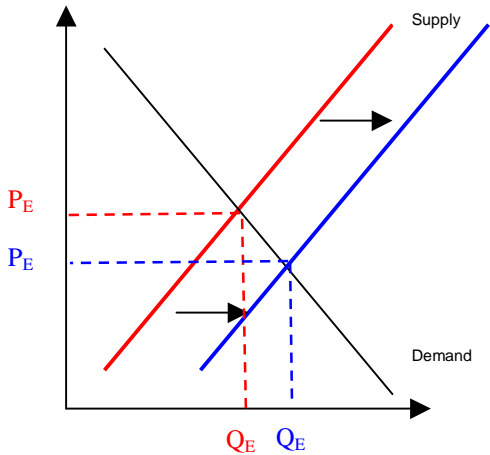
An \uparrow in Demand \Rightarrow $\uparrow P_E$ and $\uparrow Q_E$
(Rightward shift of demand curve)



A \downarrow in Demand \Rightarrow $\downarrow P_E$ and $\downarrow Q_E$
(Leftward shift of demand curve)

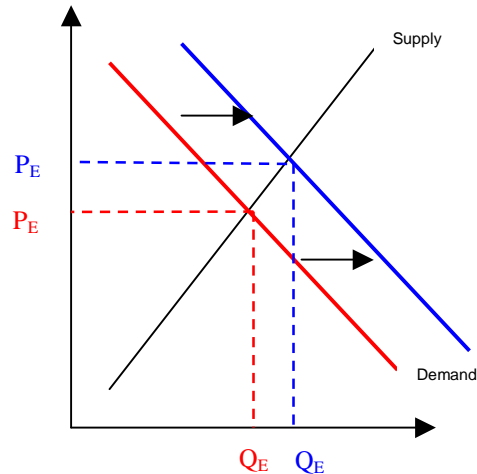
SIMULTANEOUS SHIFTS IN SUPPLY AND DEMAND
 (combining the RESULTS of a shift in demand AS WELL AS a shift in supply)

AN ↑ IN SUPPLY AS WELL AS AN ↑ IN DEMAND



An ↑ in Supply ⇒ $\downarrow P_E$ and $\uparrow Q_E$
 (Rightward shift of supply curve)

AND

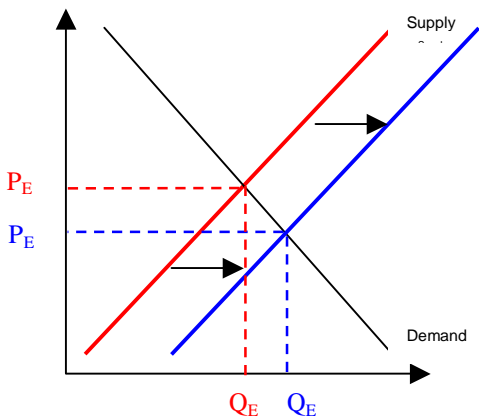


An ↑ in Demand ⇒ $\uparrow P_E$ and $\uparrow Q_E$
 (Rightward shift of demand curve)

OUTCOME: $\downarrow P_E$ and $\uparrow Q_E$

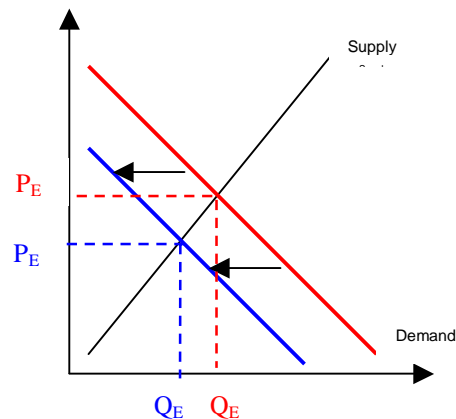
Plus $\uparrow P_E$ and $\uparrow Q_E$ = $P_E?$ and $\uparrow Q_E$

AN ↑ IN SUPPLY AS WELL AS A ↓ IN DEMAND



An ↑ in Supply ⇒ $\downarrow P_E$ and $\uparrow Q_E$
 (Rightward shift of supply curve)

AND

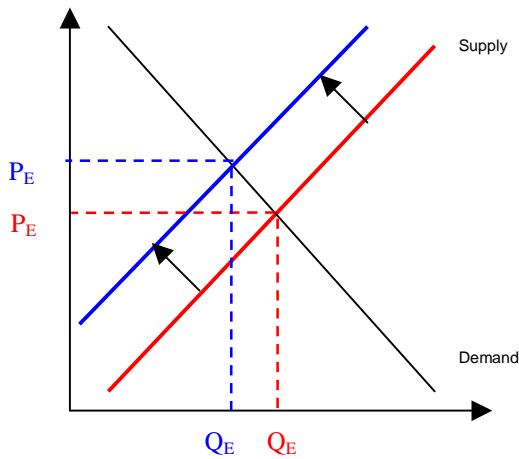


A ↓ in Demand ⇒ $\downarrow P_E$ and $\downarrow Q_E$
 (Leftward shift of demand curve)

OUTCOME: $\downarrow P_E$ and $\uparrow Q_E$

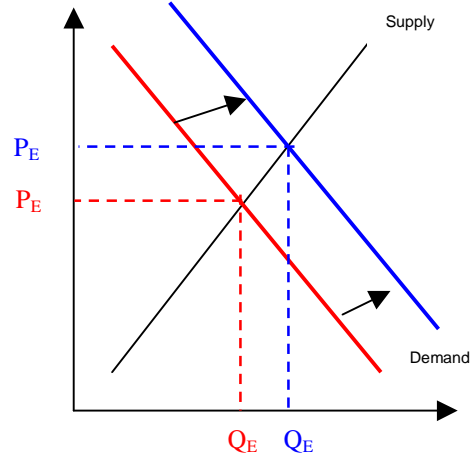
Plus $\downarrow P_E$ and $\downarrow Q_E$ = $P_E \downarrow$ and $Q_E?$

A ↓ IN SUPPLY AS WELL AS AN ↑ IN DEMAND



A ↓ in Supply ⇒ $\uparrow P_E$ and $\downarrow Q_E$
 (Rightward shift of supply curve)

AND

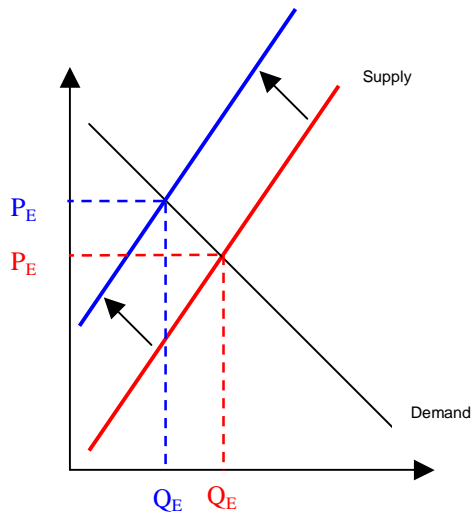


An ↑ in Demand ⇒ $\uparrow P_E$ and $\uparrow Q_E$
 (Rightward shift of demand curve)

OUTCOME: $\uparrow P_E$ and $\downarrow Q_E$

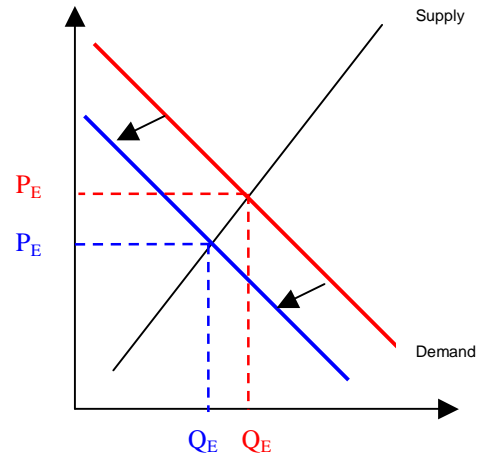
Plus $\uparrow P_E$ and $\uparrow Q_E$ = $\boxed{P_E \uparrow \text{ and } Q_E \uparrow}$

A ↓ IN SUPPLY AS WELL AS A ↓ IN DEMAND



A ↓ in Supply ⇒ $\uparrow P_E$ and $\downarrow Q_E$
 (Rightward shift of supply curve)

AND



A ↓ in Demand ⇒ $\downarrow P_E$ and $\downarrow Q_E$
 (Leftward shift of demand curve)

OUTCOME: $\uparrow P_E$ and $\downarrow Q_E$

Plus $\downarrow P_E$ and $\downarrow Q_E$ = $\boxed{P_E ? \text{ and } Q_E \downarrow}$