



Nominal GDP is
twice as large as
Real GDP

W

h



C

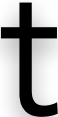
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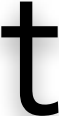
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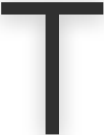
y

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GDP Deflator for 2019 = 200



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2

x100

The **ONE** number that **represents all**
prices of goods and services produced
in 2019 is 200

GDP Deflator for 2019 = 200

The **ONE** number that **represents all** prices of goods and services produced in 2019 is 200

Which says that prices in 2019 are **double** what prices were **in the base year**



Nominal GDP is **twice** as large as **Real** GDP

2×100

Nominal GDP

Real GDP