


What determines Consumer spending?

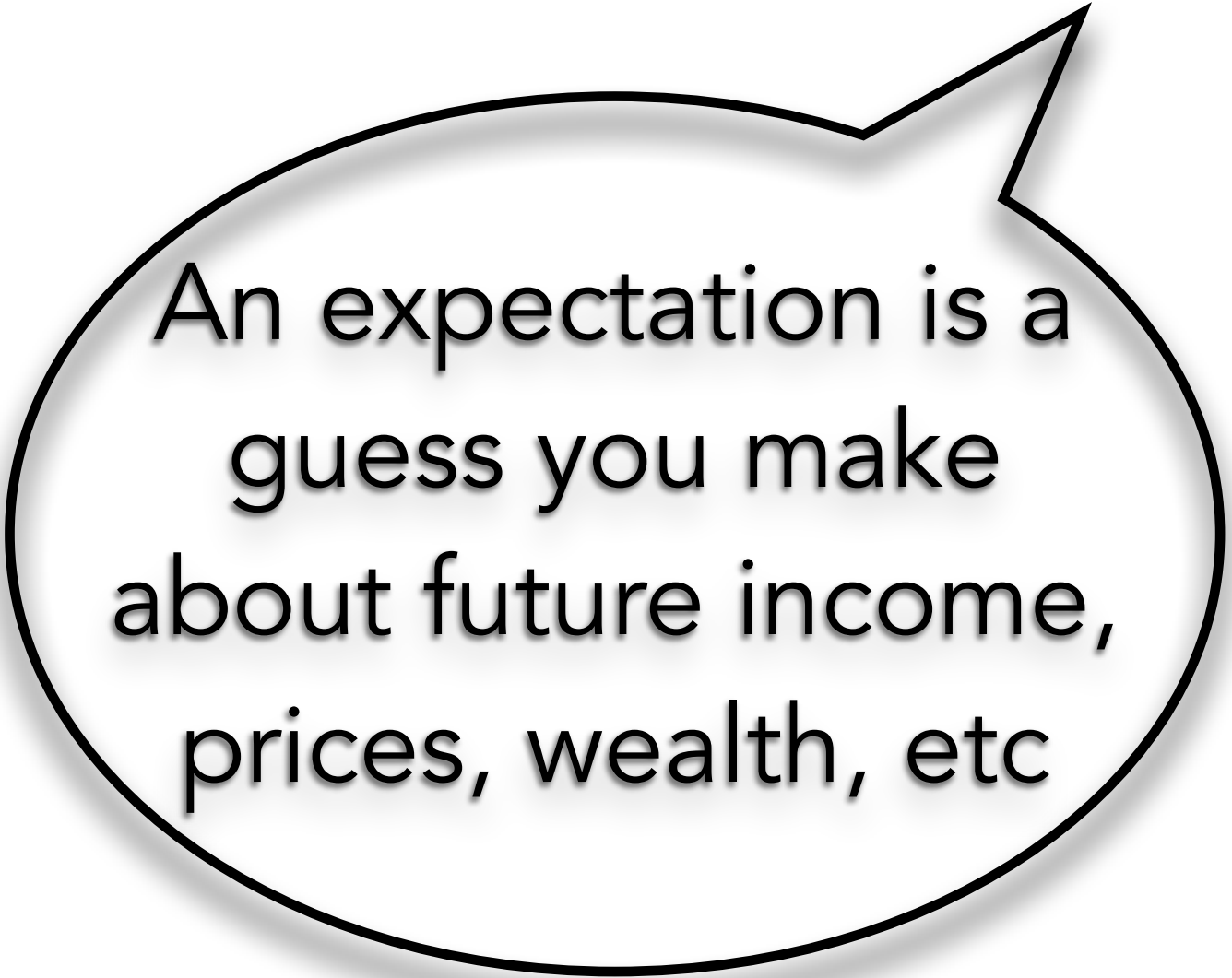
Real Income

Real Wealth

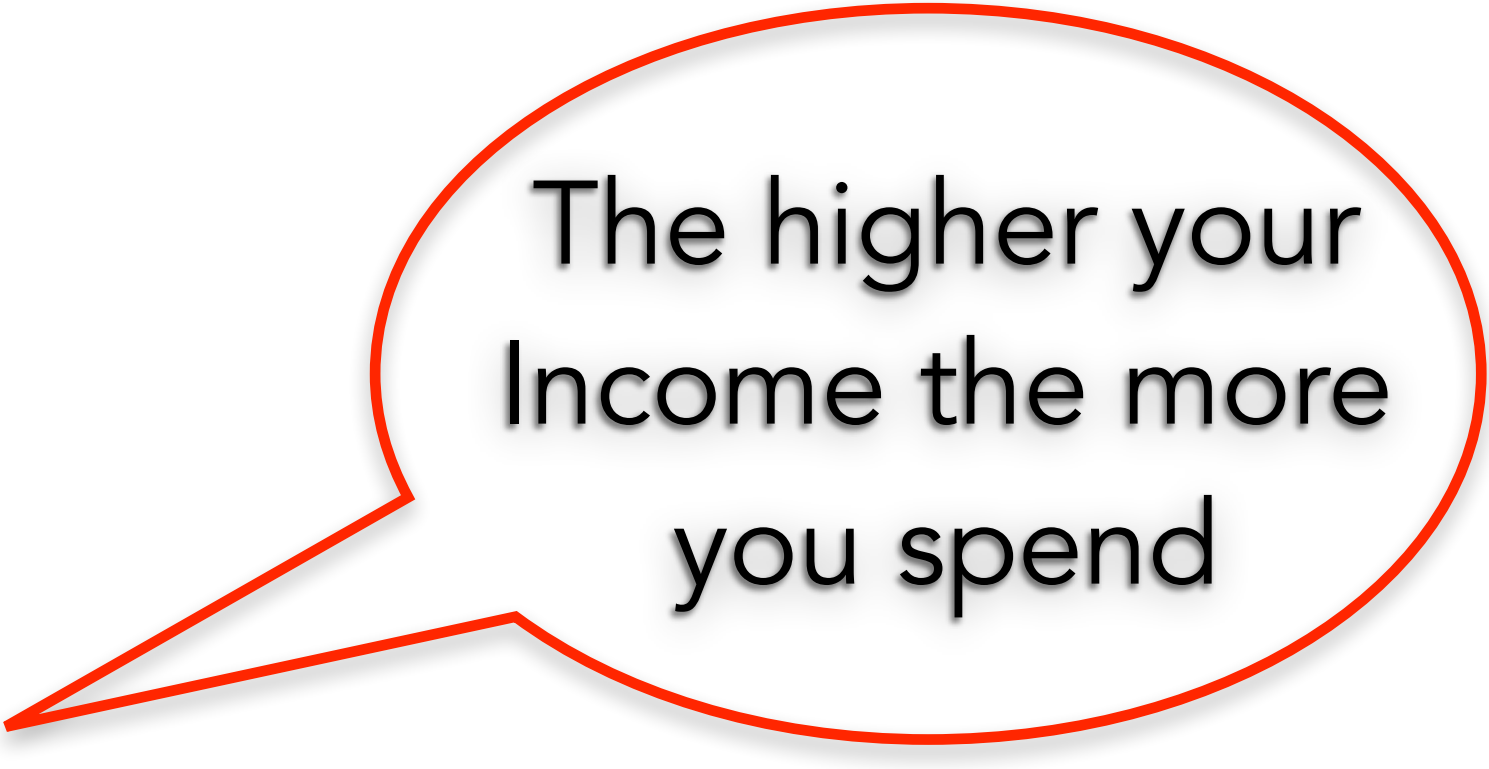
Expectations



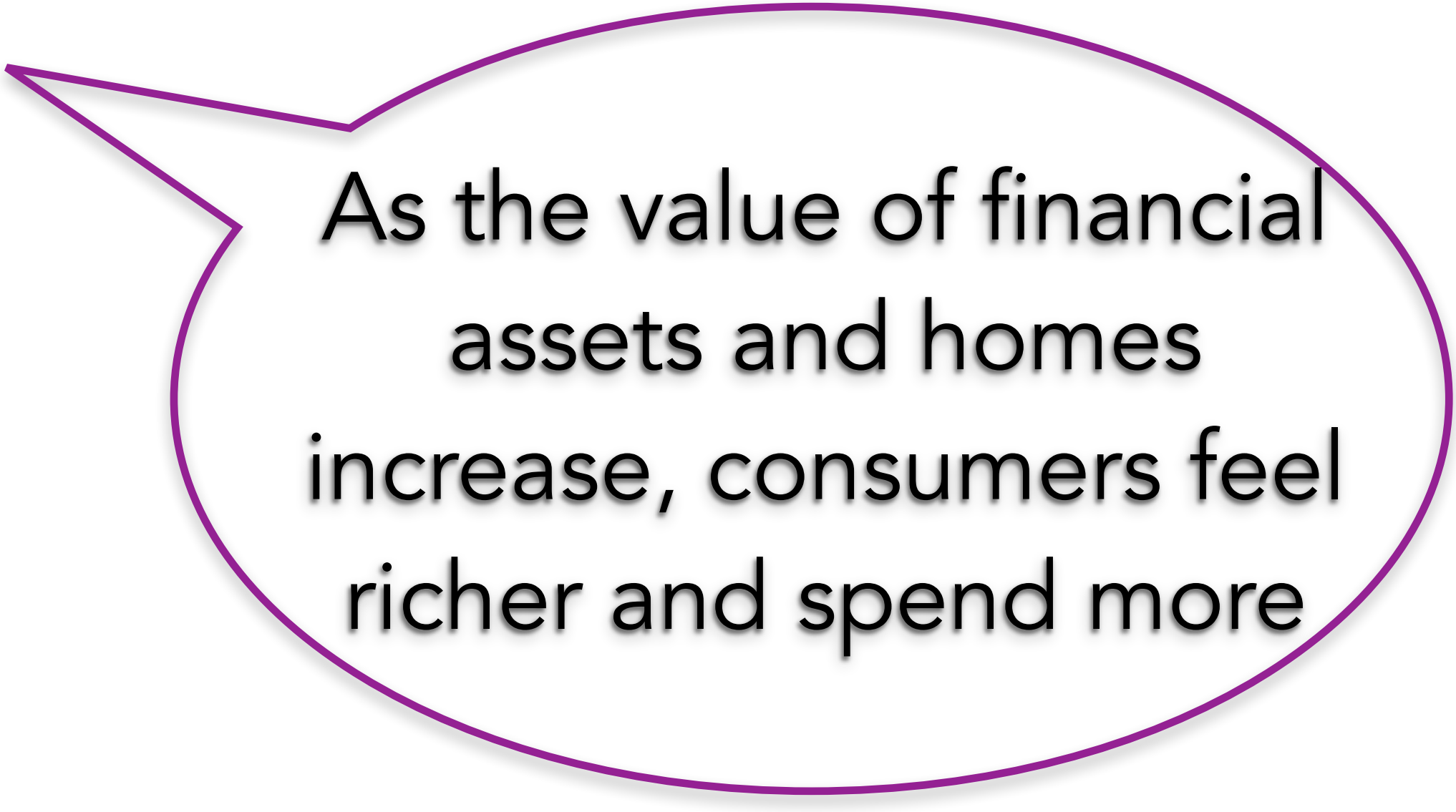
Homes, stocks
and bonds

A black and white graphic of a speech bubble. The bubble is roughly oval-shaped with a pointed tail at the top right. It has a thick black outline and a subtle drop shadow. Inside the bubble, the text "An expectation is a guess you make about future income, prices, wealth, etc" is written in a clean, sans-serif font, centered and arranged in four lines.


An expectation is a
guess you make
about future income,
prices, wealth, etc

A red speech bubble with a white fill and a red outline, pointing towards the bottom-left. Inside the bubble, the text "The higher your Income the more you spend" is written in a black, sans-serif font, centered and arranged in four lines.

The higher your
Income the more
you spend

A purple speech bubble with a white background, containing the following text:

As the value of financial
assets and homes
increase, consumers feel
richer and spend more



The more optimistic
consumers are about
the future, the more
they spend today

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