

Table 1 provides the average inflation statistics for each of the bins created by the K-nearest neighbors algorithm. Each of the primary variables, unemployment, percent change in government debt, and percent change in monetary supply show a causal relation of about .3 with inflation. (Fig 1). Specifically, for every unit increase in the primary variables, there is a -.18, -.01 and .06 change in inflation respectively. Additionally, the distribution of the treatment is a non-normal distribution, as it is skewed to either side for the New Keynesian model (Fig 3).

Bin Label	Average Inflation	Standard Deviation	Minimum Inflation	Maximum Inflation	Count
Disinflation	-0.390878289346875	0.34769497852096700	-1.3528394	-0.0085712951	32
Target	2.1538185817928600	1.184635731562860	0.01794683	4.9607167	420
High	8.405425120325200	2.6456219244685900	5.0307374	15.162456	123

Table 1: The descriptive statistics for the K-nearest neighbor grouping of inflation, including the bin labels and the amount of observations .

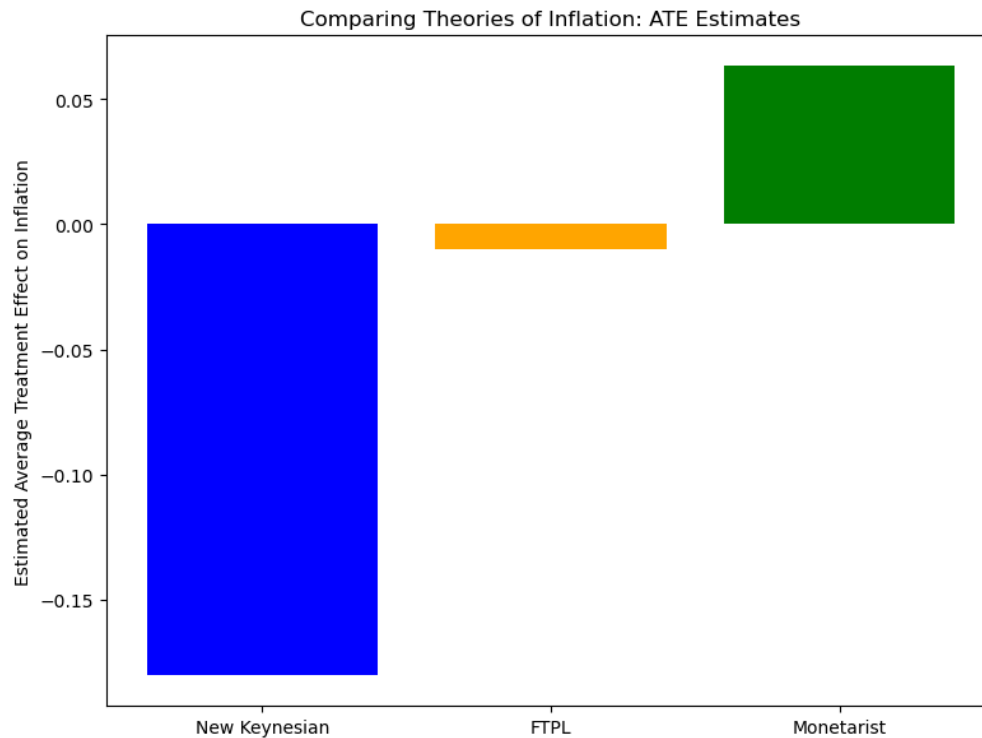


Fig 1: The bar graph shows the treatment effect of the primary variable on inflation for every unit increase in the primary variable. From left to right, the effect of unemployment, percent change in government debt and percent change in monetary supply.

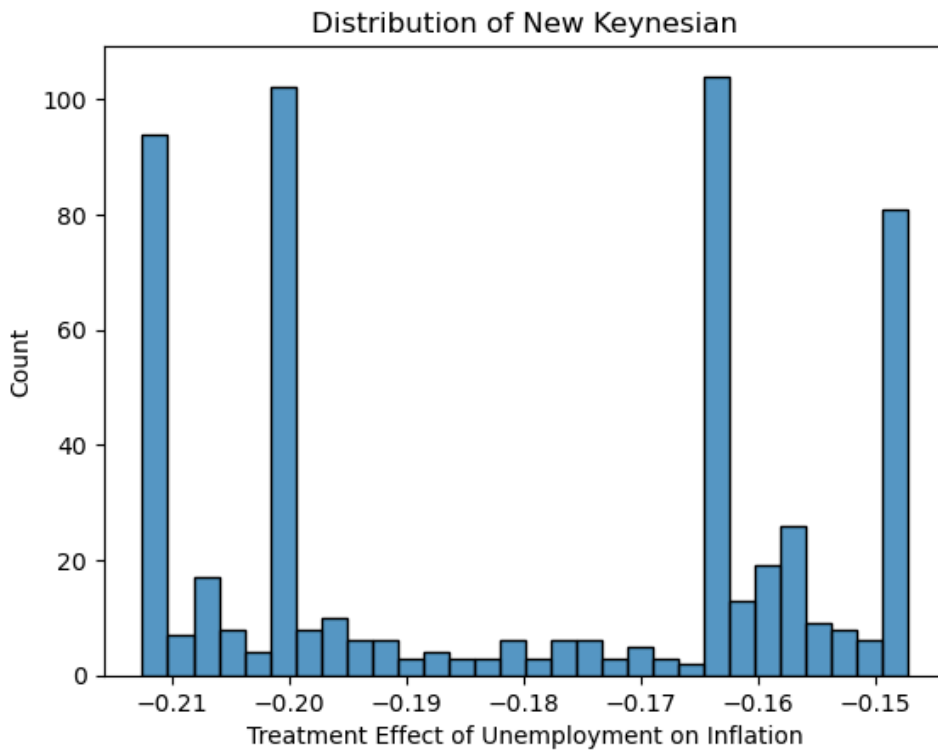


Fig 2: The bar graph shows the distribution of results from each individual causal tree on the relation between unemployment and inflation. The mean of the distribution sits around -.17.