

ECONQUEST

Core Inflation Measures

December 2025

Student Activity – Video Quest

Watch this short [video](#) about inflation and summarize what you learned in 3-5 bullet points, including proper use of the economic terms ***inflation***, ***CPI*** and ***price stability***. A glossary of terms is provided at the bottom.

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Glossary:

Consumer Price Index (CPI) - shows an average change over time in prices paid by consumers for a selected group of goods and services.

Core Consumer Price Index (CPI) - shows an average change over time in prices paid by consumers for a selected group of goods and services without the inclusion of food or energy

Federal Reserve - the central bank of the United States

Goods – objects that can satisfy people’s wants

Inflation - a general and sustained upward movement of prices for goods and services in an economy

Price stability - a low and stable rate of inflation maintained over an extended period.

Services – activities that can satisfy people’s wants



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Student Activity – Visualization Quest

Create a bar or line graph showing the average change in prices of certain goods over time. Then, write a 3-5 sentence description to accompany your graph that summarizes the price fluctuations shown over time and how the price increases compare/contrast across items. Be sure to also include your thoughts on whether your chart indicates a period of inflation and why.

Retrieve data for the graph through the steps below.

- Go to the U.S. Bureau of Labor Statistics site at www.bls.gov/data/.
- Click the tab **Data Tools** and select **Data Retrieval Tools** from the drop-down menu.
- Select **Top Picks** from the options available.
- Scroll down to the **Inflation & Prices** section.
- Under the column titled **Database Name**, find the row named **Average Price Data (Consumer Price Index – CPI)**.
- On that same row, look to the right for the option called **Top Picks** and click that link.
- From the available list of goods, select 5 of your choice.
- Click **Retrieve data**.
- Near the top of the page, find **Change Output Options**.
- To the right of that label, use the **From** drop-down menu to select the year 1980 and then use the **To** drop-down menu to select the current year.
- Click the **Go** button to the right.
- You should now see a separate table of data for each product you selected that includes an average price for that item every month from 1980 to the present.
- Of the years in each data table, select three to include in your bar/line graph, with one year during the 1980's, one year in the early 2000's and the last being the current year.
- For the three years selected, calculate the average price of each item during those years. (determine the average by adding together the price listed for every month of one year, then dividing that sum by the total number of months that have price data, noting that the current year may not have price data yet for all twelve months).
- Use the data you have calculated to create a graph that shows the average price for each of the five items for all three years you selected. Be sure to include:
 - A title for your chart/graph
 - The three years you selected on the X-axis
 - The range of average prices you calculated on the Y-axis
 - The five goods you chose, each represented by a different color line or bar
 - Labels for the years, prices and item names

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Description:

Summarize the price fluctuations shown over time in your chart and how price increases compare or contrast across items. Be sure to include your thoughts on whether your chart indicates a period of inflation and why.

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Student Activity – Imagination Quest

Imagine that each scenario below has occurred in your local economy. Work with a partner to analyze each statement and to brainstorm how each might impact prices for the goods and/or services that are mentioned. Use the table below to record your thoughts. Be prepared to discuss your ideas with the class.

- **Scenario 1** – A prolonged period of storms and rain have caused crops to flood. What might this mean for crop prices?

- **Scenario 2** – Severe supply chain issues have slowed the production of new smart home appliances. What could this mean for smart home appliance prices?

- **Scenario 3** – Artificial intelligence has helped shipping companies deliver more products faster. How might this impact the cost of delivery services?

- **Scenario 4** – Trade routes for oil distribution have improved, but local storage facilities are limited in how much they can store. What could this do to gas prices?

Scenario	Impact on Prices
1.	
2.	
3.	
4.	

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Student Activity – Debate Quest

Work in small groups to form an argument for and against the question that follows. Be sure to record your answers for class discussion, to include your rationale for each point and to use at least two of the economic terms in the glossary provided below in your explanation.

QUESTION: Is 2 percent inflation a good target for a healthy economy? Why and why not?

Pros:

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-

Cons:

-
-
-
-

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