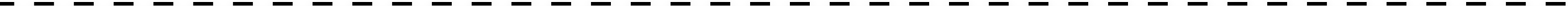


Real Income  
Billions

Consumption

5,000



$$2,750 + 750 = 3,500 - - - - -$$



$$1,250 + 750 = 2,000 - - - - -$$

1,250 - - - - -

$$3,500 + 750 = 4,250$$

2,000 + 750 = 2,750 - - - - -

**Figure 1**

| Age Group | Percentage |
|-----------|------------|
| 0-17      | 0%         |
| 18-24     | 1%         |
| 25-34     | 1%         |
| 35-44     | 1%         |
| 45-54     | 1%         |
| 55-64     | 1%         |
| 65+       | 1%         |

1,000

2,000



3,000

4,0000

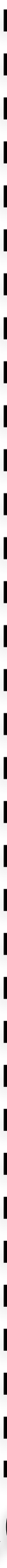




5,000



6,000


















$$\Delta Y = 1,000$$




$$\Delta C = 1,000 * 0.75 = 750$$

**MPC** = **ΔC** / **ΔY**

MPC = 0.75

Using the slope

**MPC**

$$C = \text{intercept} + \text{MPC}Y$$


$\Delta C = \Delta Y^* MPC$



$$\Delta C = \Delta Y * 0.75$$


$$\Delta Y = 1,000$$




$$\Delta C = 1,000 * 0.75 = 750$$

$$\Delta Y = 1,000$$





$$\Delta C = 1,000 * 0.75 = 750$$

$$\Delta Y = 1,000$$




$$\Delta C = 1,000 * 0.75 = 750$$


$$\Delta C = 1,000 * 0.75 = 750$$



The MPC logo, consisting of the letters 'MPC' in a bold, red, sans-serif font. The letters are slightly tilted and have a subtle shadow effect.

Consumption Billions

