MICROECONOMICS		
An increase in	**Shifts**	**Because**
Income (with normal good)	*Demand Curve* right	Consumers spend more of higher income on the good.
Income (with inferior good)	*Demand Curve* left	Consumers spend less of higher income on the good.
The price of a substitute good	*Demand Curve* right	Consumers buy less of the substitute good and buy more of this good.
The price of a complementary good	*Demand Curve* left	Consumers buy less of the complementary good and less of this good.
Taste for the good	*Demand Curve* right	Consumers are willing to buy a larger quantity of good at every price.
Population	*Demand Curve* right	Additional consumers result in a greater quantity demanded at every price.
The expected price of the good in the future	*Demand Curve* right	Consumers buy more of the good today to avoid the higher price in the future.
The price of an input	*Supply Curve* left	The costs of producing the good rise.
Productivity	*Supply Curve* right	The costs of producing the good fall.
The price of a substitute in production	*Supply Curve* left	More of substitute is produced and less of the good is produced.
The number of firms in the market	*Supply Curve* right	Additional firms result in a greater quantity supplied at every price.
The expected future price of the product	*Supply Curve* left	Less of the good will be offered for sale today to take advantage of the higher price in the future.
MACROECONOMICS		
Interest rates	*Aggregate Demand* left	Higher interest rates raise the cost to firms and households of borrowing, reducing consumption and investment spending.
Government Purchases	*Aggregate Demand* right	Government purchases are a component of aggregate demand.
Personal income taxes or *Business taxes*	*Aggregate Demand* left	Consumption spending falls when personal taxes rise and investment falls when business taxes rise.
Households' expectations of their future incomes	*Aggregate Demand* right	Consumption spending increases.
Firms' expectations of the future profitability of investment spending	*Aggregate Demand* right	Investment spending increases.
The growth rate of domestic GDP relative to the growth rate of the foreign GDP	*Aggregate Demand* left	Exports will fall, reducing net exports.
The exchange rate (the value of the dollar) relative to foreign currencies	*Aggregate Demand* left	Imports will rise and exports will fall, reducing net exports.
The labor force or *the capital stock*	*Aggregate Supply* right	More output can be produced every price level.
Productivity	*Aggregate Supply* right	Costs of producing output fall.
The expected future price level	*Aggregate Supply* left	Workers and firms increase wages and prices
Workers and firms adjusting to having previously underestimated the price level	*Aggregate Supply* left	Workers and firms increase wages and prices.
The expected price of an important natural resource	*Aggregate Supply* left	Costs of producing output rise

IF	THEN
More substitute goods are available	The product will have more elastic demand
Less substitute goods are available	The product will have less elastic demand
The more time people take to adjust to the price change	The product will have more elastic demand
The more luxurious the good is	The more elastic the demand is compared to necessities
The more narrowly defined the market is	The more elastic the demand will be