

# Inflation Introduction.

What is inflation and how does it work? It's a numbers game. Let kids try this worksheet to do the math and see for themselves.

## Inflation Introduction

This lesson is designed to help kids understand the concept of inflation. The concept known as inflation is a decrease in the value of purchasing power, which results in demand for more goods than producers can supply. For example, if you want to buy something for a dollar today, when there is inflation, it will cost you more the following year. Inflation results in higher prices, making goods and services potentially more expensive and less affordable.

In Summary:

Price Today	Inflation Rate	Price Increase	Future Price
\$100.00	5%	\$5.00	\$105.00

## What is the future price of each of the following?

Round each calculation to the nearest penny.

Price Today	Inflation Rate	Price Increase	Future Price
1. \$100.00	4%	\$4.00	\$
2. \$50.00	8%	\$4.00	\$
3. \$190.	2%	\$3.80	\$
4. \$170.00	10%	\$17.00	\$
5. \$180.00	6%	\$10.80	\$

6	\$420.00	9%	\$37.80	\$
7	\$350.00	6%	\$21.00	\$
8	\$540.00	1%	\$5.40	\$
9	\$30.00	5%	\$1.50	\$
10	\$790.00	2%	\$15.80	\$

Keep going, you're doing great!

Next Skill