

Understanding Inflation: How Rising Prices Affect Daily Life

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Abstract: *This paper explores how Inflation refers to the general increase in prices of goods and services over time, leading to a decrease in the purchasing power of money. It affects daily life by increasing the cost of essential items such as food, fuel, and housing, thereby reducing disposable income and altering consumption patterns. Inflation can be driven by demand-pull factors, cost-push factors, or monetary policies. While moderate inflation is considered normal for economic growth, excessive inflation can erode savings, increase borrowing costs, and widen income inequality. Understanding inflation and its impact helps individuals and policymakers make informed financial decisions.*

Keywords: Rising price, cost of living, purchasing power, monetary policy, economic impact etc