



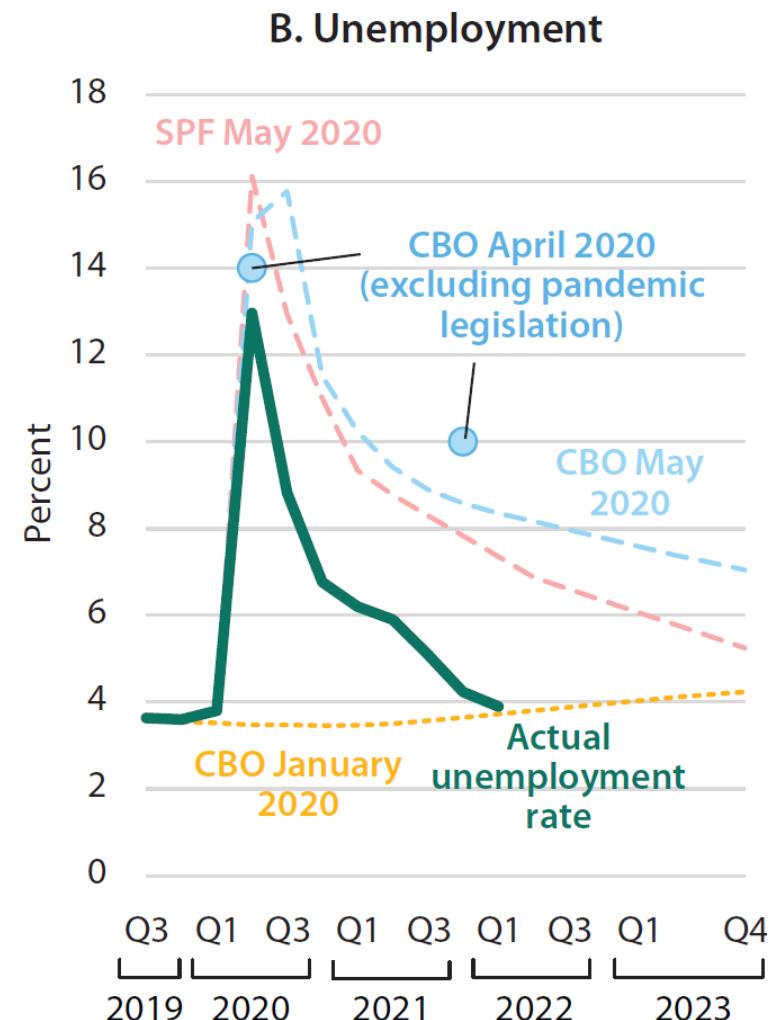
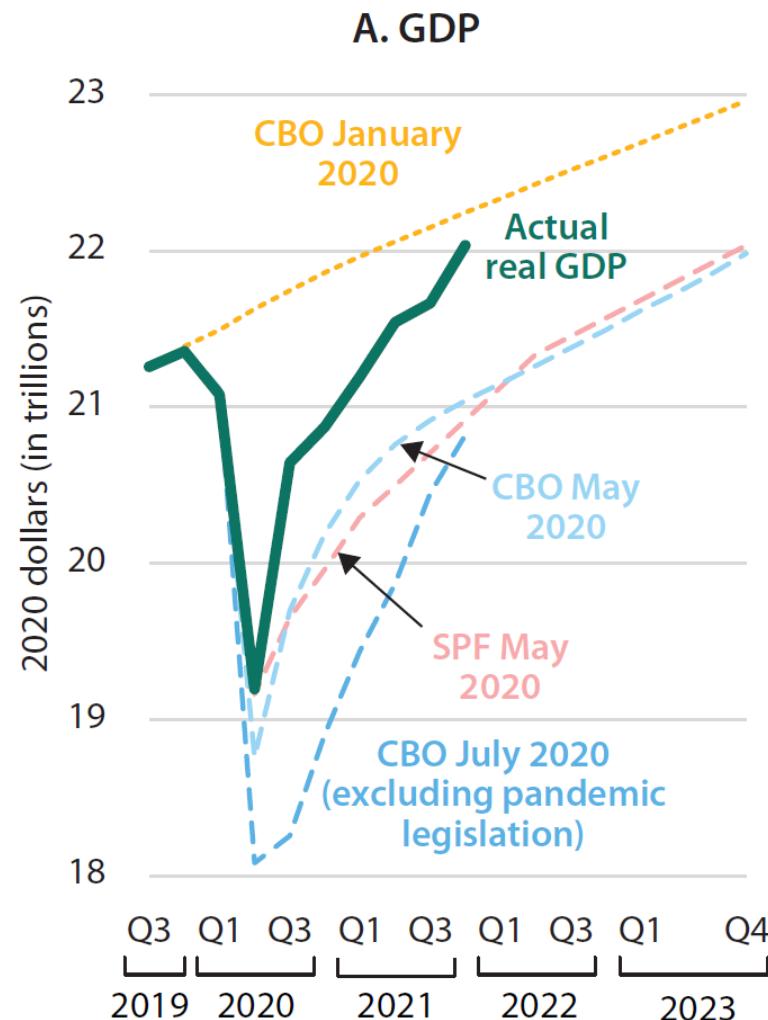
# Spending and inflation: goods versus services

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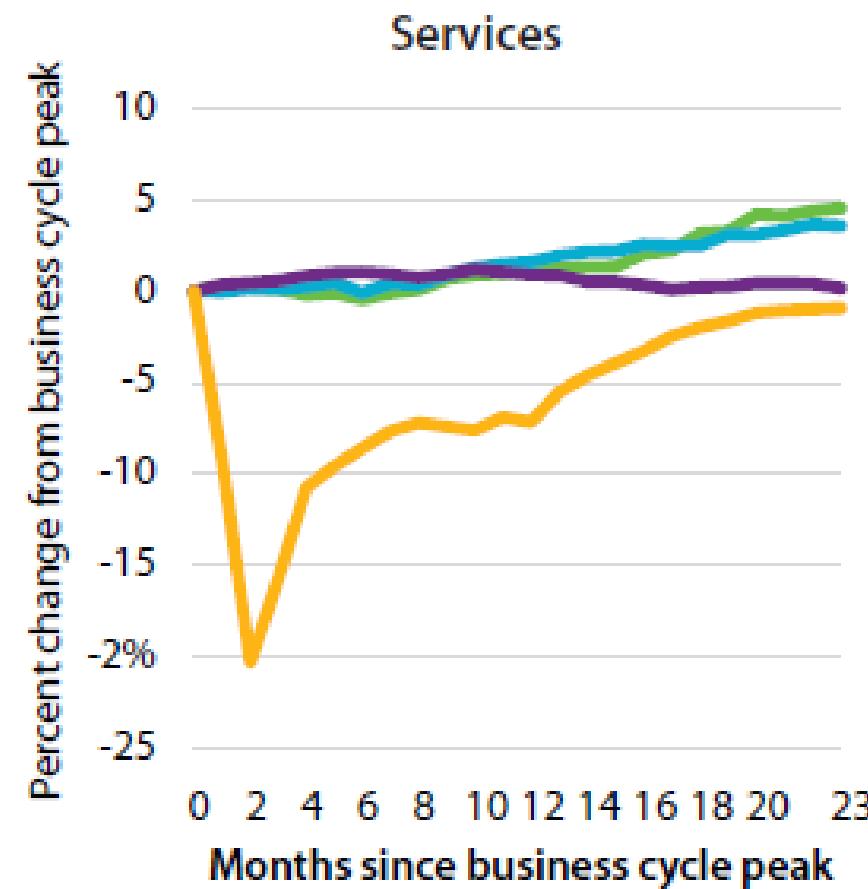
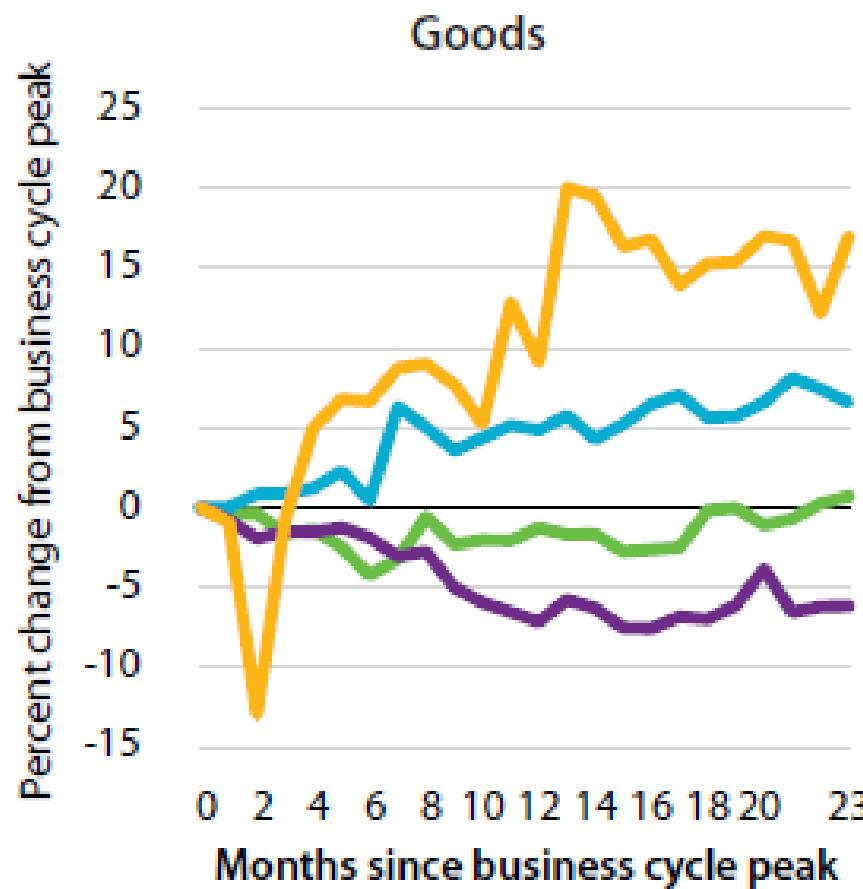
Wendy Edelberg  
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Presentation to the National Association of Business Economists  
March 21, 2022

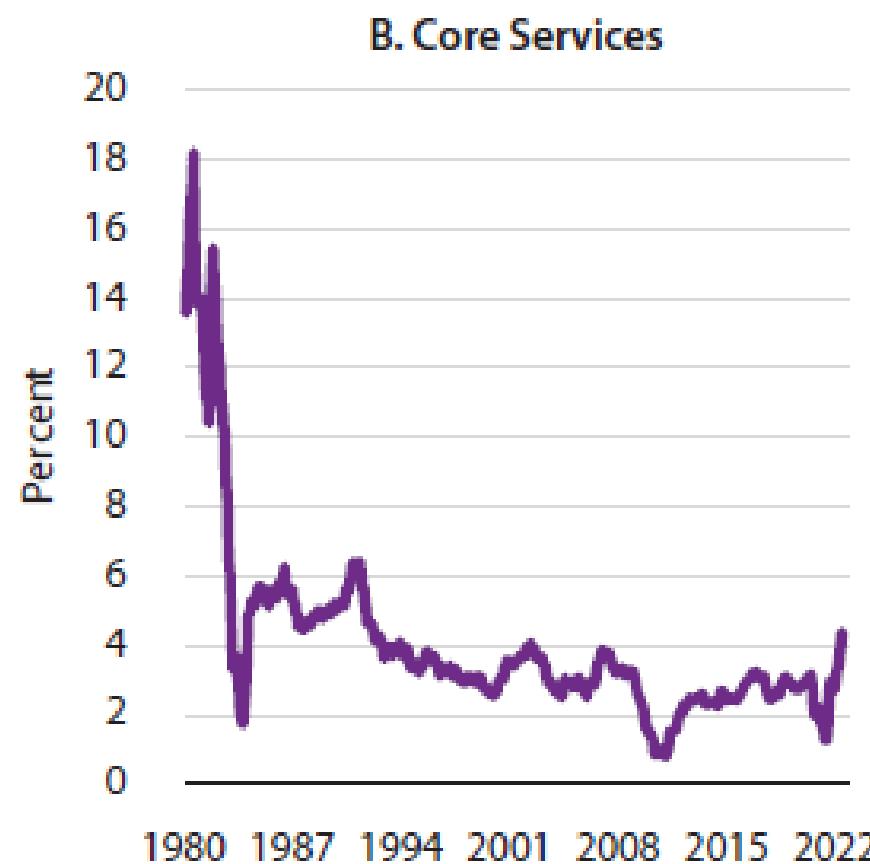
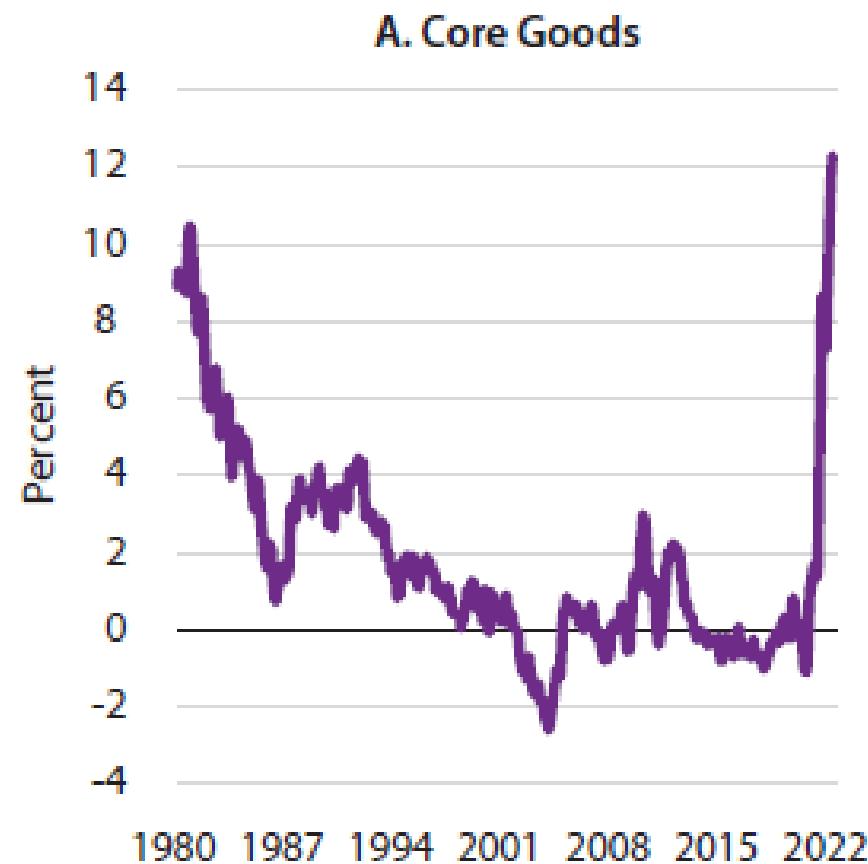
# The economy recovered faster than initially expected



# Spending on consumer goods is remarkably elevated



# Core goods inflation is much higher than in recent decades



# Sources

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- Figure 1

Source: Bureau of Economic Analysis (BEA); Bureau of Labor Statistics; Survey of Professional Forecasters (SPF); Congressional Budget Office (CBO)

Note: Actual GDP is as reported through the fourth quarter of 2021 by the BEA. Actual unemployment rate is the quarterly average of BLS reported monthly rates from 2019 - 2021, while the first quarter of 2022 is estimated using the average of January and February reported rates. Dates listed refer to forecast publication months from CBO and SPF, with one exception. In September 2020, CBO published the agency's projection as of July 2020 excluding the pandemic - related legislation enacted between March and July 2020.

- Figure 2

Source: BEA; National Bureau of Economic Research; authors' calculations.

Note: Figures display the percent change in seasonally - adjusted real personal consumption expenditures from the monthly pre - recession peak preceding each business cycle.

- Figure 3

Source: Bureau of Labor Statistics; authors' calculations.

Note: CPI refers to Consumer Price Index. Core Goods refers to CPI: Commodities less Food and Energy Commodities, while Core Services refers to CPI: Services less Energy Services.

