



Search FRED Blog

Recent Posts

- [Assets and liabilities of younger vs. older households](#)
- [Has US-China decoupling energized American manufacturing?](#)
- [Pie charts about pie on \$\pi\$ day](#)
- [The largest sources of imported goods](#)
- [Gimme shelter: The lag in inflation for living spaces](#)

The FRED® Blog

The sticky price consumer price index

An alternative measure of core inflation from the Atlanta Fed



Posted on March 9, 2023



CPI +3.2 % Chg. from Yr.
Ago on Feb 2024

Civ. Unemploy. Rate 3.9 % on Feb 2024

10-Yr. Treas. Rate 4.27 % on 2024-03-21

Real GDP +3.2 %, Comp.
Annual Rate of Chg.
on Q4 2023

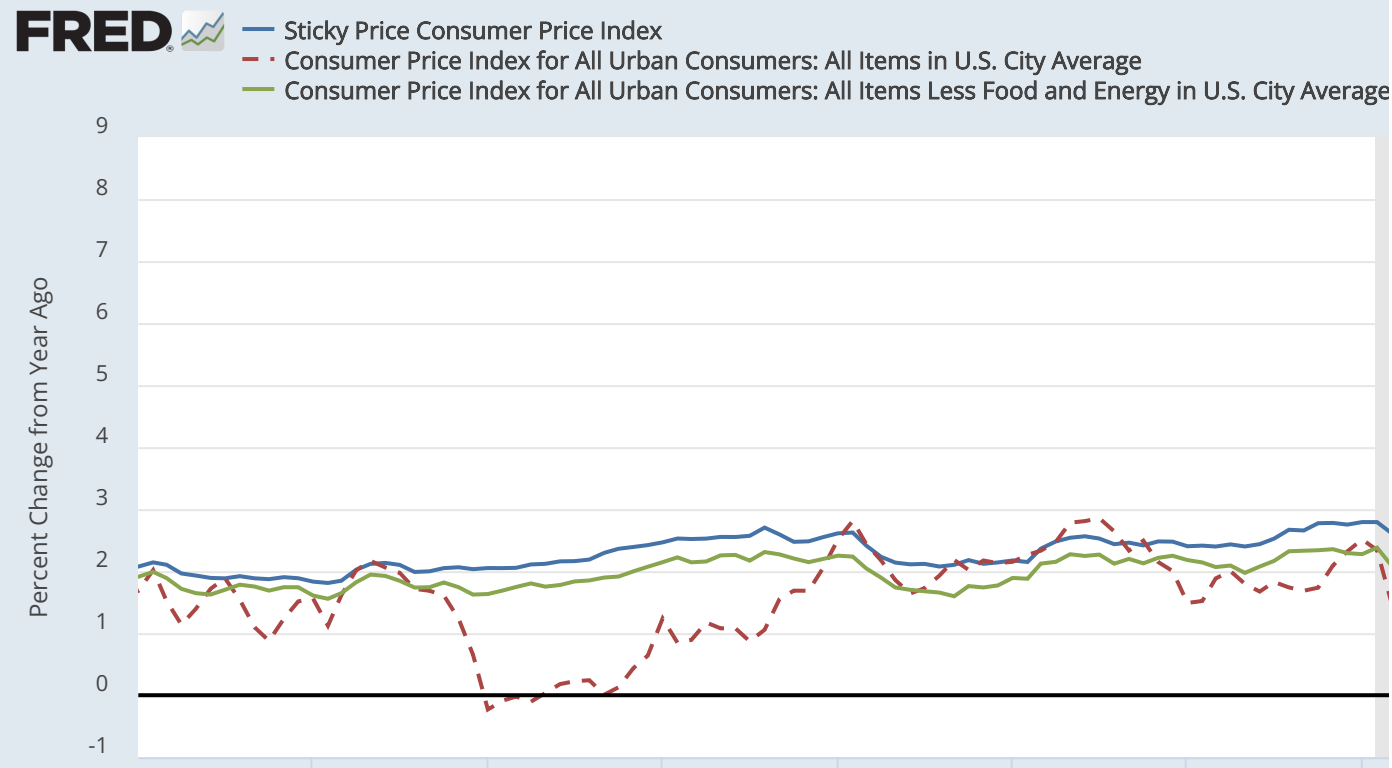
IP +0.1 % Chg.
on Feb 2024

Payroll Employment +275 Chg., Thous. of
Persons on Feb 2024

... and 823,000+ more series in FRED

Recent St. Louis Fed research

- [What To Know About the Rise of Services](#)
- [Why Have a Strategic Petroleum Reserve?](#)
- [By the Generations: Location Patterns of Different Cohorts](#)



The consumer price index (CPI) is calculated by looking at the cost of a market basket of consumer goods and services purchased by an average urban consumer. During the past two years, overall CPI inflation has increased and decreased, in part because of supply and demand shocks to the prices of *individual* goods and services, such as [eggs](#) and [shelter](#). These specific shocks make it difficult to identify trends in broad inflation. But alternative price indexes can help measure the “core” of inflation.

The FRED graph above shows the all-items CPI inflation rate (dashed red line), reported by the U.S. Bureau of Labor Statistics, plus two special aggregations of consumer prices:

- The “all items less food and energy” CPI inflation (green line) is also reported by the BLS; it excludes the prices of food and energy, two components of the all-items CPI that are frequently the most volatile.
- The “sticky price” CPI inflation (blue line) is reported by the Federal Reserve Bank of Atlanta, which sorts the components of the all-items CPI and categorizes them as either “flexible” or “sticky” (slow to change).

- [Accounting for the Effects of Fiscal Policy Shocks on Exchange Rates through Markup Dynamics](#)
- [Trade Risk and Food Security](#)

Archives

- [March 2024](#)
- [February 2024](#)
- [January 2024](#)
- [December 2023](#)
- [November 2023](#)
- [October 2023](#)
- [September 2023](#)
- [August 2023](#)
- [July 2023](#)
- [June 2023](#)
- [May 2023](#)
- [April 2023](#)
- [March 2023](#)
- [February 2023](#)
- [January 2023](#)
- [December 2022](#)
- [November 2022](#)
- [October 2022](#)
- [September 2022](#)
- [August 2022](#)
- [July 2022](#)
- [June 2022](#)
- [May 2022](#)
- [April 2022](#)
- [March 2022](#)
- [February 2022](#)
- [January 2022](#)
- [December 2021](#)
- [November 2021](#)
- [October 2021](#)
- [September 2021](#)

Between January 2013 and January 2023, both of these special aggregations of consumer prices have signaled [very similar core inflation rates](#); but their lockstep movement broke down during the COVID-19-induced recession in 2020. Since then, “all items less food and energy” CPI inflation has been noticeably more volatile than “sticky price” CPI inflation. This dynamic suggests a broader range of price categories has experienced notable and unexpected changes.

Stick to the FRED Blog and learn more about core inflation. A [post on the topic](#) was recently referenced in the [Federal Register](#), the daily journal of the United States government, as part of a [proposed rule](#).

How this graph was created: Search [FRED](#) for “Sticky Price Consumer Price Index.” Next, click the “Edit Graph” button, select the “Add Line,” and search for “Consumer Price Index for All Urban Consumers: All Items in U.S. City Average.” Next, select the “Line 2” tab and use the “Units” dropdown menu to select “Percent Change from Year Ago.” Repeat the “Add Line” step to add the “Consumer Price Index for All Urban Consumers: All Items Less Food and Energy in U.S. City Average” series to the graph and calculate their year-over-year percent growth rate.

Suggested by [Diego Mendez-Carbajo](#).
