







1

2

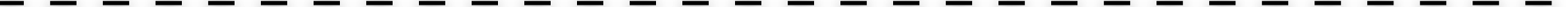
3

4

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6

7



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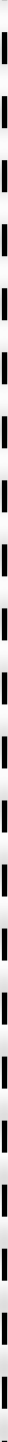
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C

=

a

+

0

.

7

5

Y

35000 = a + 0.75(40000)

$$3500 = a + 3000$$

Choose *any* point

a = 3500 - 3000

a = 500

500







$$C = 500 + 0.75Y$$



Calculating the intercept

2000

2500

3000

3500

2000

2375

3125

3875

2750

3500

4000

4500



C = 3500

Y = 4000

Any point you choose will
give you the same answer
for the intercept

Calculating the intercept

$$C = a + 0.75Y$$

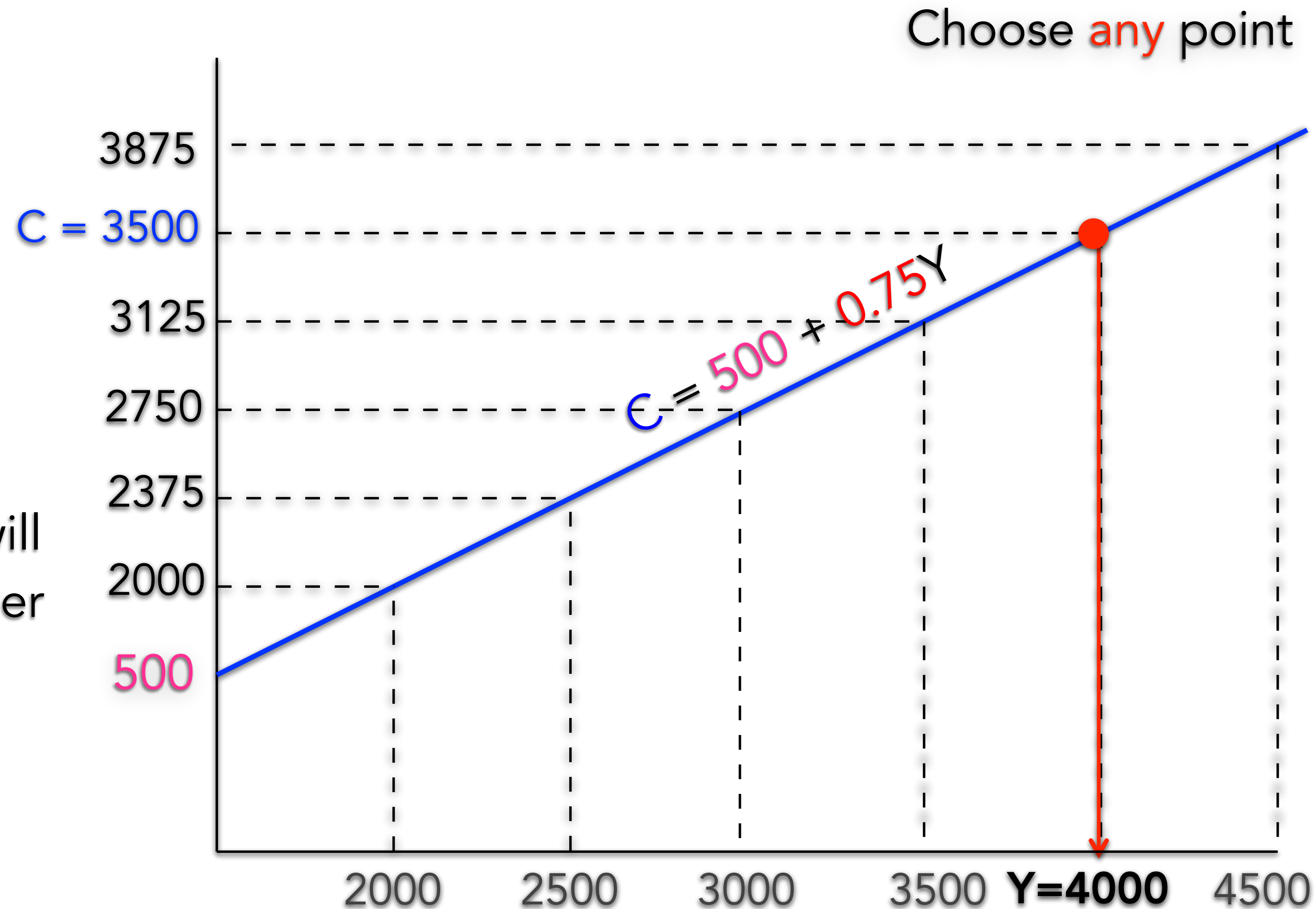
$$3500 = a + 0.75(4000)$$

$$3500 = a + 3000$$

$$a = 3500 - 3000$$

$$a = 500$$

Any point you choose will give you the **same** answer for the **intercept**



$$C = 500 + 0.75Y$$

