







Consumers buy 20% more at all prices

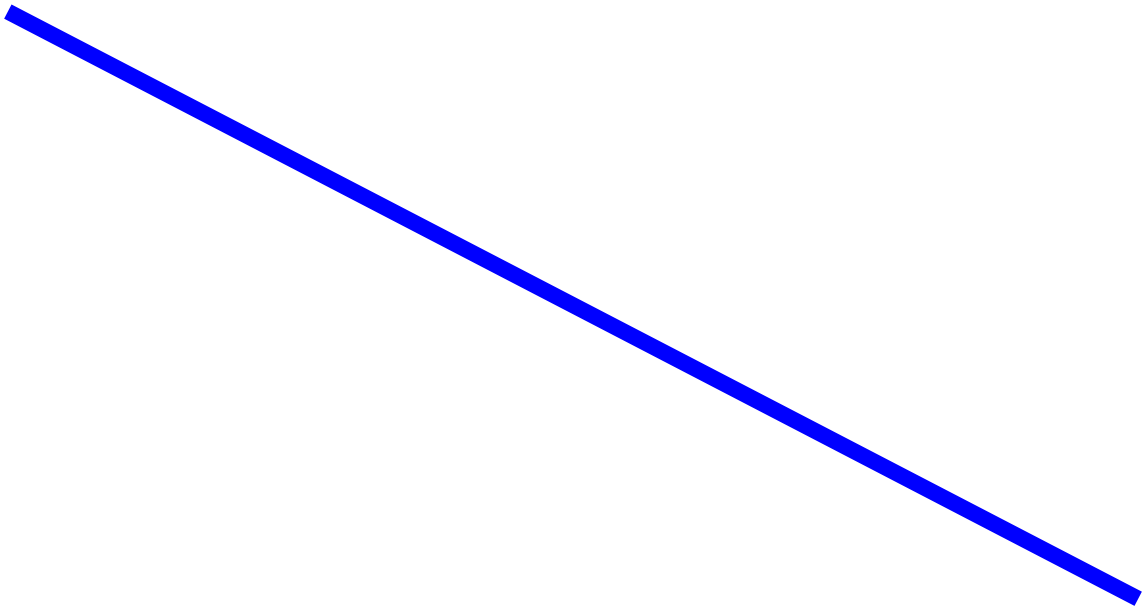
**P**

**=**

**1**

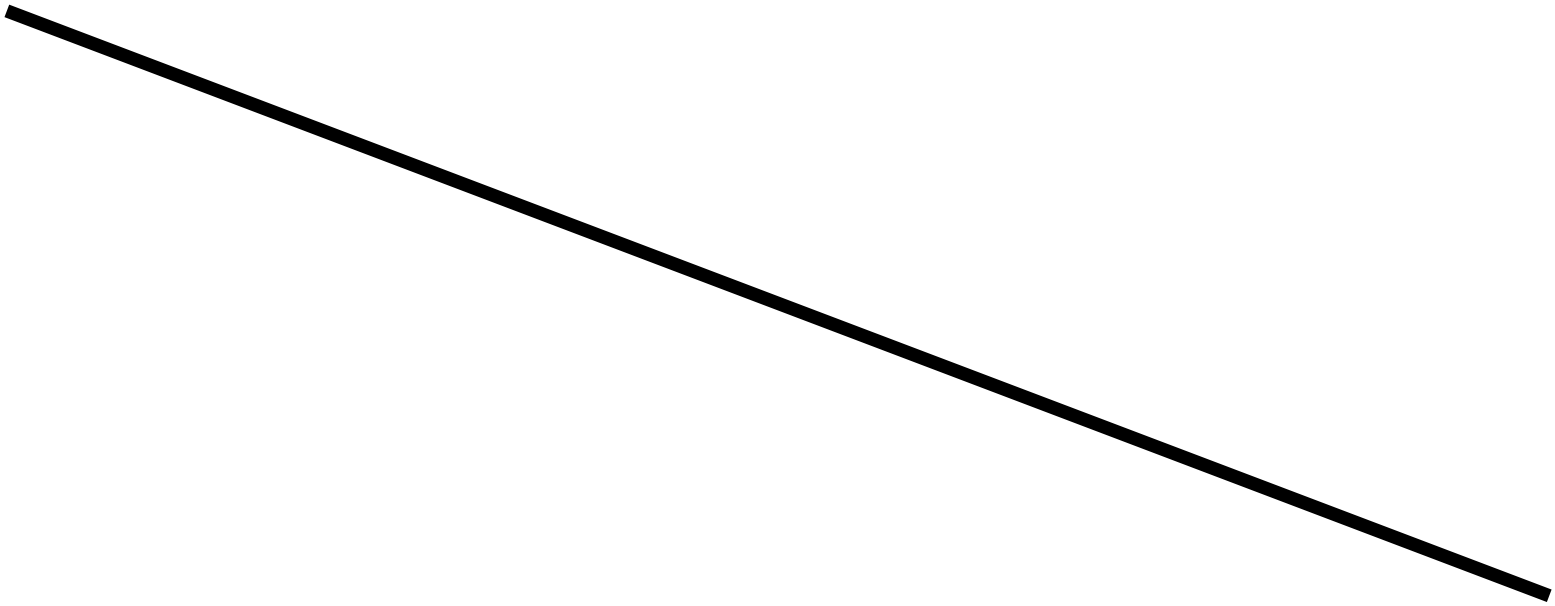
**0**





**Demand**





**P**

**=**

**1**

**0**



**New Demand**



$$q^d = 20(1.2)$$

$$Q_d = 20 - 2P$$

$$q_d = 20$$







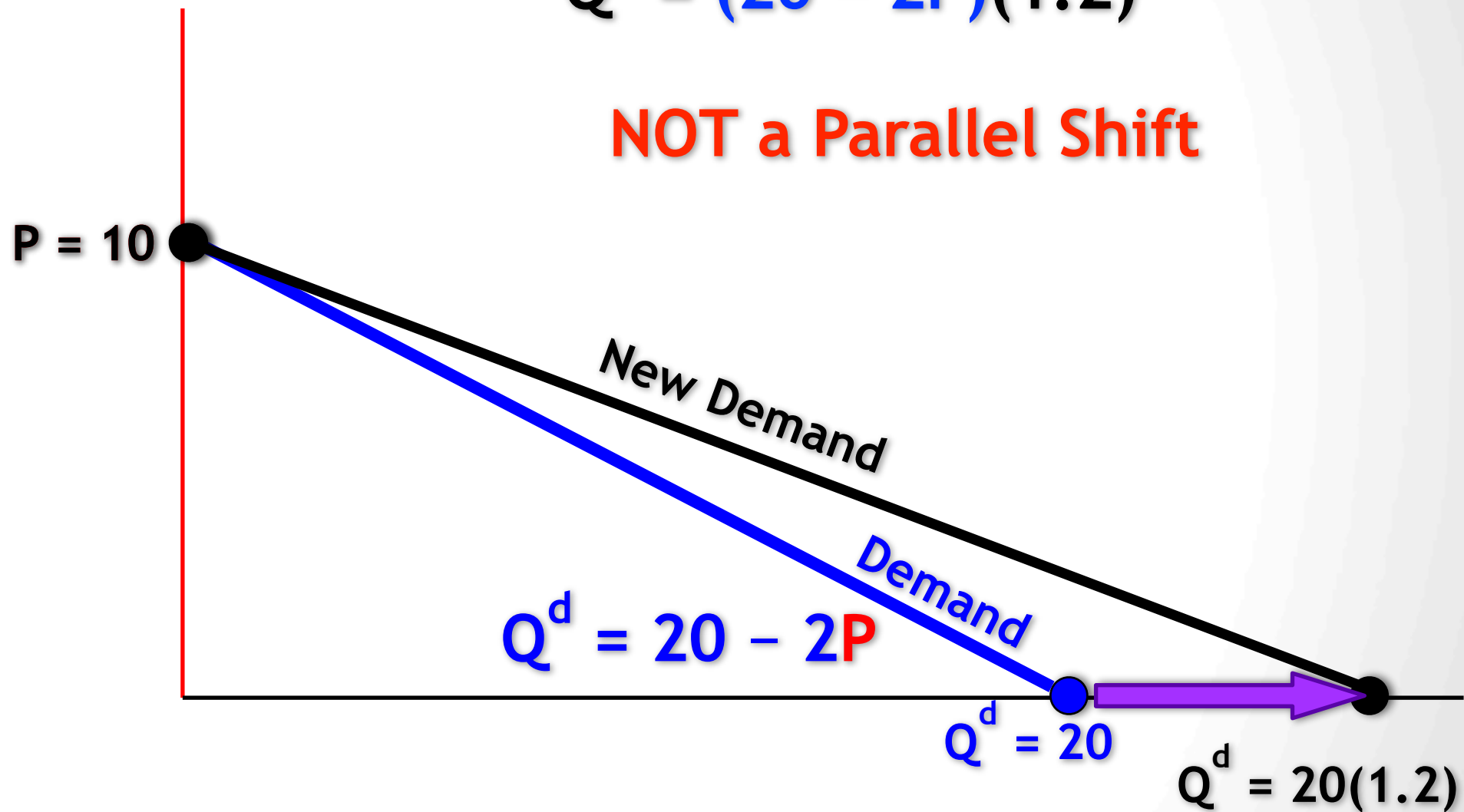
NOT Parallel Shift

$$Q^d = (20 - 2P)(1.2)$$

Consumers buy 20% more at all prices

$$Q^d = (20 - 2P)(1.2)$$

**NOT a Parallel Shift**



Price

$P = 10$

$Q^d = 20 - 2P$   
Demand

$Q^d = 20$

