

## Worksheet

### Chapter 4: Consumer Purchasing Strategies and Legal Protection

Now you will estimate your personal rate of inflation and assess the impact of inflation on your budget. Follow your teacher's directions to either print out the activity, close this Web site, and go the S&P Web site; or click on Standard & Poor's now and go back and forth between Web pages.

**Step 1** Go to the Standard & Poor's Web site at <http://calculators.pubimage.com>.

**Step 2** Click on "Personal Inflation" and then "Start."

**Step 3** Enter the appropriate amount for each category (if your spending for a given category is 0, enter 1). Then press "Submit." Use the results to answer the following questions:

1. What is the total amount of your spending today? By how much would your total spending increase in five years due to inflation?
2. What is your personal inflation rate? Is it higher or lower than the CPI?
3. Which categories of spending are increasing at the fastest rates?
4. Which spending categories are increasing more slowly?
5. If you were graduating from college today, which categories do you think you would be most concerned about?
6. Which categories do you think someone who is retired would be most concerned about?