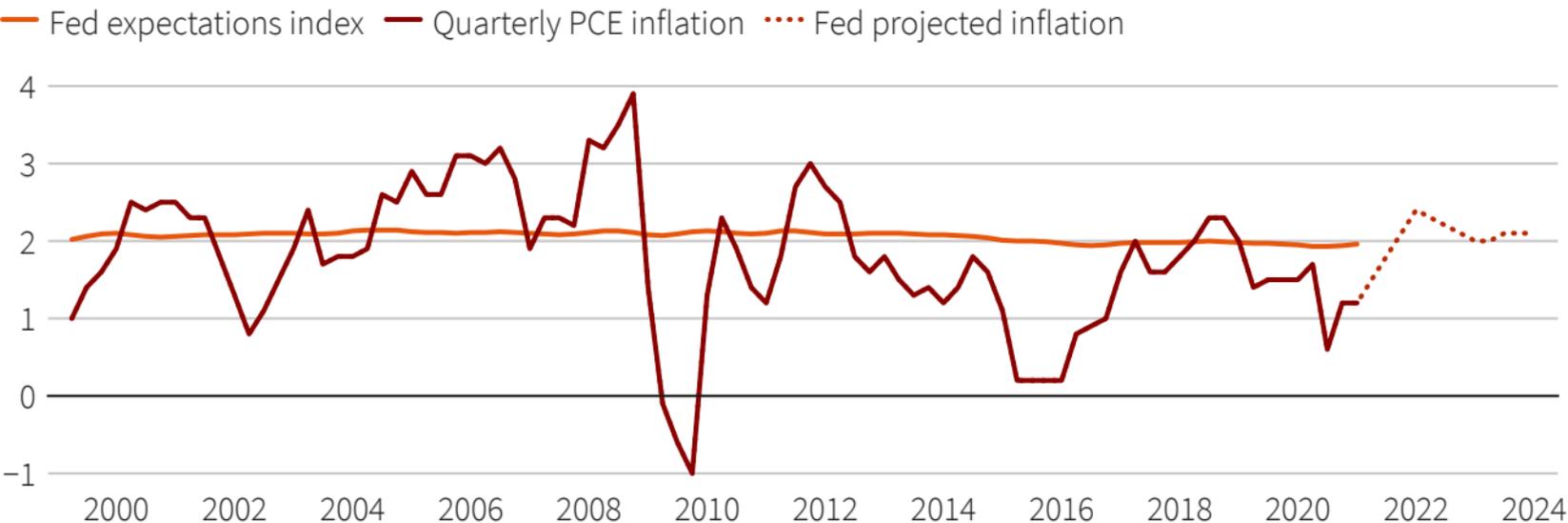


The Fed keys on inflation expectations

The Fed's approach to inflation hinges on keeping public expectations "anchored" close to its 2% target. A new index gives an overall sense of the mood among households and investors about where prices are heading. A slow downward trend caused concern, and a push for higher inflation.



Note: Fed inflation projections as of March 2021

Source: U.S. Federal Reserve, Bureau of Economic Analysis