



Currency held **outside** banks



Checking Account

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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 held outside banks

Deposits

The Money Supply

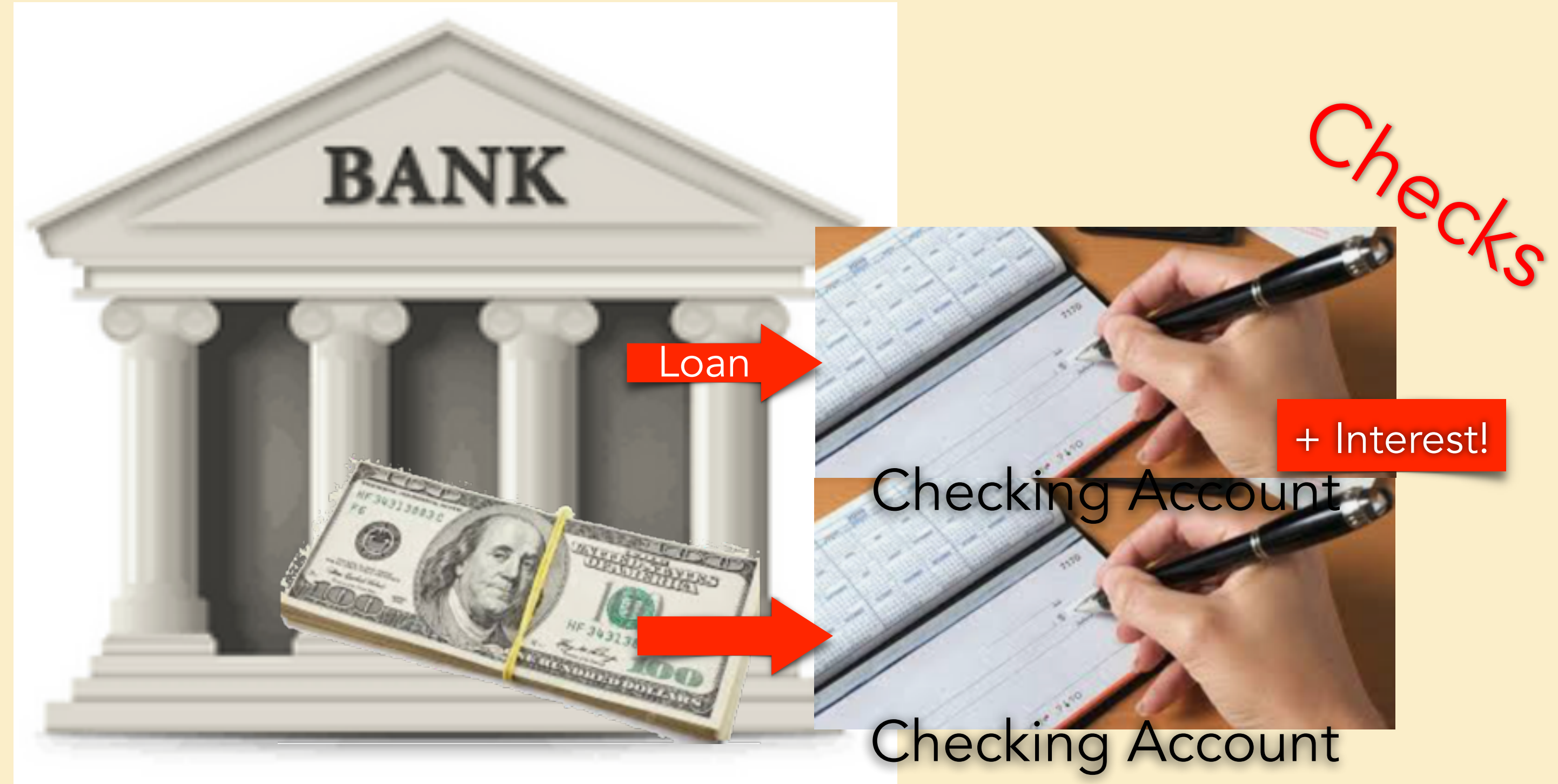
Cash



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Deposits



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

