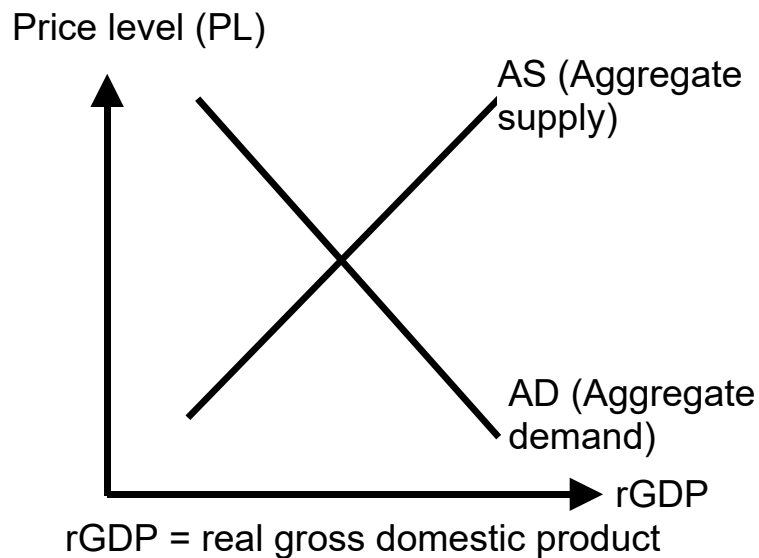


Demand shock and supply shock 2

⇒ The graph shows the initial situation:



Now the following shocks occur:

- The raw materials used in production becoming more scarce and more expensive.
- The demand for consumer and investment goods increases as a result of optimism.

Show possible impacts on the price level and on rGDP, the latter remaining the same.

[Click here to get the answer!](#)