

# INFLATION SINCE THE PANDEMIC

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Remarks based on paper “Inflation and Wage Growth Since the Pandemic” (with Òscar Jordà)

2<sup>nd</sup> WE\_ARE\_IN Macroeconomics and Finance Conference

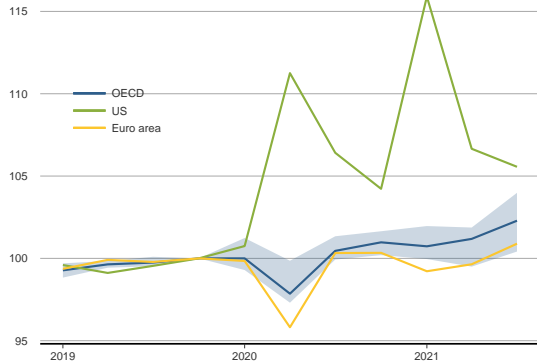
Bank of International Settlements, Basel  
29-30 September, 2022

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# U.S.: disproportional increase in RDI

## U.S. vs euro area

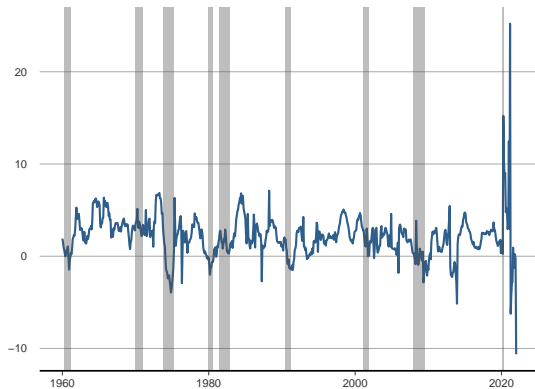
Real Disposable Income per capita (2019Q4=100)



Source: OECD Household Dashboard

## U.S. historically

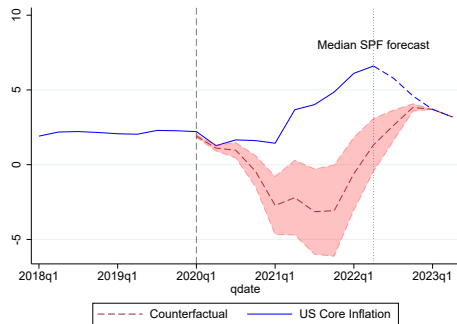
Real Disposable Income: per capita (%yoy)



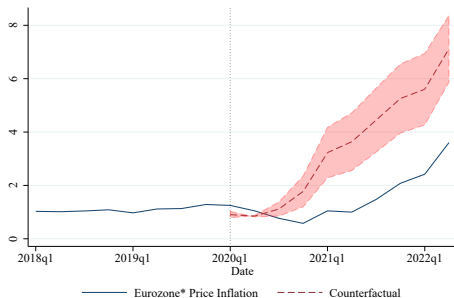
Source: U.S. Bureau of Economic Analysis

# U.S. vs euro area: counterfactual inflation

## United States



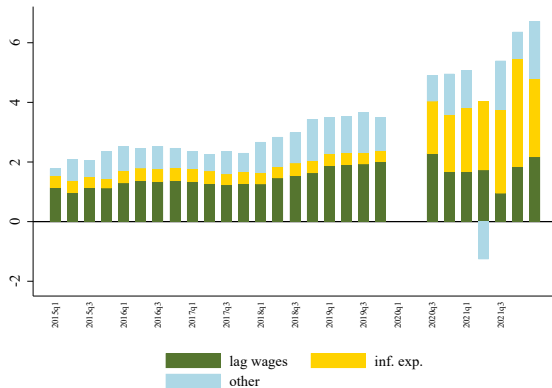
## Euro area



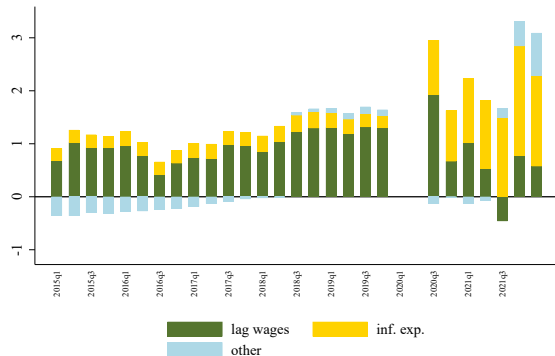
\*Weighted average of the following Eurozone countries:  
Austria, Belgium, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal, and Spain.

# Wage inflation more sensitive to expectations

## United States



## Euro area



Weighted average of the following euro area countries:  
Austria, Belgium, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal, and Spain.