





















Demand for Money ( $M^d$ )

Is the amount of income  
the public **needs** to hold in  
cash and deposits



# Cash and Deposits

The Demand for Money  $M^d$

Amount of income the public **needs** to hold in  
liquid form



# The Demand for Money $M^d$

Amount of income the public **needs** to hold in  
liquid form



**Cash and Deposits**

# The Demand for Money