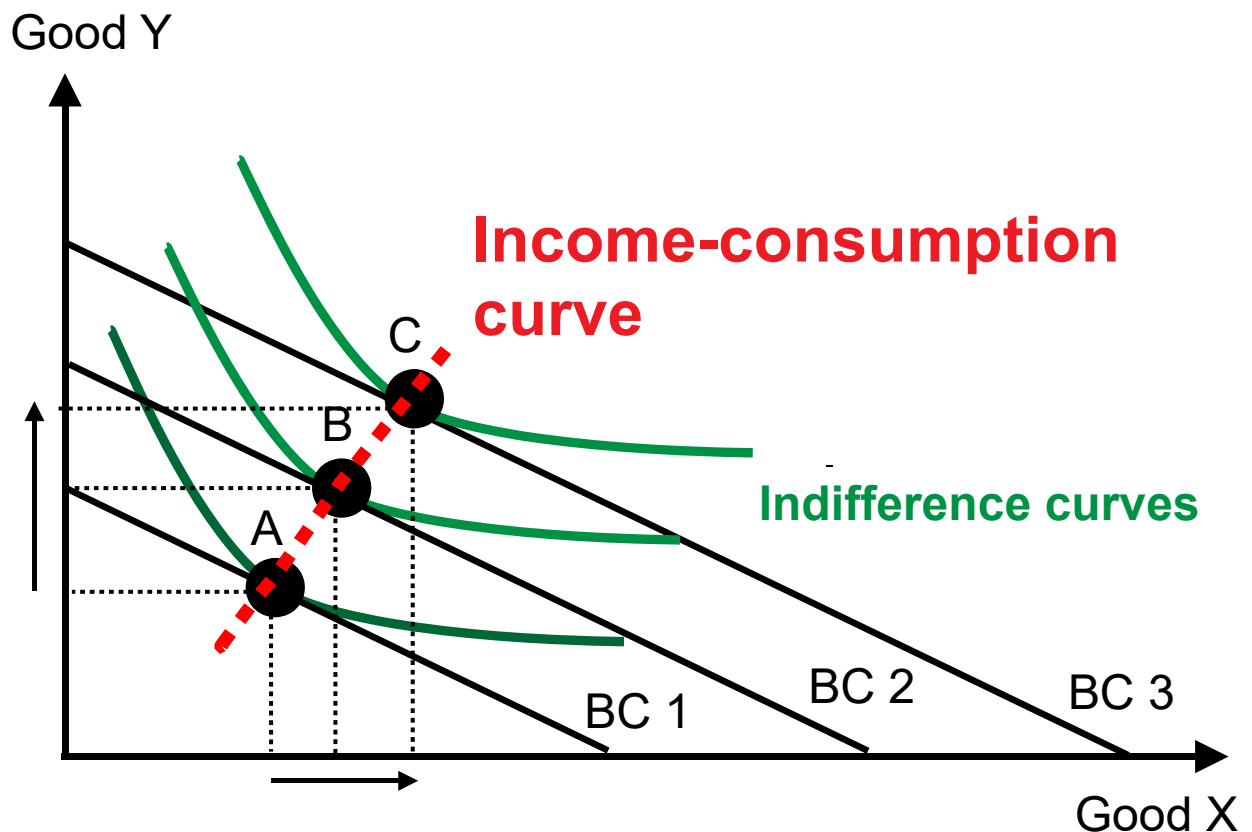


Income-consumption curve 1 - normal goods



BC = Budget constraint

Both goods (X, Y) are **normal** goods because as income increases (e.g. from BC 1 to BC 2 and then to BC 3), the quantity of both goods increases (income elasticity of demand > 0).