(1) $$\frac{B^f - B_0^f}{P} = I$$

(2) $$Y - T = C + \frac{B - B_0}{P} + \frac{M - M_0}{P}$$

(3) $$\frac{B^g - B_0^g}{P} + \frac{\overline{M} - \overline{M}_0}{P} = G - T$$

$$M_0 = \overline{M}_0 \qquad\qquad B_0^g + B_0^f = B_0$$

$$\frac{M - M_0}{P} - \frac{\overline{M} - \overline{M}_0}{P} = \frac{M - \overline{M}}{P}$$

$$[C + I + G - Y] + \left[\frac{M - \overline{M}}{P}\right] + \left[\frac{B - (B_0^g + B_0^f)}{P} - \frac{B^f - B_0^f}{P} - \frac{B^g - B_0^g}{P}\right] = 0$$

$$[C + I + G - Y] + \left[\frac{M - \overline{M}}{P}\right] + \left[\frac{B - B^g - B^f}{P}\right] = 0$$