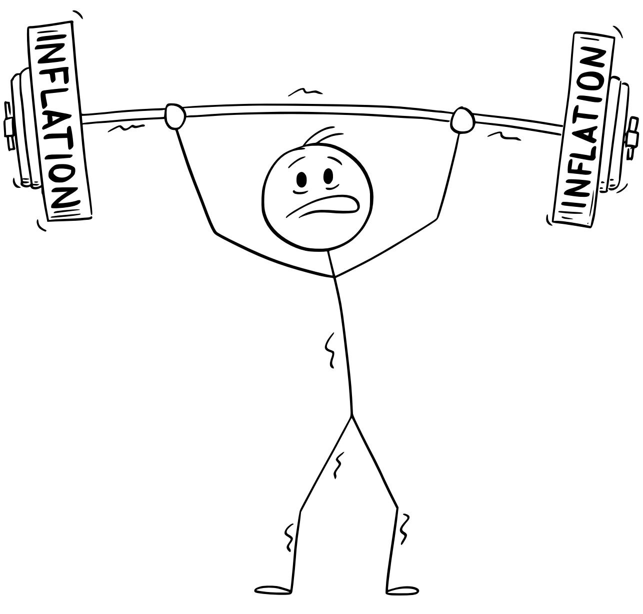
PRISM
EMPLOYEE BENEFITS

EDUCATIONALS

INFLATION:
WHAT IT IS AND HOW IT AFFECTS YOU



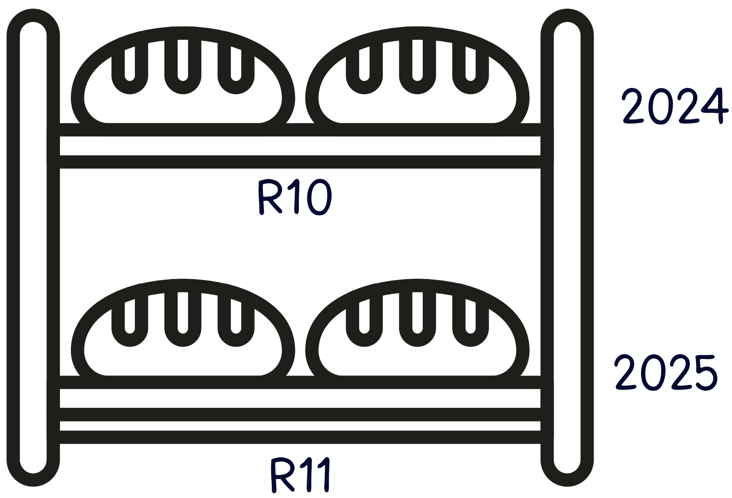
WHAT IS INFLATION?

Inflation is just a fancy word for when prices go up.

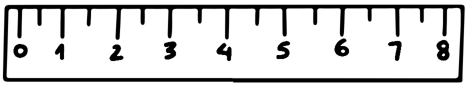
Not everything goes up at the same time – but on average, things like food, clothes, transport, and electricity cost more over time.

When that happens, your money doesn't stretch as far as it used to.

In other words, if you could buy a loaf of bread for R10 last year and now it costs R11, that's inflation.



HOW IS INFLATION MEASURED?



In South Africa, inflation is tracked using something called the Consumer Price Index (CPI).

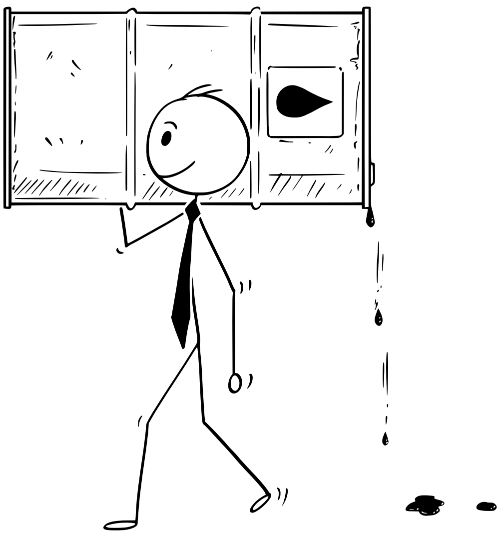
HERE'S HOW IT WORKS:

Government checks the prices of a "basket" of everyday goods and services that most people use (like bread, rent, etc.).

They compare how much this basket costs today vs. what it cost a year ago.

The percentage increase is the inflation rate.

If prices in that basket go up by 5%, inflation is 5%.



INFLATION CAN HAPPEN FOR A FEW REASONS:

WHAT CAUSES INFLATION?

HIGH DEMAND

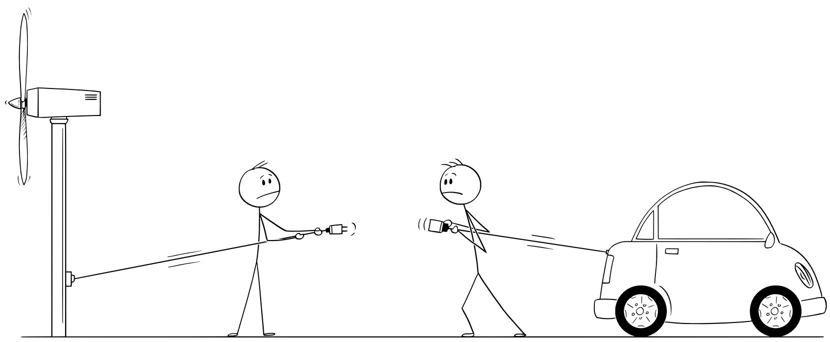
When more people want something but there's not enough of it, the price goes up. That's called demand inflation.

HIGHER PRODUCTION COSTS

If it costs more to make a product (like when fuel or wages go up), companies charge more to cover those costs. That's called cost-push inflation.

INFLATION CAN HAPPEN FOR A FEW REASON:

WHAT CAUSES INFLATION?



EXPENSIVE IMPORTS

If the rand weakens, it costs more to bring in goods from other countries. That also pushes prices up.

PETROL PRICES

When petrol costs more, it affects everything that needs to be transported – from food to furniture – so prices rise all around.

WHAT CAN YOU DO ABOUT IT?

YOU CAN'T STOP INFLATION – BUT YOU CAN GET SMART ABOUT HOW YOU DEAL WITH IT:

START SAVING

Put some money aside regularly, even a small amount. This "emergency fund" can help you stay afloat when prices rise suddenly.

PAY OFF DEBT

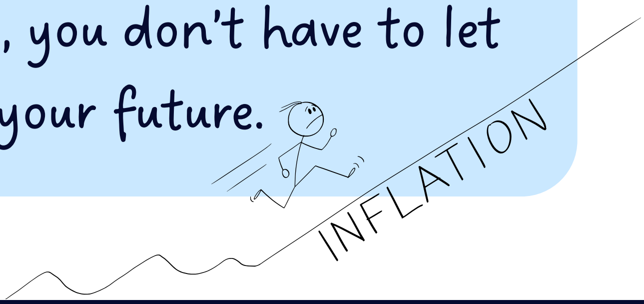
Try to reduce or pay off any loans or credit card debt. The less debt you have, the more control you have over your money.

STICK TO A BUDGET

Know what you earn and what you spend. Create a monthly budget, cut unnecessary costs, and stick to it. Any money left over? Add it to your savings.

FINAL TIP

Inflation is a part of life – but with good habits and planning, you don't have to let it control your future.



SERVICE PROVIDER CONTACT DETAILS

Benefit Consultant: Prism Employee Benefits
Prism Employee Benefits is a specialist Benefits Consultancy.
Contact Telephone Number: 082 410 3693
Contact Email: nicoleh@prismeb.co.za
Contact Person: Nicole Hadaway
Admin Person: Bahjata@prismss.co.za 068 642 4728

Prism Employee Benefits Whatsapp Hotline:
064 909 3193