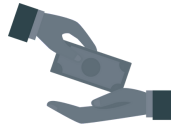




supply



Price

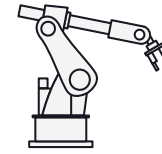


Price increase - impact on supply

Price decrease - impact on supply

Non-price

Factors



1. Cost of production
2. Introduction of new technology
3. Indirect taxes (e.g. VAT)
4. Government subsidies
5. External shocks

Decrease in supply - shortage

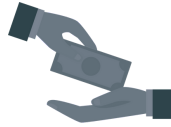
Increase in supply - surplus



demand



Price



Price increase - impact on demand

Price decrease - impact on demand

Non-price

Factors



1. Price of substitutes
2. Alternative brands
3. Price of compliments
4. Changes in consumer income
5. Trends in fashion and tastes
6. Advertising and branding
7. Population structure / demographics
8. Time of year
9. Weather and climate
10. External shocks

Decrease in demand

Increase in demand