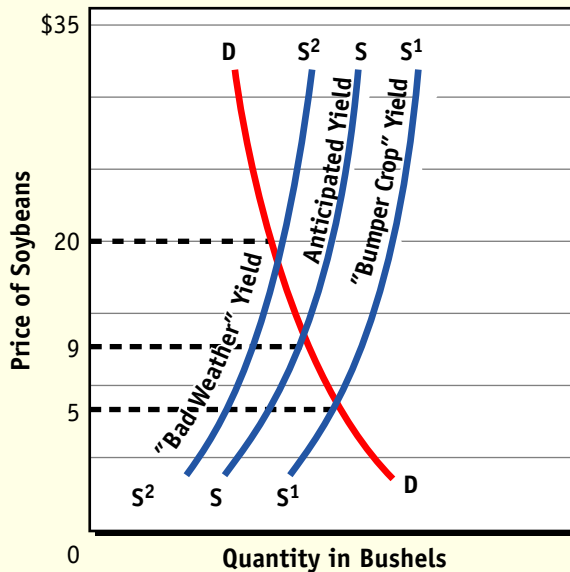
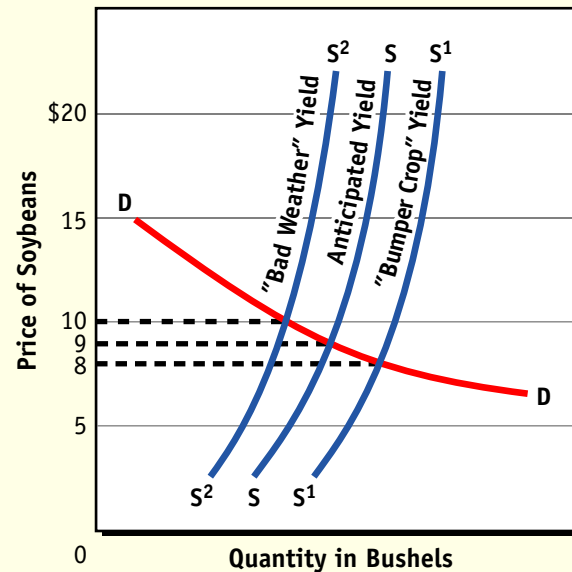


Factors Affecting Price Changes in Agriculture

A Inelastic Supply and Demand



B Same Supply with Elastic Demand



Using Graphs Diagram A shows that larger price changes occur when both the supply and demand curves are highly inelastic. When the demand curve is more elastic, as in Diagram B, price fluctuations are smaller. **What happens to the slope of a supply curve when it becomes more elastic?**