

How to calculate CPI using the Inflation Rate

Year	CPI	Inflation Rate %
2013	230	1.6
2014		60
2015		6
2016		0.6
2017		160
2018		
2019		-70
2020		2.5
2021		1.4
2022		7.5
2023		6.4
2024		3.1

60/100 = 0.6

230 + 230 * 0.6

230**1.6

230(1 + 0.6)

368

368

6/1000 = 0.06

368 + 368 * 0.06

368 * 1.06

368(1+0.06)

390

390

$$0.6/1000 = 0.0006$$

390 * 1.006

390(1 + 0.0006)

392.42

392.42

160/100 = 1.6

392.42 * 2.6

392.42(1+1.6)

1,020.29

1,020.29

1,000

1000/1000=10

1,020.29*11

1,020.29(1+10)

11,223.19

11,223.19

$$-70/100 = -0.7$$

11,223.19*0.3

$$11,223.19(10.7)$$

3,366.96

3,366.96

In 2014, Inflation was 60%

To find the Number that is 60% higher than 230, I multiply 230 by 1.6

In 2015, Inflation was 6%

To find the Number that is 6% higher than 368, I multiply 368 by 1.06



Year	CPI	Inflation Rate %
2013	230	1.6
2014	368	60
2015	390	6
2016	392.42	0.6
2017	1,020.29	160
2018	11,223.19	1,000
2019	3,366.96	-70
2020		2.5
2021		1.4
2022		7.5
2023		6.4
2024		3.1

How to calculate CPI using the Inflation Rate

In 2014, Inflation was 60%

$60/100 = 0.6$

$230 + 230 * 0.6$

$230(1 + 0.6)$

$230 * 1.6$

368

In 2015, Inflation was 6%

$6/100 = 0.06$

$368 + 368 * 0.06$

$368(1 + 0.06)$

$368 * 1.06$

390

1000/100 = 10

$1,020.29(1 + 10)$

$1,020.29 * 11$

11,223.19

$0.6/100 = 0.006$

$390(1 + 0.006)$

$390 * 1.006$

392.42

$-70/100 = -0.7$

$11,223.19(1 - 0.7)$

$11,223.19 * 0.3$

3,366.96

$160/100 = 1.6$

$392.42(1 + 1.6)$

$392.42 * 2.6$

1,020.29

Why is the CPI important?