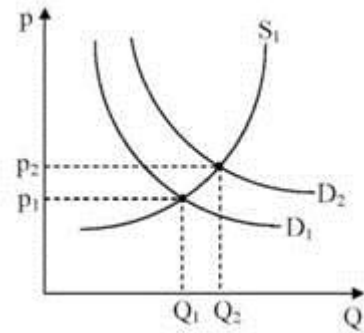


Answer on Question # 67685 - Economics / Macroeconomics

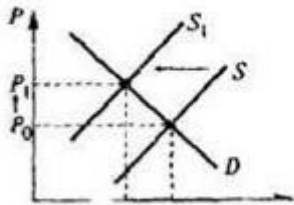
1. Research has shown that muesli is good for the heart;

The equilibrium price and quantity of muesli (ceteris paribus) will increase.



2. . The ongoing drought has affected grain (one of the ingredients for muesli) **production**.

The equilibrium price will increase, but equilibrium quantity of muesli will decrease.



Answer provided by <https://www.AssignmentExpert.com>