

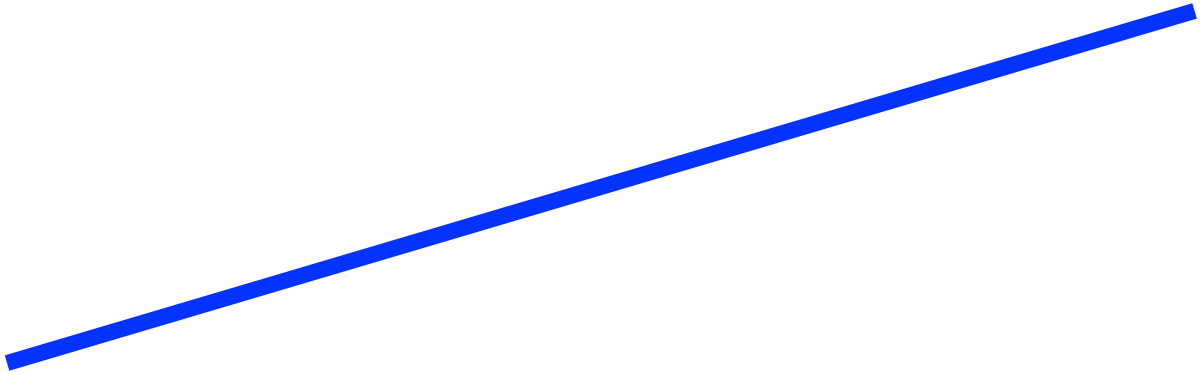
$$Q^s = -10 + 5P$$







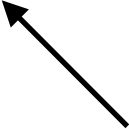
$$Q_s = -10$$



Supply






$$Q^s = 0$$

P

=

2

$P = 0$



**Producers sell 10%
more at all prices**

$$\text{New } Q^s \equiv (-10 + 5P)(1.1)$$

$$\text{New } Q^s = -10(1.1) + 5(1.1)P$$

$$\text{If } Q^S = 0$$

P

=

2

If

P

=

O

NewQ's $\equiv -11 + 5.5P$

Q^s

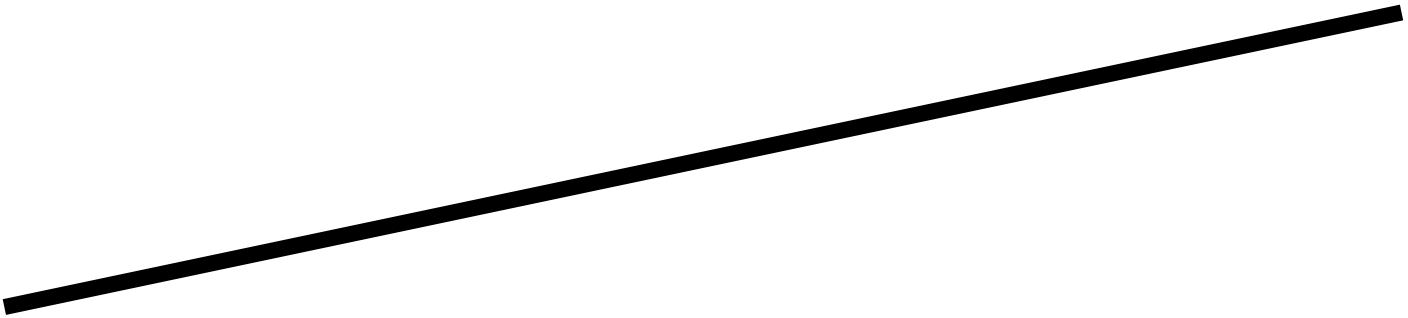
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-

1

1







New Supply

NOT Parallel Shift

P

=

2

NewQs \equiv -11 + 5.5P

NewQ's = -11

Slope = 2/10

Slope = 2/11

Steep(er)

Flatter

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

$$\text{New } Q^s = (-10 + 5P) (1.1)$$

$$\text{New } Q^s = -10(1.1) + 5(1.1)P$$

$$\text{New } Q^s = -11 + 5.5P$$

$$\text{New } Q^s = -11 \quad \text{If } P = 0$$

Producers sell 10% more at all prices

$$\text{New } Q^s = -11 + 5.5P$$

$$\text{If } Q^s = 0$$

$$P = 2$$

Steeper
Slope = 2/10
Supply

NOT Parallel Shift

New Supply
Slope = 2/11
Flatter

