Events that cause the Consumption Function to shift

Changes in:

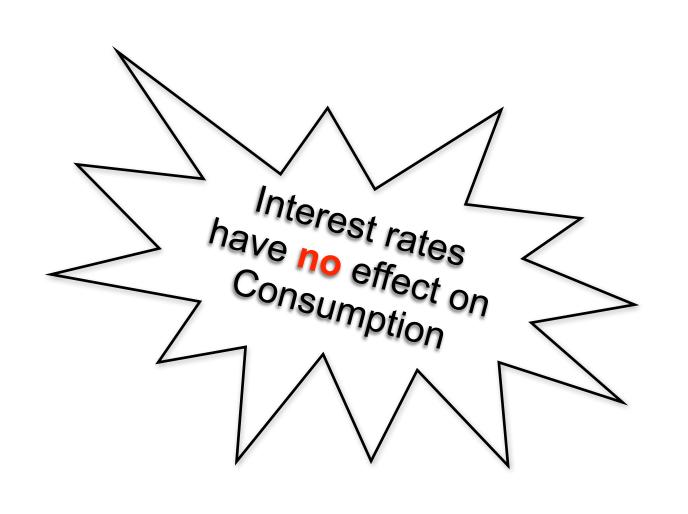


Consumer expectations

Prices

laxe

Transfers



Interest rates affect Investment (new home purchases) but NOT consumption

Events that cause the Consumption Function to shift

Changes in:

Wealth

Consumer expectations

Prices

Taxes

Transfers



Interest rates affect Investment (new home purchases) but NOT consumption

Components of Aggregate Demand