

Glossary: Laspeyres price index

Statistics Explained

The **Laspeyres price index** is an index formula used in price statistics for measuring the price development of the basket of goods and services consumed in the base period. The question it answers is how much a basket that consumers bought in the base period would cost in the current period. It is defined as a fixed-weight, or fixed-basket, index that uses the basket of goods and services and their weights from the base period. It is also known as a “base-weighted index”.

In price statistics other price index formulas may be used ([Paasche price index](#) , [Fisher price index](#)). The choice of the index formula, however, often depends on the availability of data. In contrast to the other formulas, the Laspeyres index does not require information on the basket of the current period. Therefore in practice the Laspeyres formula is usually preferred for the calculation of [consumer price indices](#) , which are typically compiled and released rapidly - before consumption or production information for the current period could have been collected.

Further information

- [European Price Statistics - An overview - 2008 edition](#)

Related concepts

- [Fisher price index](#)
- [Paasche price index](#)

Statistical data

- [Consumer prices - inflation](#)