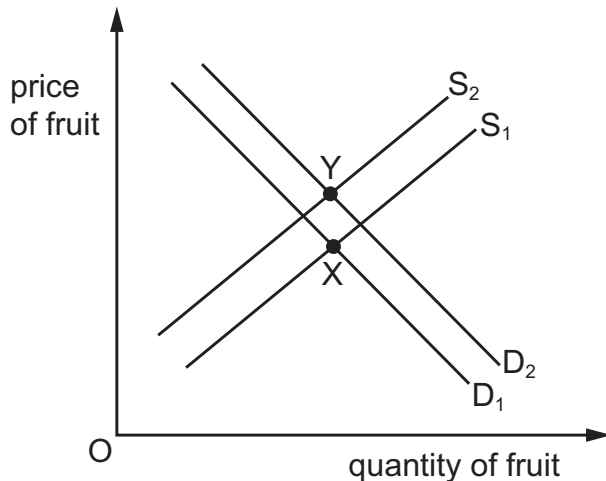


- 8 The diagram shows the market for fresh fruit in an economy. Fruit has a positive income elasticity of demand and is mainly imported. The original equilibrium is at X.



What is the most likely cause of the equilibrium point moving from X to Y?

- A a fall in real income and a depreciation of the exchange rate
- B a fall in real income and an appreciation of the exchange rate
- C a rise in real income and a depreciation of the exchange rate
- D a rise in real income and an appreciation of the exchange rate