

### Average Rates of Inflation, Output Growth, and Unemployment (%)

Industry classification	Full sample	Without recessions	Without financial crisis
<b>January 1990–June 2001</b>			
Headline PCE inflation	2.40	2.30	—
Growth rate of real GDP	3.20	3.70	—
Unemployment rate	5.54	5.54	—
<b>July 2001–March 2012</b>			
Headline PCE inflation	2.21	2.47	2.36
Growth rate of real GDP	1.65	2.66	2.50
Unemployment rate	6.50	6.54	5.31

### Estimates of the Equation $ps_t = \alpha + \beta ur_{t-1} + \delta pce_{t-1} + \varepsilon_t$

	January 1990–June 2001			July 2001–December 2008		
$\alpha$	1.222	0.953	0.807	-1.714	-1.477	-1.741
$\beta$	-0.590	—	-0.959	-2.502	—	-2.474
$\delta$	—	0.564	1.024	—	0.540*	0.069†
$\bar{R}^2$	0.258	0.170	0.736	0.846	0.073	0.845

NOTE: \*,†  $p$  values for these estimates are 0.045 and 0.573, respectively; all other  $p$  values are zero.