Appendix

Figure A.1: The Distributions of Total and Core CPI Inflation

(a) Total CPI

(b) Core CPI

Notes: The tails are cut at ±20 percent rates.

Source: Authors’ calculations using US Bureau of Labor Statistics data underlying the CPI.
Figure A.2: Inflation Distribution across PCE Categories

Note: Bandwidth = 0.5. The tails are cut off for visibility.

Source: Authors’ calculations using US Bureau of Economic Analysis data on the PCE.