



POSITIVE SIDE OF INFLATION

Low inflation-low real interest rate-cheaper to borrow money!!

It Can Help Borrowers

Encourage Spending

People spend more now, anticipating a price rise in future- Economic Growth

Inflation can reduce the actual value of debt, making it easier to pay back.

Reduce Debt Burdens

Exports More Competitive

Country's inflation rate is high- making goods more competitive in international market-

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Low inflation-Business invest in inventories

Encourage Investment

Encourage Risk-Taking

High inflation-people more willing to take risks to earn a higher return.

Increase in demand of goods-Hiring of labor rises

Create Jobs

WAITTTT..WE HOPE THIS WAS HELPFUL!

