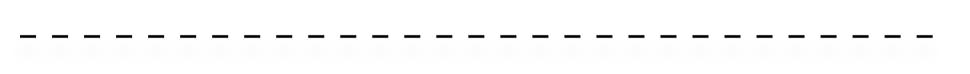
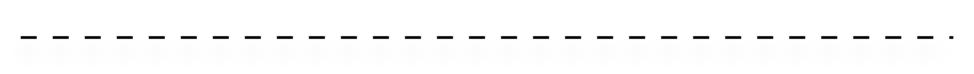
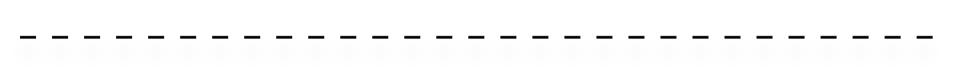


Real Income

Consumption

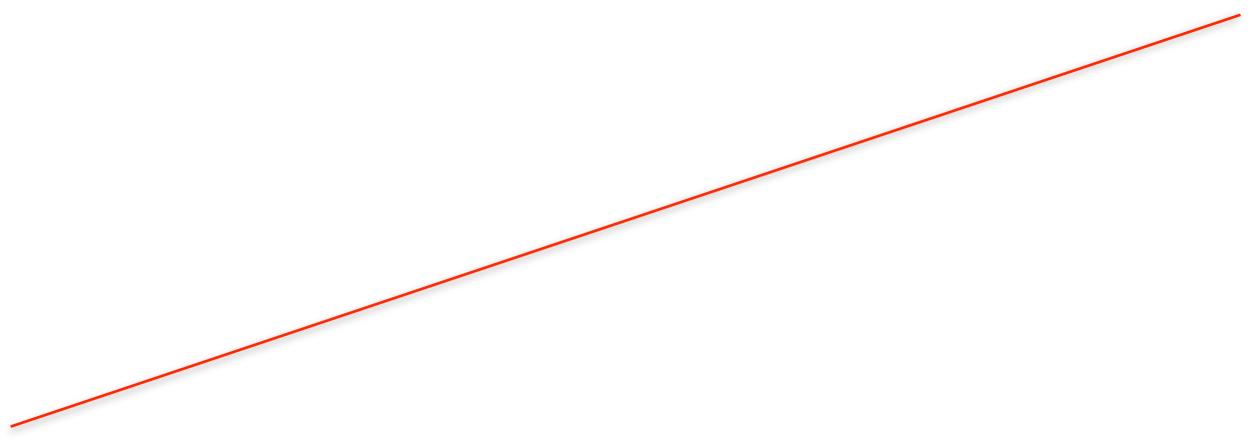




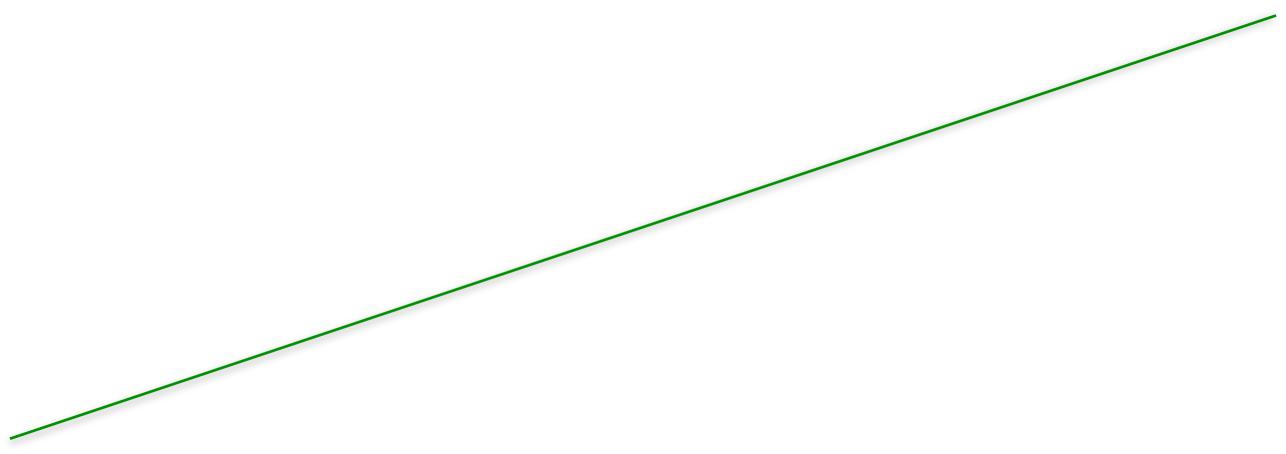


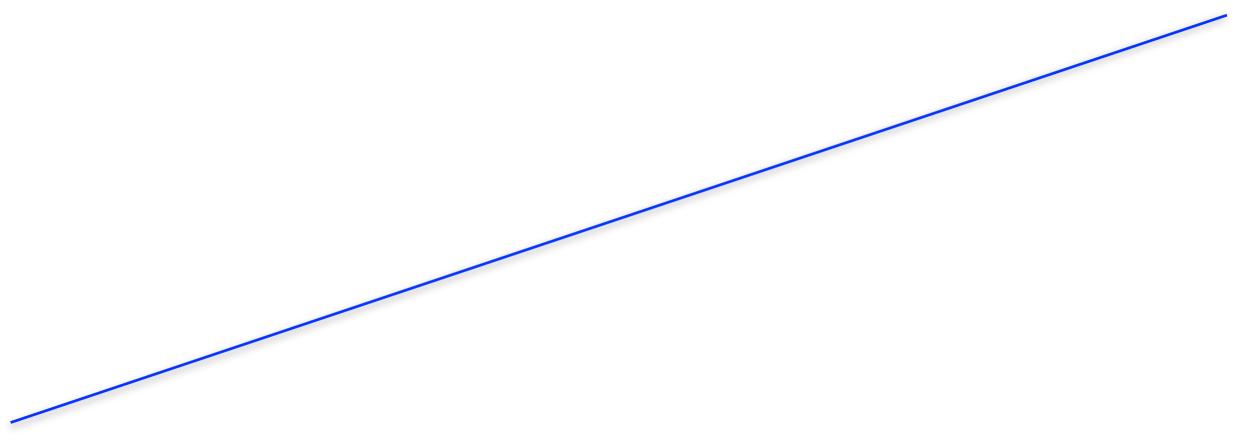






































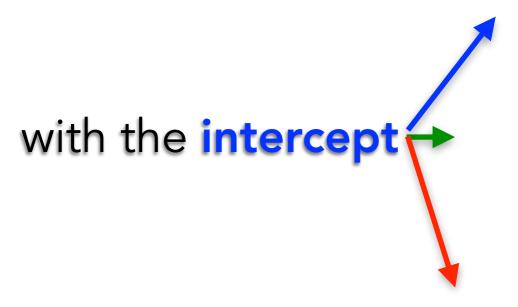




The Consumption Function shows

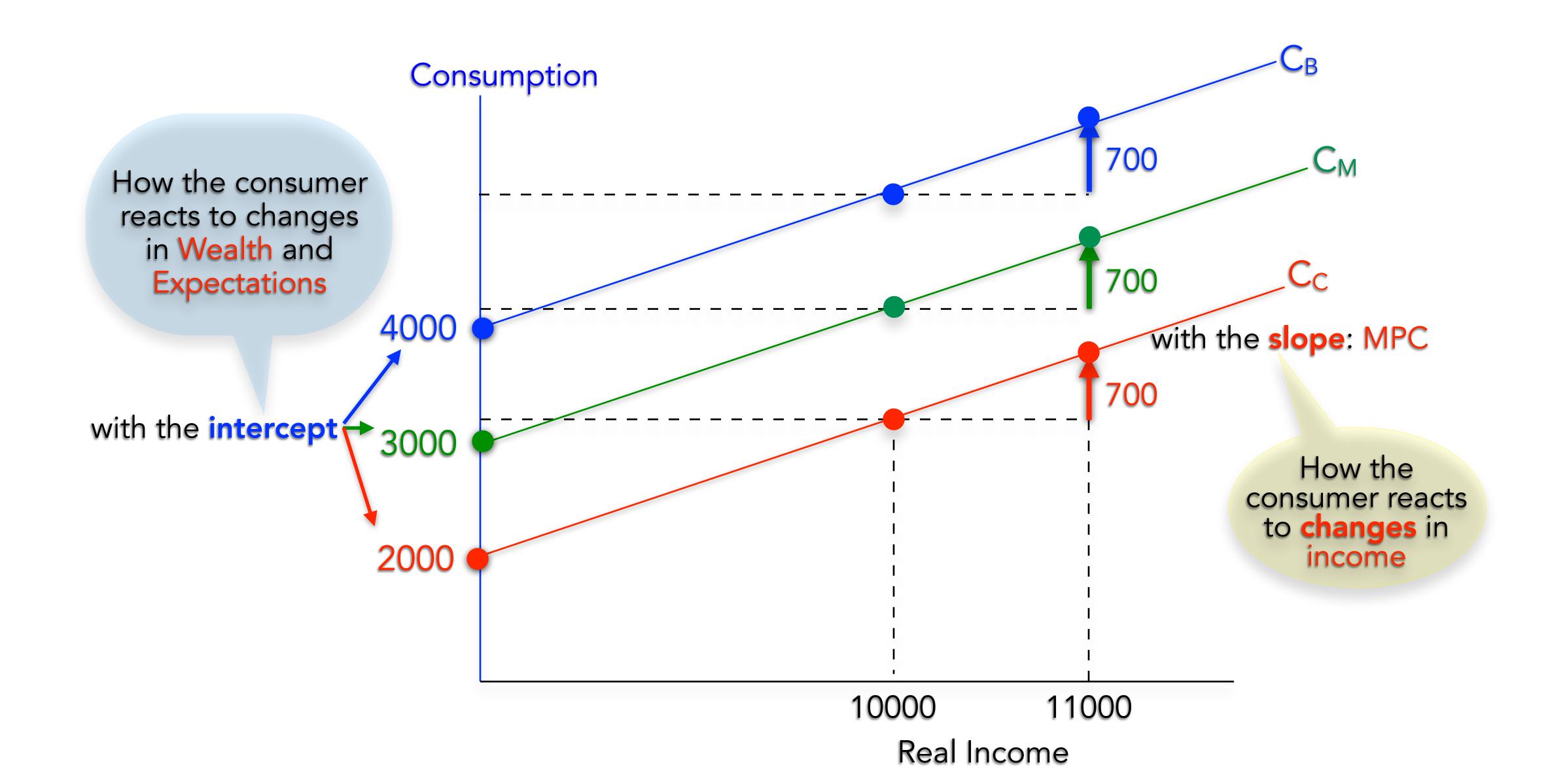
How the consumer reacts to changes in income

How the consumer reacts to changes in Wealth and Expectations



with the slope: MPC

The Consumption Function shows



The Consumption Function