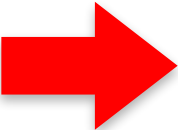


Shifts in Consumption

1. Changes in wealth

stock prices drop

Home values drop









Consumers feel poorer... spend
less and save more of their
income

Shifts in Consumption

1. Changes in wealth  Wealth Decrease
Stock prices drop
Home values drop

Consumers feel poorer... spend
less and save more of their
income

Wealth drops: Consumers
spend less and save more of
their income

