

Stock vs Flow

Stock

- Quantity of an economic variable measured at a particular point of time
- Has no time dimension
- Is a static concept
- Eg: wealth, water in a tank, inventories, capital

Flow

- Quantity of an economic variable measured during a period of time
- Has time dimension—like per hour, per month etc.,
- Is a dynamic concept
- Eg: income, water in a stream, change in inventory, change in capital

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