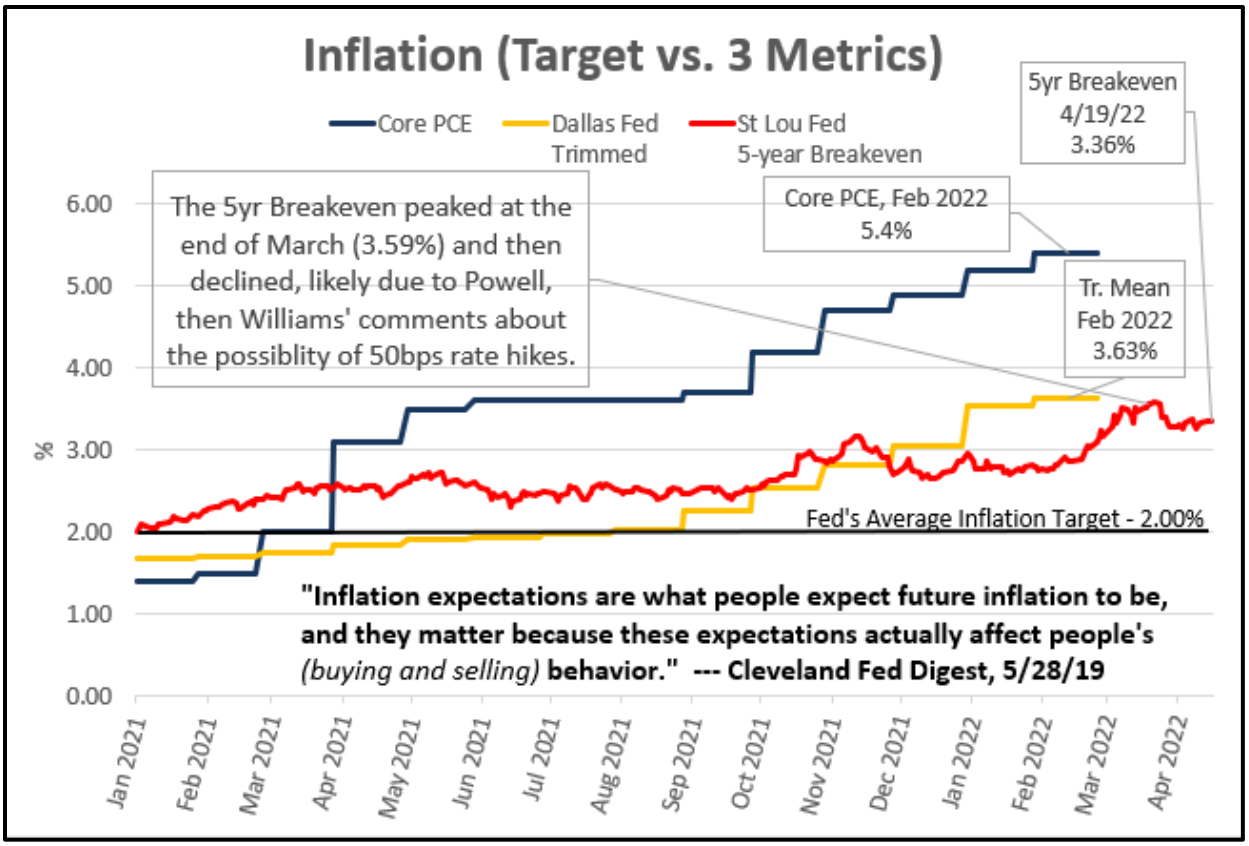
Inflation (Target vs. 3 Metrics)
Core PCE
Dallas Fed Trimmed
St Lou Fed 5-year Breakeven
5yr Breakeven 4/19/22 3.36%
The 5yr Breakeven peaked at the end of March (3.59%) and then declined, likely due to Powell, then Williams' comments about the possiblity of 50bps rate hikes.
Core PCE, Feb 2022 5.4%
Tr. Mean Feb 2022 3.63%
Fed's Average Inflation Target - 2.00%
"Inflation expectations are what people expect future inflation to be, and they matter because these expectations actually affect people's (buying and selling) behavior." --- Cleveland Fed Digest, 5/28/19
%
6.00
5.00
4.00
3.00
2.00
1.00
0.00
Jan 2021
Feb 2021
Mar 2021
Apr 2021
May 2021
Jun 2021
Jul 2021
Aug 2021
Sep 2021
Oct 2021
Nov 2021
Dec 2021
Jan 2022
Feb 2022
Mar 2022
Apr 2022