







Co



So

**Y = 12000**

**Y = 12000**

**Y = 13000**

**Y = 13000**





C = 11800



C = 12700





1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17



Move UP Along C

Move UP Along S

Income (Y)

Wages

Profits

Interest

Rents

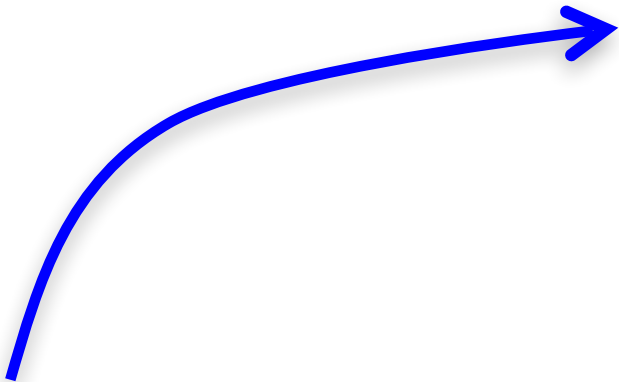




Consumption Increase

Savings Increase

Change in Income: Move along





Income





Income



$$S = 120000 - 118000 = 200$$

S

=

Y

-

C

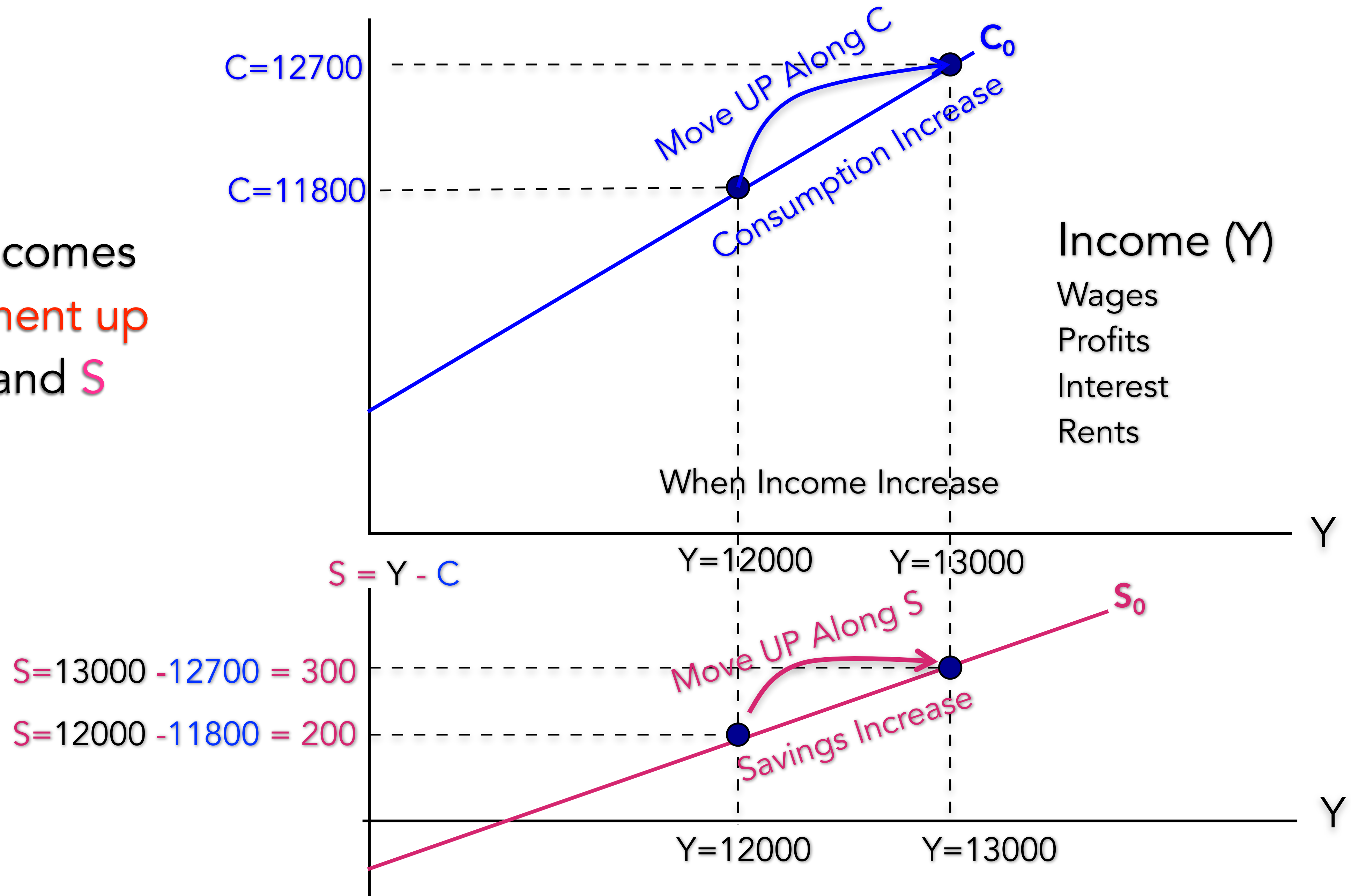
$$S = 130000 - 127000 = 300$$

An increase in Incomes  
result in a movement up  
along both: C and S

When Income Increase

## Change in Income: Move along

An increase in Incomes  
result in a **movement up**  
**along both: C and S**





## Shifts in the Consumption Line