

South African Reserve Bank
Biennial Conference

August 31, 2023

The Major Challenges in US Monetary Policy

Presented by



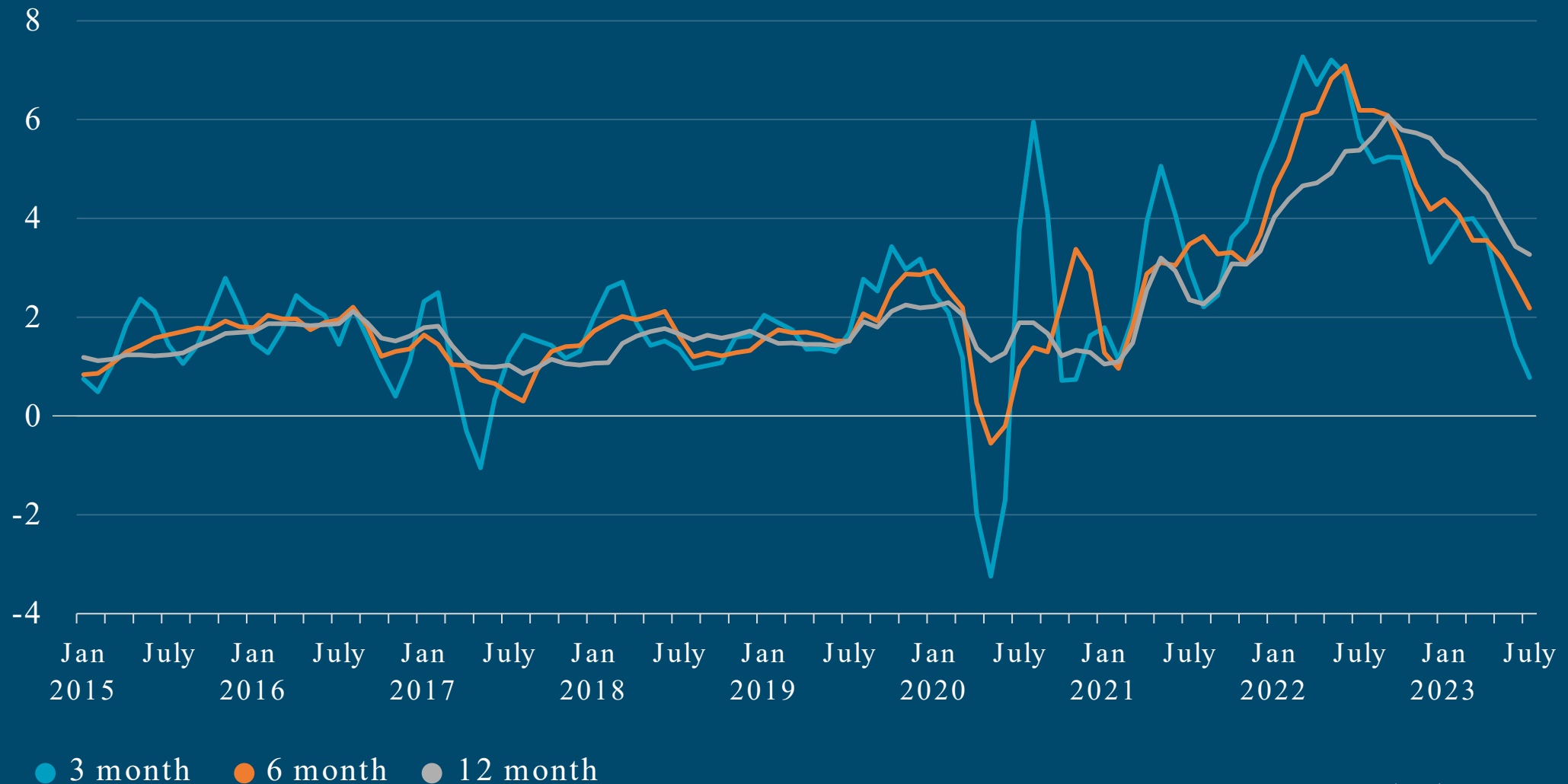
Raphael Bostic
President and CEO



Federal Reserve Bank *of* Atlanta

Sticky-Price CPI Less Food, Energy, and Shelter

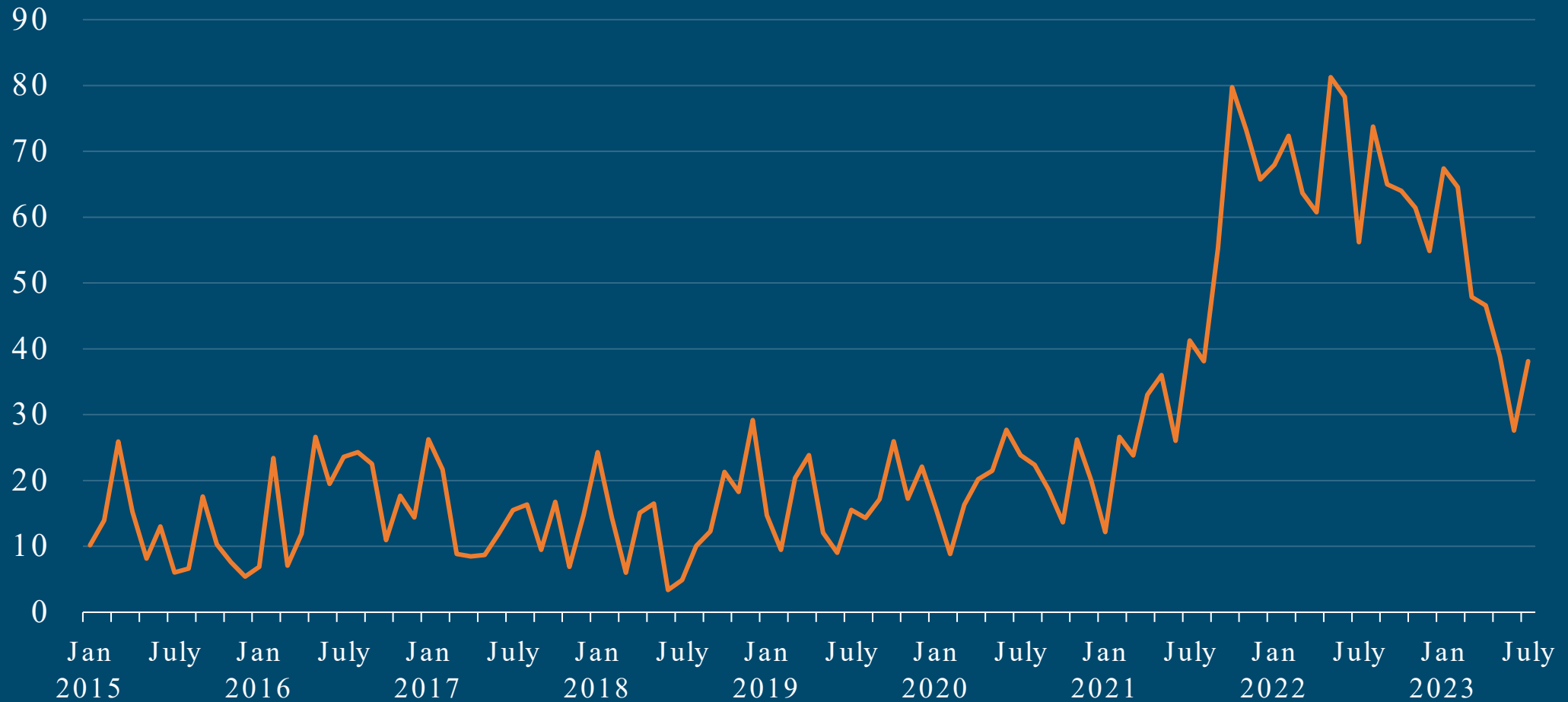
Percent change, annual rate



Source: Federal Reserve Bank of Atlanta

Percentage of Prices in CPI Rising 5% or More

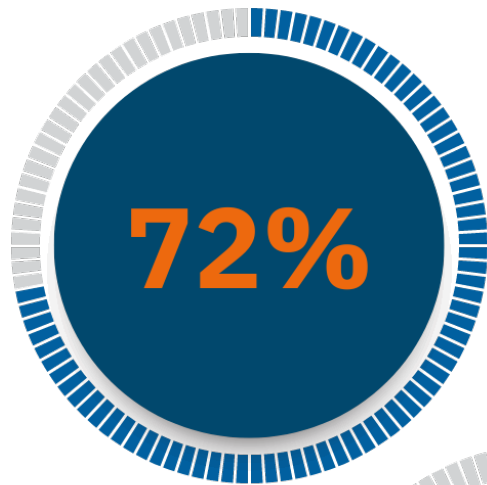
Weighted by expenditures



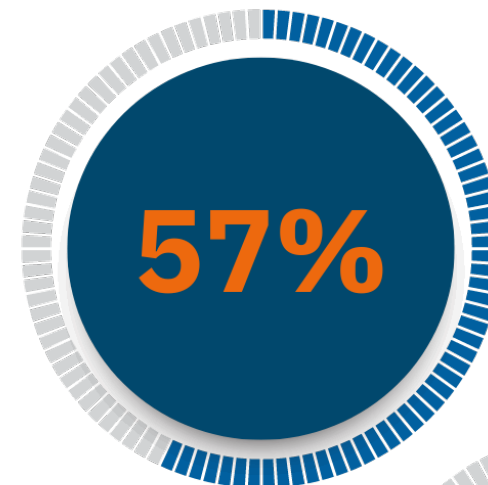
Source: US Bureau of Labor Statistics; staff calculations

Fewer Firms Plan Smaller Price Hikes

Percentage change from the same month a year ago

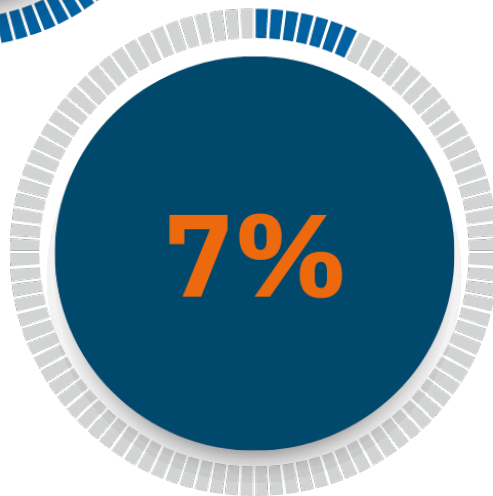


Percentage of respondent firms that raised prices of main product or service in the 12 months through May 2023

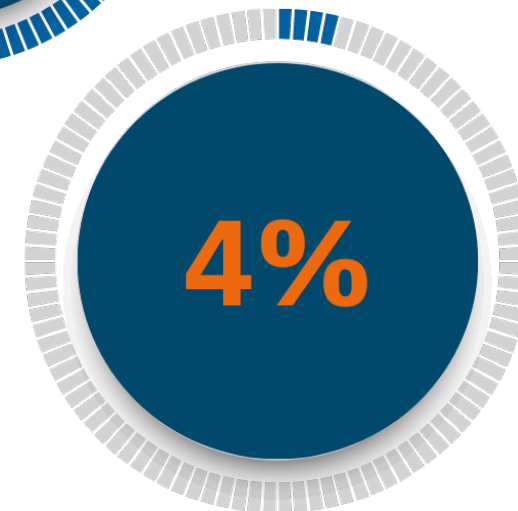


Percentage of respondent firms that plan to raise prices in the 12 months through May 2024

Average increase
→



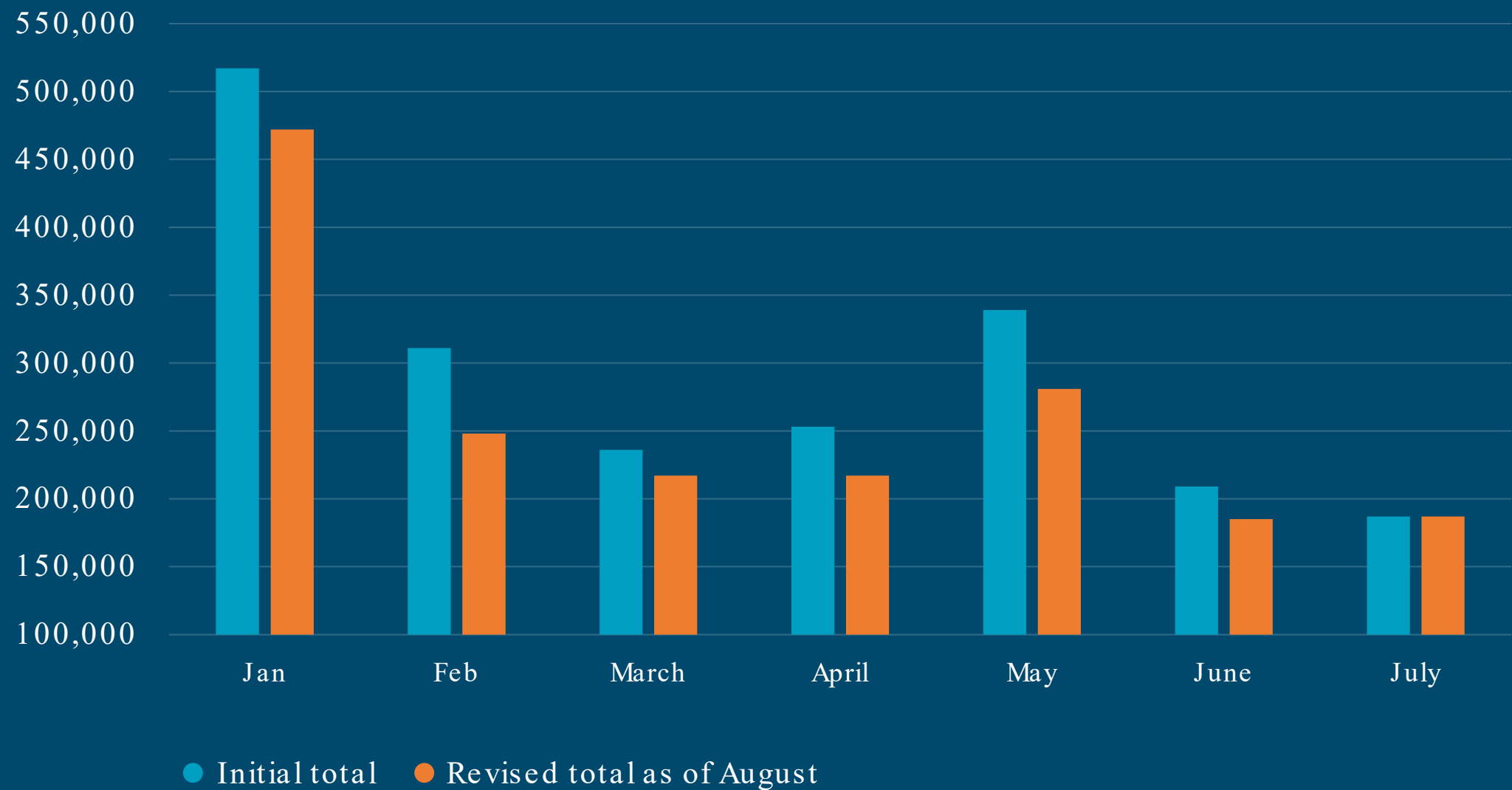
7%



4%

←
Average increase

Monthly Employment Growth Revisions (2023)



Firms Plan Smaller Wage Increases

Percent change from the same month a year ago



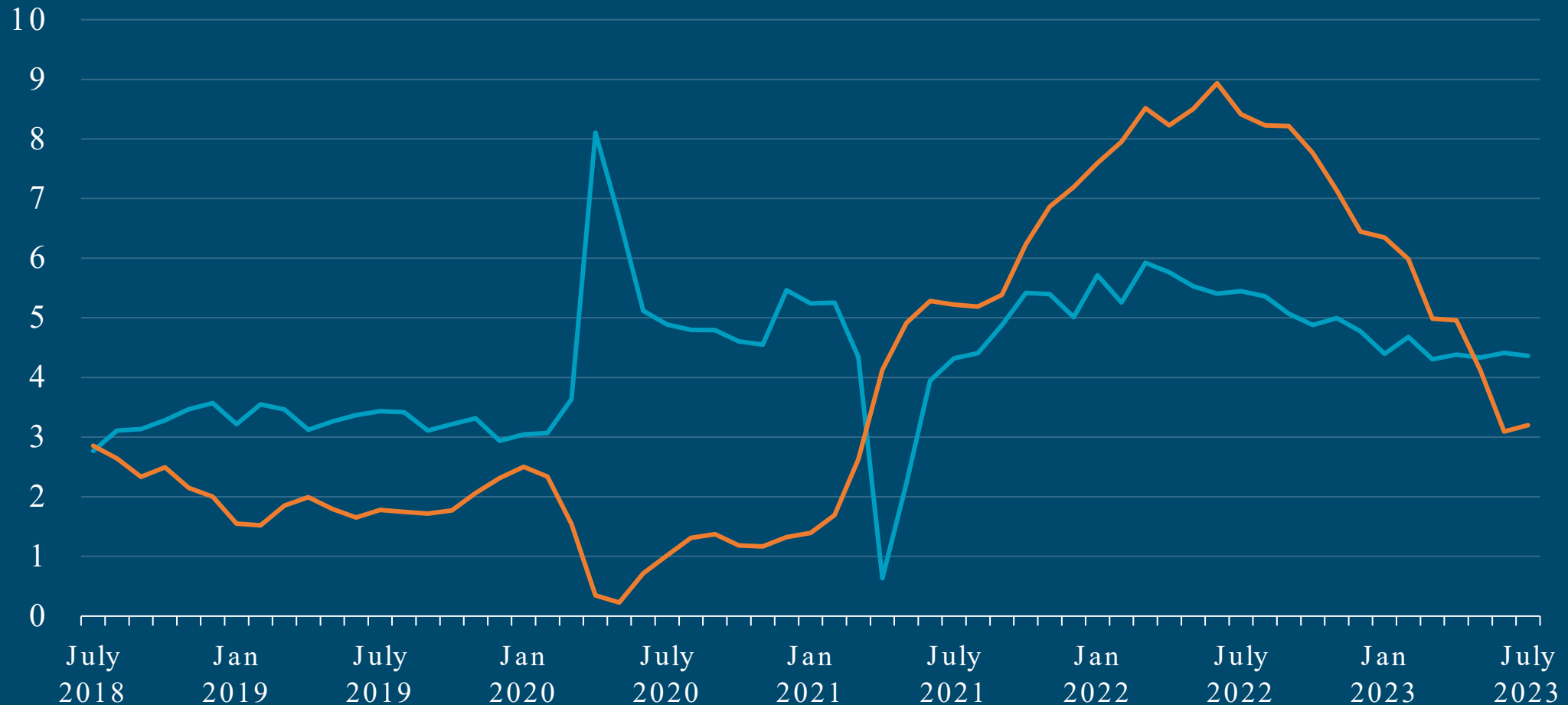
Average pay increases in the
12 months through May 2023



Average projected pay increases in the
12 months through May 2024

Wage Growth and Inflation

Percent change from the same month a year ago



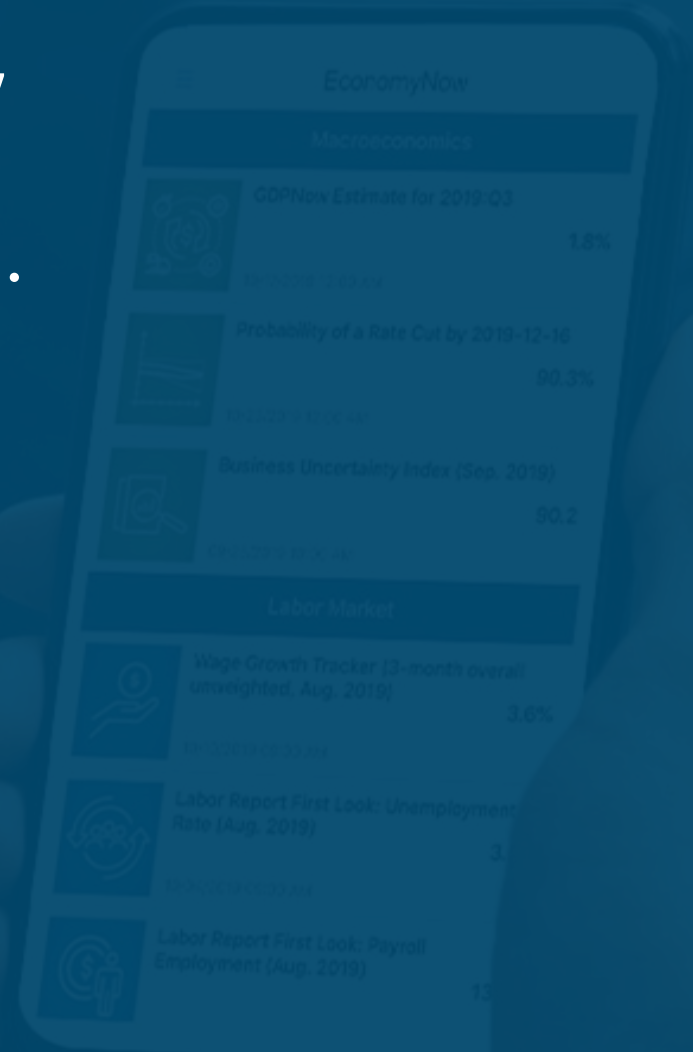
● Average hourly earnings ● Consumer Price Index

Source: US Bureau of Labor Statistics

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