$$Q^S = -9 + 4.5\,P$$

If $Q^S = 0$

$$P = 2$$

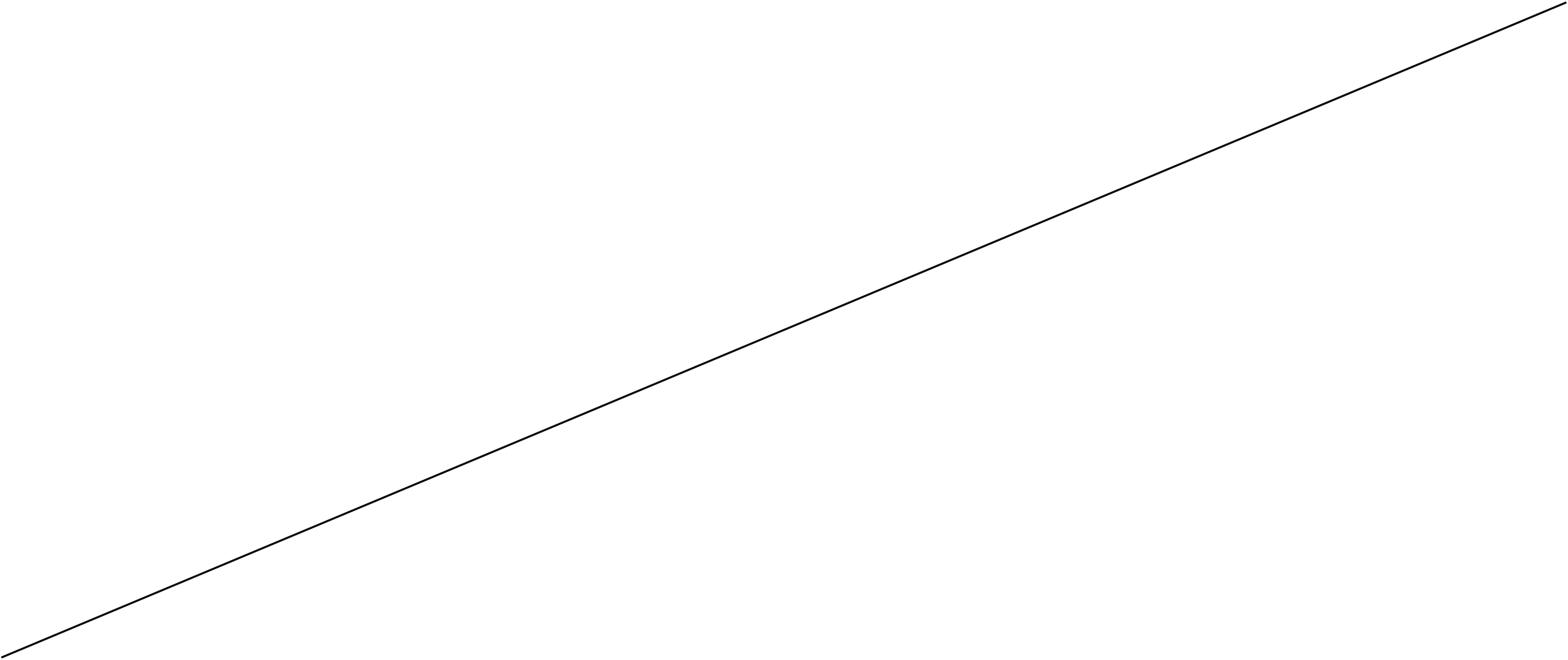
Price

Quantity

$$Q^S = -9$$

If P = 0


$Q^S = -9$

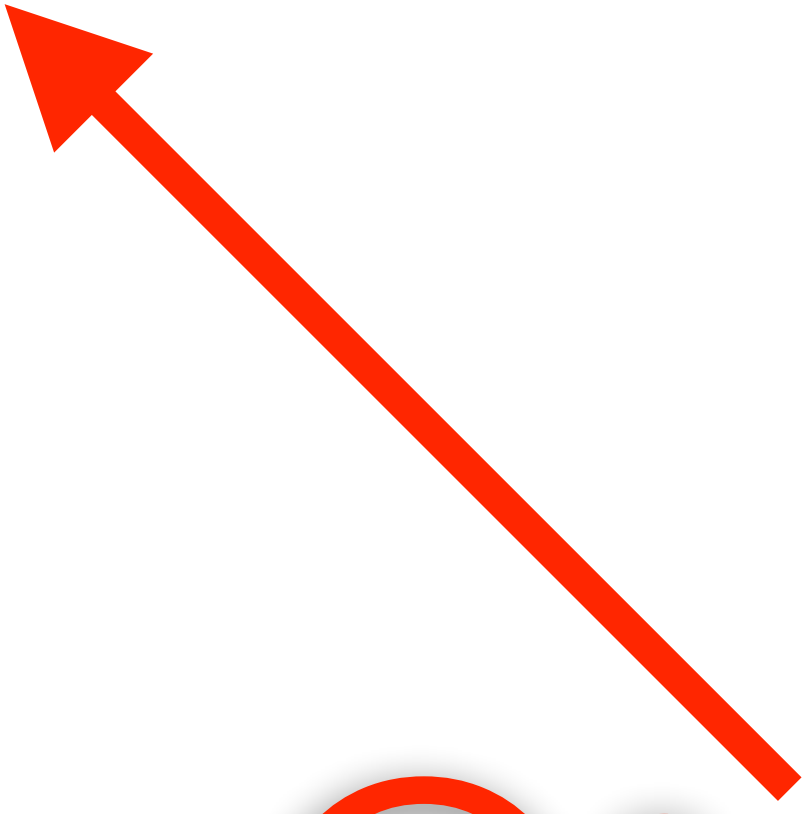



New Supply

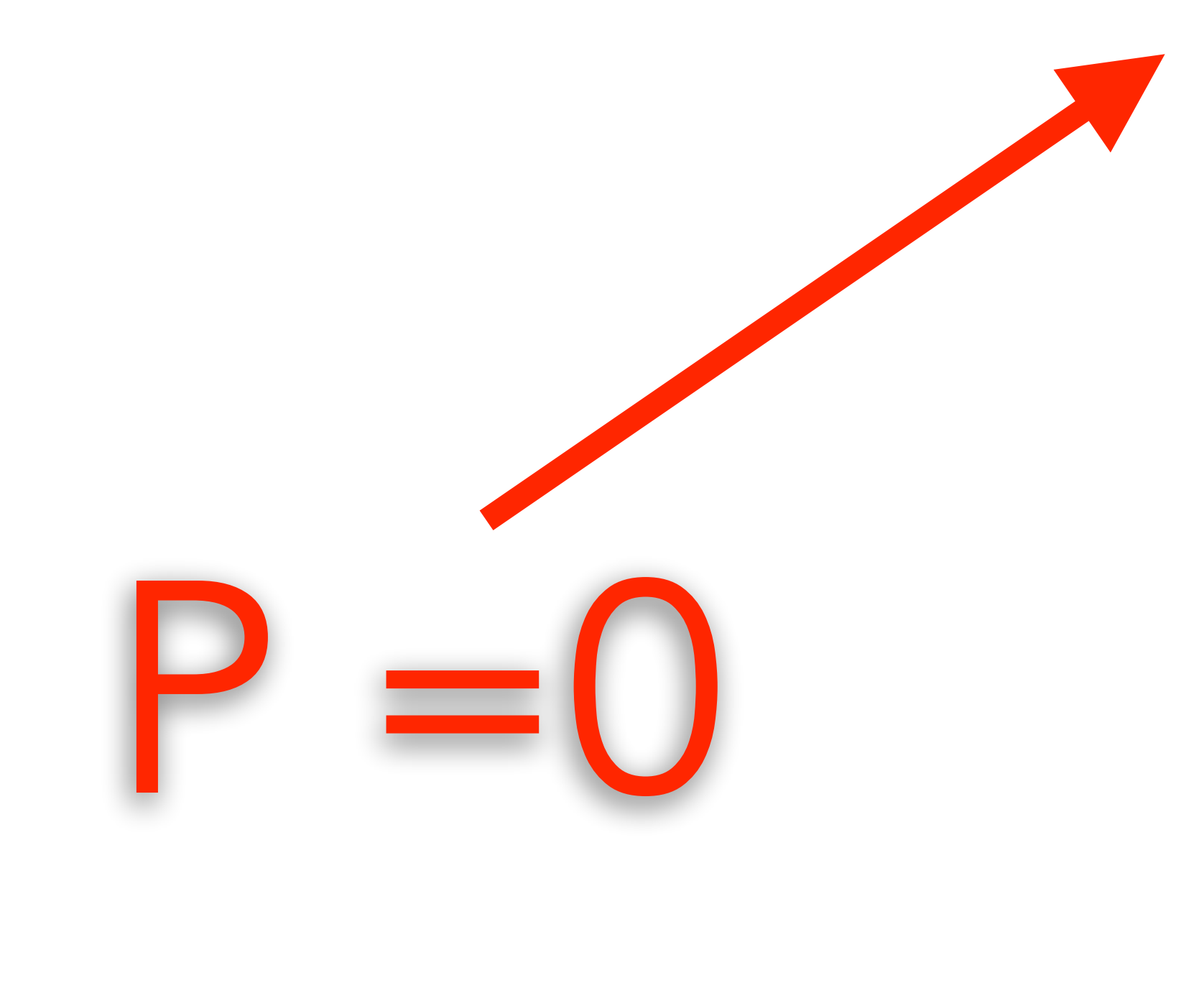
$$0 = -9 + 4.5P$$

$$9 = 4.5P$$

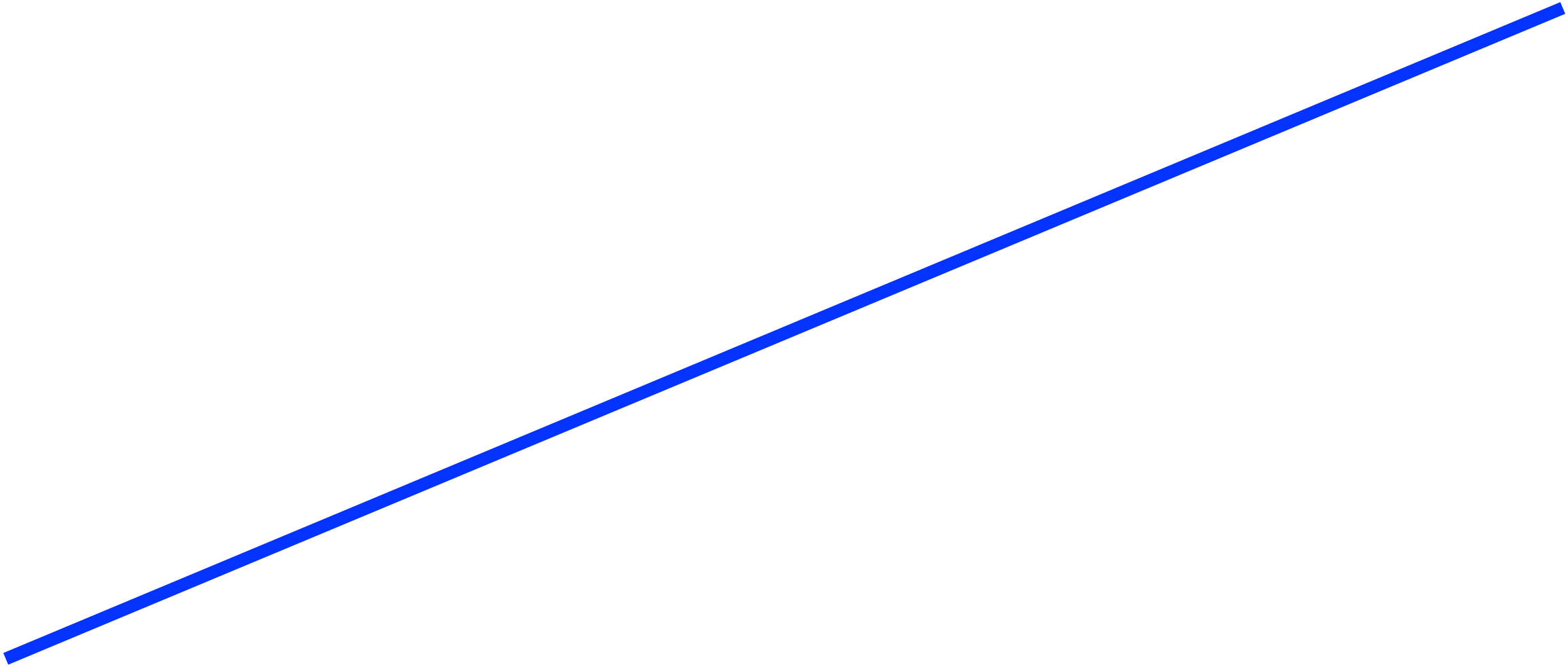
$$P = 9/4.5$$



$$Q^s = 0$$


P =0


0



$$Q^S = -10 + 5P$$

Due to an increase in costs, producers sell

10% fewer units at all prices

$$Q^S = (-10 + 5P)\ (0.9)$$

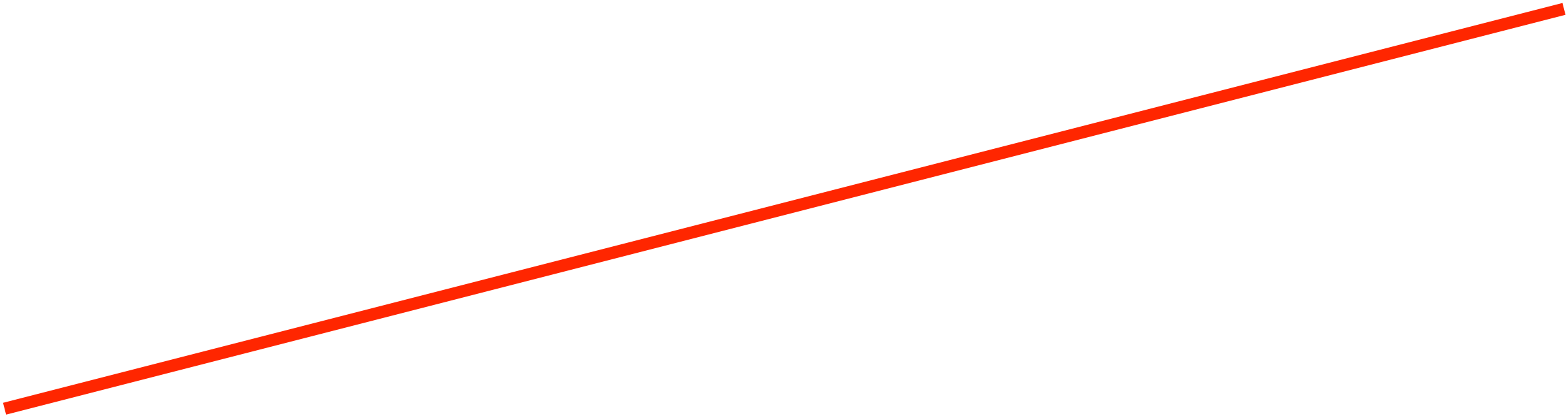
$$Q^S = -10\ (0.9) + 5P\ (0.9)$$

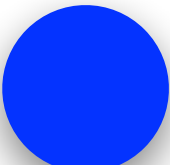
The new supply is only 90% of the old supply

$$Q^{S} = -10$$

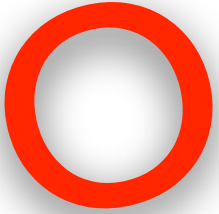
Original Supply

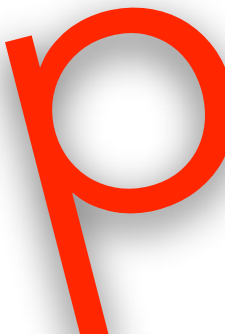
$$P = 2$$

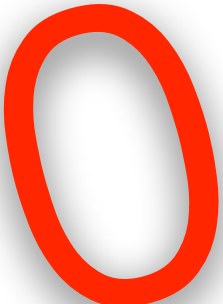


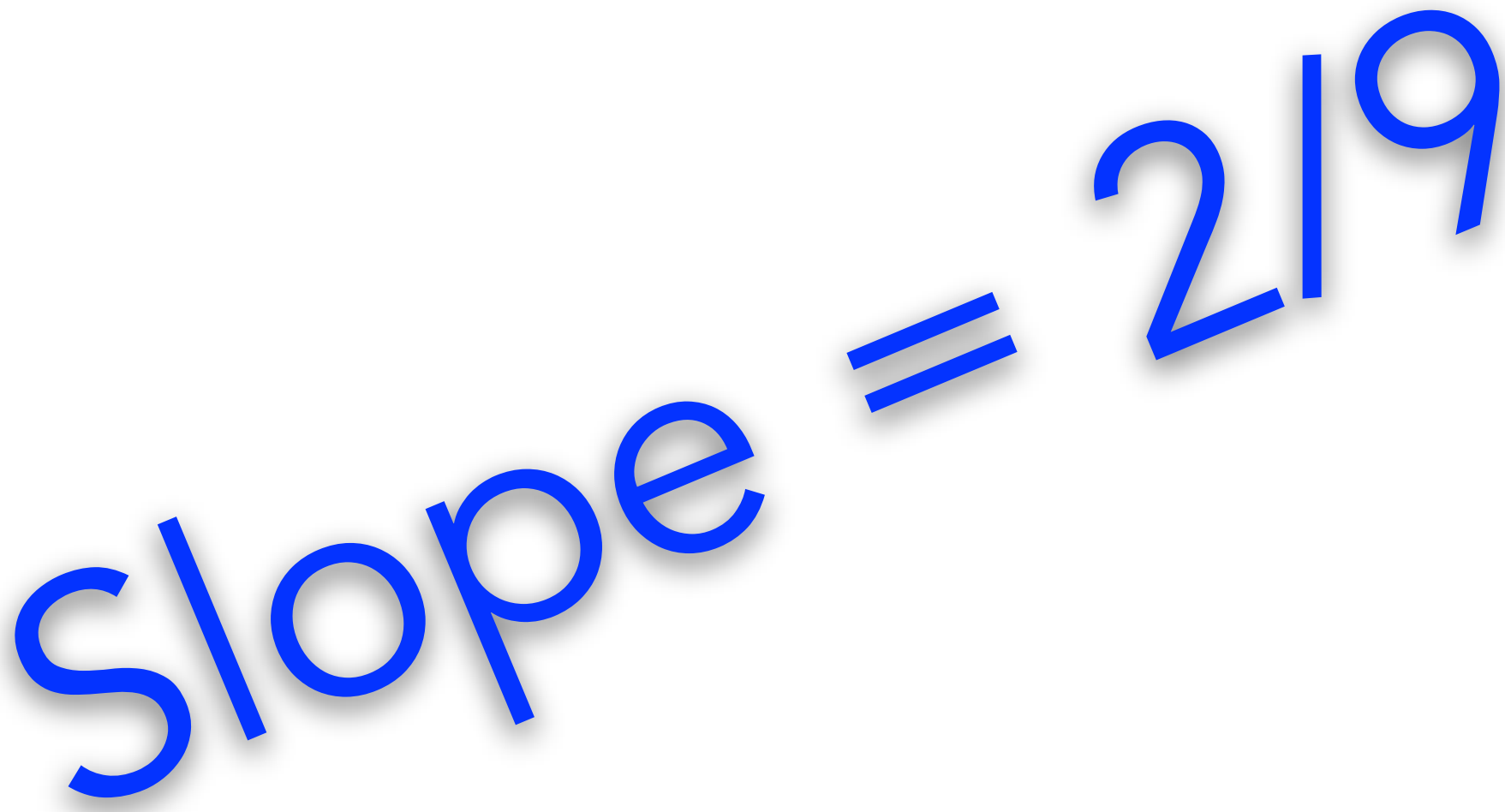


$$P = 2$$

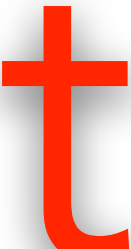


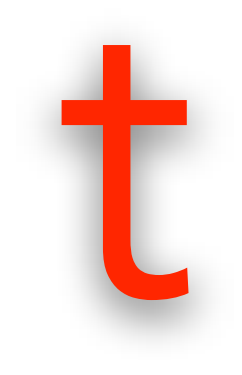


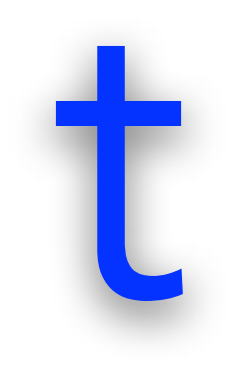


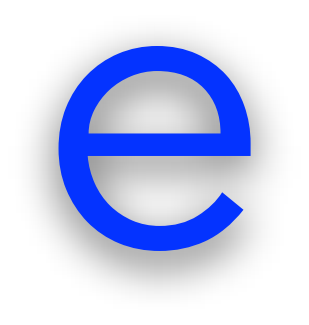

slope = 2|9

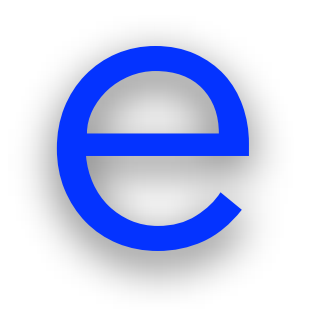

a

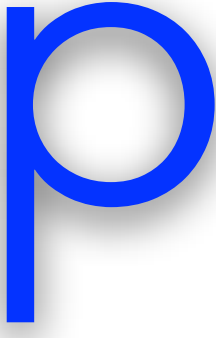


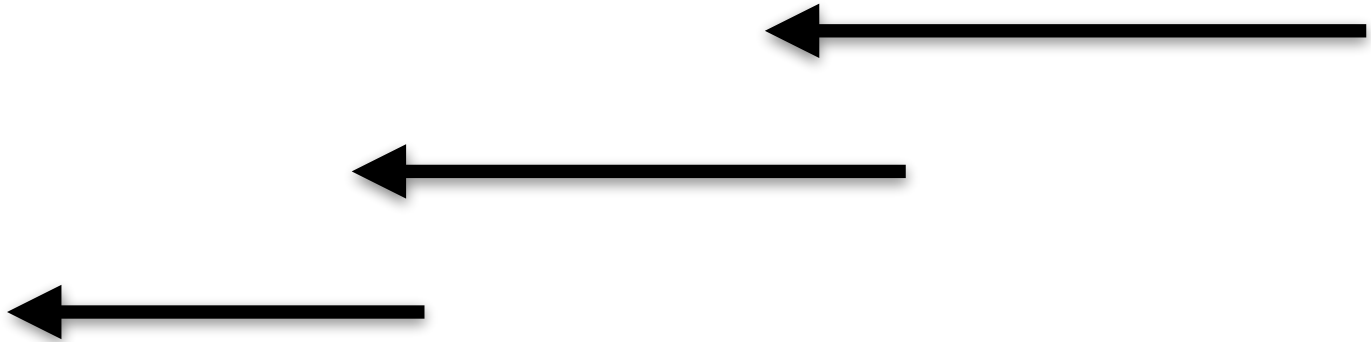












NOT a parallel shift

Slope = 2/10


Flatter

Steeper

Due to an increase in costs, producers sell

10% fewer units at all prices

$Q^s = -10 + 5P$

$Q^s = (-10 + 5P)\ (0.9)$

$Q^s = -10\ (0.9) + 5P\ (0.9)$

$Q^s = -9 + 4.5P$

If $Q^s = 0$

$0 = -9 + 4.5P$

$9 = 4.5P$

$P = 9/4.5$

$P = 2$