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Price Index



Price of
glasses

Price of
Apple

Price of
house

Price of
Shoes

Price of
sugar

Price
Computer

Price of
Haircut

Price of a
car

Price/hour
Lawyer
Services

Price of
TV

\$200

\$0.9

\$300K

\$30

\$0.5

\$900

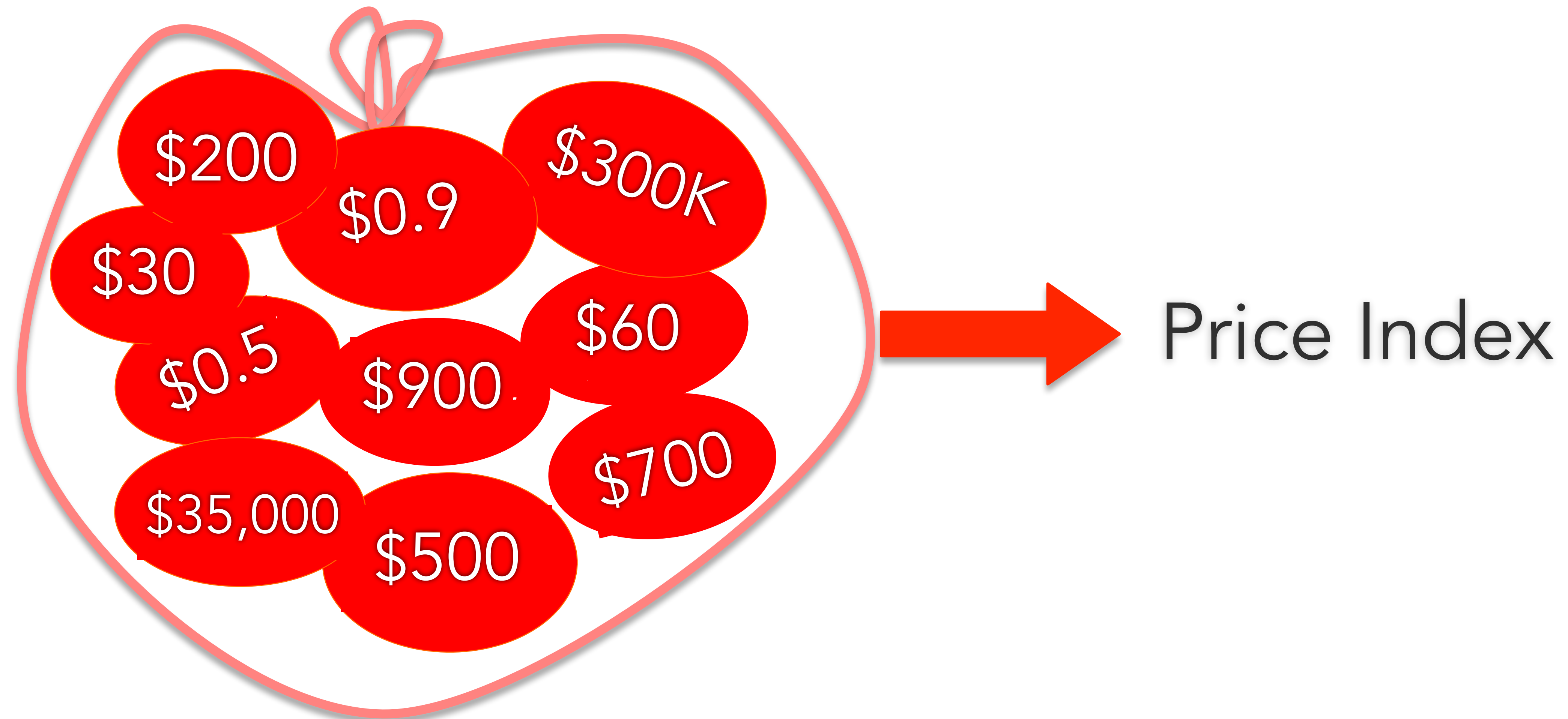
\$60

\$35,000

\$500

\$700

When calculating a Price Index, we want **ONE** number
that **represents all** prices of goods and services
produced in a country for a given period of time



When calculating a Price Index, we want **ONE** number that **represents all** prices of goods and services produced in a country for a given period of time

