

the role of the speed is very fast, the impact is positive. If the CPI continues to rise, the relevant government departments should quickly take measures to suppress prices, to maintain stable and healthy economic operation; on the contrary, if the CPI continues to fall, then it should be taken as soon as possible to stimulate the policy, to avoid the formation of deflation, the situation of economic recession.

Secondly, the impact of the mpi and ppi on the consumer price index is still relatively significant, although it is still much smaller than the CPI's impact on itself. This also corresponds to the actual situation in China, which is still in a state of weak domestic demand. And the impact of m2 on the CPI is gradually increasing, after a certain period of time to remain stable.

Once again, the degree of influence of the three variables on the CPI is in the following order: $mpi > ppi > m2$, with mpi having the relatively strongest degree of effect on the cpi and m2 the weakest.

Finally, by forecasting the consumer price index from April to December 2021, the prediction results show that the CPI shows an upward trend in six months' time, but the rise is not very large and the speed is getting slower and slower. Due to the impact of the new crown epidemic, the country experienced a severe economic recession in 2020, and this year, with the widespread vaccination, the epidemic has been effectively controlled and the economy has begun to recover. Therefore, a moderate rise in CPI is favorable to economic recovery, but government departments should take measures to prevent a sharp rise in CPI.

The price problem has been one of the most important issues in China's macroeconomic operation, and the macroeconomic goal is to maintain economic growth while keeping prices within a reasonable and bearable range. Strengthening the monitoring of CPI and the study of its

relationship with MPI, PPI and M2 is of great significance in preventing economic shocks caused by drastic price increases.

CONFLICT OF INTEREST

The author declares no conflict of interest.

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