

ARCH AND STRUCTURAL BREAKS IN UNITED STATES INFLATION

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DATA APPENDIX

The United States data are seasonally adjusted and quarterly for the period March 1960 to March 2013. The United States national accounts data are from the National Income and Product Account tables from the United States of America, Bureau of Economic Analysis. The aggregate data were downloaded via the internet on 31 May 2013. The data are available at www.BillRussell.info.

Variable	Details
Inflation (dlpfc in the data):	Nominal gross domestic product (GDP) at factor cost is nominal GDP (Table 1.1.5, line 1) plus subsidies (NIPA Table 1.10, line 10) less taxes (NIPA Table 1.10, line 11). The 'price' series is the GDP implicit price deflator at factor cost calculated as nominal GDP at factor cost divided by constant price GDP at 2005 prices (NIPA Table 1.1.6, line 1). Inflation is the first difference of the natural logarithm of the price series. Note that Graph 1 shows the estimated inflation regimes multiplied by 400 to provide an 'annualised' rate of inflation.
The Markup (lmufe1 in the data):	Calculated as the natural logarithm of nominal GDP at factor cost divided by compensation of employees paid (NIPA Table 1.10, line 2).
Variable Regime in the data :	Numbers the inflation regimes from 1 to 10.
Variables d1 to d10 in the data :	Are the ten shift dummies that coincide with the ten inflation regimes identified by the Bai-Perron technique.