

4.3	Name	Date	Period
<p>Inflation</p> <p>Purchasing power of money</p> <p>CPI and PPI</p>	<p>Analyze and explain how inflation affects consumers.</p> <p>A rise in the _____ price of goods and _____ in the _____.</p> <p>Defined as a _____ - increase in the _____ level of prices for goods and _____ . It is measured as an annual _____ increase.</p> <p>As _____ rises every dollar buys a smaller _____ of a good or service. Inflation can skew _____ calculation because GDP does not take it into _____ . Why GDP is not _____ used alone to measure _____ performance.</p> <p>Real _____ and services that _____ can buy determines the value of _____ .</p> <p>A dollar today is not the _____ as a dollar in the _____ .</p> <p>How does a _____ in the value of _____ (inflation) skew _____ ?</p> <p>Inflation can make _____ look higher on paper but that higher _____ does not represent _____ output</p> <p>To get a true _____ of the nation's output in a given year _____ must be taken into _____ .</p> <p>_____ price index- measure in the change of price over time of a _____ group of _____ and services that are used by the _____ household _____ do this every month to keep track of _____ , the reports can be found on the news and _____ from the Bureau of Labor _____</p> <p>_____ basket: Representative group of _____ and services used to _____ CPI. It includes about _____ specific goods and services under general _____ such as food, housing, _____ , apparel, _____ , recreation, _____ , and personal care.</p> <p>The _____ is updated every _____ years to reflect current spending patterns. How is the _____ period _____ ?</p> <p>Base year- a _____ used as a point of reference to _____ inflation from one year to the _____ next</p> <p>The _____ standard reference base period is _____ =100. All price _____ are measured from a base that _____ the average index level of the _____ period _____ 1982, 83,84. prior to the release of the _____ January 1988, the stand reference base was 1967=100</p> <p>The CPI for a basket of _____ in 82-84 was \$10 as of _____ it is \$11.65</p> <p>Producer _____ index-measure in the change in _____ over time that American producers _____ for their goods and _____</p> <p>Includes producers _____ factors of production, includes prices _____ to consumers for final _____ and services</p> <p>PPI _____ increases before CPI</p>		
<p>Answer Learning Target</p>			