

C

O



So

**Y = 12000**

**Y=12000**

**Y = 13000**

**Y = 13000**





C = 11800



**S = 200**

C = 12700





**S = 300**





Move UP Along C





**Move UP Along S**

# Income (Y)

Wages

Profits

Interest

Rents

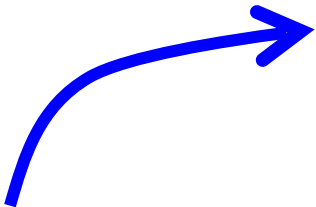


**Consumption Increase**



**Savings Increase**

Change in Income: Moving







**Income**



**Income**



**S=1200-11800**

S

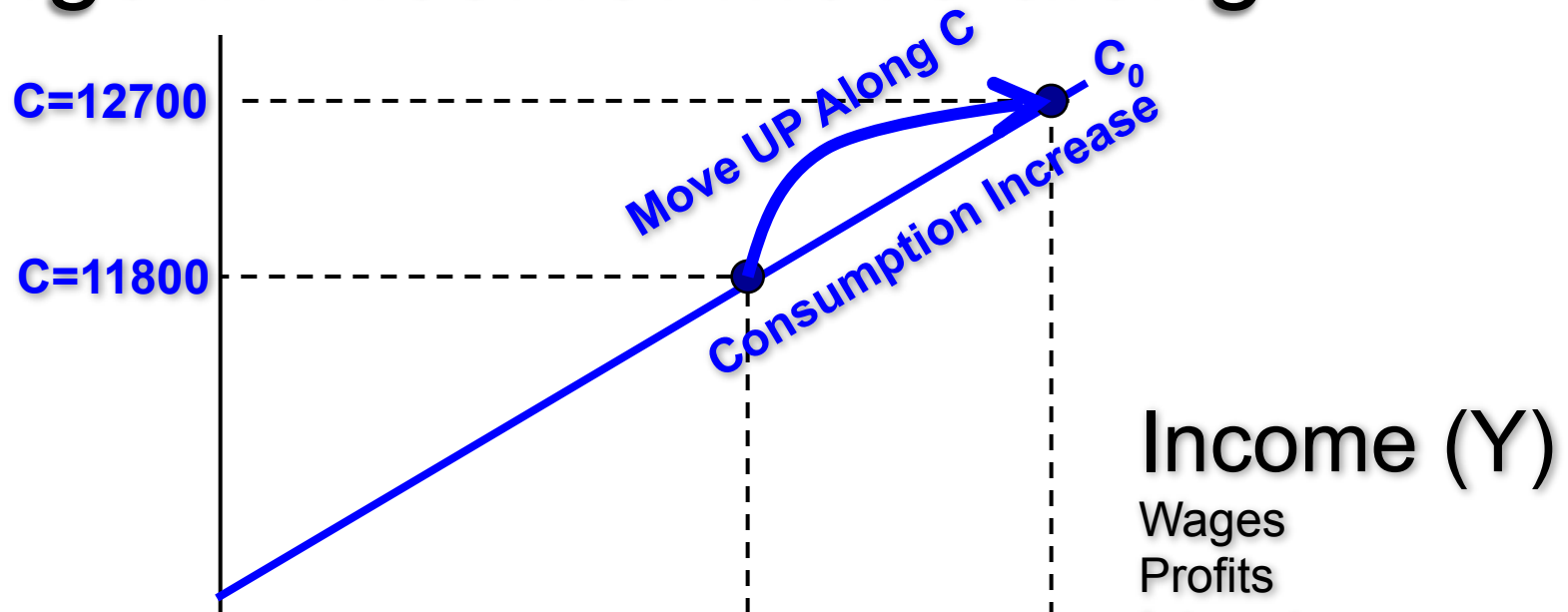


**s = 13000 - 12700**

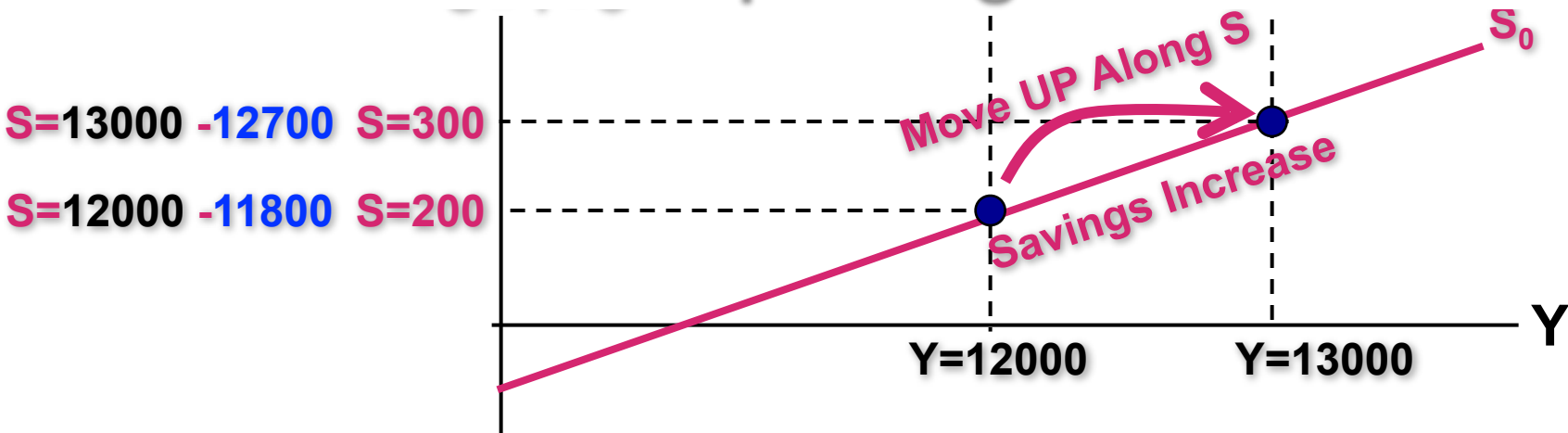
An increase in Incomes is represented by a  
movement up along both: C and S



# Change in Income: Move along



An increase in Incomes is represented by a **movement up along both:  $C$  and  $S$**



# Shifts in Consumption