

Pagman Uwa, 259

1. Demand curve slopes downwards because lower prices increases quantity demanded due to substitution and income effects.
2. Demand shifts right due to higher income, population growth, higher substitute prices, lower complementary prices & stronger preferences.
3. Supply curves slopes upward because higher prices encourage firms to produce more to cover rising marginal costs.
4. Supply shifts left due to higher input costs, higher taxes, stricter regulations or fewer firms.