16. Using the *AS/AD* model on the graph below demonstrate/draw in the effect from the real problem on the general economy associated with each of the following events in the last year.. Label clearly all lines and movements/shifts.

For a): The deep fall in the stock market Fall 2008 to early March 2009 on Aggregate Demand

For b): The sharp fall in oil prices on Aggregate Demand and Aggregate Supply.

1. B)

