

Day - 24

- CPI All India : Not there before 2012
Before that we had CPI_{Agri-lab}, CPI_{UNME},
CPI_{Rural labour}.

↓
Urban non-
manual Employees
- Why CPI₁₉₅₀ comparable to CPI₂₀₂₄?
Because representative basket also changes
- National Sample Survey Organisation (NSSO) -
more dept. main three DR 1 hai
isliye mera DR 3 hai
- WPI - Current economy doesn't
focus on this model
- Why overestimate growth due to upward
bias?
They may round off figure to next
number in decimal place.
- Rise on both front → CPI and WPI
- Not as high to totally derail the growth
figure.
- $r = i - \pi$ (Fischer's projection)
↓ ↓ ↘
Real nominal inflation
interest rate

→ If interest rate increases what will happen to your investment? You will want to increase investment.

The investment demanded by economy, bank and economies that will have to pay you higher interest rate, their demand will fall, thus investment demand will fall.