

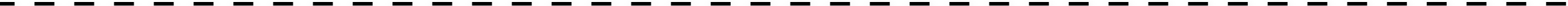




Real Income
Billions

St. Louis
Missouri
St. Louis
Missouri

5,000



3,500

2,000

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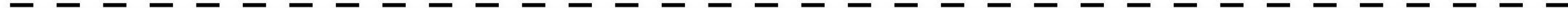
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1,250 - - - - -

4,250



2,750

Figure 1

1,000

2,000



3,000

4,000



5,000



6,000























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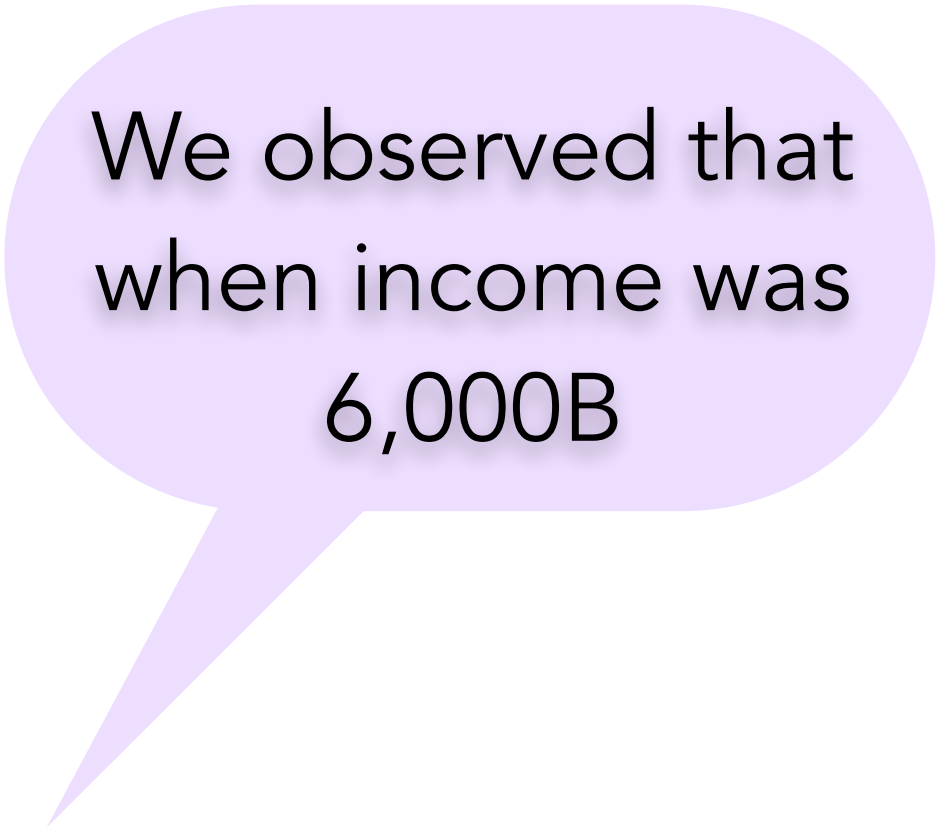
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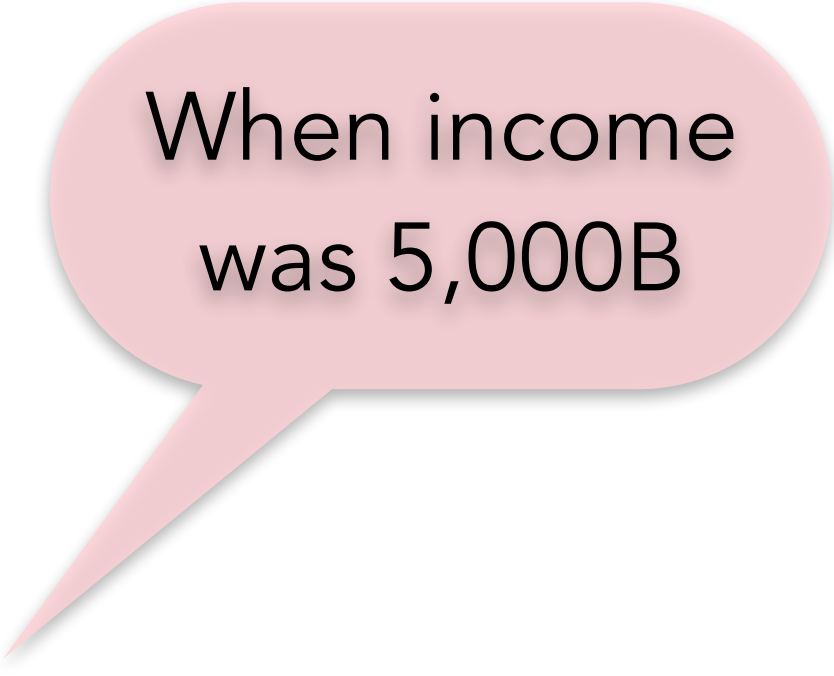
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We observed that
when income was
6,000B



When income
was 5,000B



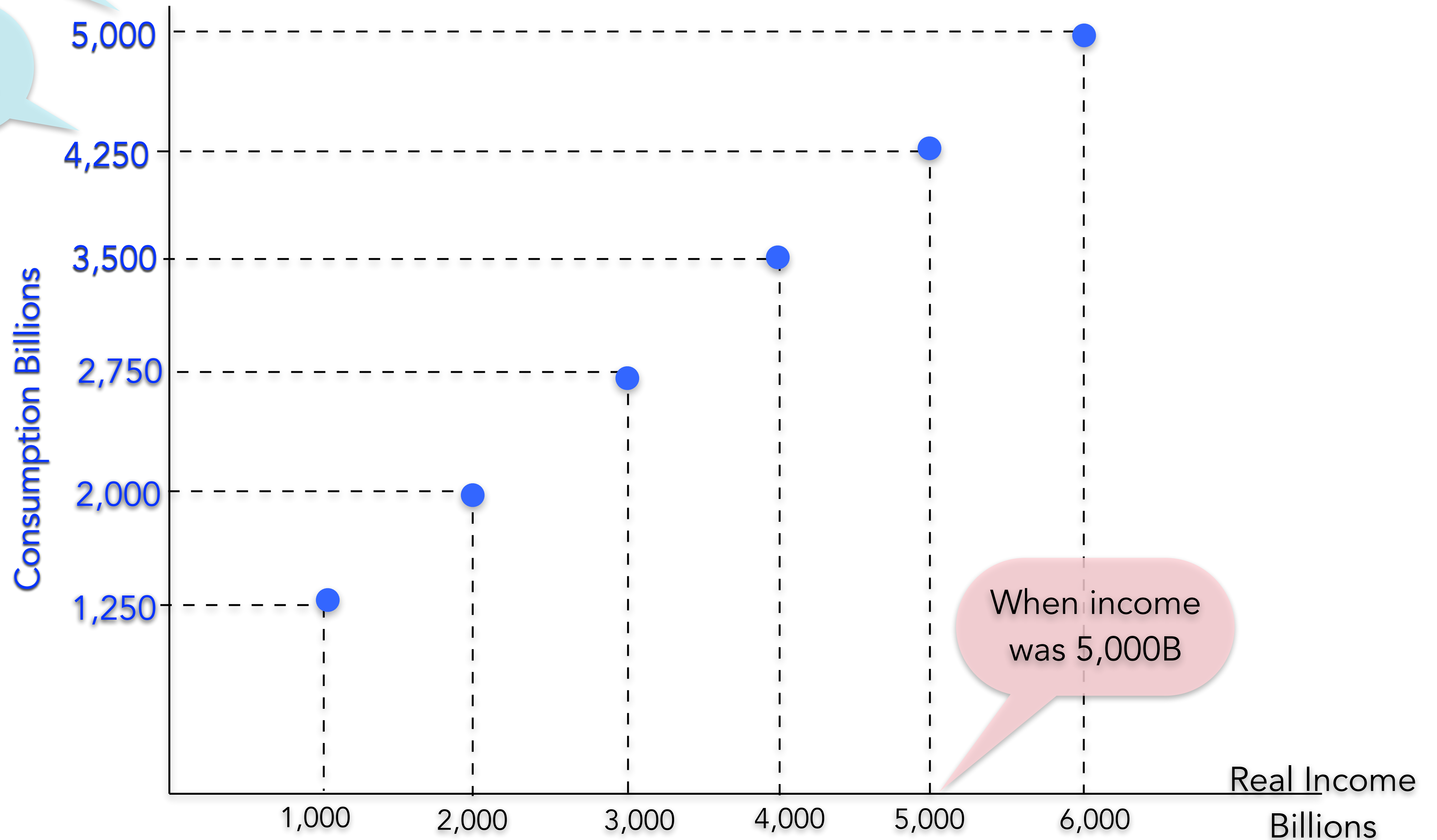
Consumers
spent 5,000B



Consumers
spent 4,250B

In this exercise, you are given a set of observations collected on
consumption expenditures for different income values

In this exercise, you are given a set of observations collected on **consumption expenditures** for different income values



Consumers
spent 5,000B

Consumers
spent 4,250B

When income
was 5,000B

