

- b.** Mr. Monacs receives ₦20,000 monthly after tax, his marginal propensity to save is 25% although his office provides lunch for him over ₦500 monthly. Derive Mr. Monacs consumption function and estimate his total consumption for the month. **(4 Marks)**
- c.** List and explain 5 Determinant of Consumption and Savings. **(7.5 Marks)**
- 6.**
- a.** Elucidate on the concept of investment and how it interrelates with savings. **(10 Marks)**
- b.** The investment demand function was drawn on the assumption that other non- interest determinations of investment are held constant. Explain any five factors that can cause a shift? **(7.5 Marks)**