



With Government



Savings **shift**  
with Wealth,  
Expectations  
and the CPI



**Savings shift**  
with **Taxes**

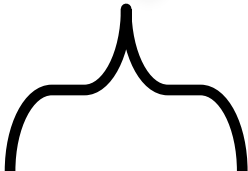


Savings **shift**  
with Transfers

A large, black-outlined speech bubble with a tail pointing towards the bottom-left corner. Inside the bubble, the text "Savings change with Income (Y)" is written in a black, sans-serif font. Below this, the words "movement along" are written in a bold, black, sans-serif font.

Savings change  
with Income (Y)  
**movement along**

# Slope

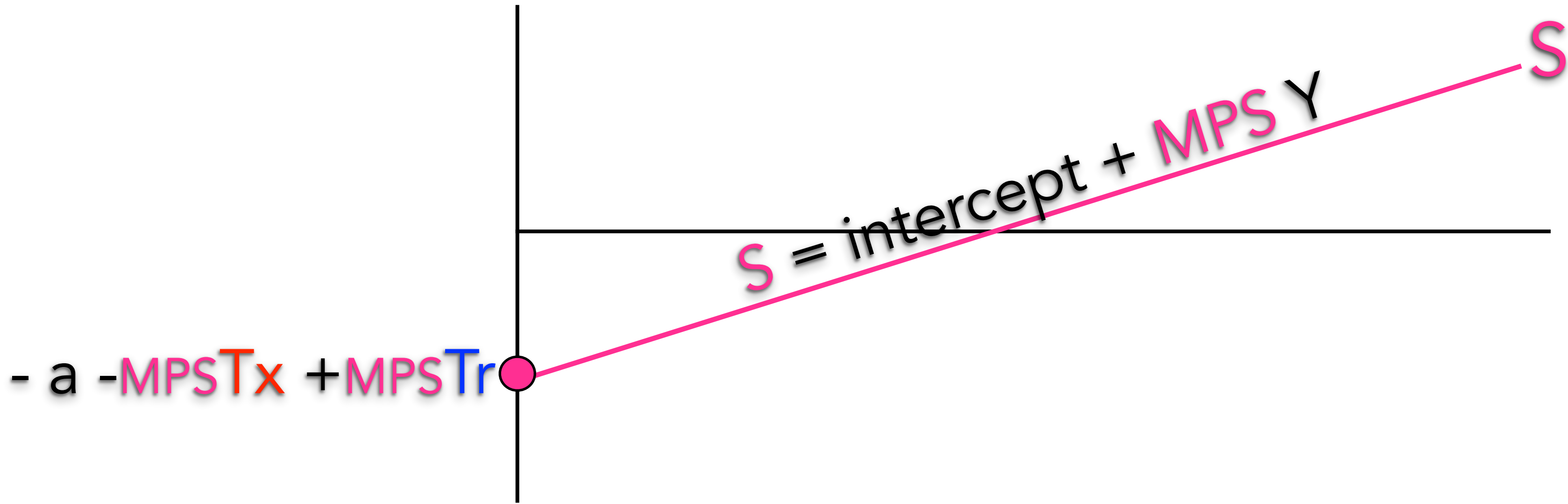


# Intercept





$$S = -a - \text{MPS} T_x + \text{MPS} T_r + \text{MPS} Y$$



S

a





n

9



S



F

u

n











n



# Savings Function

# With Government

$$S = \underbrace{-a - \text{MPS } T_x + \text{MPS } T_r}_{\text{Intercept}} + \underbrace{\text{MPS}}_{\text{Slope}} Y$$

Savings change  
with Income (Y)  
**movement along**

Savings **shift**  
with **Taxes**

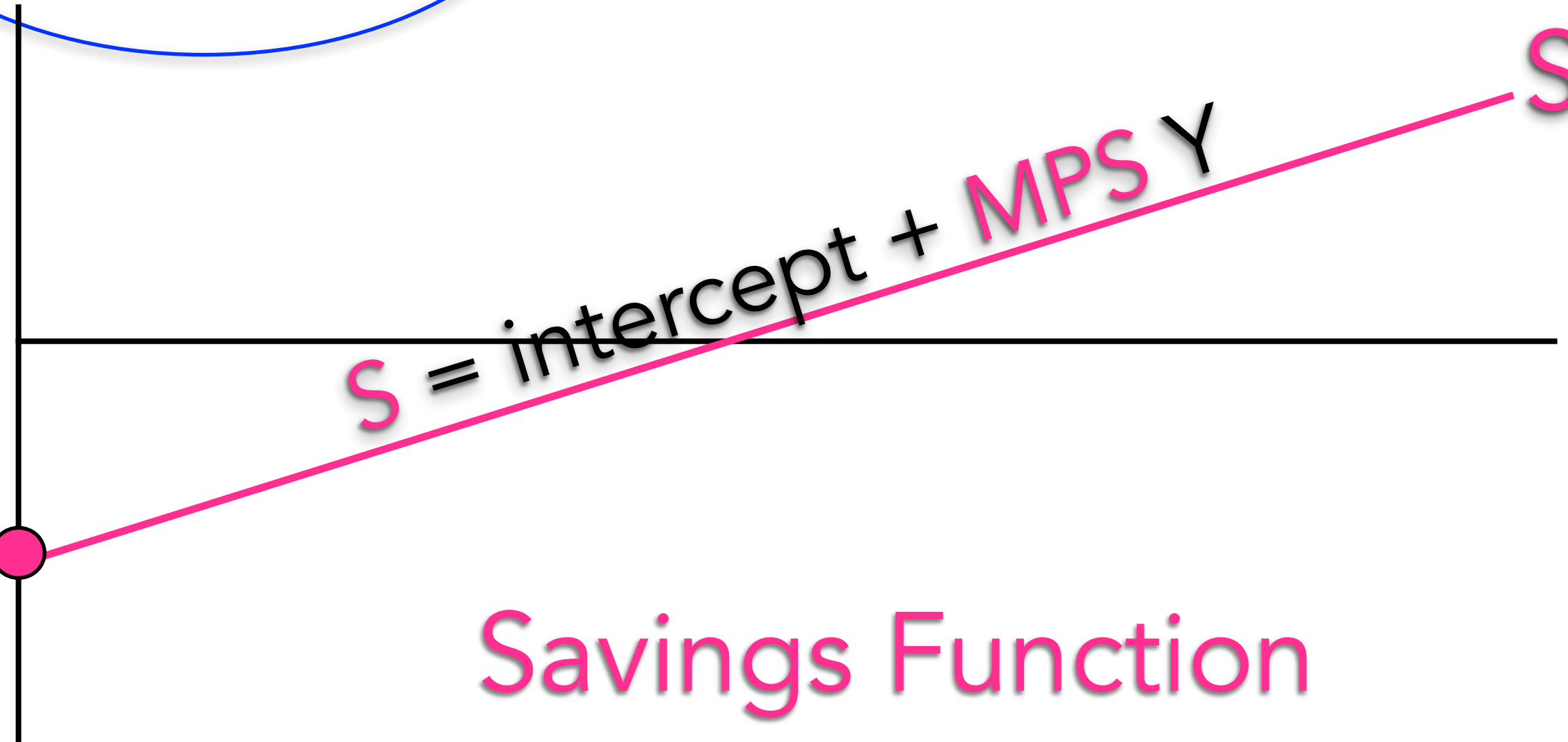
Savings **shift**  
with **Transfers**

Savings **shift**  
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$$-a - \text{MPS } T_x + \text{MPS } T_r$$

$$S = \text{intercept} + \text{MPS } Y$$

Savings Function



With Government