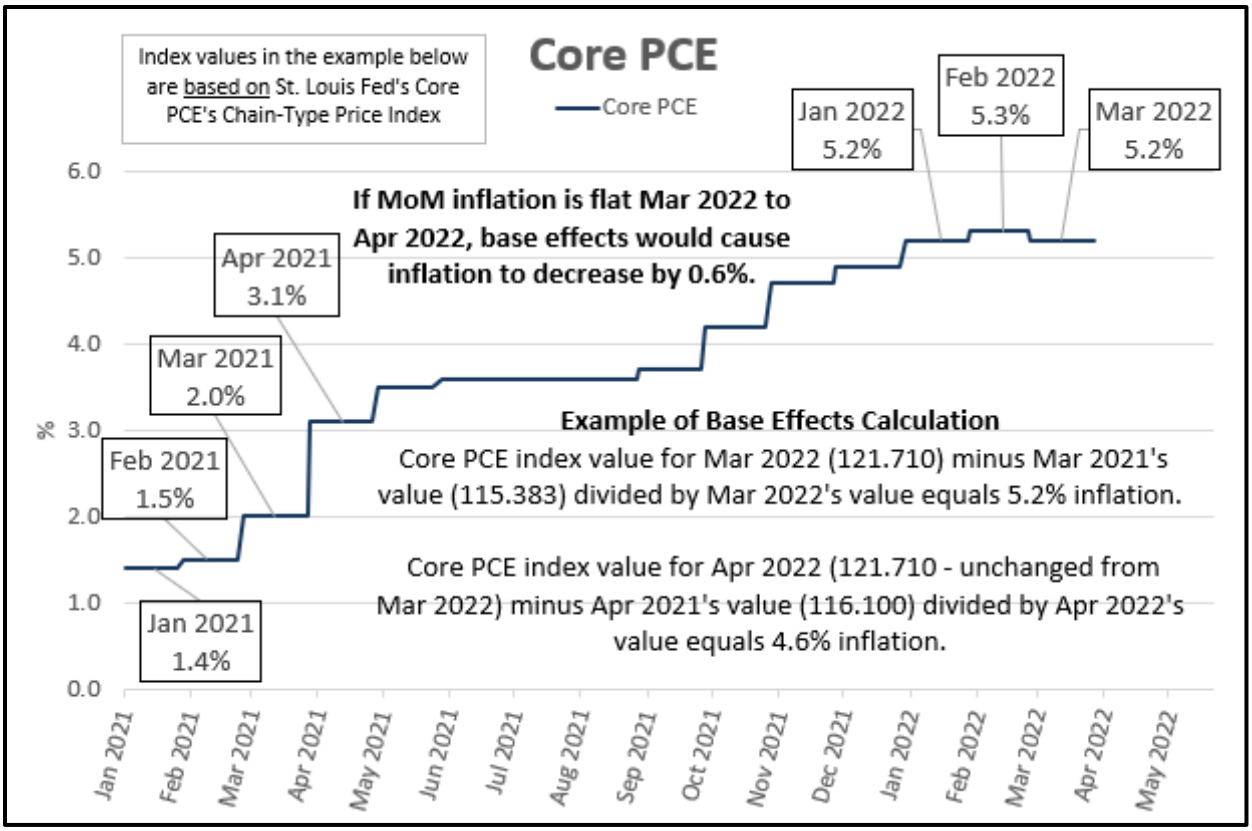
Index values in the example below are based on St. Louis Fed's Core PCE's Chain-Type Price Index
Core PCE
Core PCE
Jan 2022 5.2%
Feb 2022 5.3%
Mar 2022 5.2%
If MoM inflation is flat Mar 2022 to Apr 2022, base effects would cause inflation to decrease by 0.6%.
Apr 2021 3.1%
Mar 2021 2.0%
Feb 2021 1.5%
Jan 2021 1.4%
Example of Base Effects Calculation
Core PCE index value for Mar 2022 (121.710) minus Mar 2021's value (115.383) divided by Mar 2022's value equals 5.2% inflation.
Core PCE index value for Apr 2022 (121.710 - unchanged from Mar 2022) minus Apr 2021's value (116.100) divided by Apr 2022's value equals 4.6% inflation.
%
6.0
5.0
4.0
3.0
2.0
1.0
0.0
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
May 2022