Once we have the Consumption Function...



















































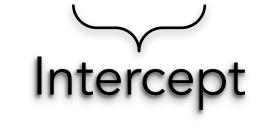






C = 500 + 0.75Y

S = -500 + 0.25Y



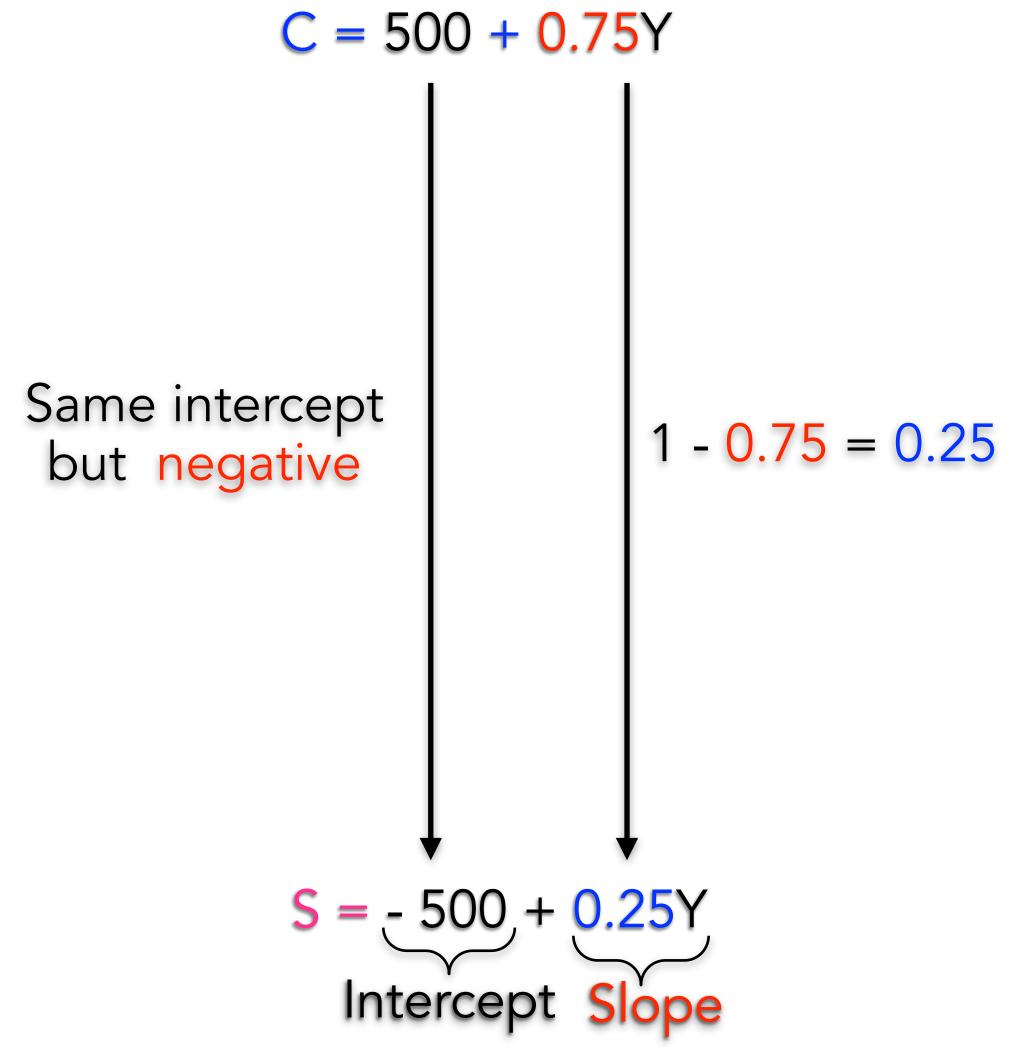


Same intercept but negative

1 - 0.75 = 0.25

We can write the Savings Function...

Once we have the Consumption Function...



We can write the Savings Function...