



P-Glossary



Purchasing power parities (PPPs)

PPPs are currency converters, i.e., the rates of currency conversion to equalize the purchasing power of different currencies by eliminating the differences in price levels between countries. PPPs show the ratio of prices in national currencies of the same goods or services in different countries. Multilateral PPPs are statistical estimates expressed in a base currency, customarily in the US\$. They show the equivalent cost of a comparable basket of goods and services, worth \$1 in the USA, in the national currencies of other countries.
