

Seminar 27

1. Given the selling price and the quantity consumed of three products A, B, C in 3 different years as follows:

	1992		1993		1994	
Product	Price	Quantity	Price	Quantity	Price	Quantity
A	12	100	14	110	17	115
B	200	25	189	30	195	35
C	51	180	55	170	56	150

Use 1993 as the base year

- i find the Laspeyre Price index in 1992-1994
 - ii find the Paasche Price index in 1992-1994
 - iii find the Laspeyre Quantity index in 1992-1994
 - iv find the Paasche Quantity index in 1992-1994
 - v find the Fisher Price index in 1992 - 1994
2. Compare Laspeyre Index with Paasche Index.
 3. State three limitations of using Index numbers.