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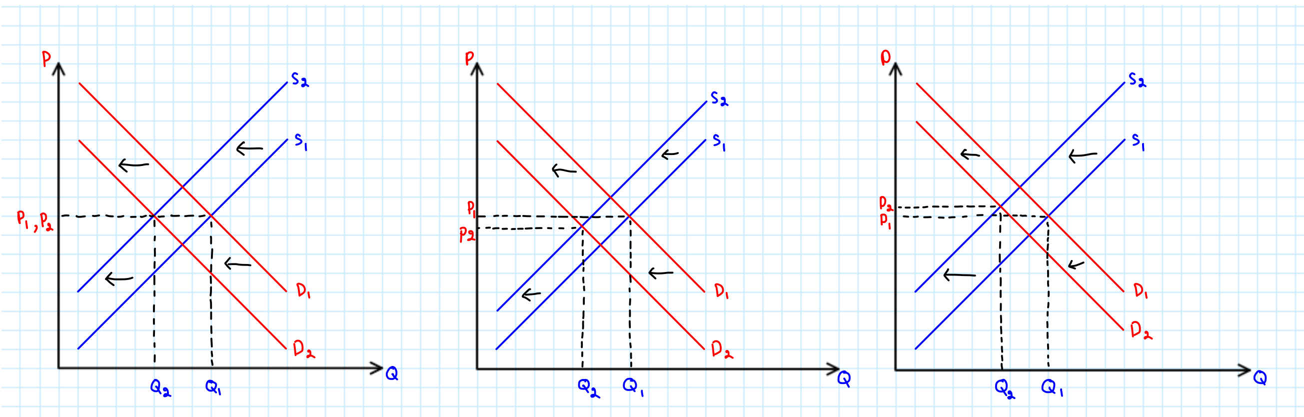
CASE 1 Decrease in Demand & Decrease in Supply

Consider Market for winter jacket

EVENT 1 (On Demand Side)
During the summer, the needed of jacket is low so demand for jacket decrease.

EVENT 2 (On Supply Side)
the cost of making jacket increase



Quantity demand decrease at same amount of quantity supply

Quantity demand decrease more than quantity supply

Quantity supply decrease more than quantity demand

Full Explanation

On demand side: During the summer, the needed of jacket is low so demand curve for jacket will shift to the left from D_1 to D_2, imply that people are willing to buy less at any observable price level. Quantity demand has decrease at any observable price level

On supply side: the cost of making jacket is increase, seller want to sell less jacket so supply curve for jacket will shift to the left from S_1 to S_2, Imply that quantity supply has decrease at any observable price.

In case 1 Quantity demand decrease at same amount of quantity supply
price not change but quantity decrease

In case 2 Quantity demand decrease more than quantity supply
price and quantity decrease

In case 3 Quantity demand decrease less than quantity supply
price increase but quantity decrease

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CASE 2 Increase in Demand & Increase in Supply

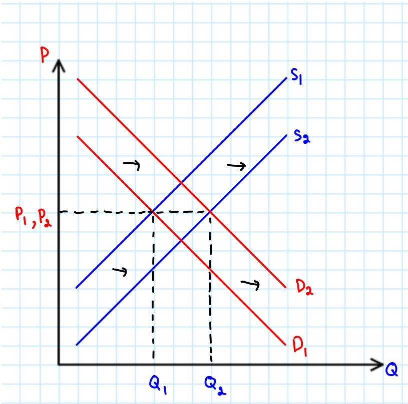
Consider Market for Airpod

EVENT 1 (On Demand Side)

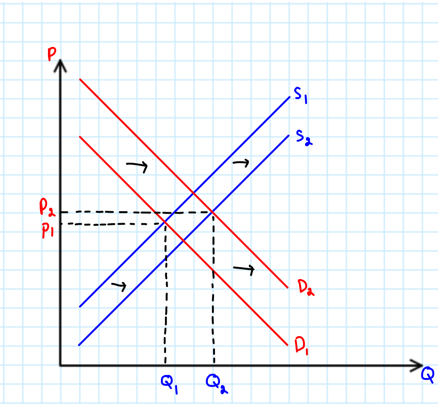
People want to use airpod

EVENT 2 (On Supply Side)

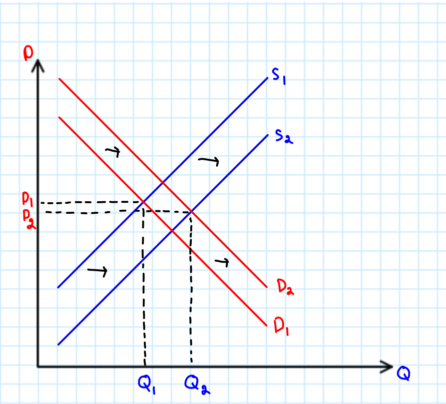
The technology for making airpod develop



Quantity demand increase at same amount of quantity supply



Quantity demand increase more than quantity supply



Quantity supply increase more than quantity demand

Full Explanation

On demand side: When people want airpod the needed for airpod are increase. So demand curve will shift to the right from D_1 to D_2, imply that Quantity demand for airpod are increase at any observable price level.

On supply side: The technology for making airpod develop so supply curve for airpod will shift to the right from S_1 to S_2, Imply that quantity supply has increase at any observable price.

In case 1 Quantity demand increase at same amount of quantity supply
price not change but quantity decrease

In case 2 Quantity demand increase more than quantity supply
price and quantity increase

In case 3 Quantity supply increase more than quantity demand
price decrease but quantity increase