

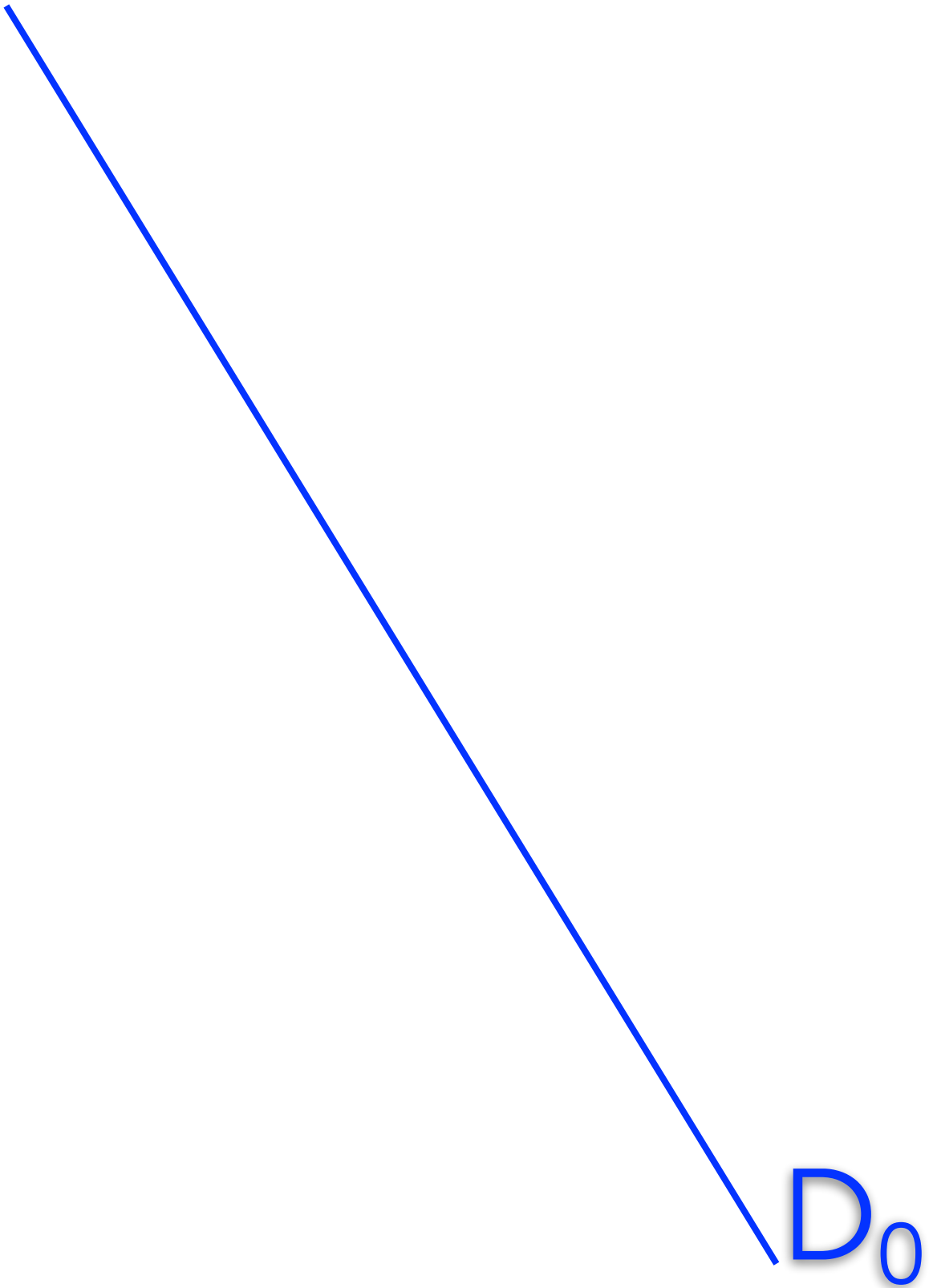
The market for Gasoline

P

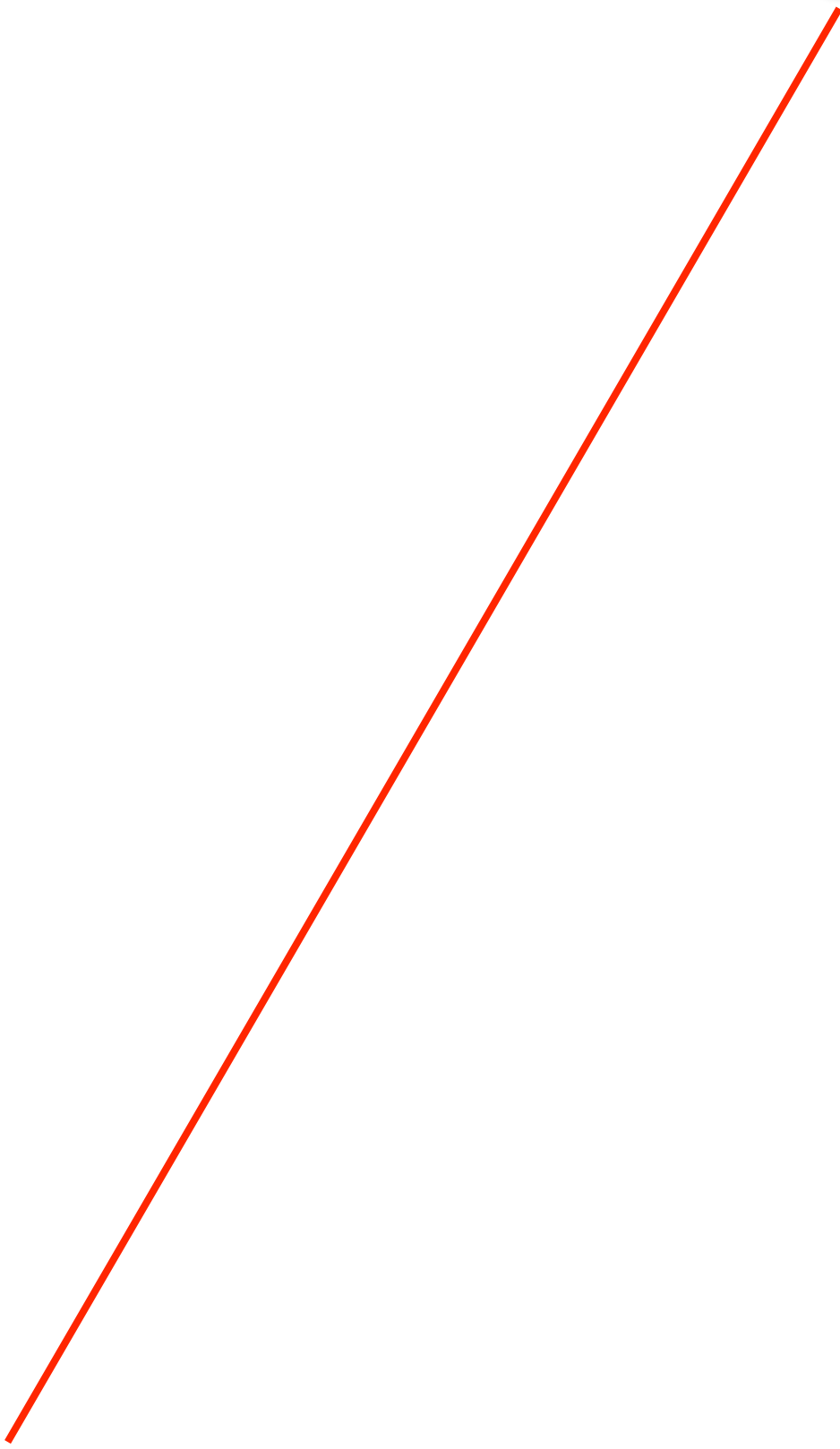








S_0



P_0



Q_0









S

u

mm

e



S

b

u

Y





S

S



2

S









e





m

a



o

o









a

S















W

a



o

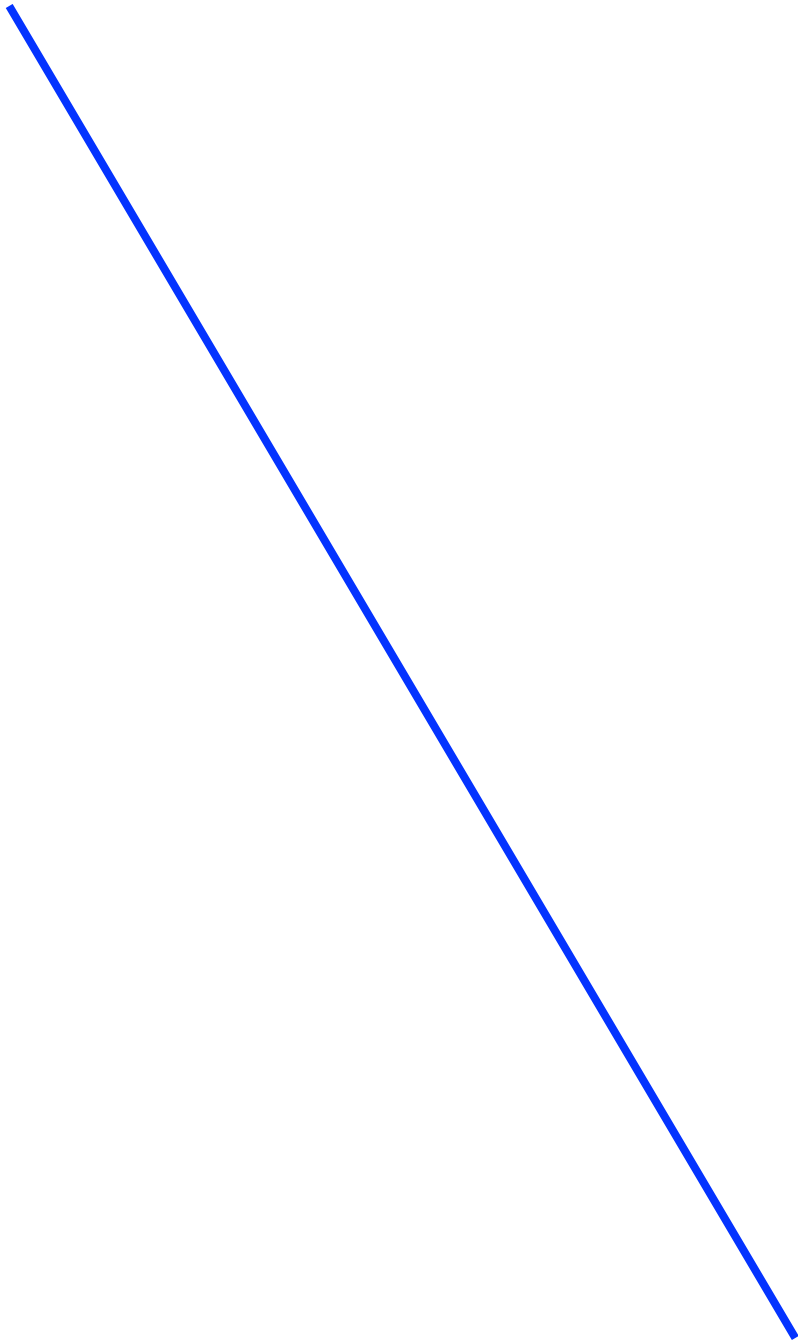
S

h



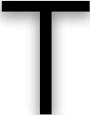






D_1









m n

a











S

























U







b





U

m

A







e







9





2







U







b





U

m

P







e



P











u

2

n







Y

o

e

m

a

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S

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W W





W









a





h

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Y

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U



Р





e

o



Q^S

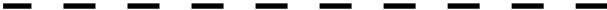


Q^d

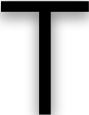


P

1



Q_1











W





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b





u

m



u

a







Y



S





W









2



b













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b





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S





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Surplus

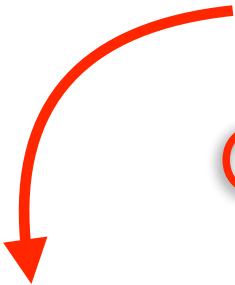


A pink callout box with a rectangular top and a pointed bottom, containing the text "Sellers bid price down".

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

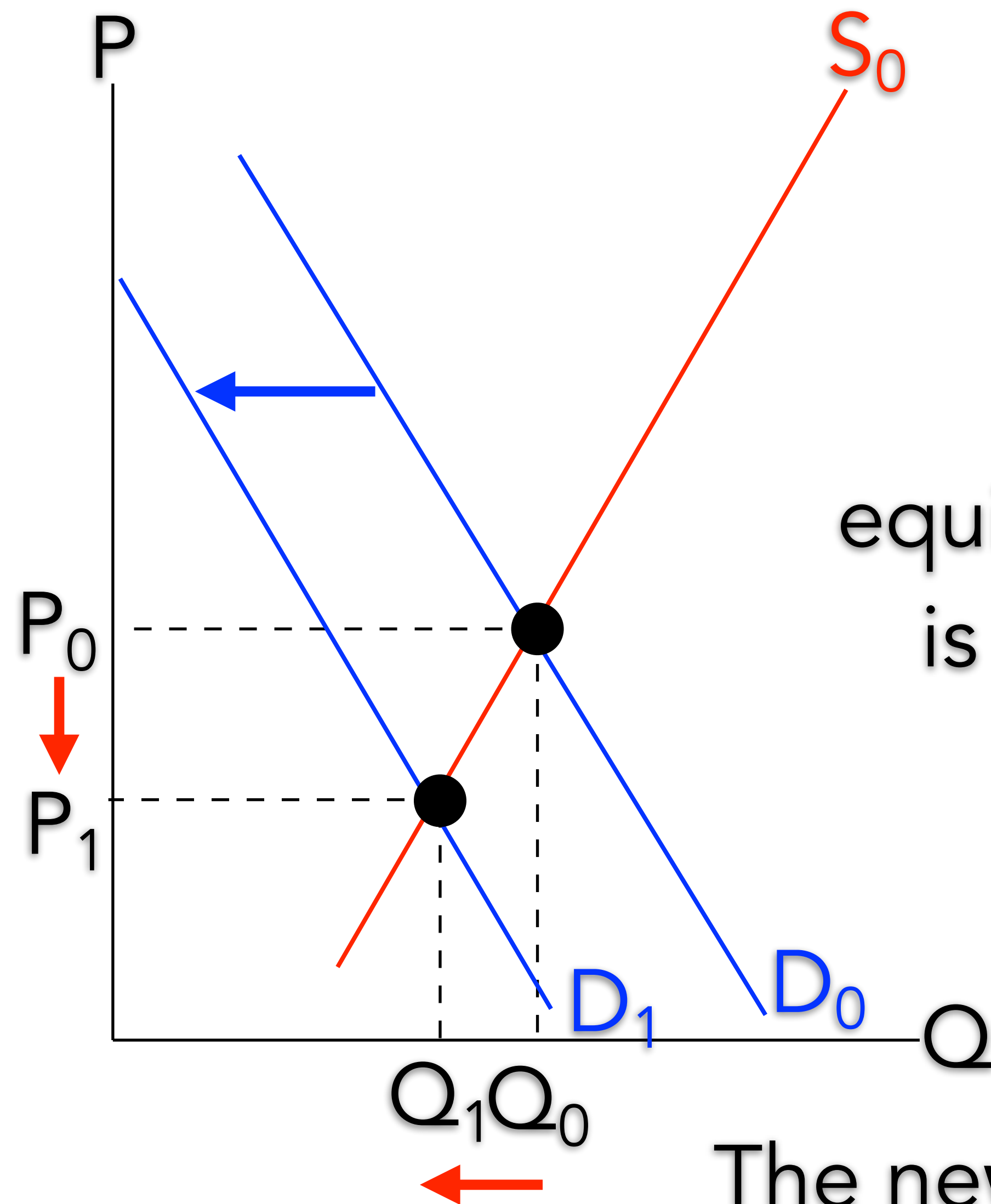
The market for Gasoline

Consumers buy less gasoline

Demand decrease: A
leftward shift

The market is no longer in
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At the original equilibrium
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demanded is now lower than
the quantity supplied



The new
equilibrium price
is lower than
before

The new equilibrium quantity is lower than before

Figure1

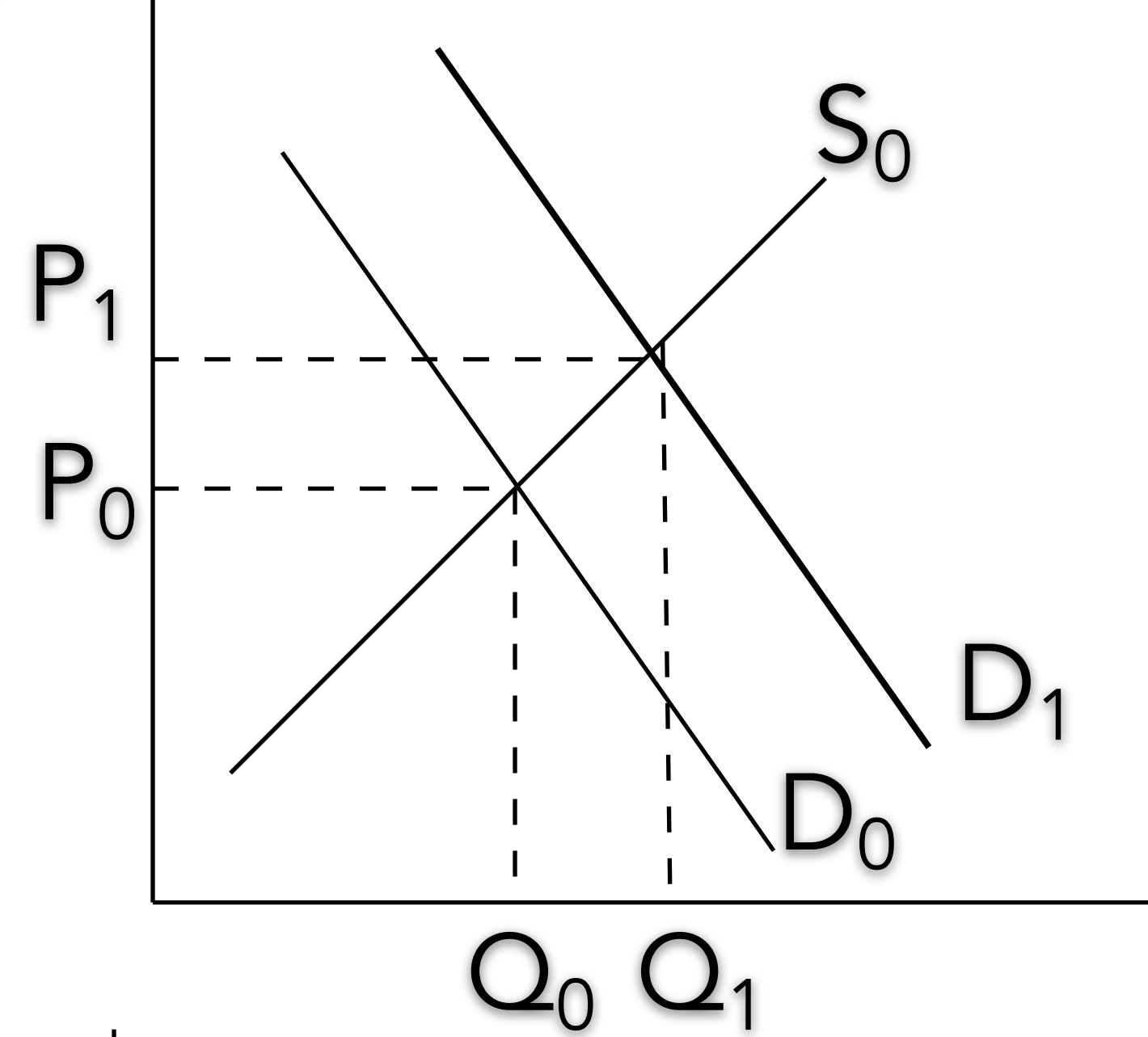


Figure2

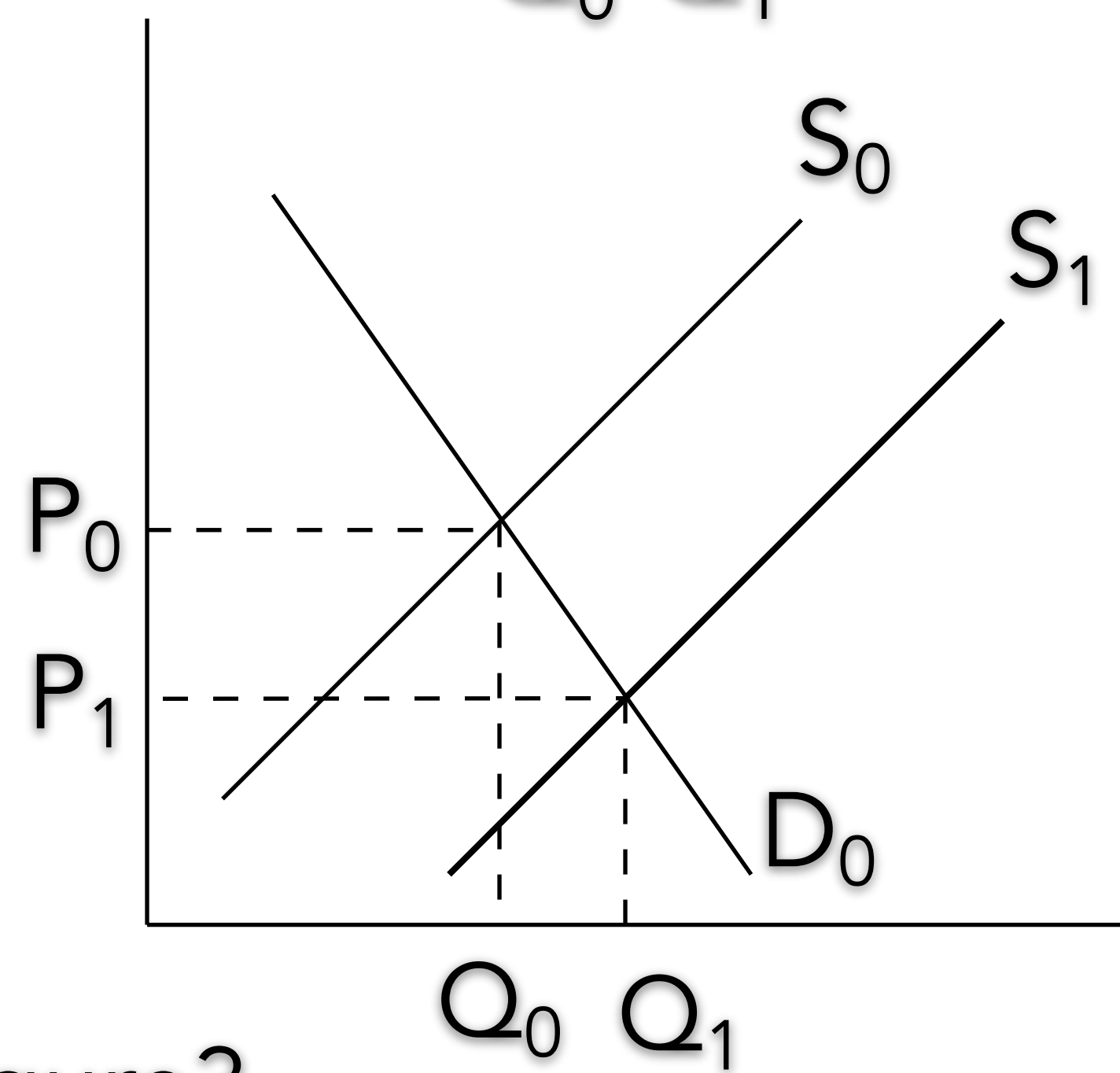
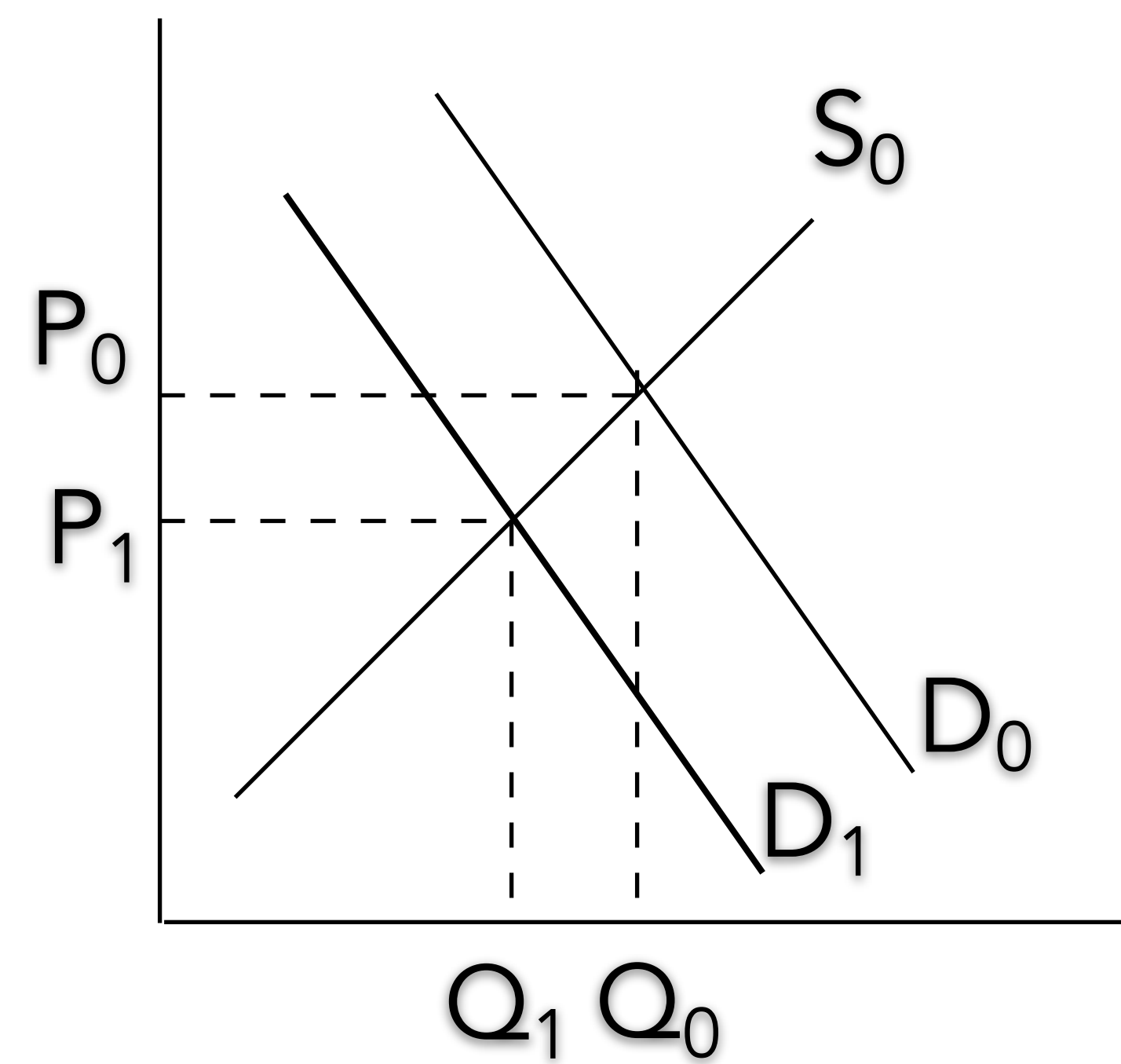


Figure3

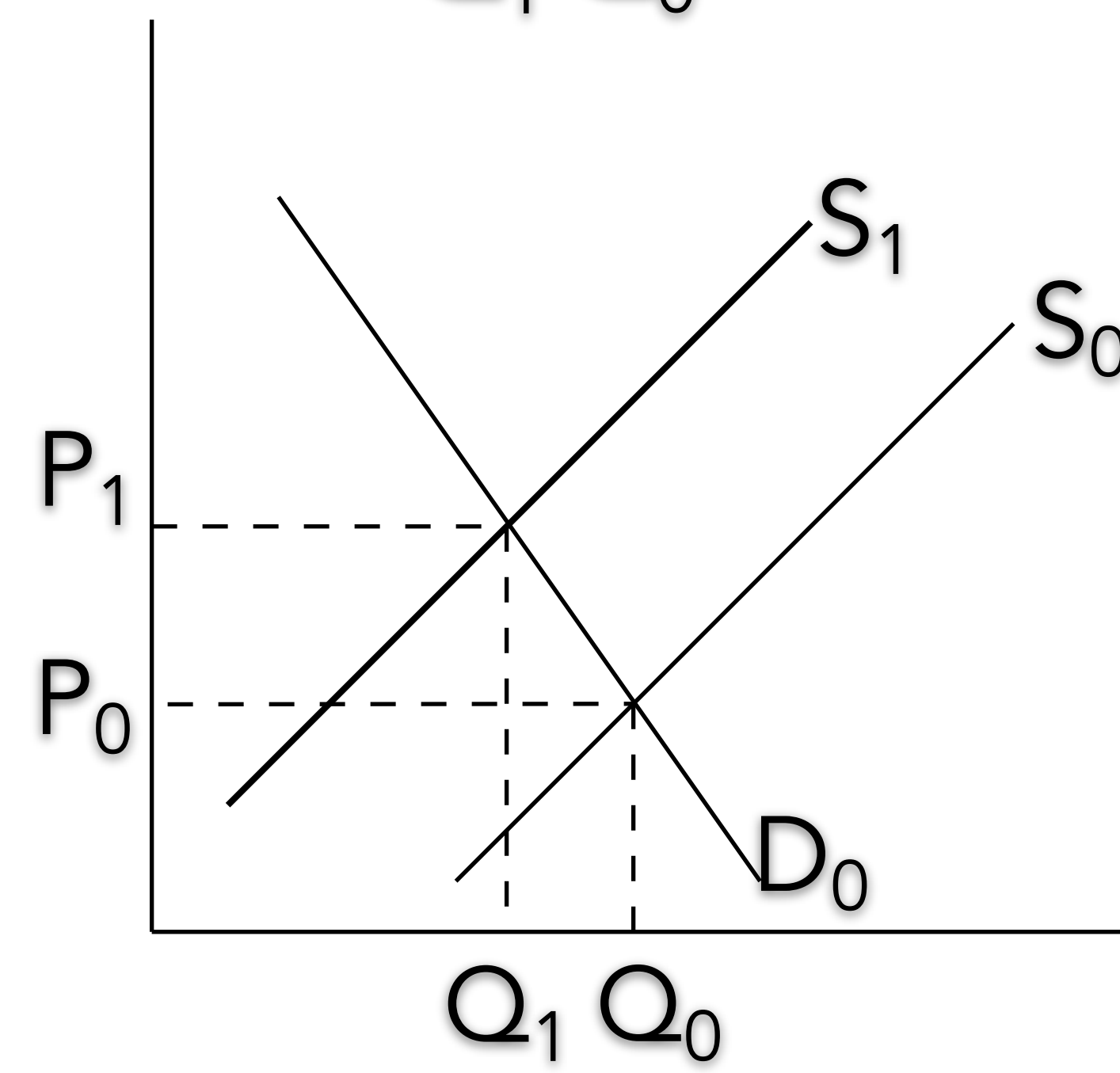


Figure4