

Different price index in economic policy



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CPI (Consumer price index) A consumer price index (CPI) measures changes in the price level of consumer goods and services purchased by households. The CPI is a statistical estimate constructed using the prices of a sample of representative items whose prices are collected periodically.

GDP deflator In economics, the GDP deflator (implicit price deflator for GDP) is a measure of the level of prices of all new, domestically produced, final goods and services in an economy.

GDP stands for gross domestic product, the total value of all final goods and services produced within that economy during a specified period.

WPI (whole sale price index) The abbreviation for Wholesale Price Index, which is an index of the prices paid by retail stores for the products they would ultimately resell to consumers. The Wholesale Price Index, abbreviated WPI, was the forerunner of the modern Producer Price Index (PPI). The WPI was first published in 1902, and was one of the more important economic indicators available to policy makers until it was replaced by the PPI in 1978.

The change to Producer Price Index in 1978 reflected, as much as a name change, a change in focus of this index away from the limited wholesaler-to-retailer transaction to encompass all stages of production. While the WPI is no longer available, the family of producer price indexes provides a close counterpart in the Finished Goods Price Index.

PPI - Producers price index Producers price index focuses on prices of goods and services that are received by the producer. This is different from the retail prices, which include shipping costs, taxes and other levies

Sensitive Price Indicator (SPI) Sensitive Price Indicator (SPI) is designed to assess price movement of essential consumer items at short intervals (on

weekly basis) so as to take corrective measures. Laspeyres . This compares the price of the old basket of goods for the old and new prices. Paasche . This compares the price of the new basket of goods for the old and new prices. variables| price| quantity| CPI| Fixed (Laspyere price index)| | GDP deflator| | Fixed| PPI| Fixed (Laspyere price index)| | SPI | Fixed (Laspyere price index)| | WPI| Fixed (Laspyere price index)| |