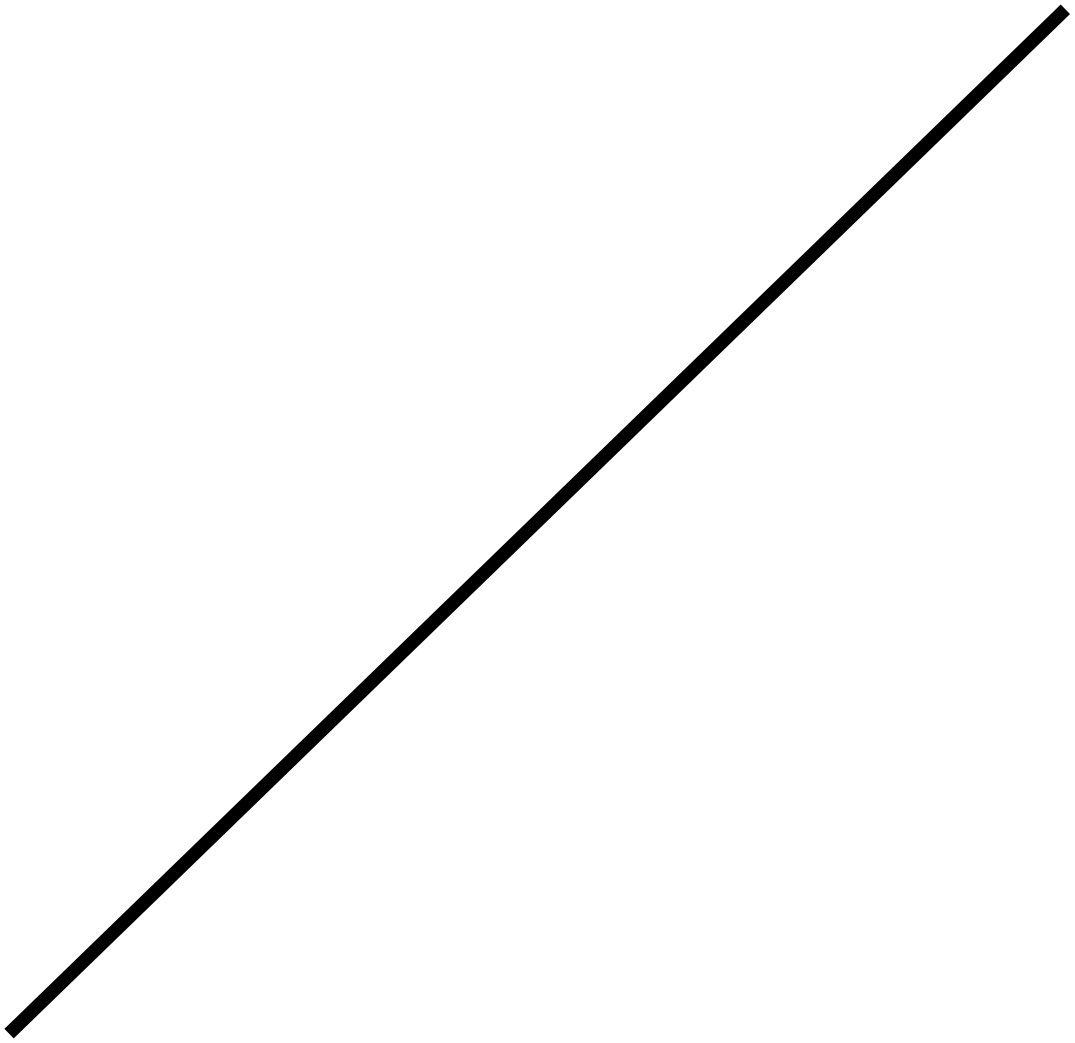
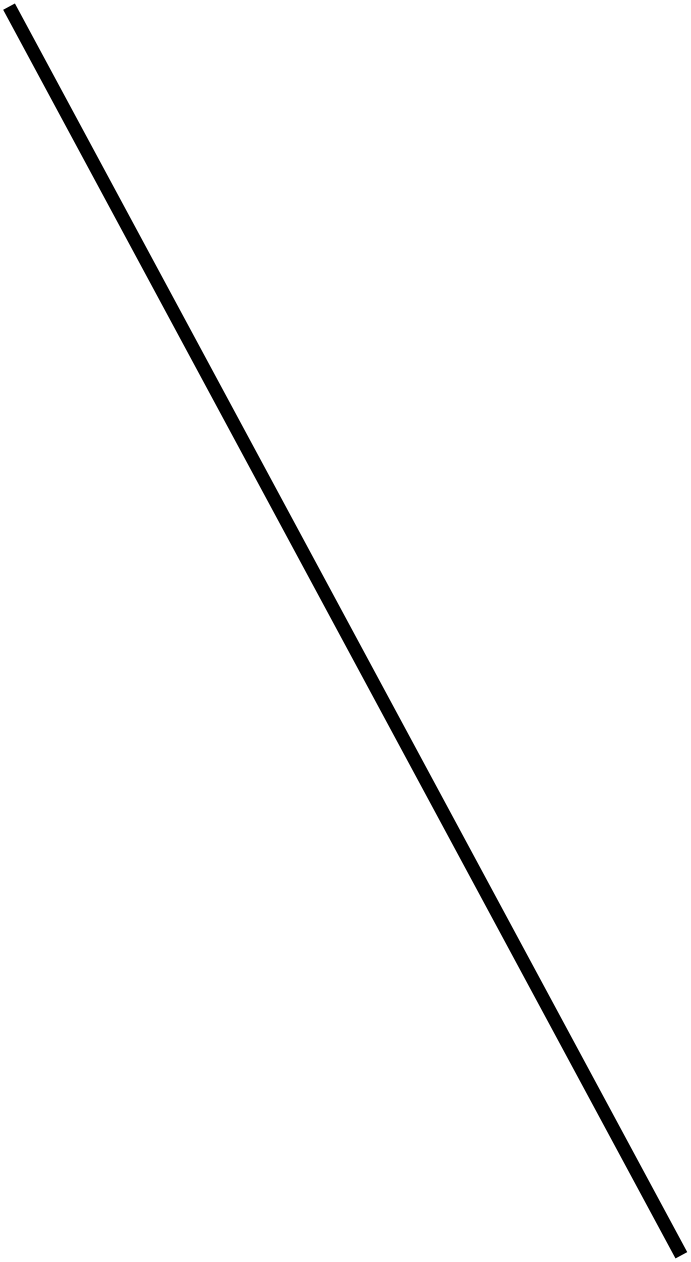


To calculate the **resulting** change in **equilibrium**
price use the following formula:



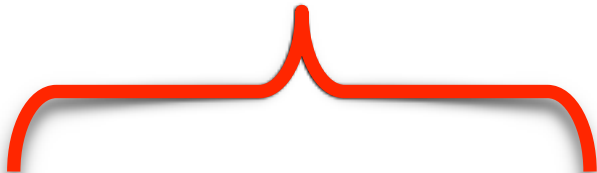






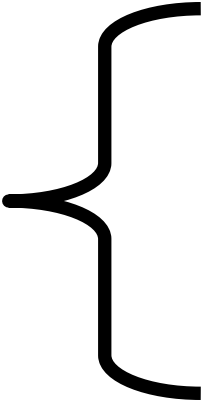


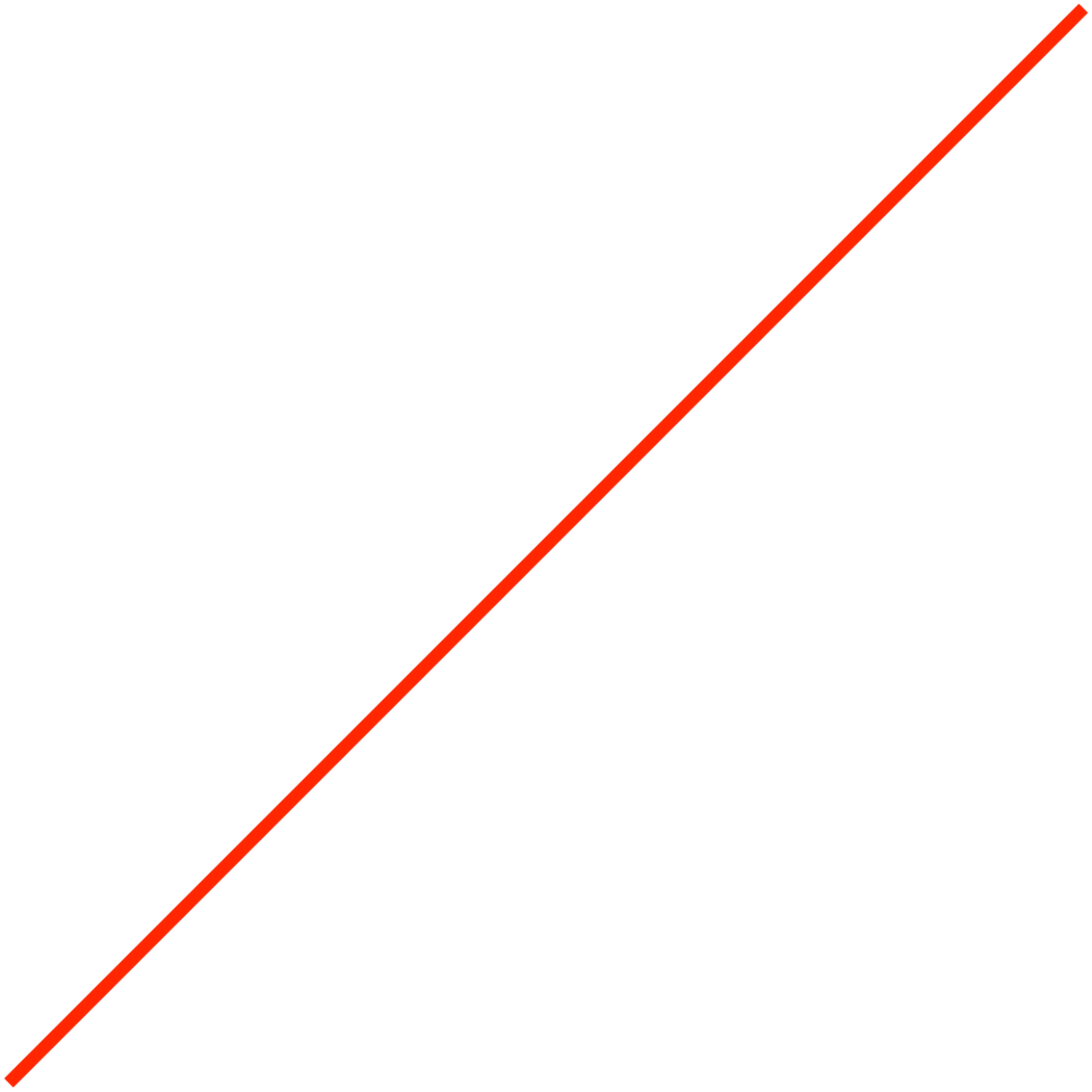
$\% \Delta \text{Supply}$











Peo



Q0

P_{e1}

Q1



$\% \Delta \text{Supply}$

$(e^d + e^s)$

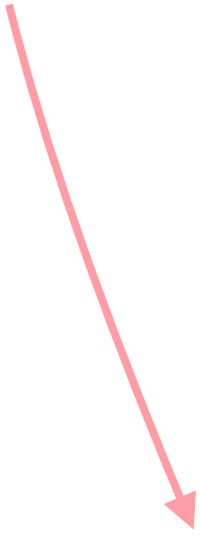
$\% \Delta$ Equilibrium
Price











If supply increase, *equilibrium* price decrease

So

S₁

Do







The Effect of an Increase in Supply

$\% \Delta$ Equilibrium
Price

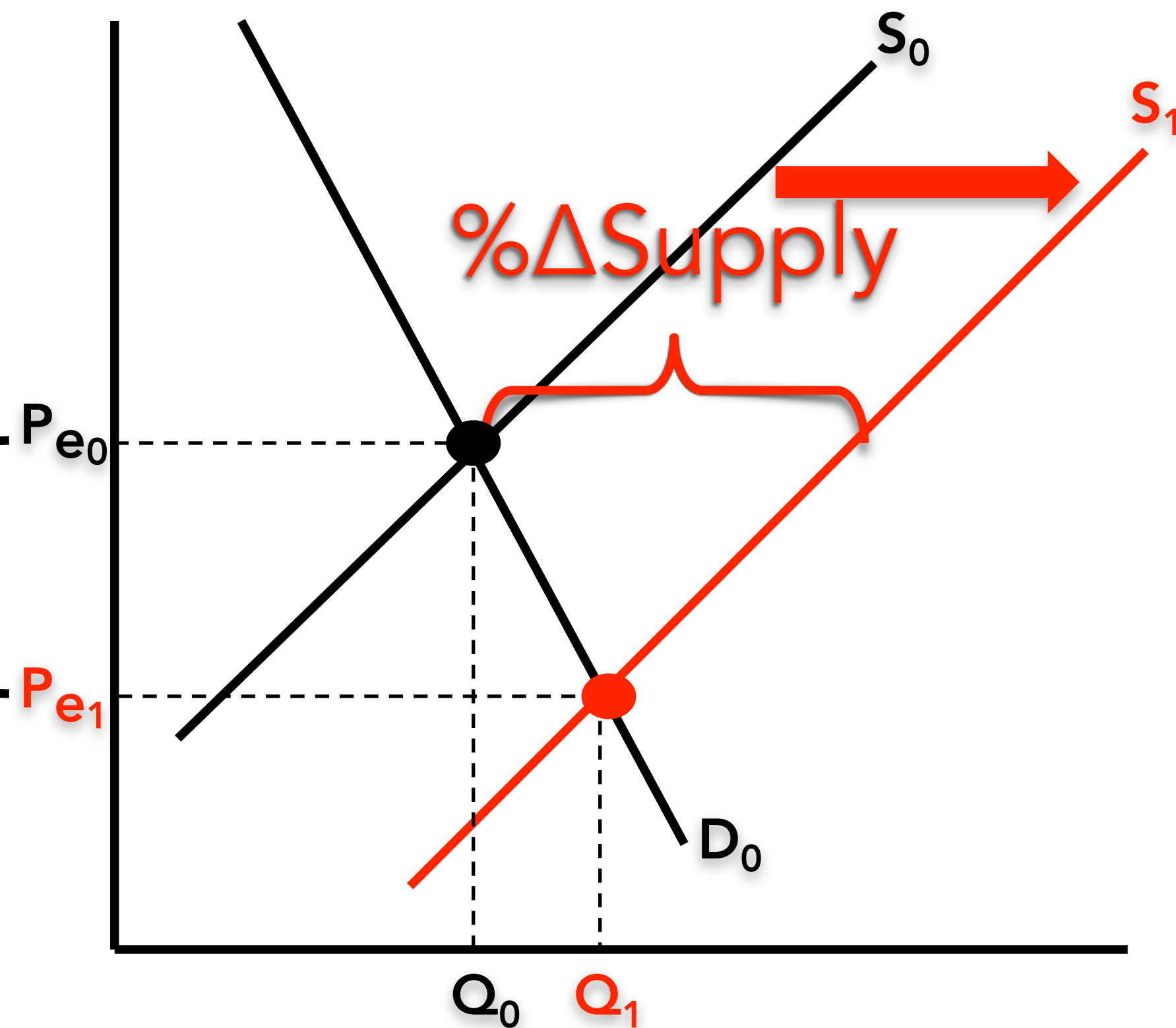
To calculate the **resulting** change in **equilibrium price** use the following formula:



%Δ Equilibrium Price

$$= - \frac{\% \Delta \text{Supply}}{(|e^d| + e^s)}$$

%Δ Equilibrium Price



If supply increase, **equilibrium** price decrease

