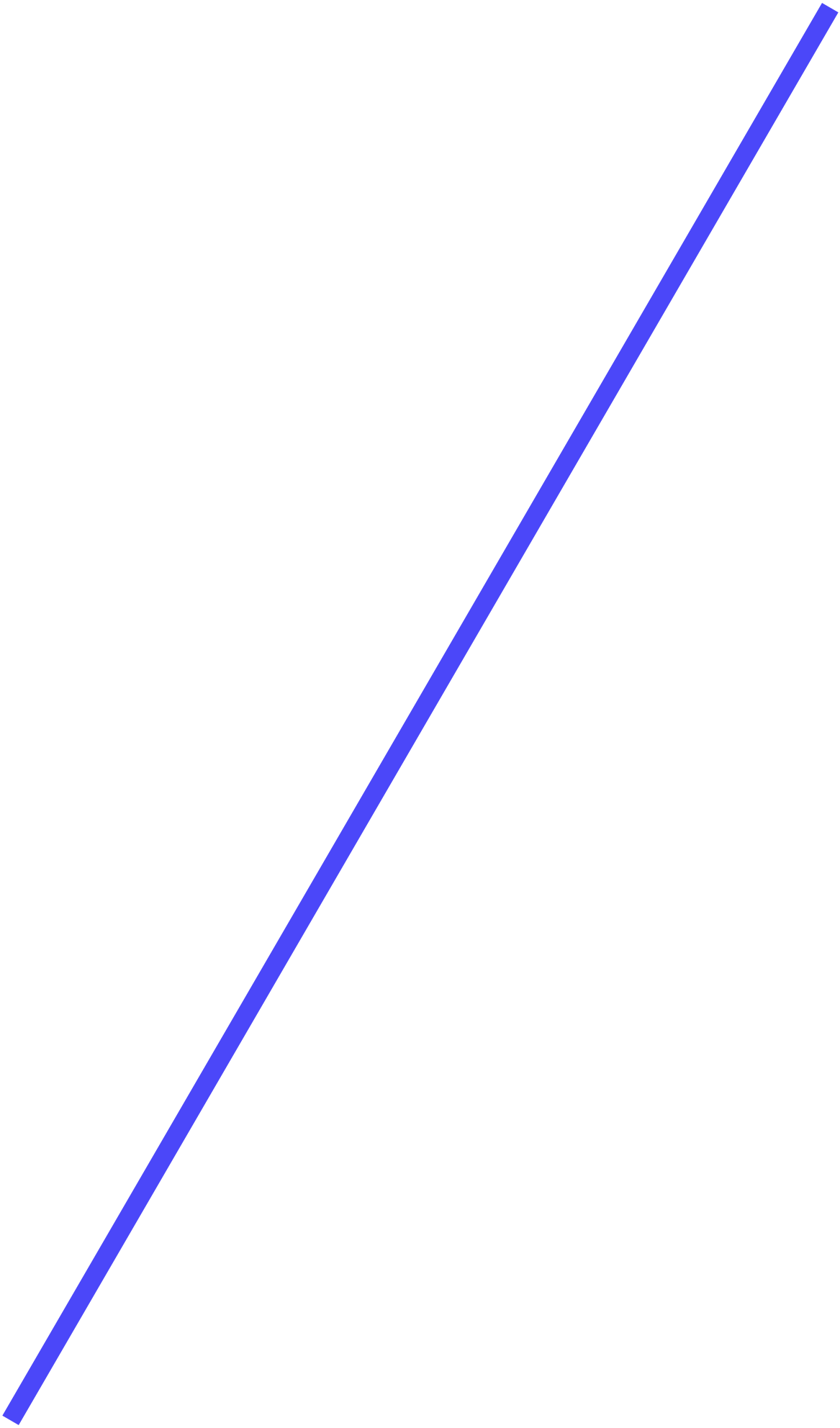
Who is affected first?

D0

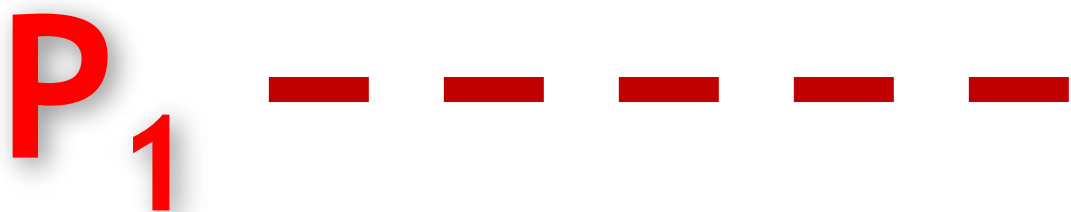


S0

P0

Q_0

Supply shifts left

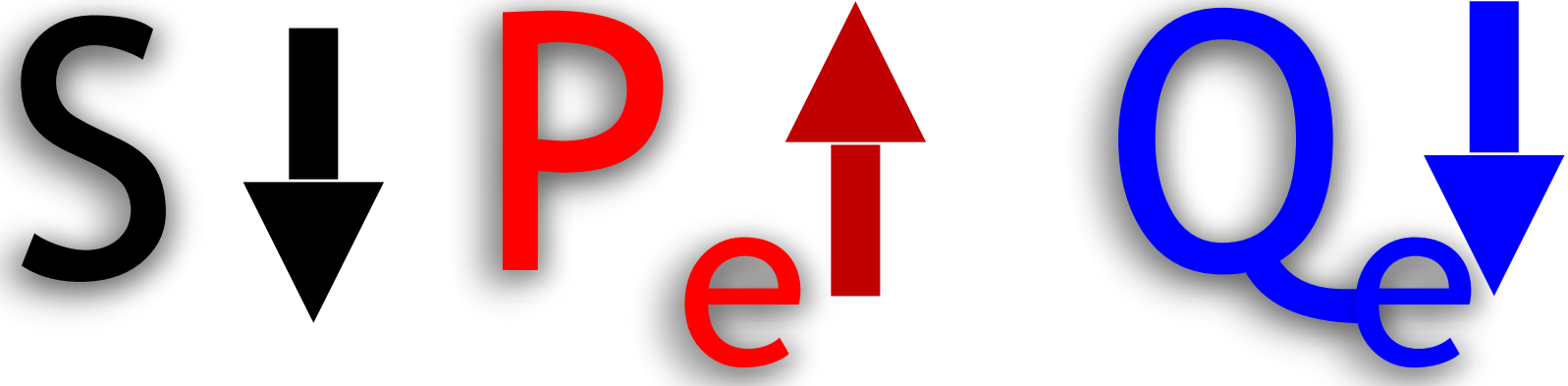

P1

Q_1

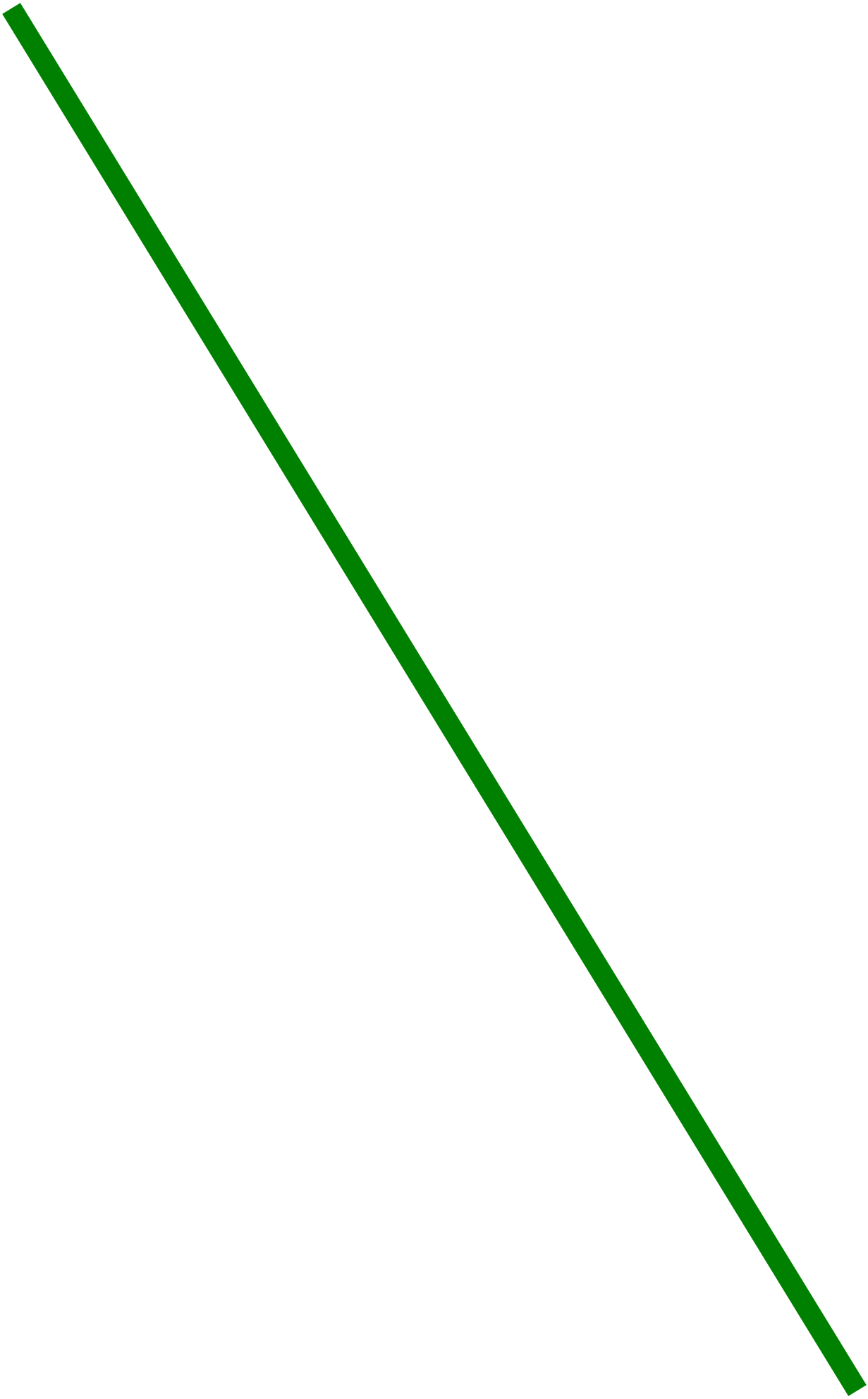
A shortage appears due to drop in supply

Price increases due to shortage

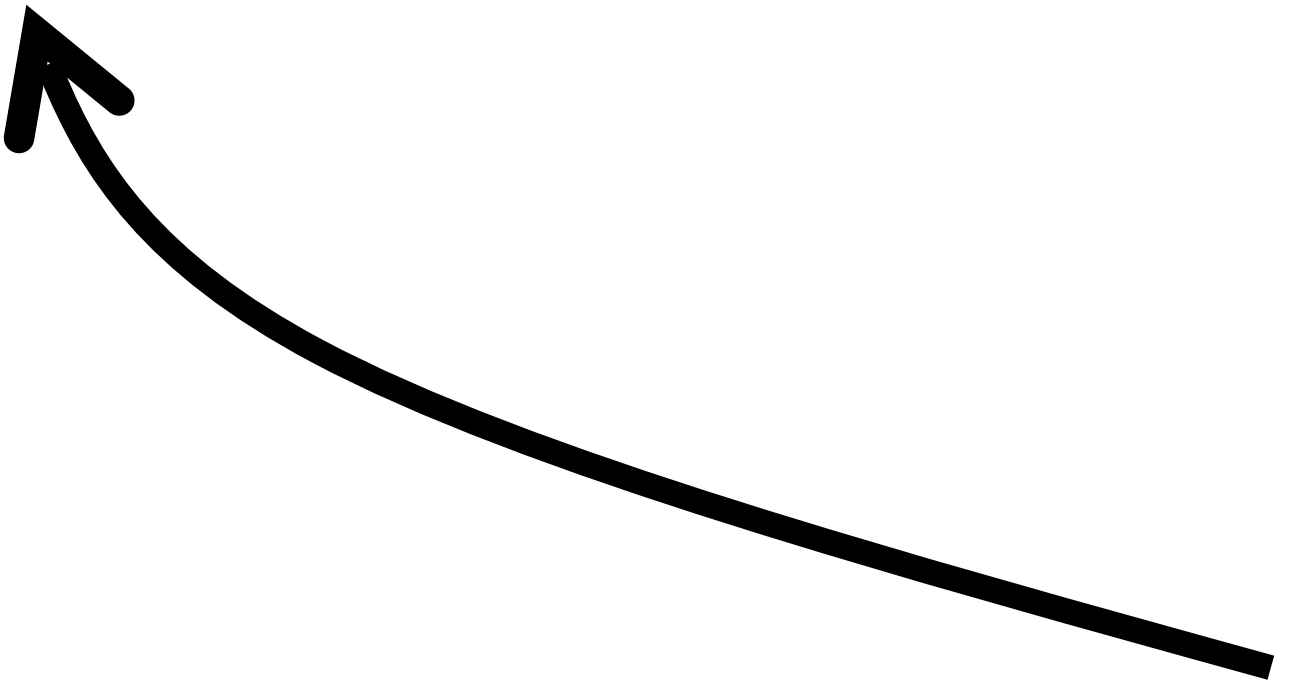
Quantity exchanged decrease

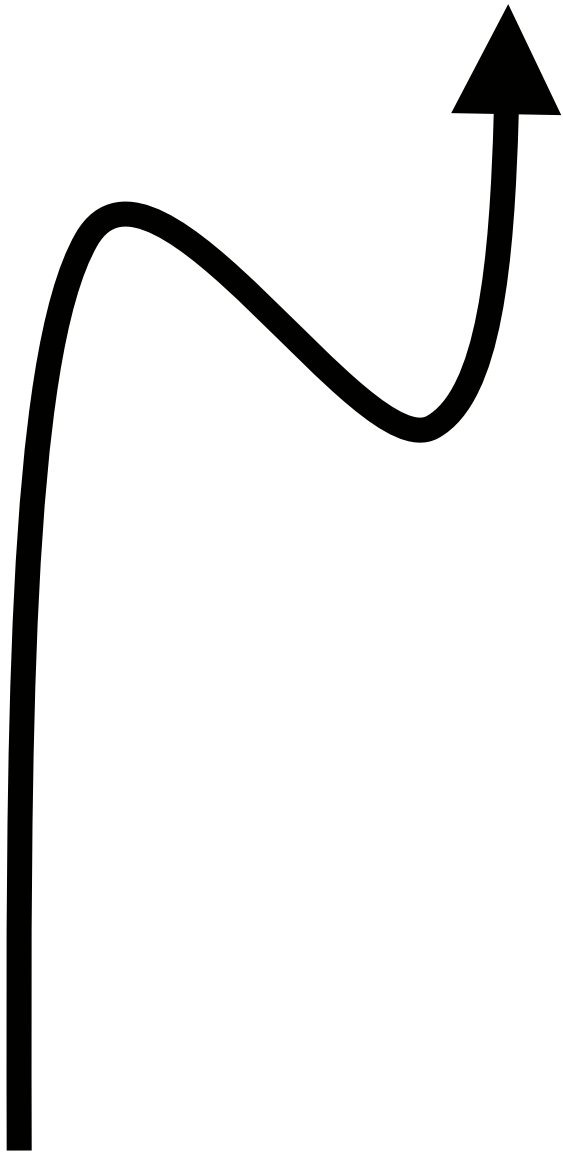

S
P
e
Q
e

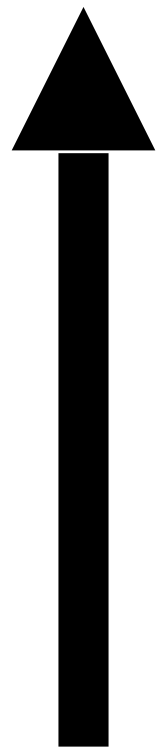
S1

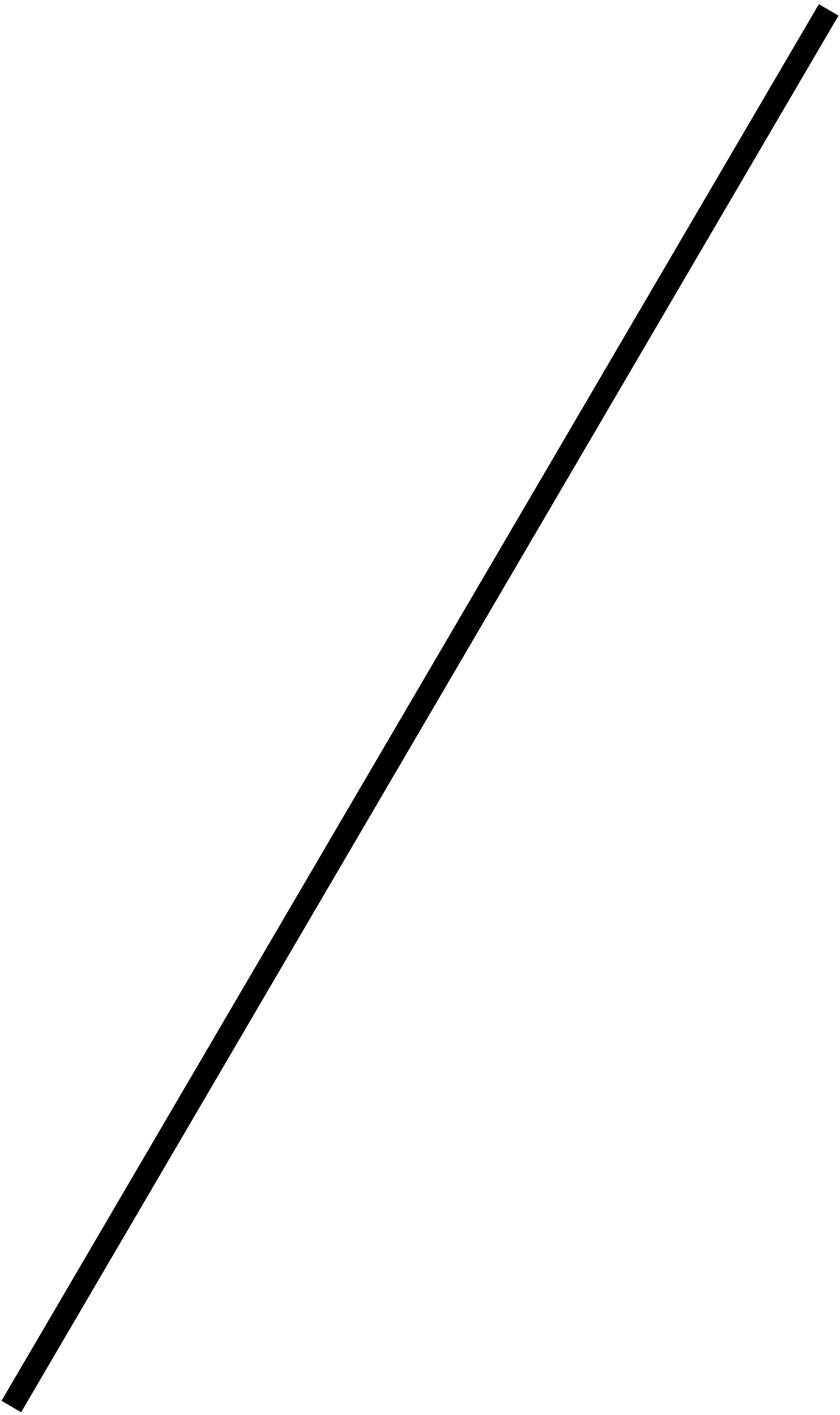


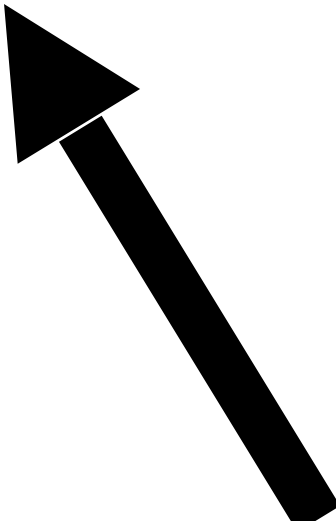
A decrease in Supply (Shift) and a decrease in quantity demanded (Move up along)

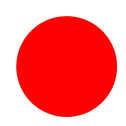










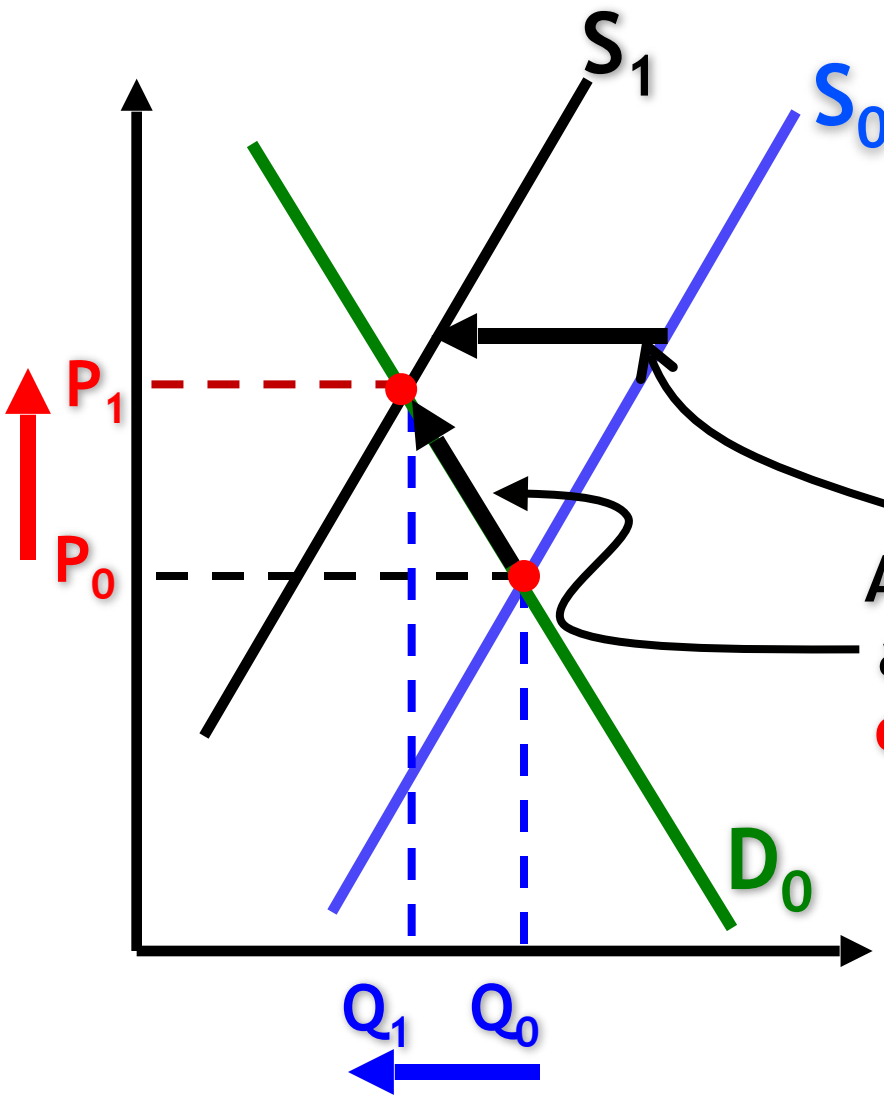


Increase? Decrease?

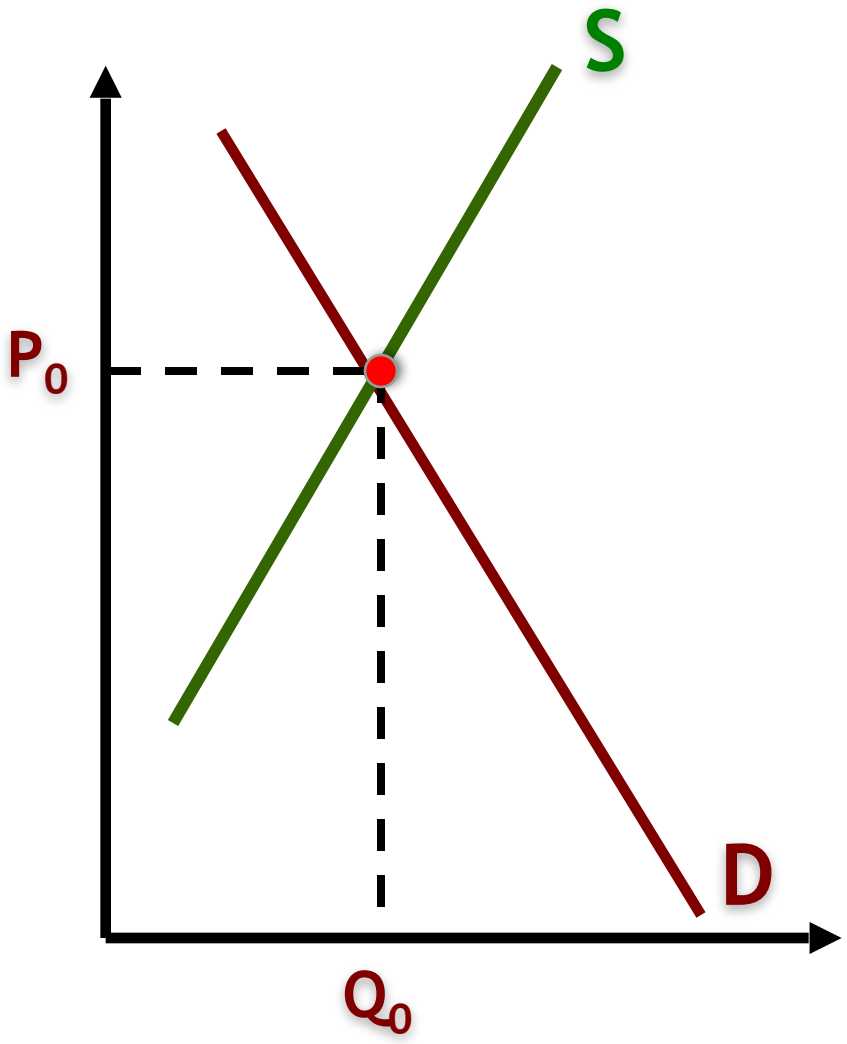
Shift or move along?

Shortage

Shift or move along?



$S \downarrow P_e \uparrow Q_e \downarrow$

A **decrease in Supply** (Shift) and a **decrease in quantity demanded** (Move up along)

Supply and Demand for coca