Central Banks: Inflation Targets

Yardeni Research, Inc.

March 3, 2020

Dr. Edward Yardeni
516-972-7683
eyardeni@yardeni.com

Debbie Johnson
480-664-1333
djohnson@yardeni.com

Mali Quintana
480-664-1333
aquintana@yardeni.com

Please visit our sites at
www.yardeni.com
blog.yardeni.com

thinking outside the box
Inflation Targets

Figure 1.

PERSONAL CONSUMPTION EXPENDITURES DEFLATOR
(yearly percent change)

PCED

Headline (1.7)
Core* (1.6)

* Excluding food and energy prices.
Note: Dotted line is the Fed’s official target set during January 2012.
Source: Bureau of Economic Analysis.

Figure 2.

PERSONAL CONSUMPTION EXPENDITURES DEFLATOR: UNITED STATES
(base period price Dec 2011 = 98, ratio scale)

Source: Bureau of Economic Analysis.
Inflation Targets

Figure 3.

PERSONAL CONSUMPTION EXPENDITURES DEFLATOR EX FOOD & ENERGY
(yearly percent change)

Source: Bureau of Economic Analysis.

Figure 4.

EUROZONE: CONSUMER PRICE INDEX
(yearly percent change)

* Excluding energy, food, alcohol, and tobacco.

Source: Statistical Office of the European Communities.
Figure 5.

JAPAN: CONSUMER PRICE INDEX
(yearly percent change)

Japan CPI
- Headline (0.7)
- Core* (0.8)

BOJ's Inflation Target

* Excluding fresh food.
Source: Ministry of Internal Affairs and Communications.

Figure 6.

CORE CPI INFLATION RATES
(yearly percent change)

Core CPI Inflation
- US (Jan=2.3)
- Eurozone (Feb=1.2)
- Japan (Jan=0.4)

Source: Haver Analytics.