

$$GDP = C + I + G + X - M$$



Gross Investment

Includes all purchases of
new capital goods



Gross Domestic Product

G



Purchase of
new capital
goods

= 6 new pieces

Gross Investment



1

=

6

Includes all purchases of new capital goods

Purchase of new capital = 6 new pieces goods



$$\text{GDP} = C + I + G + X - M$$

Gross Domestic Product

Gross Investment

$I = 6$