



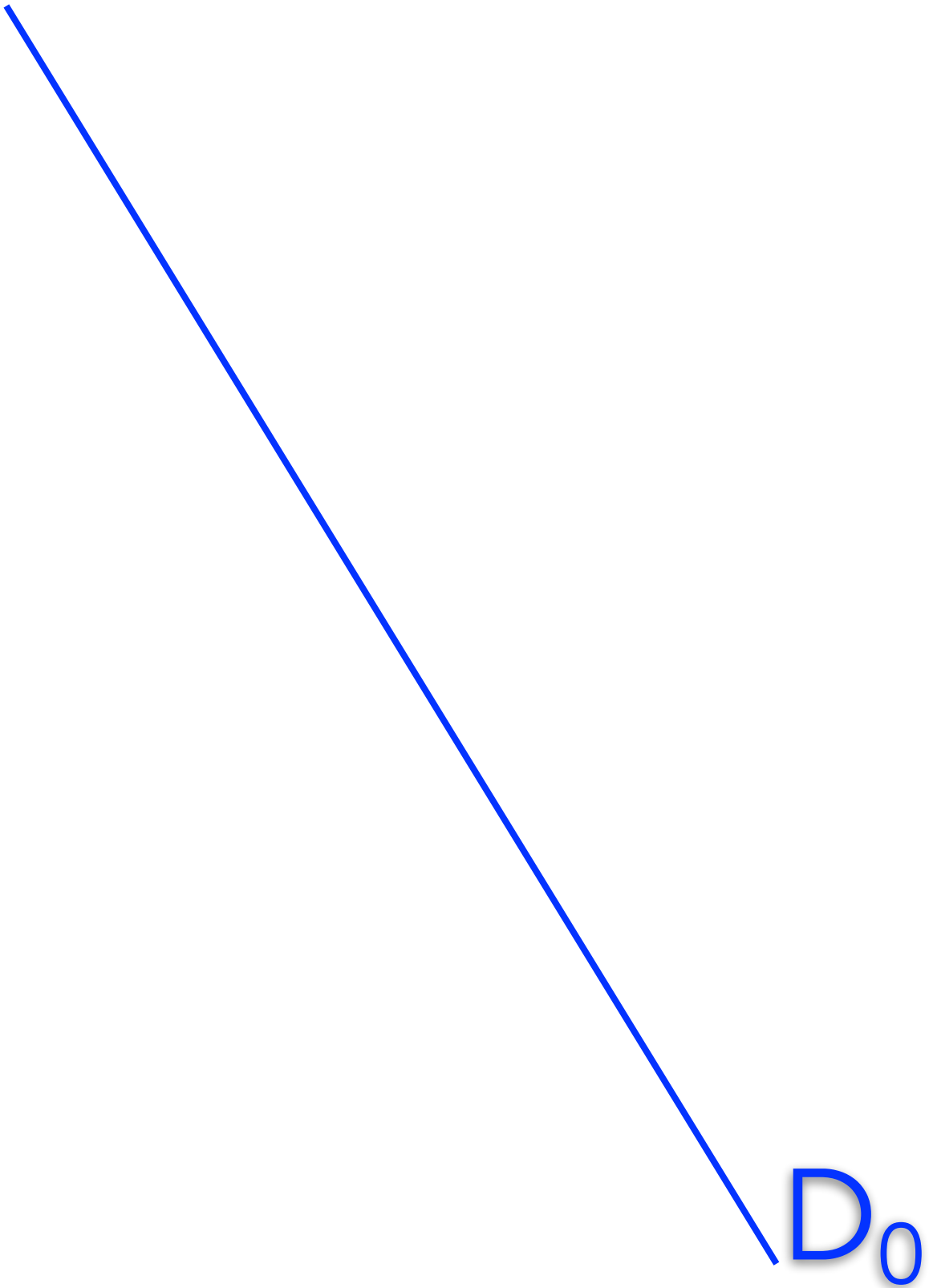
The market for Gasoline

**P**

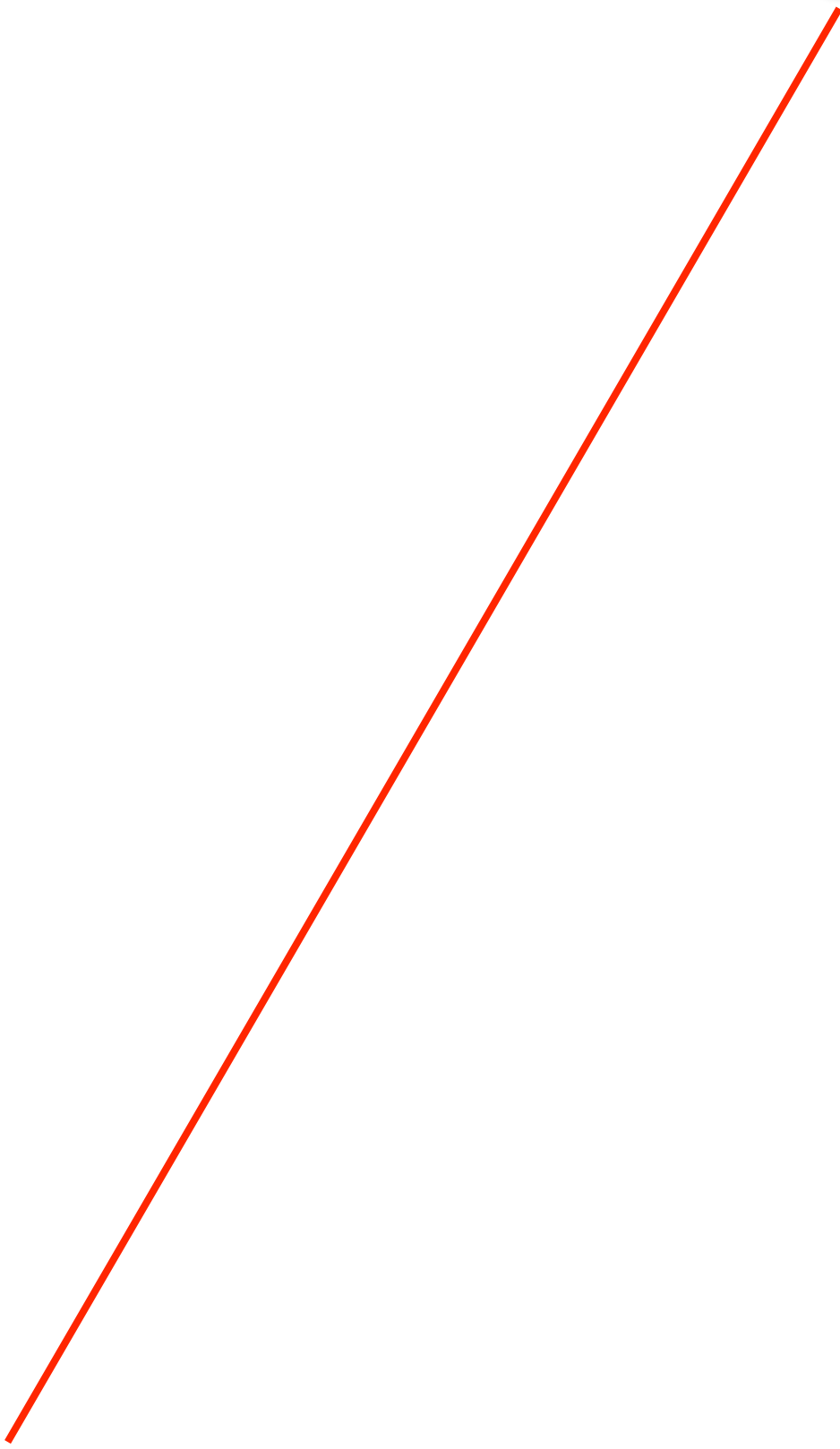








$S_0$





$P_0$

-----



$Q_0$









S

**u**



mm

e



S

**b**

u

**Y**





e

S

S



2

S











e





m

a





o

o









a

S

















W



a



o

S

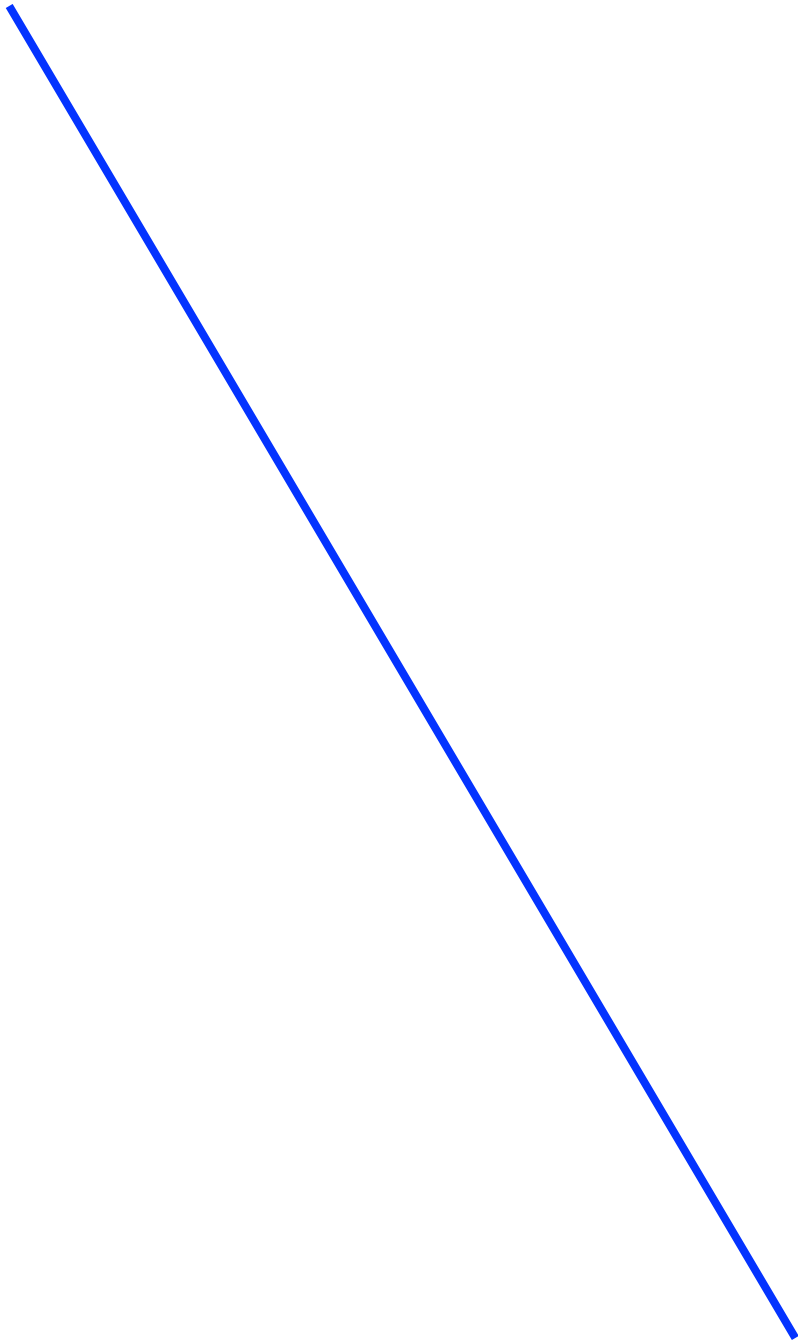
h











$D_1$



**T**





**mn**

a













S





























U







**b**







U

**m m**

**A**







e









9





2









**U**







**b**







U

**m**

**P**







e





P











U

a



n







**Y**

o

e

m



a

n

o



o



S

n





W W





W











a





h

e



U



a







**Y**

S

U





**P**





e

o



$Q^S$



$Q^d$





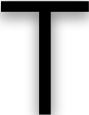
P

1

- - - - -

-----

$Q_1$











W







u







**b**







u

**m**



u

**a**









**Y**



**S**





W











2



**b**















h





e



W





u







**b**







U

**nm**















S





W











a



**b**

e













# Surplus

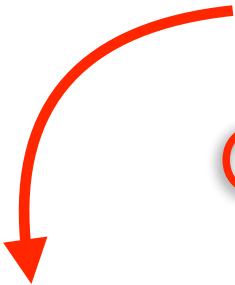


A pink callout box with a rectangular top and a pointed bottom, pointing downwards. It contains the text "Sellers bid price down" in black font.

Sellers bid  
price down

$Q$  demanded  
increase





$Q$  supplied  
decrease

Consumers buy less gasoline



Demand decrease: A  
leftward shift

The market is no longer in  
equilibrium

At the original equilibrium  
price ( $P_0$ ) the quantity  
demanded is now lower than  
the quantity supplied

The new equilibrium quantity is **lower** than before

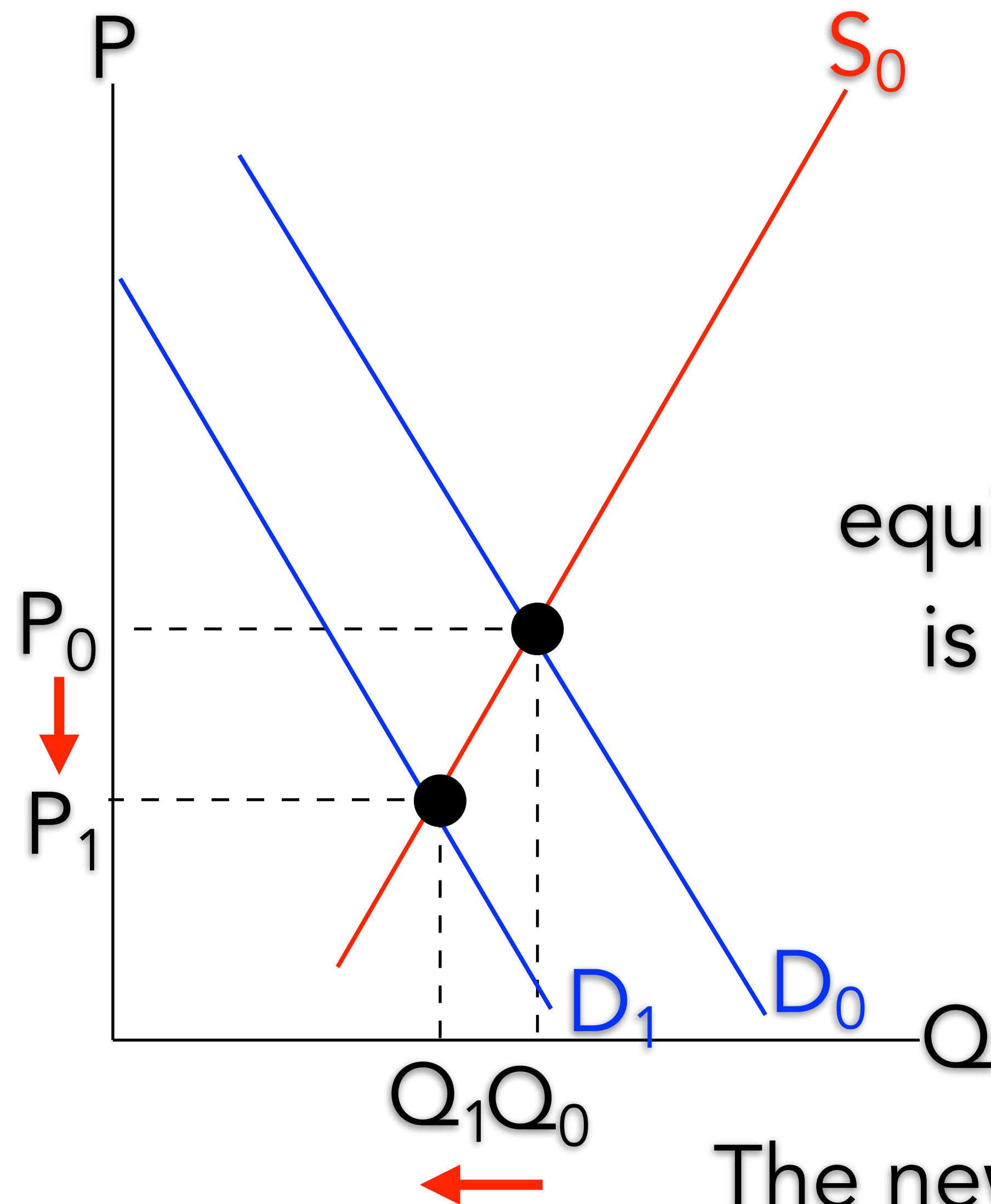
# The market for Gasoline

Consumers buy less gasoline

Demand decrease: A  
leftward shift

The market is no longer in  
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the quantity supplied



The new  
equilibrium price  
is lower than  
before

The new equilibrium quantity is lower than before

Figure1

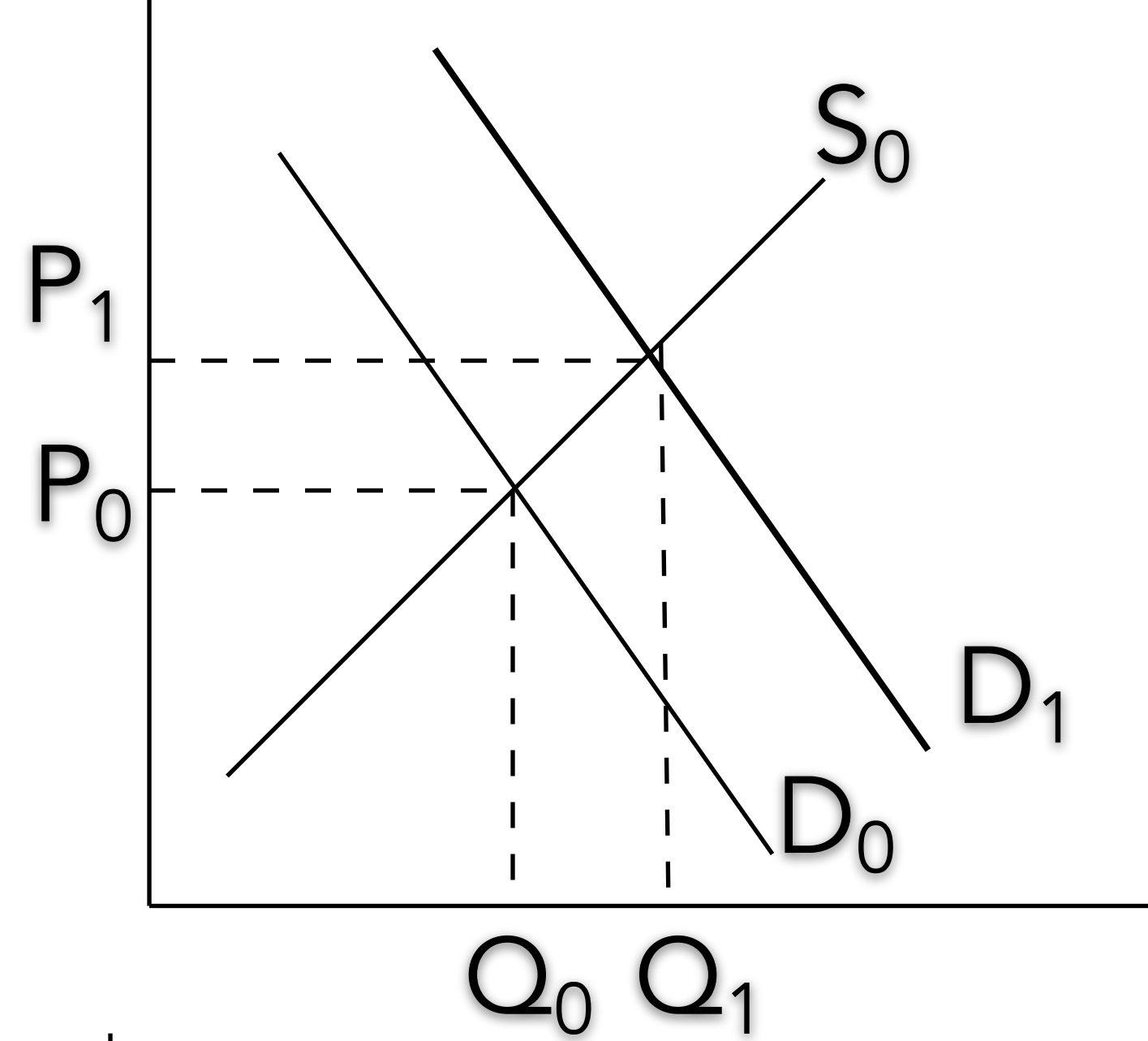


Figure2

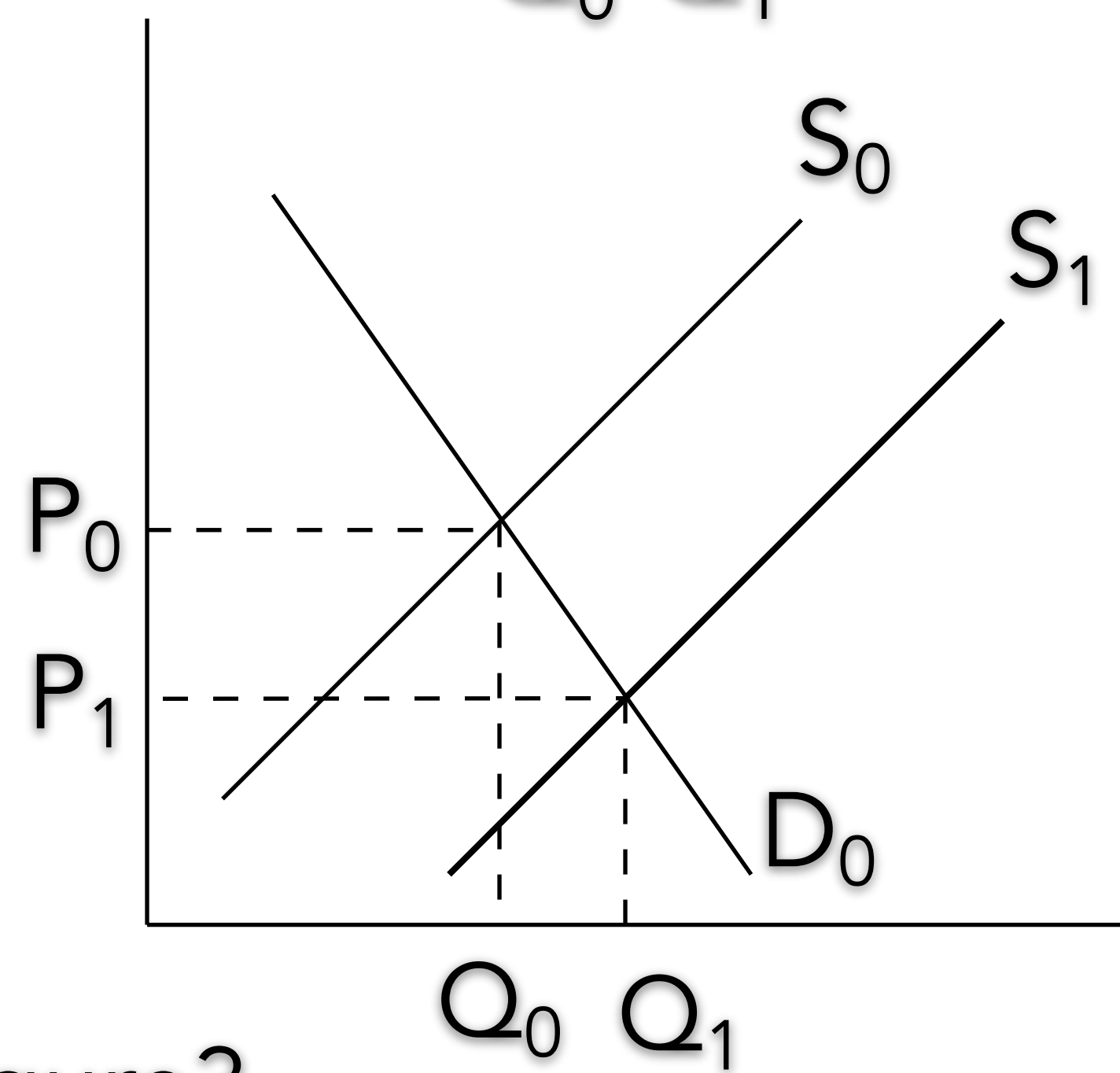
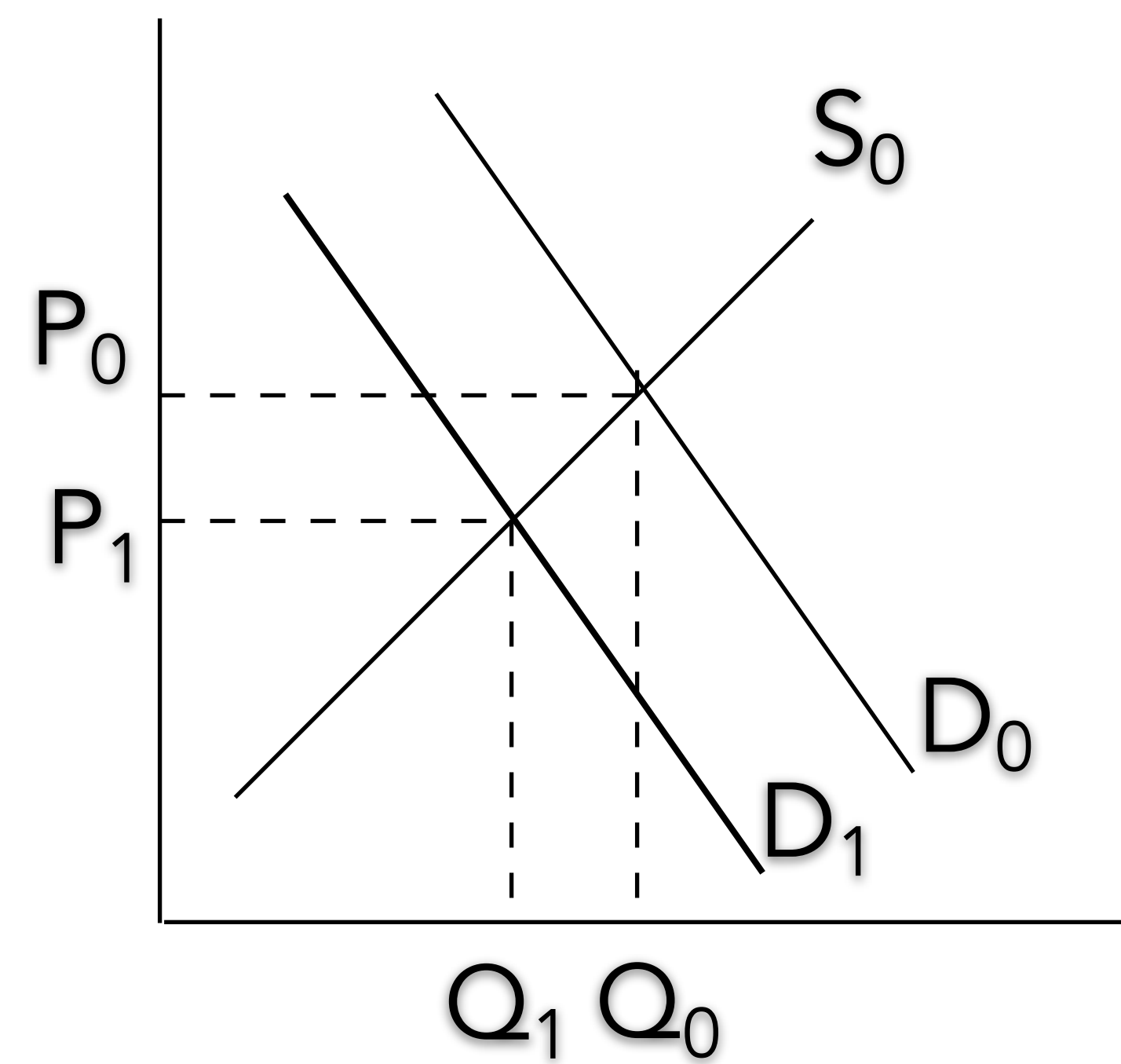


Figure3

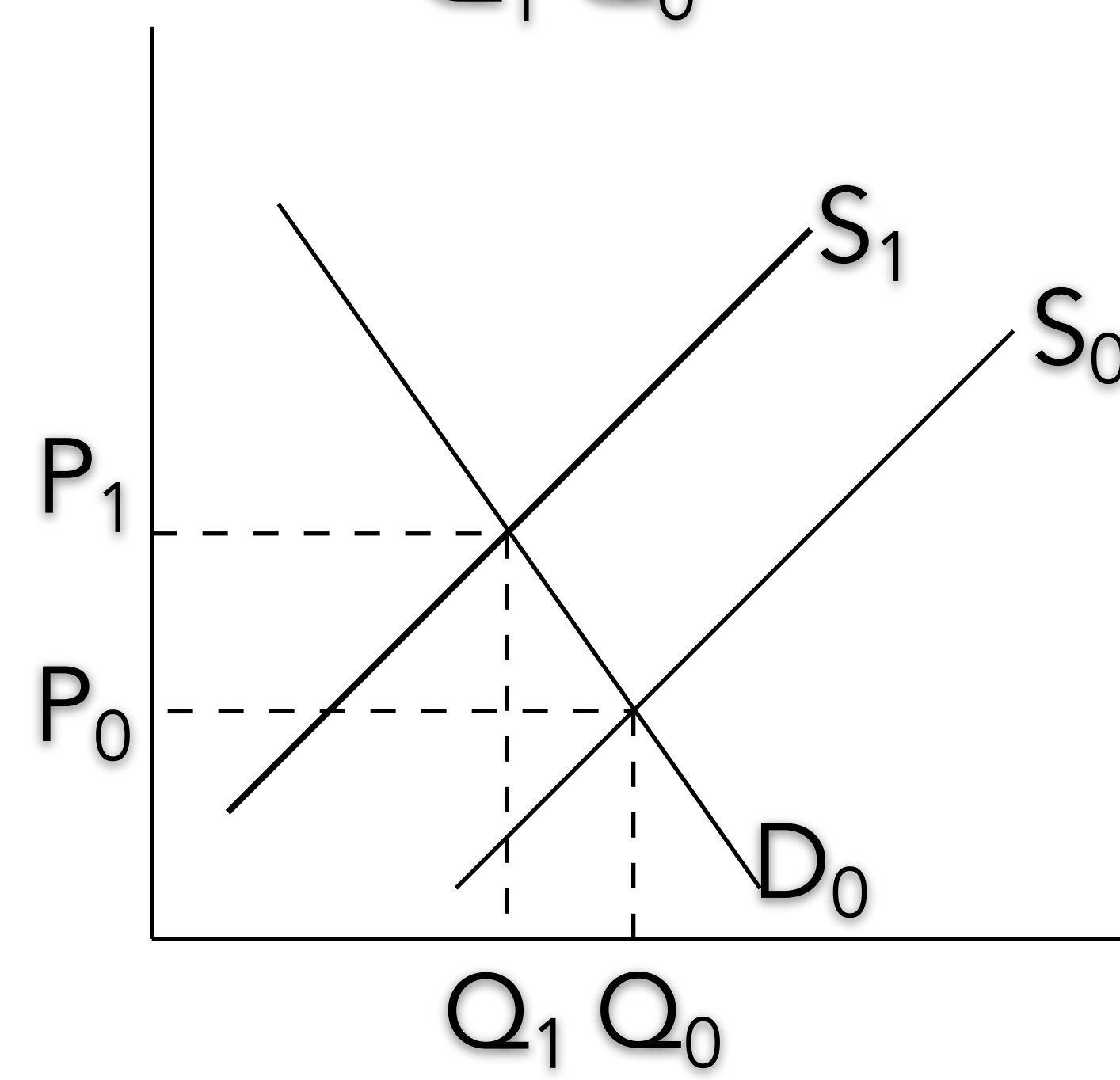


Figure4