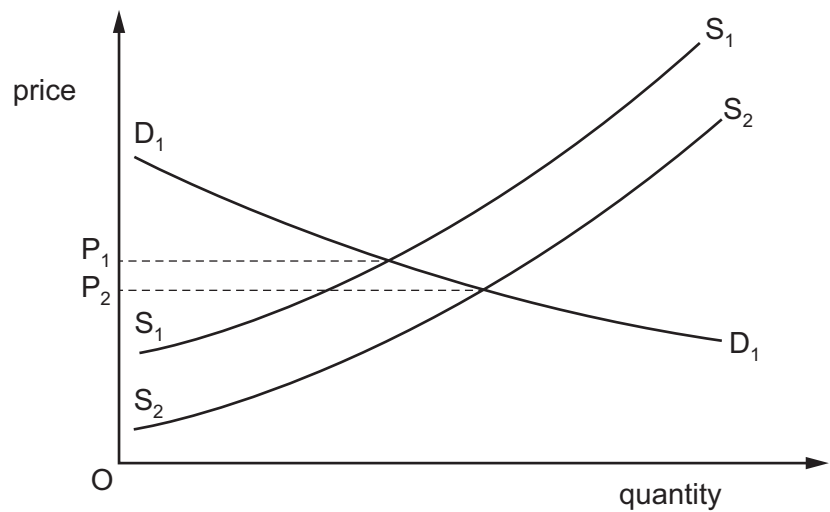


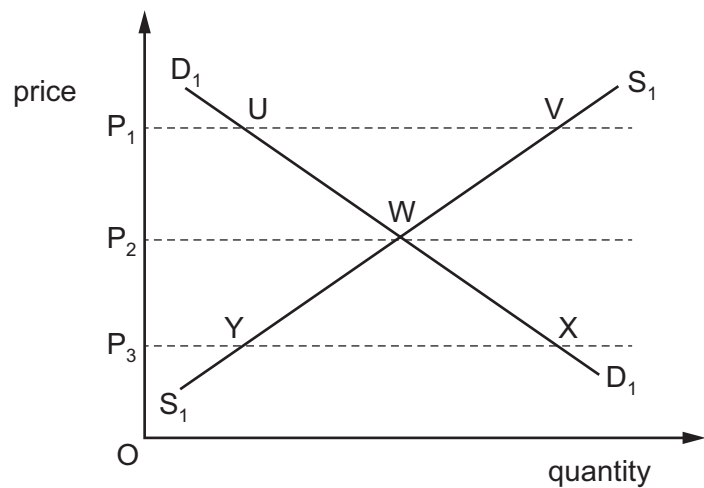
10 In the diagram, the supply of a product increases while the demand curve does not shift.



Which row correctly identifies the resulting impact on consumer and producer surplus?

| | consumer surplus | producer surplus |
|---|------------------|------------------|
| A | has fallen | has fallen |
| B | has fallen | has risen |
| C | has risen | has fallen |
| D | has risen | has risen |

11 The diagram shows the market demand and supply for a good. Which statement is **not** valid?



- A At price OP_1 , UV represents the market surplus.
- B At price OP_3 , P_3X represents the quantity that consumers would like to buy.
- C If price were to fall from OP_1 to OP_3 , the extra quantity demanded would be equal to the extra quantity supplied.
- D Price OP_2 is the market equilibrium price.