

Market Correlations: Expected Inflation in TIPS

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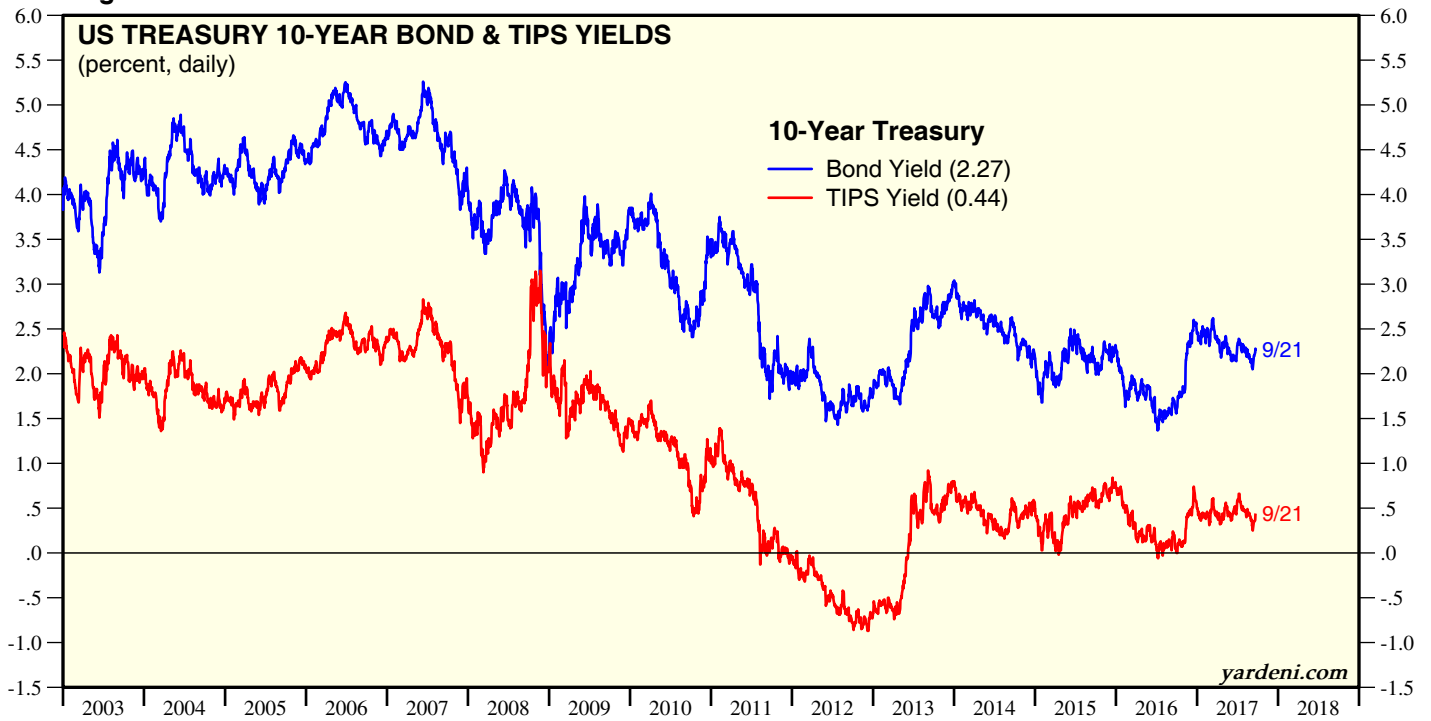
thinking outside the box

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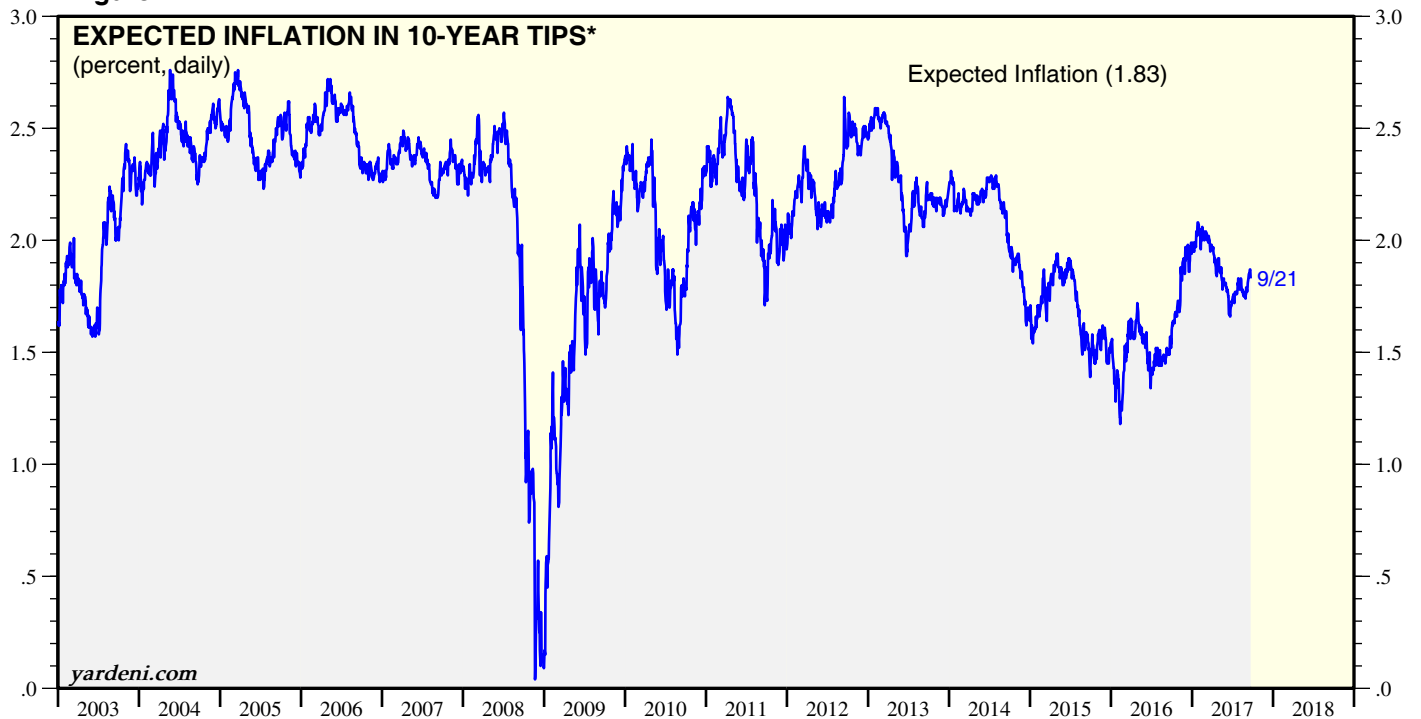
Expected Inflation in Bond Yield

Figure 1.



Source: Federal Reserve Board.

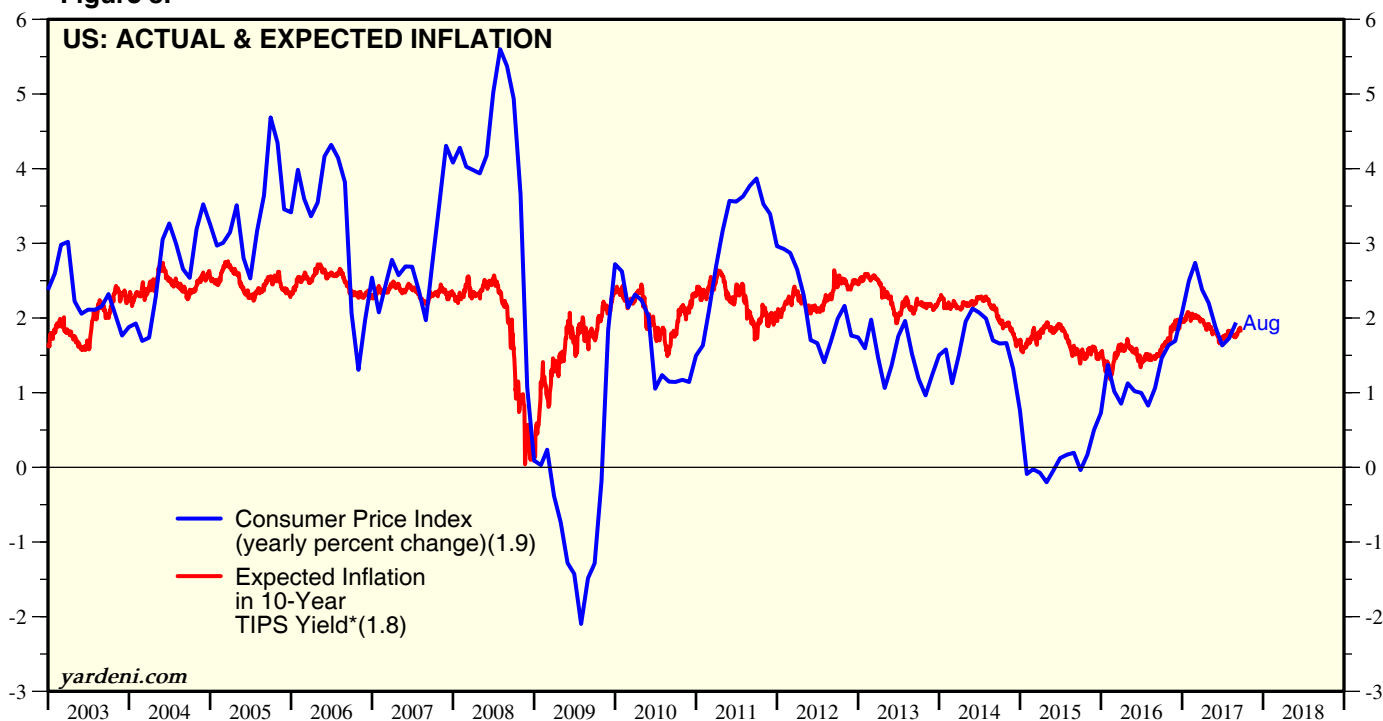
Figure 2.



* Nominal minus TIPS yield.
Source: Federal Reserve Board.

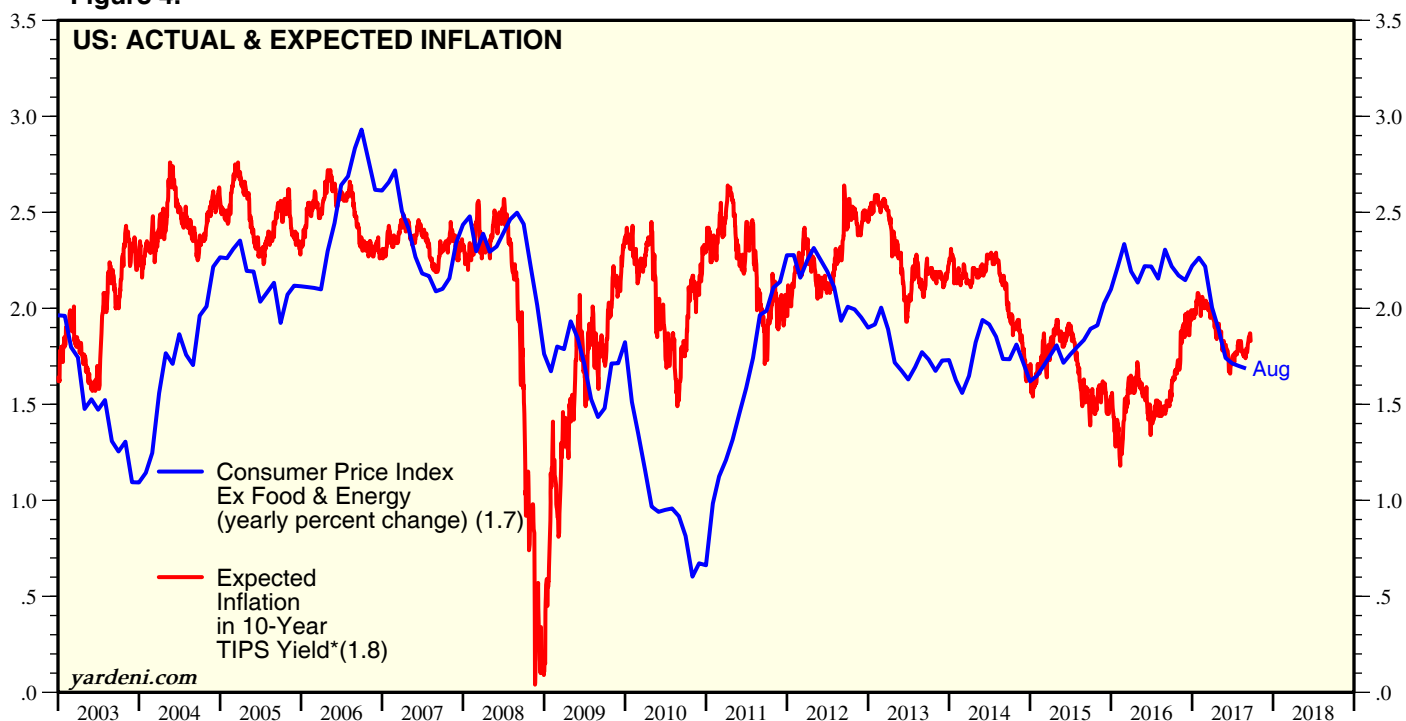
Expected & Actual Inflation

Figure 3.



* Nominal minus TIPS yield.
 Source: Federal Reserve Board and Bureau of Labor Statistics.

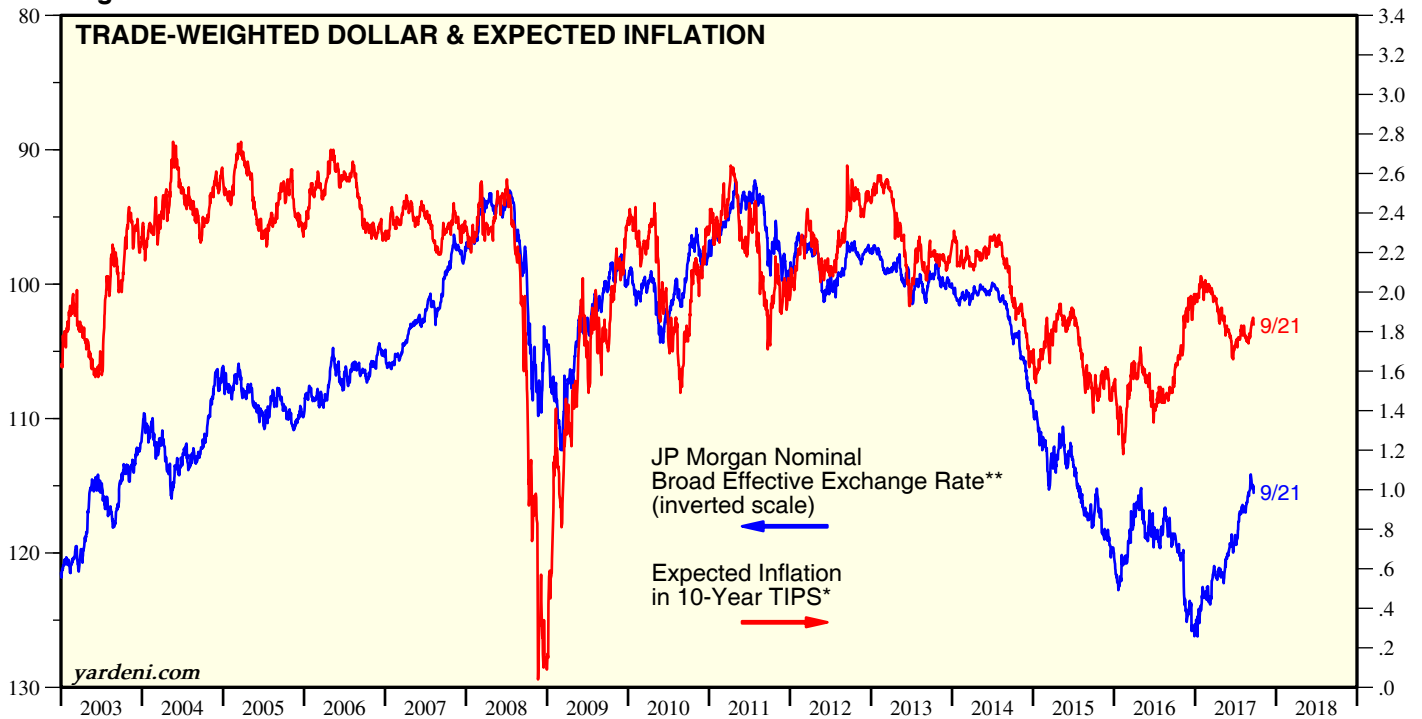
Figure 4.



* Nominal minus TIPS yield.
 Source: Federal Reserve Board and Bureau of Labor Statistics.

Expected Inflation & the Dollar

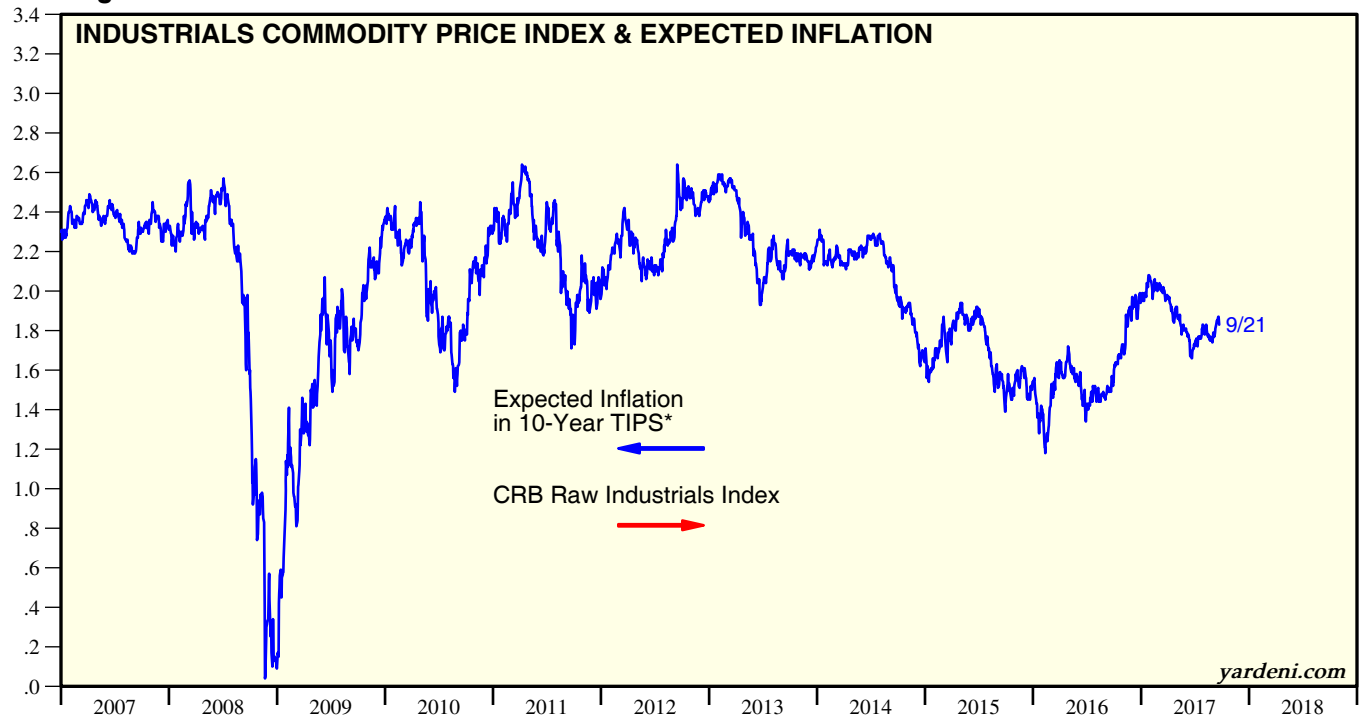
Figure 5.



* Yield spread between 10-year US Treasury bond and comparable TIPS.

** Argentina, Australia, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Czech Republic, Denmark, Ecuador, Egypt, France, Germany, Hong Kong, Hungary, Japan, India, Indonesia, Israel, Italy, Korea, Kuwait, Malaysia, Mexico, Morocco, New Zealand, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Poland, Romania, Russia Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, Ukraine, Uruguay, Venezuela, Vietnam, and United States. Source: Commodity Research Bureau and JP Morgan.

Figure 6.

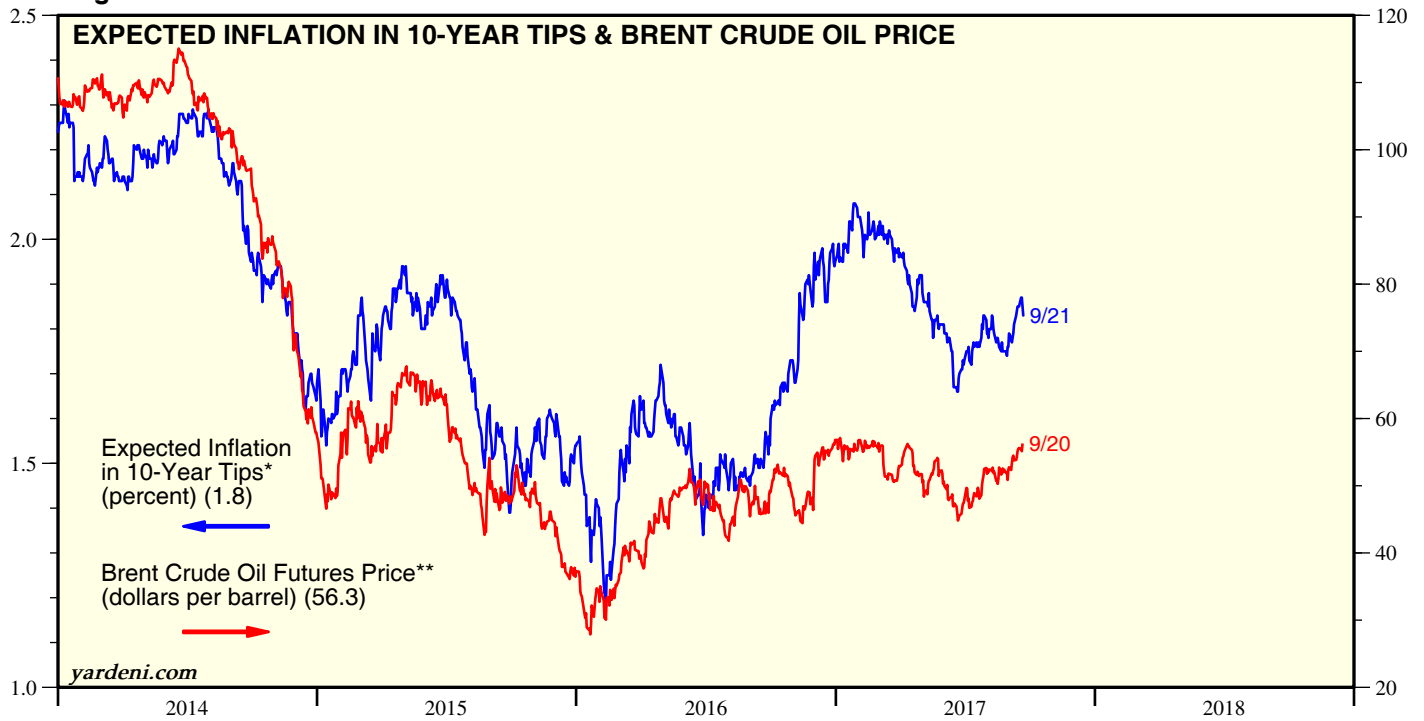


* Yield spread between 10-year US Treasury bond and comparable TIPS.

Source: Federal Reserve Board, US Treasury, and Bureau of Economic Analysis.

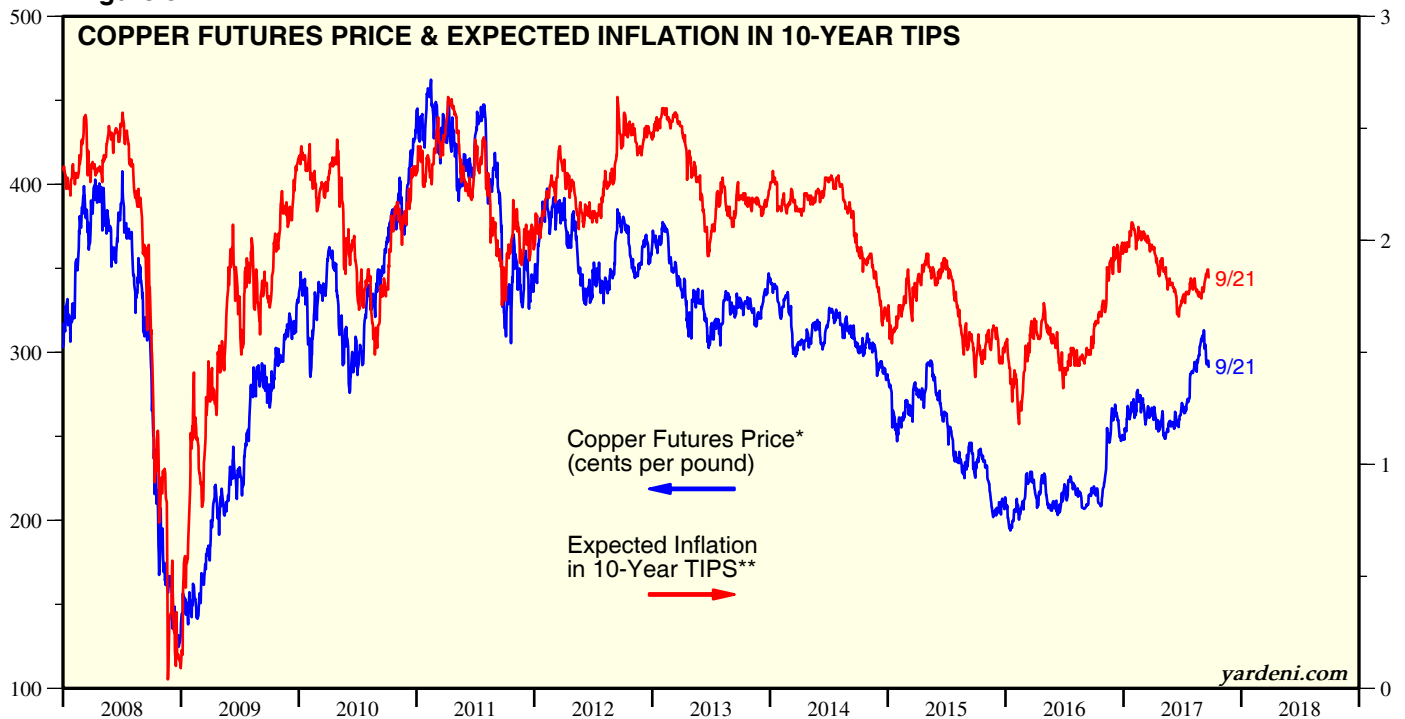
Expected Inflation & Commodity Prices

Figure 7.



* Nominal minus TIPS yield.
 ** Nearby futures price.
 Source: Federal Reserve Board.

Figure 8.



* Nearby futures contract.
 ** Yield spread between 10-year US Treasury bond and comparable TIPS.
 Source: Haver Analytics.

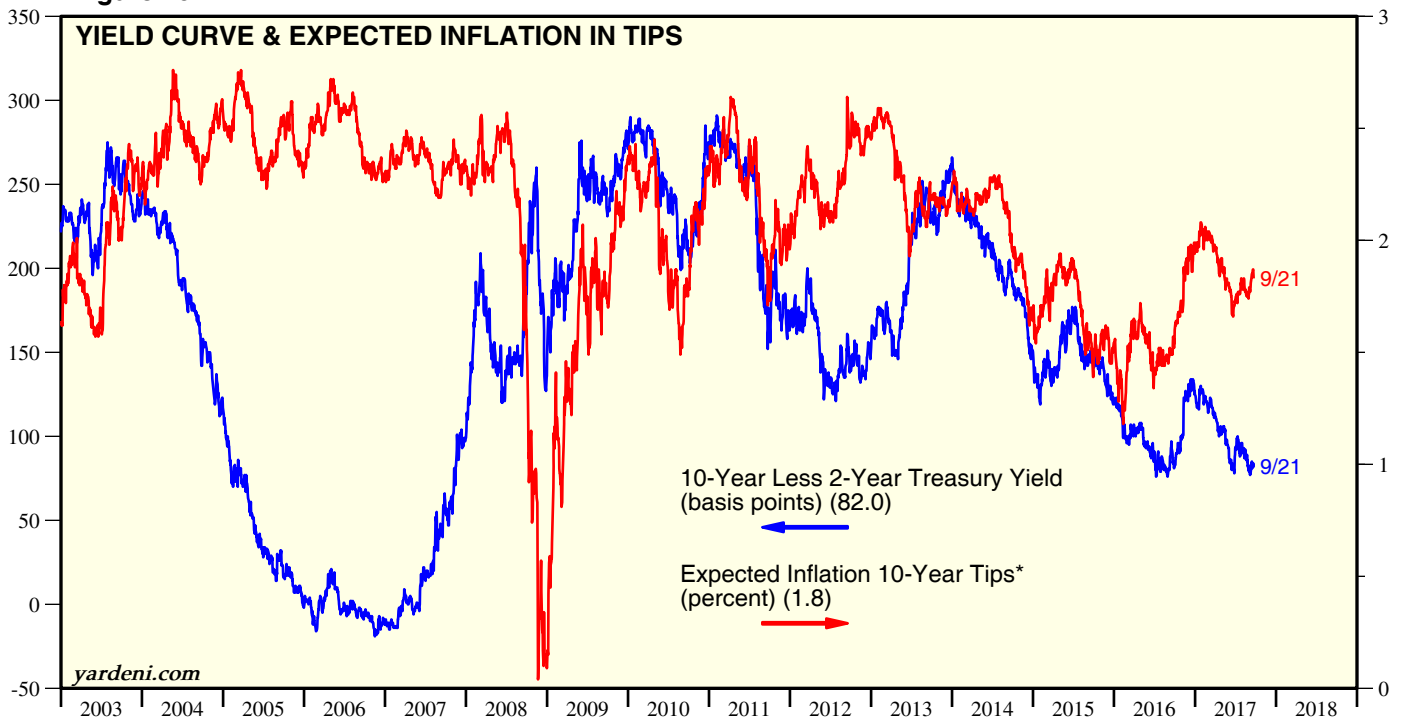
Expected Inflation & Commodity Prices

Figure 9.



* Nominal minus TIPS yield.
Source: Federal Reserve Board.

Figure 10.



* Nominal minus TIPS yield.
Source: Federal Reserve Board.

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