

1032-91-175

Jerry L. Bona* (bona@math.uic.edu), Dept Math, Statistics & Computer Sci, University of Illinois at Chicago, Chicago, IL 60607, and **Jenny X. Li** (li@math.psu.edu), Department of Mathematics, Penn State, University Park, PA 16802. *A Model for the Money Supply.*

The dynamical behavior of a mathematical model for the money supply is examined. The basic model was put forward by Grossman and Weiss who considered in detail only the special case of Cobb-Douglas utility functions. We consider a more general class of utility functions and pay particular attention to the evolution of prices and interest rates in response to an unannounced increase in the money supply by the government. (Received August 21, 2007)