

## Dow, S&P 500 (both stock price indices) eke out record closes as stocks extend September rally.

## 1. What effect will this change in stock prices have on consumer wealth?

## 2. What effect will this change in wealth have on consumption?

3. Draw this change in consumption on your graph. Indicate the change as a movement along the C line or a shift (up? Down?) of the C line.



