

# Real Income

# Consumption

10000







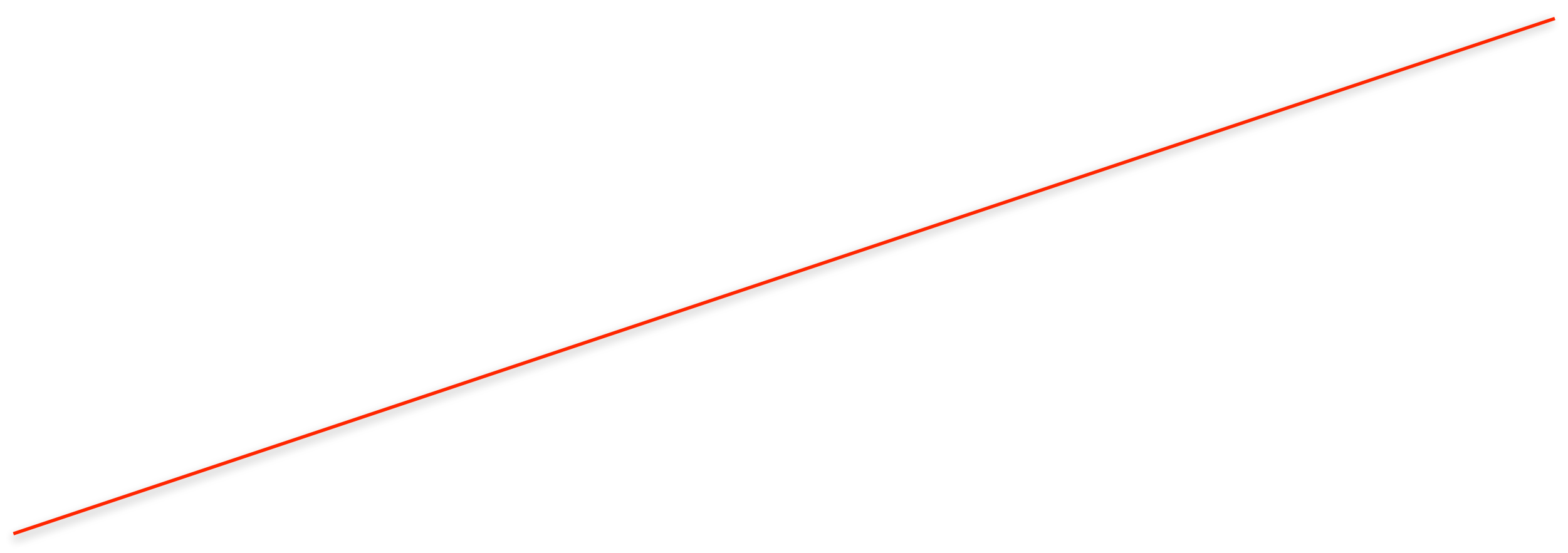




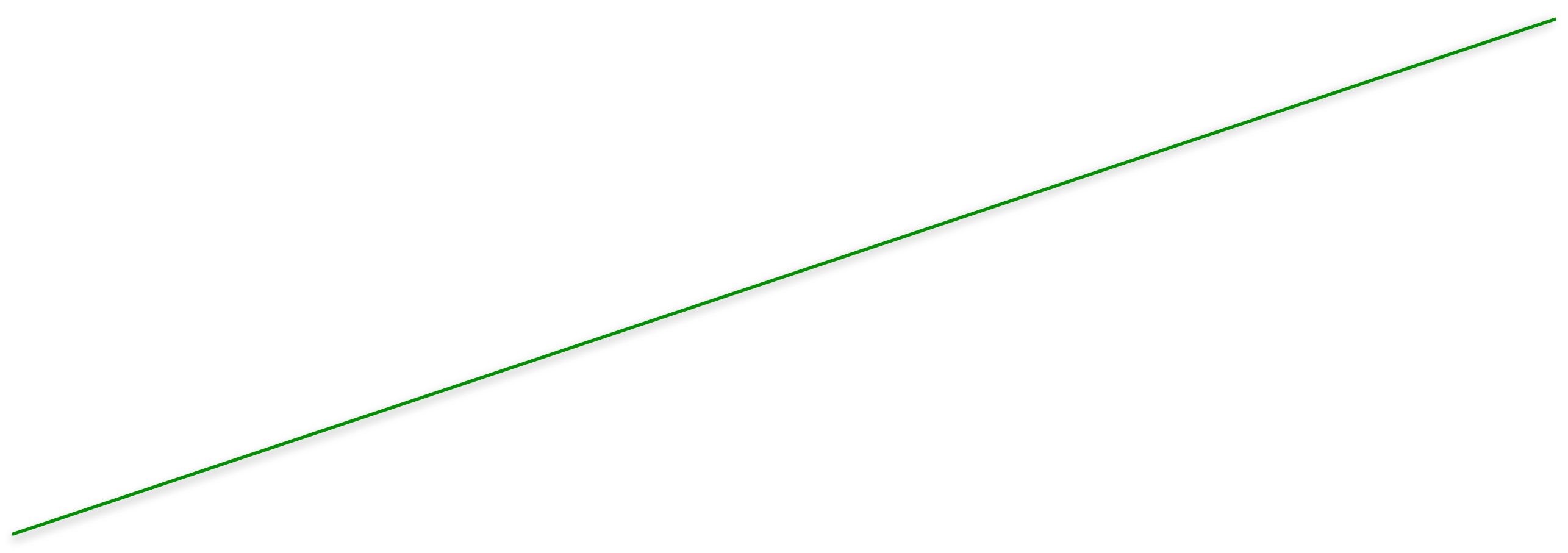


11000

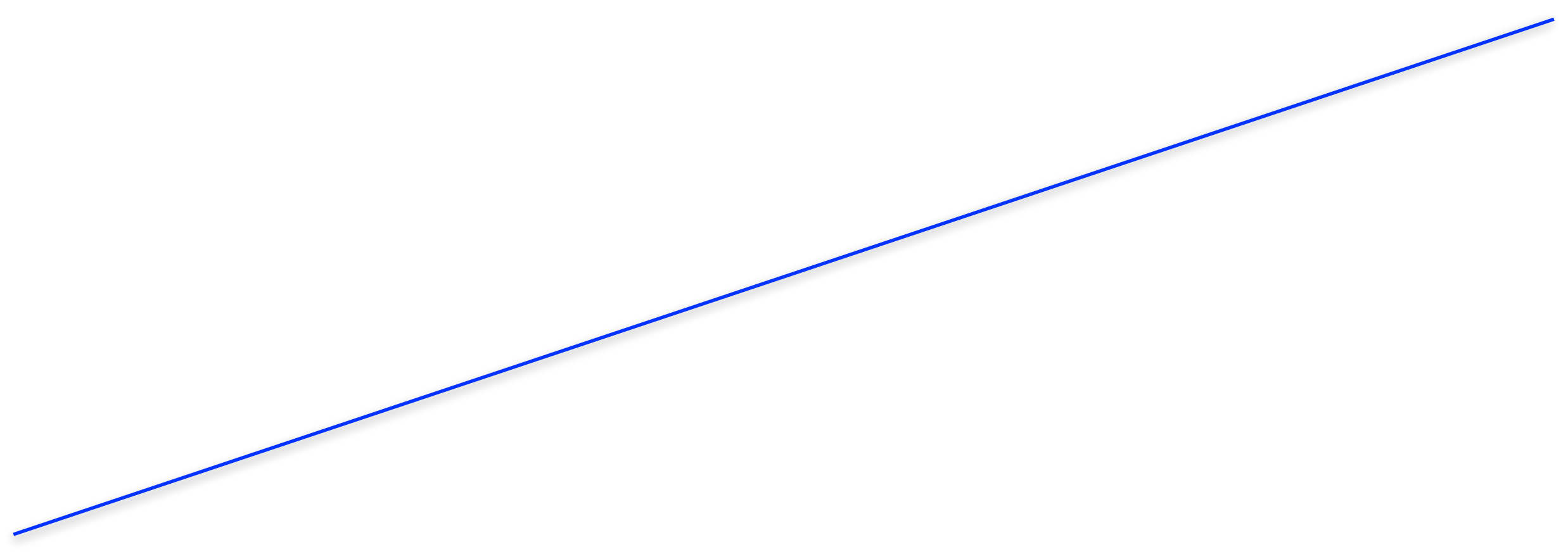
2000





























Cc

CM

CB

700

700

700

3000



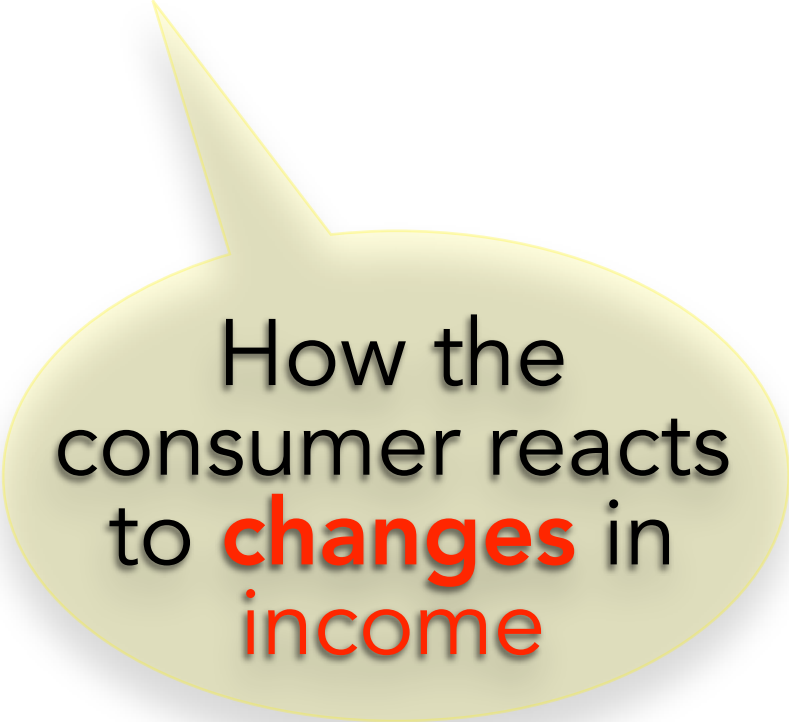
4000







The Consumption Function shows

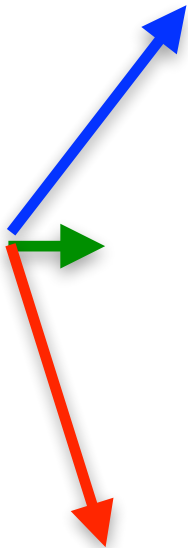


How the  
consumer reacts  
to **changes** in  
**income**



How the consumer  
reacts to changes  
in **Wealth** and  
**Expectations**

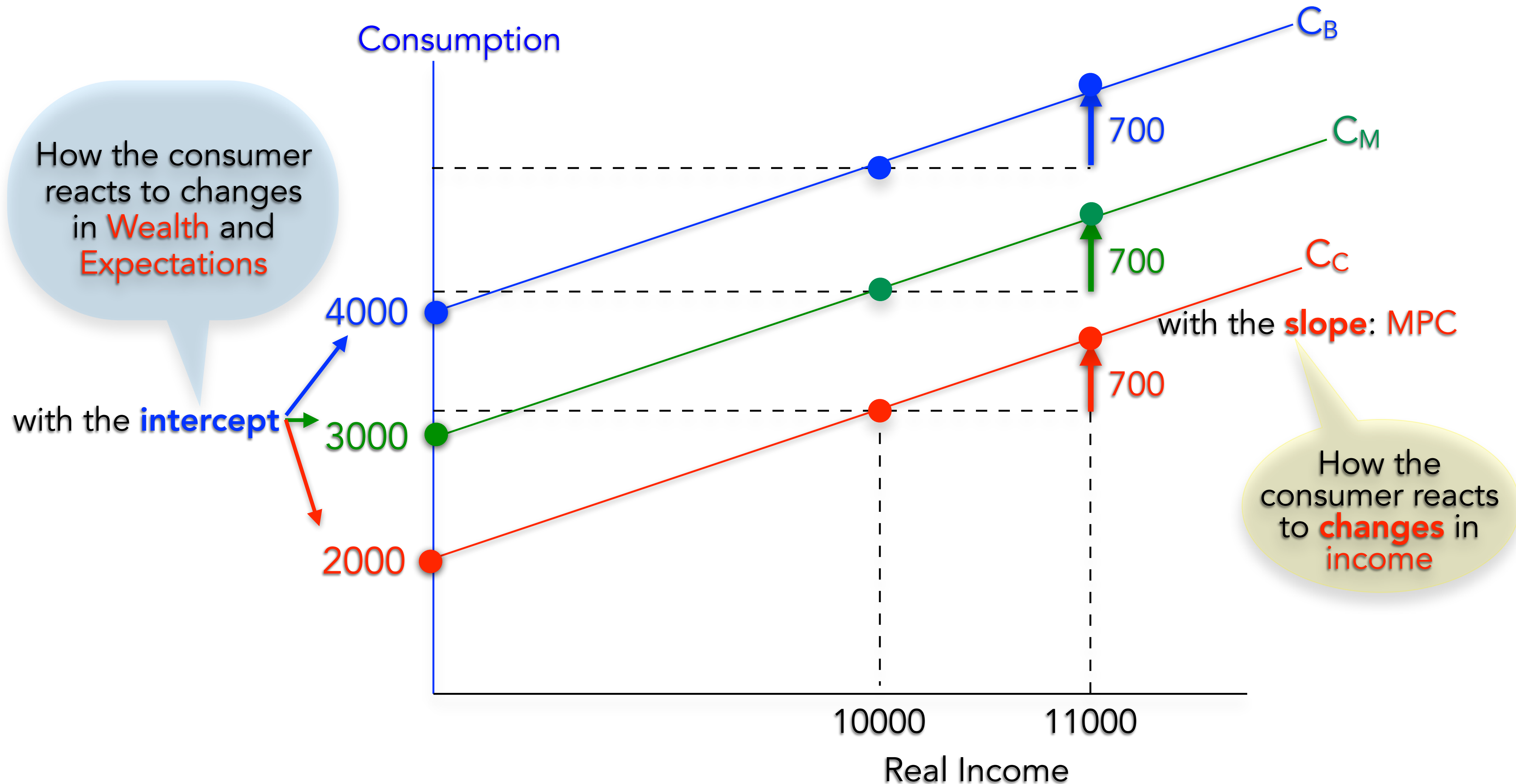
with the **intercept**





with the slope: MPC

# The Consumption Function shows



# The Consumption Function