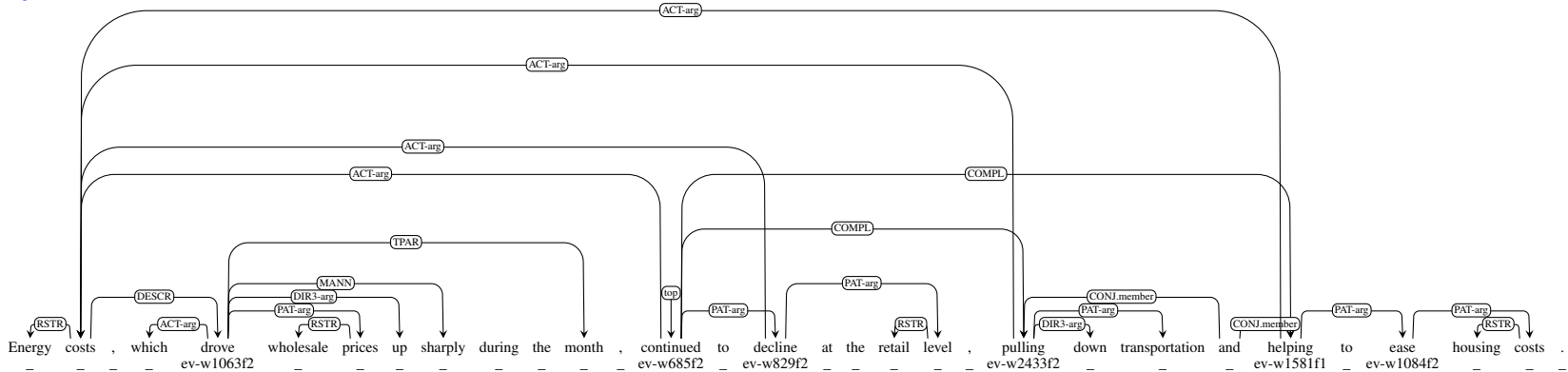
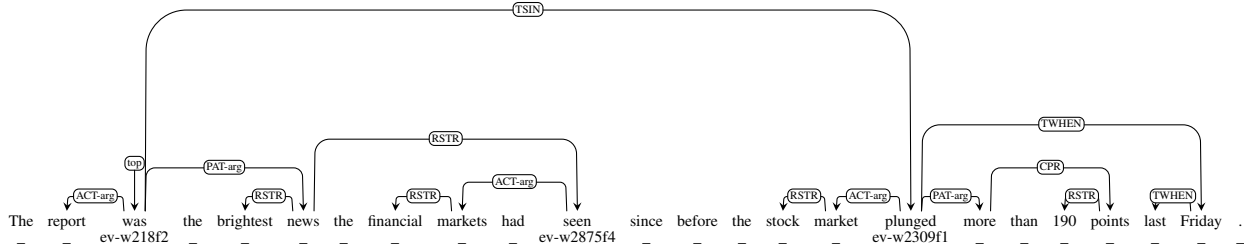


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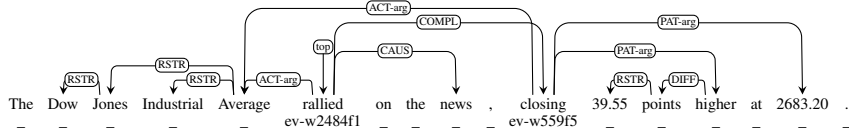
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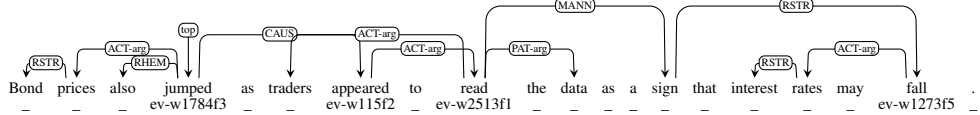
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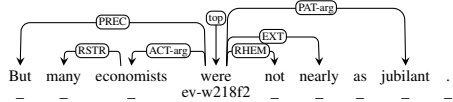
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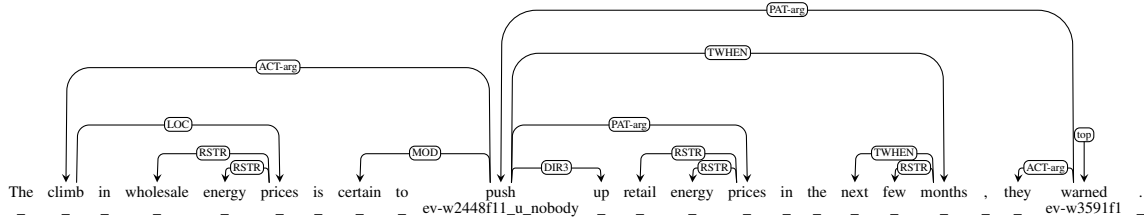
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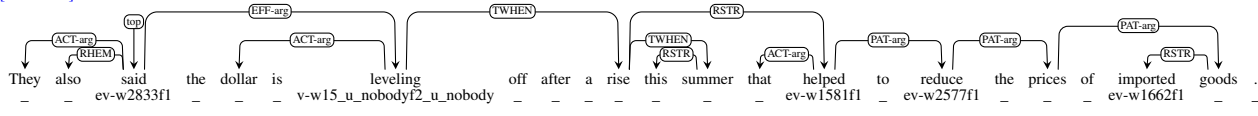
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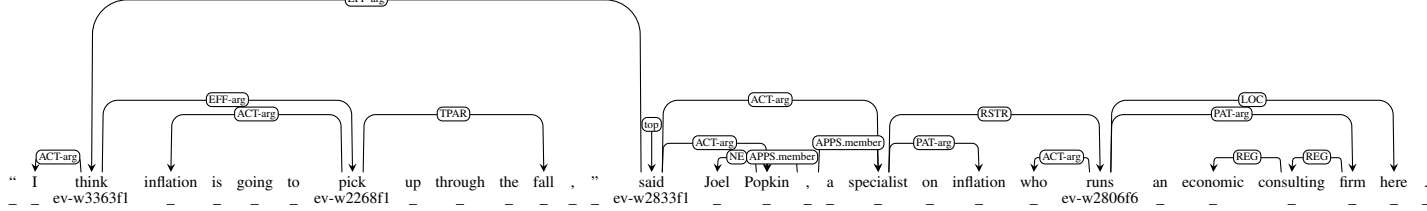
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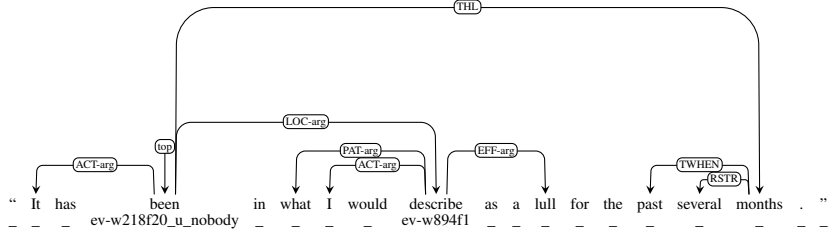
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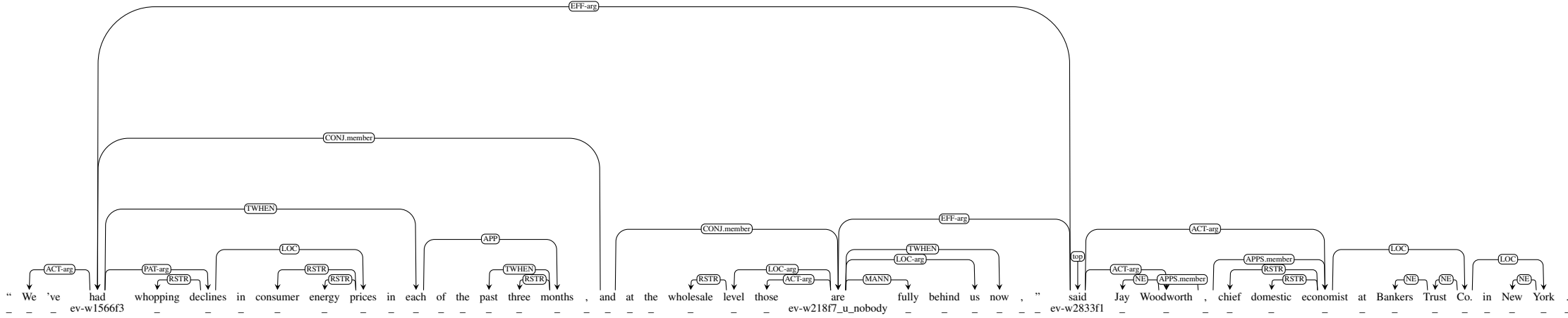
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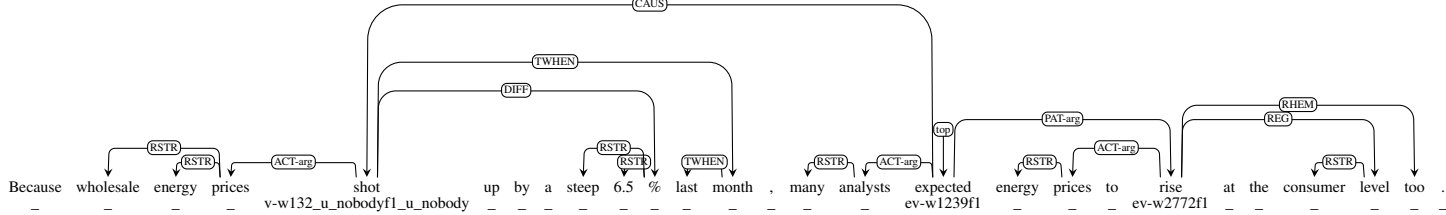
[21616010]



[21616011]



[21616012]



[21616013]

As a result , many economists were expecting the consumer price index to increase significantly more than it did .

[21616014]

But retail energy prices declined 0.9 % in September .

[21616015]

Though analysts say competition will probably hold down increases in retail energy prices , many expect some of the wholesale rise to be passed along to the consumer before the end of the year .

[21616016]

Still , some analysts insisted that the worst of the inflation is behind .

[21616017]

" It increasingly appears that 1987-88 was a temporary inflation blip and not the beginning of a cyclical inflation problem , " argued Edward Yardeni , chief economist at Prudential-Bache Securities Inc. in New York .

[21616018]

In both 1987 and 1988 , consumer prices rose 4.4 % .

[21616019]

A run-up in world oil prices last winter sent consumer prices soaring at a 6.7 % annual rate in the first five months of this year , but the subsequent decline in energy prices has pulled the annual rate back down to 4.4 % .

[21616020]

Mr. Yardeni predicted that world business competition will continue to restrain prices .

[21616021]

" The bottom line is , it seems to me that the economic environment has become very , very competitive for a lot of businesses , " he said .

[21616022]

" Back in 1987-88 , business was operating at fairly tight capacity , so businesses felt they could raise prices . "

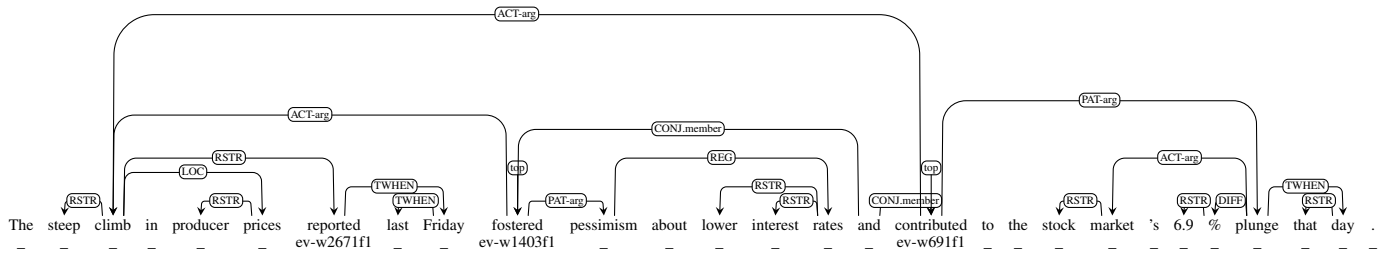
[21616023]

Now , he said , a slowdown in economic activity has slackened demand .

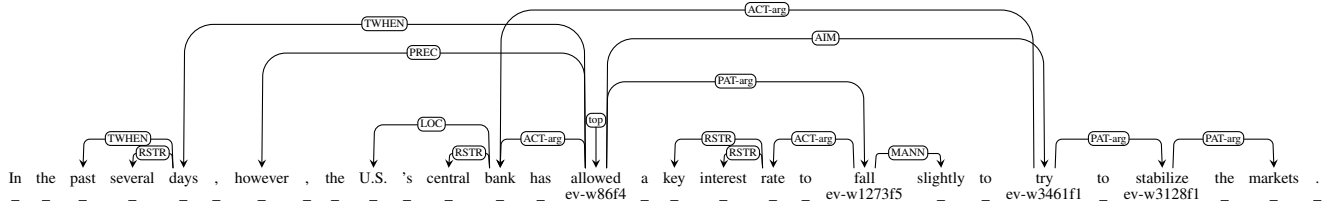
[21616024]

The mild inflation figures renewed investors ' hopes that the Federal Reserve will ease its interest-rate stance .

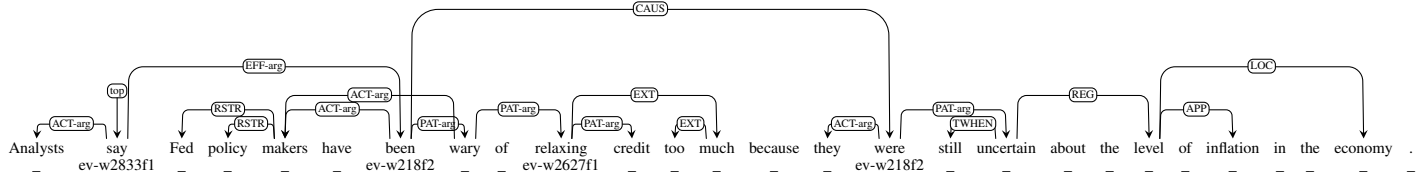
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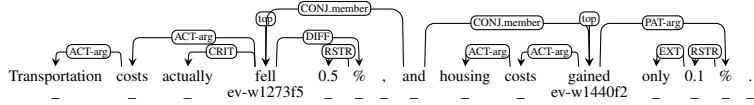
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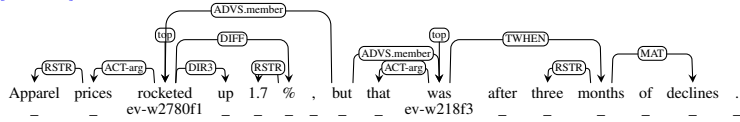
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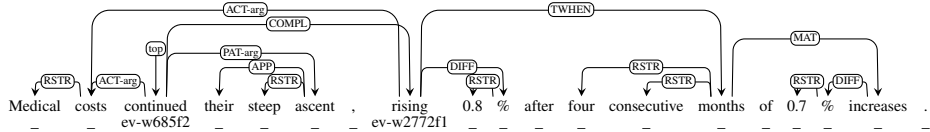
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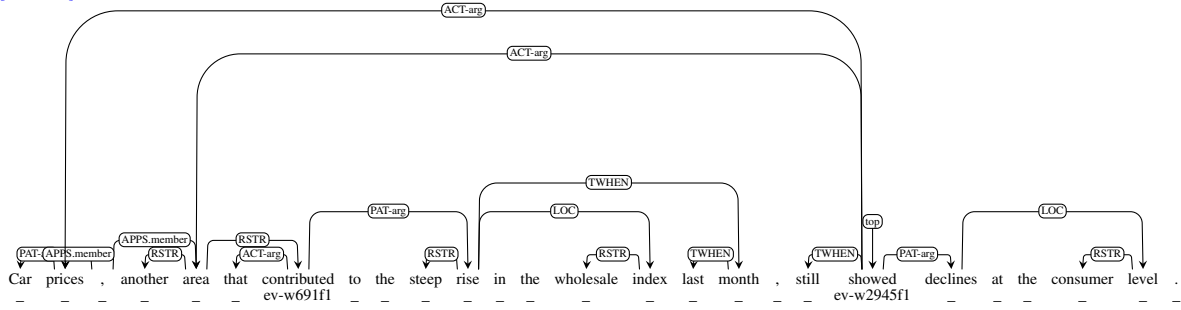
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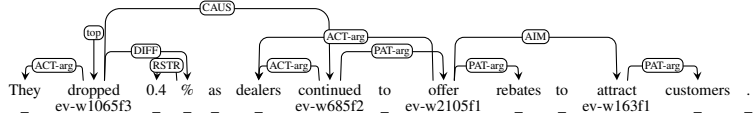
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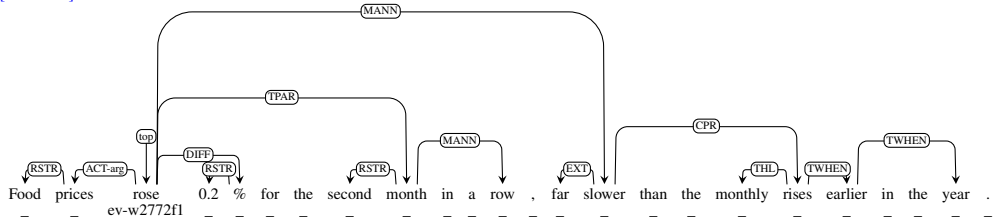
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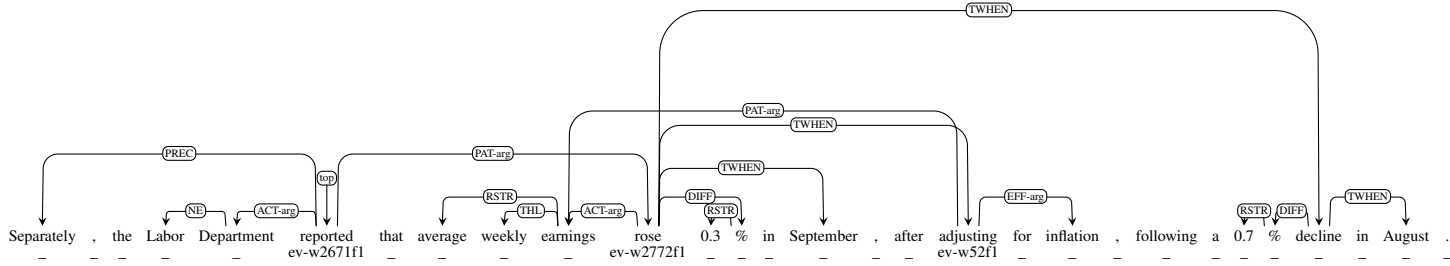
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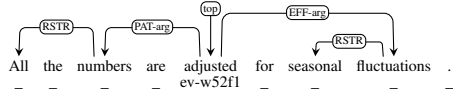
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[21616035]



[21616036]



[21616037]

