



Currency held **outside** banks



Checking Account

+ Deposits at banks

What is Money?

Cash

Checks

Anything that is accepted in exchange
for goods and services

Loan



+ Interest!

Checking Account

The Money Supply

Currency

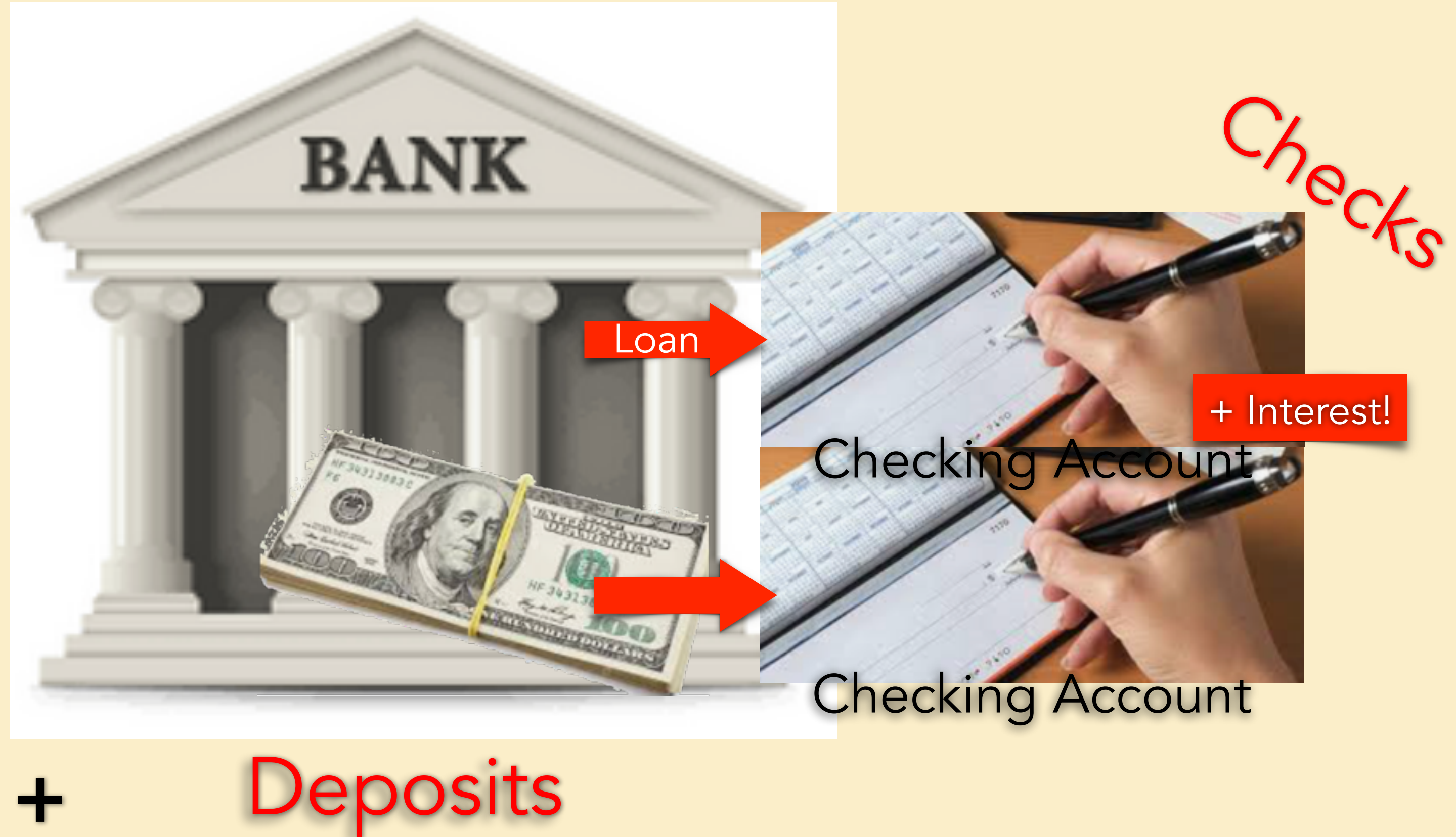
Deposits

The Money Supply

Cash



Currency



In the U.S. on any given day only 10% of total deposits is needed to pay for withdrawals

