

How will buyers react to a
decrease in the price of Fords?

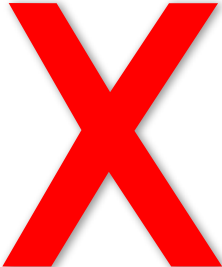
Quantity Demanded increases

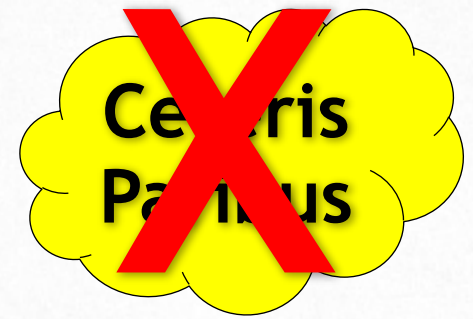
What if at the same time the price
of Hondas also drop?

We can not use the law of demand. Two variables changed: price and price of a related good



**Ceteris
Paribus**





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