



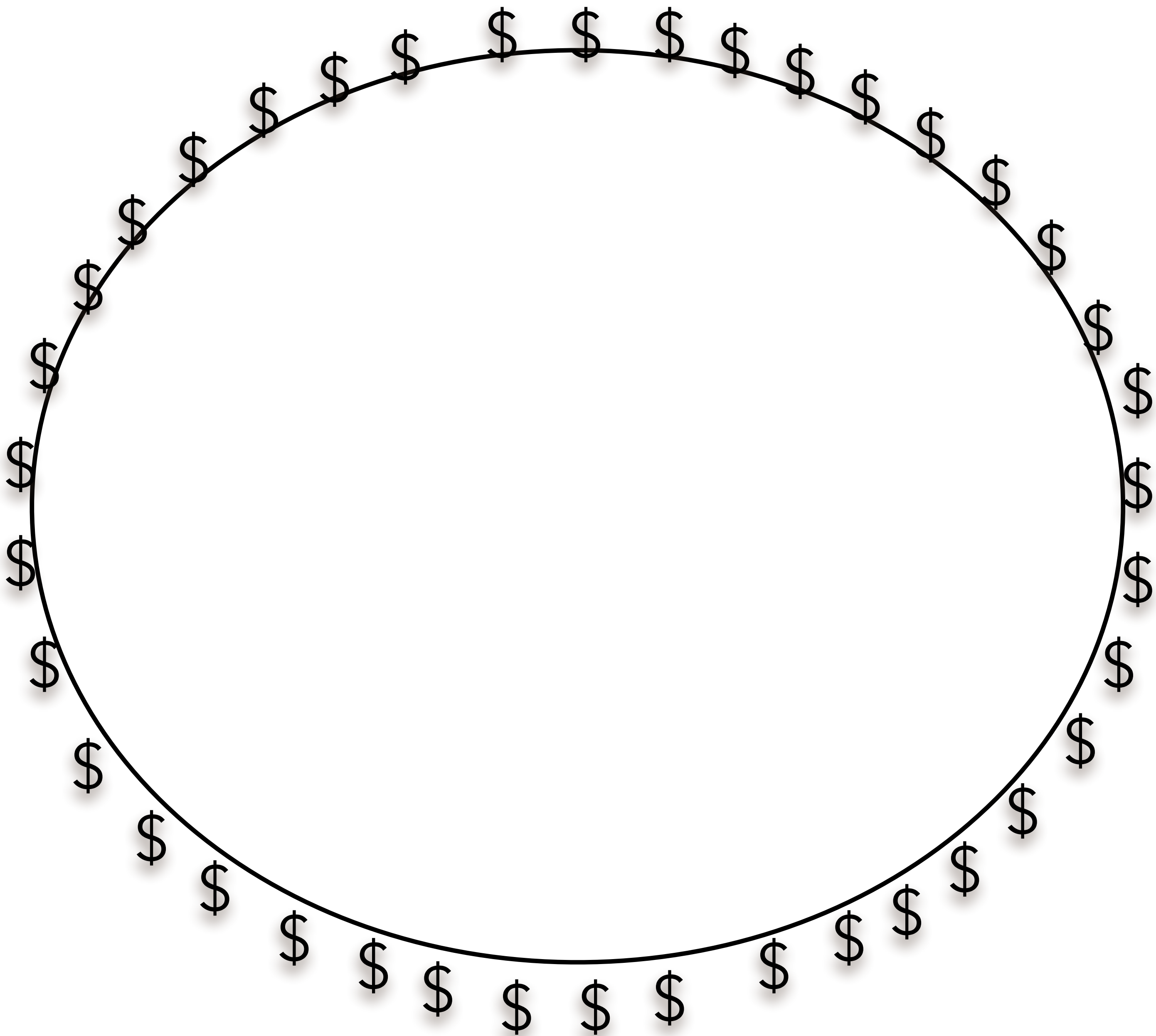
# Households

Firms

Government

Rest of  
the  
World

$$\text{Money Supply} = \text{Currency outside Banks} + \text{Deposits}$$



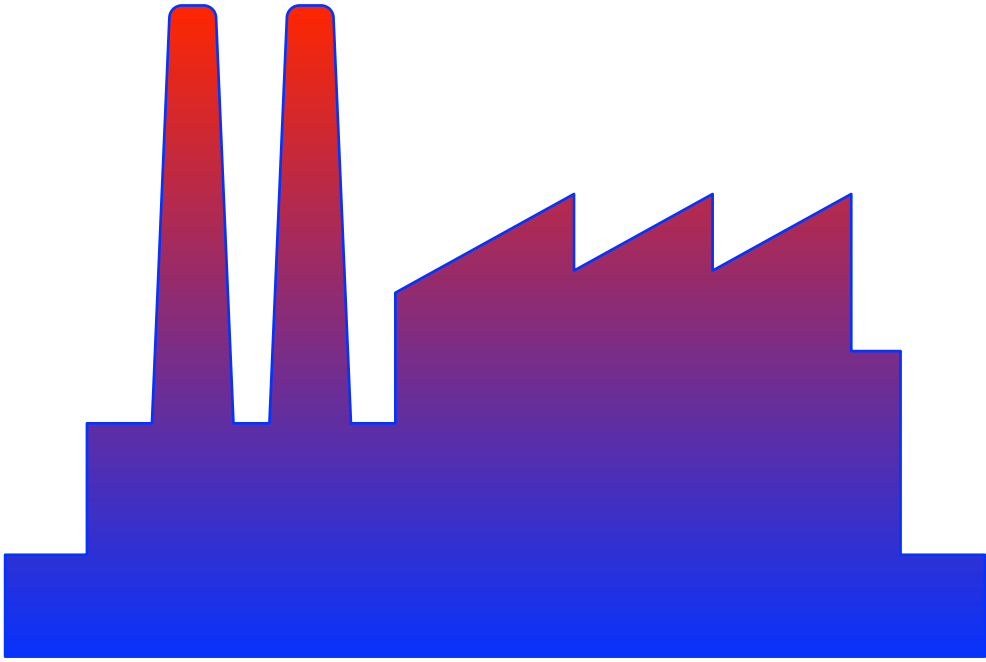
Money Supply: Amount  
of Money in Circulation



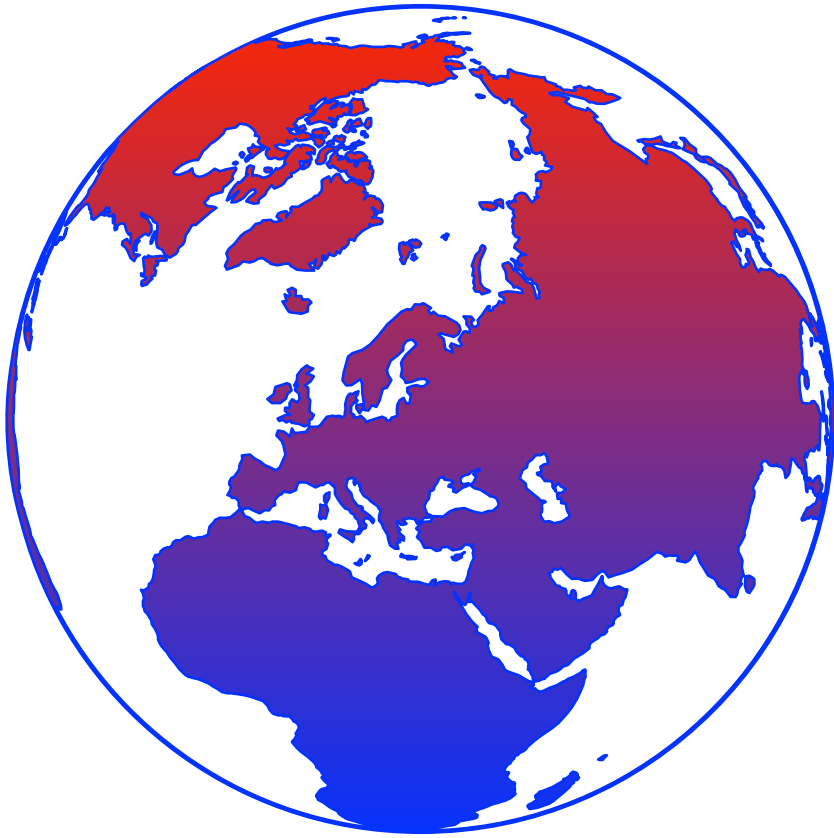
# Money Supply

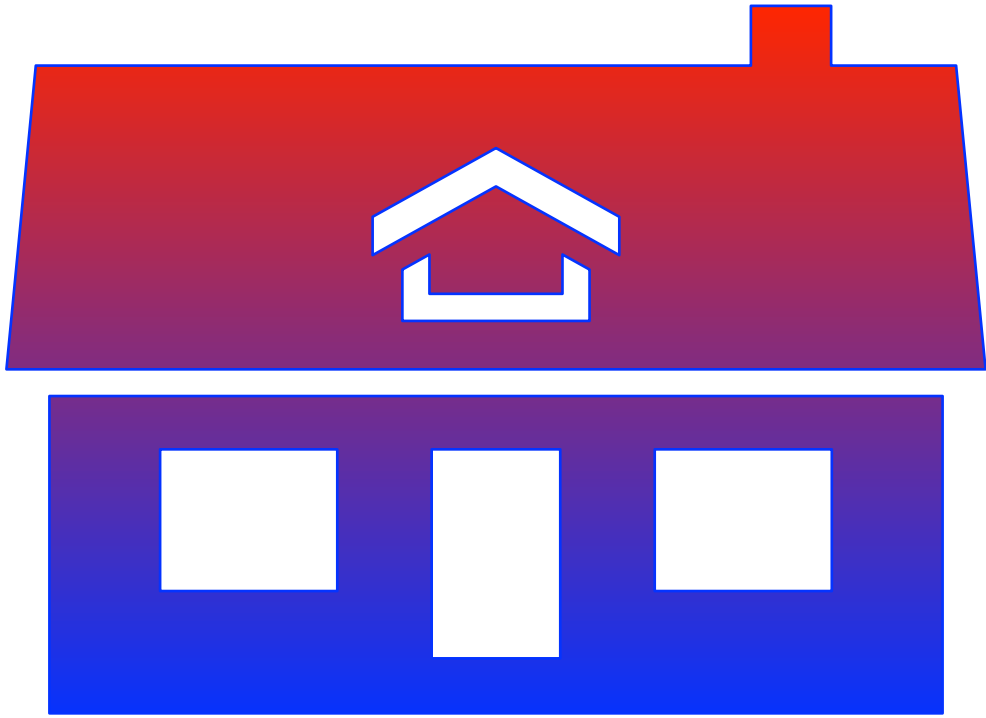
Total Amount of Money

available to make payments to  
each other









Money Supply: Amount  
of Money in Circulation

**Money Supply =  
Currency outside Banks  
+ Deposits**

