



Q0

Demand shifts left







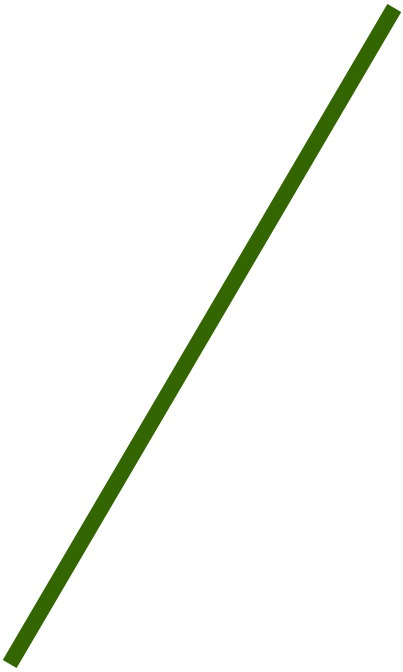


A surplus appears

Prices decreases



Surplus











Q1

P

O

P

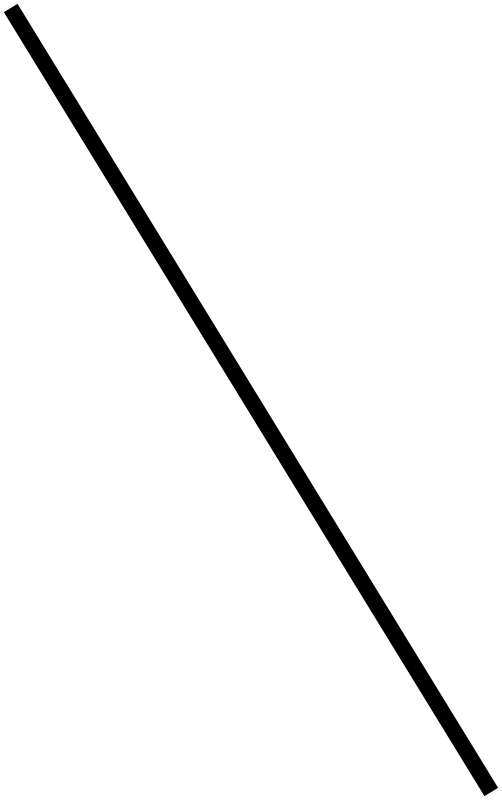
1

Who is affected first?

Increase? Decrease?

Shift or move along?

**Quantity exchanged
decreases**





**A decrease in
Quantity Supplied**

A decrease in Demand



D



P

e



Q

e

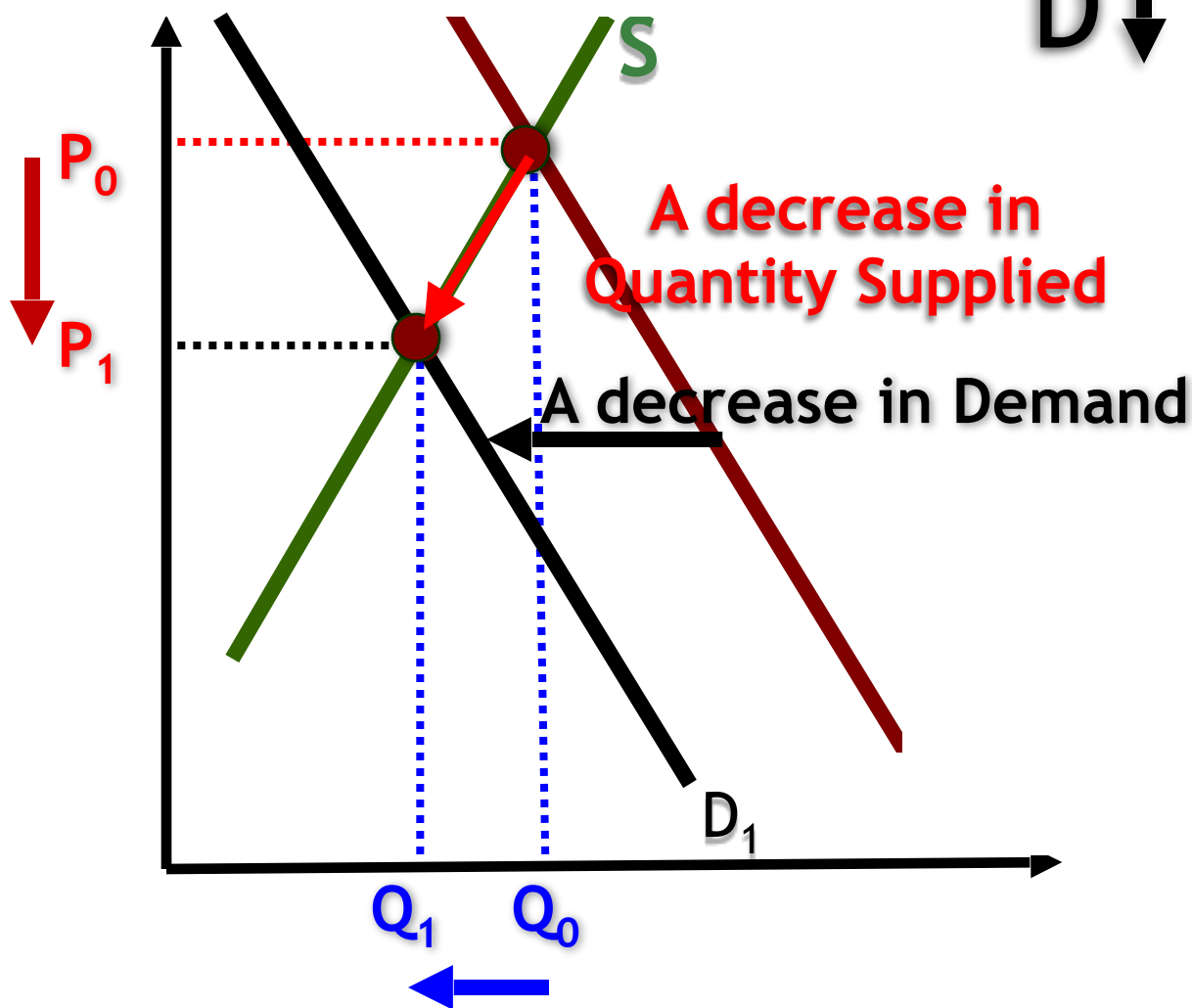






Shift or move along?

$D \downarrow$ $P_e \downarrow$ $Q_e \downarrow$



Consider the market
for coffee

