

As Price of money Drops

Quantity Demanded for loans

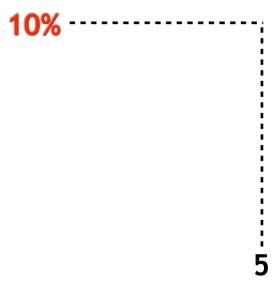
Increase

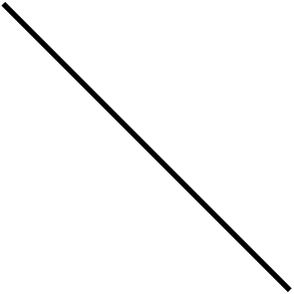
Interest Rate

Quantity Borrowed









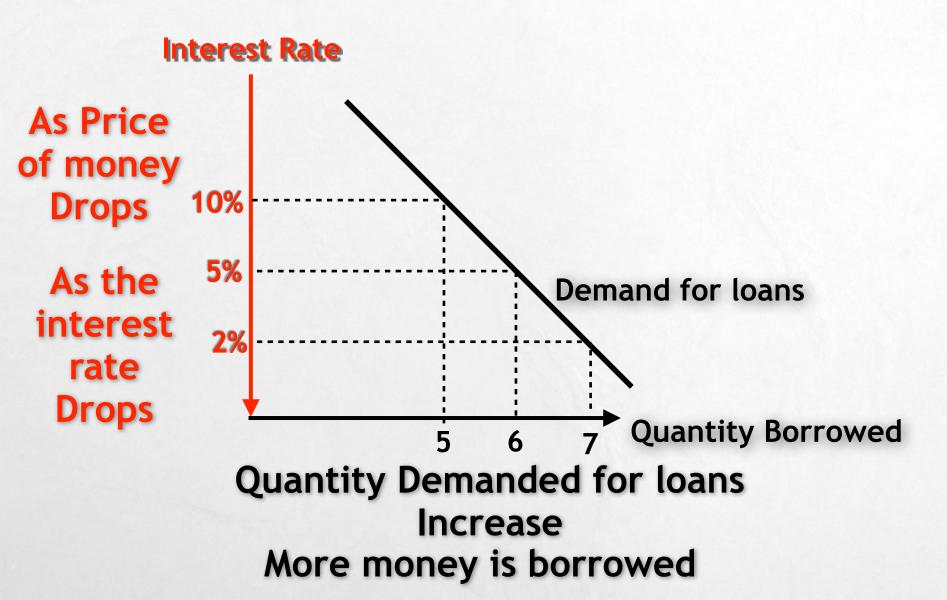
More people willing to borrow when interest rate is lower

Demand for loans

As the interest rate **Drops**

More money is borrowed

More people willing to borrow when interest rate is lower



Rental Market