

ESTIMATING UNITED STATES PHILLIPS CURVES WITH EXPECTATIONS CONSISTENT WITH THE STATISTICAL PROCESS OF INFLATION

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DATA APPENDIX

The United States data are seasonally adjusted and quarterly for the period March 1960 to December 2010. 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 27 April 2011. The data are available at www.BillRussell.info.

| Variable | Details |
|------------|--|
| Inflation | 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. Shown as <code>dlpfc</code> in the web data set. |
| The Markup | Calculated as the natural logarithm of nominal GDP at factor cost divided by compensation of employees paid (NIPA Table 1.10, line 2). Shown as <code>lmufc1</code> in the web data set. |

BAI-PERRON IDENTIFIED INFLATION REGIMES

See Appendix 2 in the paper for more details. **The ten inflation regime dummies corresponding to the ten regimes in table below are shown in the web data set as shift dummies d1 to d10.**

| <i>Regime</i> | <i>Aggregate Data Dates of the 'Inflation Regimes'</i> | <i>Mean</i> |
|---------------|--|-------------|
| 1 | March 1960 to September 1964 | 0.003166 |
| 2 | December 1964 to September 1967 | 0.007450 |
| 3 | December 1967 to December 1972 | 0.011538 |
| 4 | March 1973 to March 1978 | 0.018534 |
| 5 | June 1978 to September 1981 | 0.021085 |
| 6 | December 1981 to December 1984 | 0.010196 |
| 7 | March 1985 to June 1991 | 0.007769 |
| 8 | September 1991 to September 2003 | 0.004841 |
| 9 | December 2003 to September 2007 | 0.008041 |
| 10 | December 2007 to December 2010 | 0.003341 |