

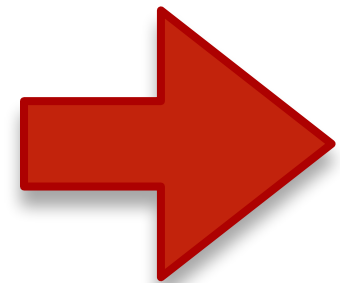


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Cause of this mistake: CPl uses **old** quantities with **new price**

We do not calculate the CPI correctly: Substitution Bias

Solution: Instead of updating the basket every 10 years (as it's done now) update the quantities in the basket more often



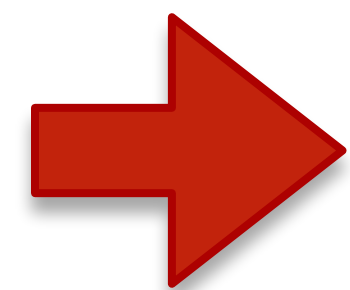
Solution: Use "Chained CPI which  
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We **do not** use **Chained** CPI because the switch from Traditional CPI to Chained CPI must be **voted** on...