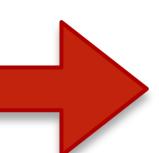
Because items and quantities in the basket are fixed, the CPI does not account for differences in quality

Cause of this mistake: CPI does not account for improvements in quality

We do not calculate the CPI correctly: Quality Bias

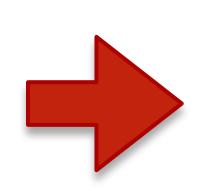


Solution: Use "Chained CPI which uses a basket that changes from month to month

We do not calculate the CPI correctly: Quality Bias

Because items and quantities in the basket are fixed, the CPI does not account for differences in quality

Cause of this mistake: CPI does not account for improvements in quality



Solution: Use "Chained CPI which uses a basket that changes from month to month

Traditional CPI vs. Chained CPI