



EUROPEAN CENTRAL BANK

EUROSYSTEM

International inflation co-movements

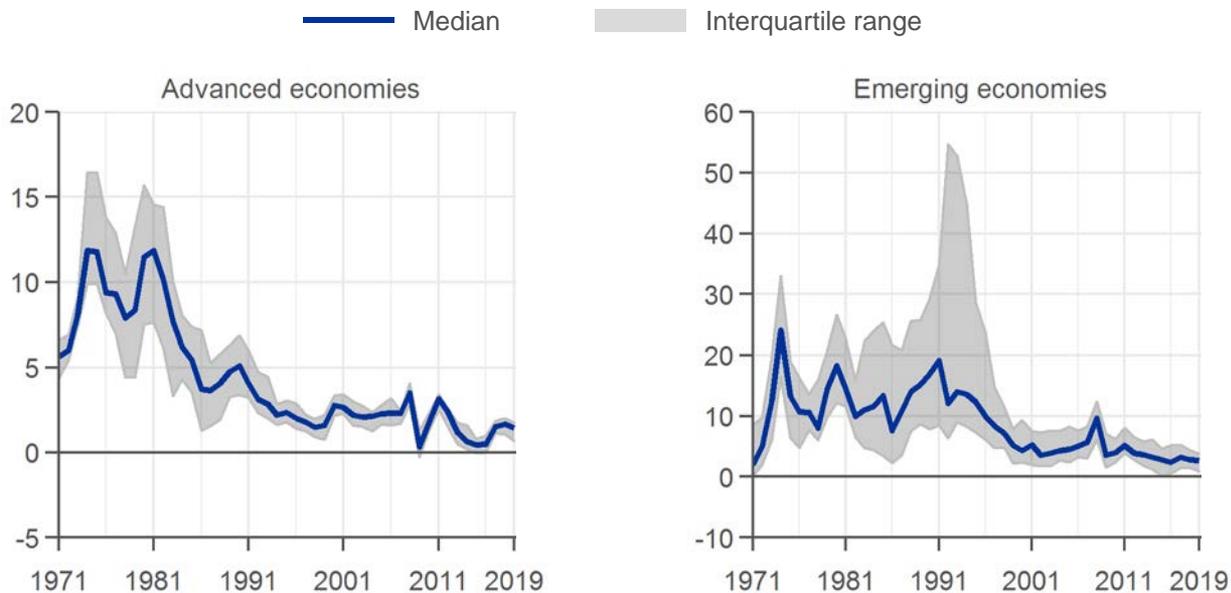


22 May 2020

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Member of the Executive Board

Range of inflation in advanced and emerging economies over time

(annual percentage changes)

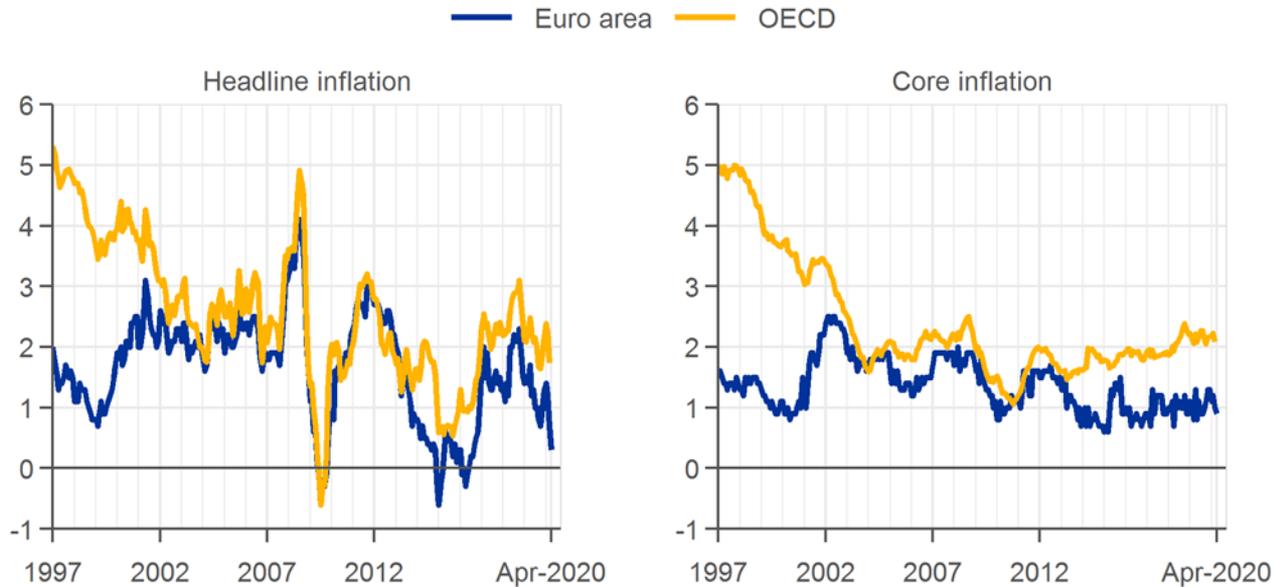


Source: Haver Analytics.

Notes: The interquartile range covers 50% of the sample of 25 advanced and 93 emerging market economies.

Inflation in the euro area and in the OECD

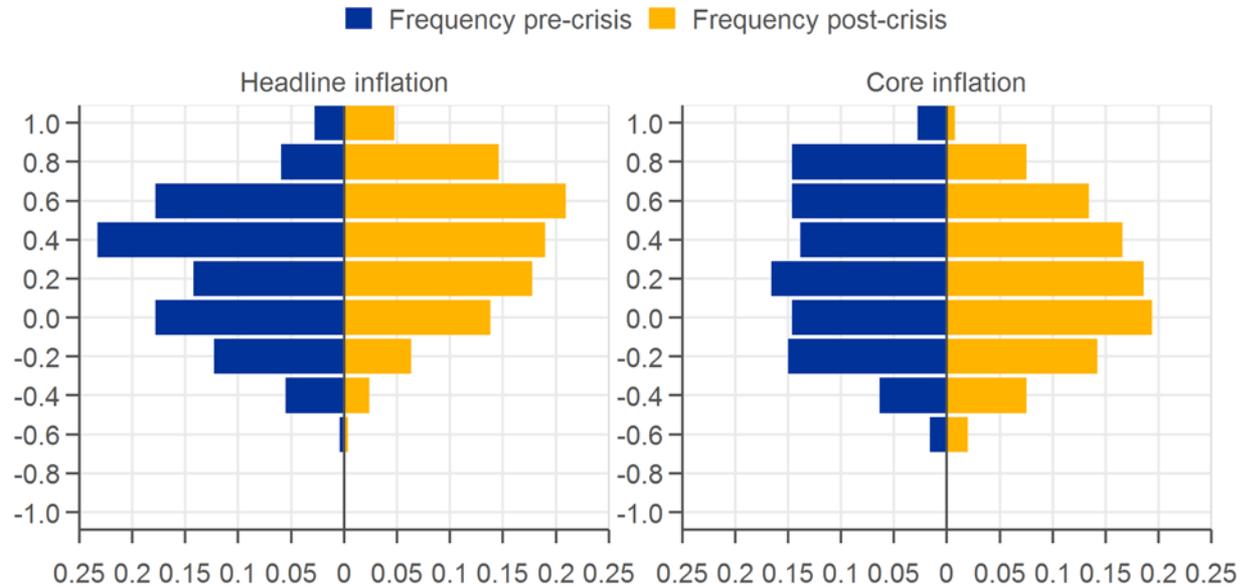
(annual percentage changes)



Sources: Eurostat and Haver Analytics.

Distribution of pairwise cross-country correlations of headline and core inflation

(x-axis: frequency; y-axis: correlation coefficient)



Sources: Haver Analytics and national statistical offices.

Notes: The data cover 33 advanced and emerging economies at monthly frequency. The pre-crisis sample runs from January 1997 to June 2008; the post-crisis sample runs from July 2008 to December 2019.

The relation between the common factor in global inflation and commodity price developments

(annual percentage changes)

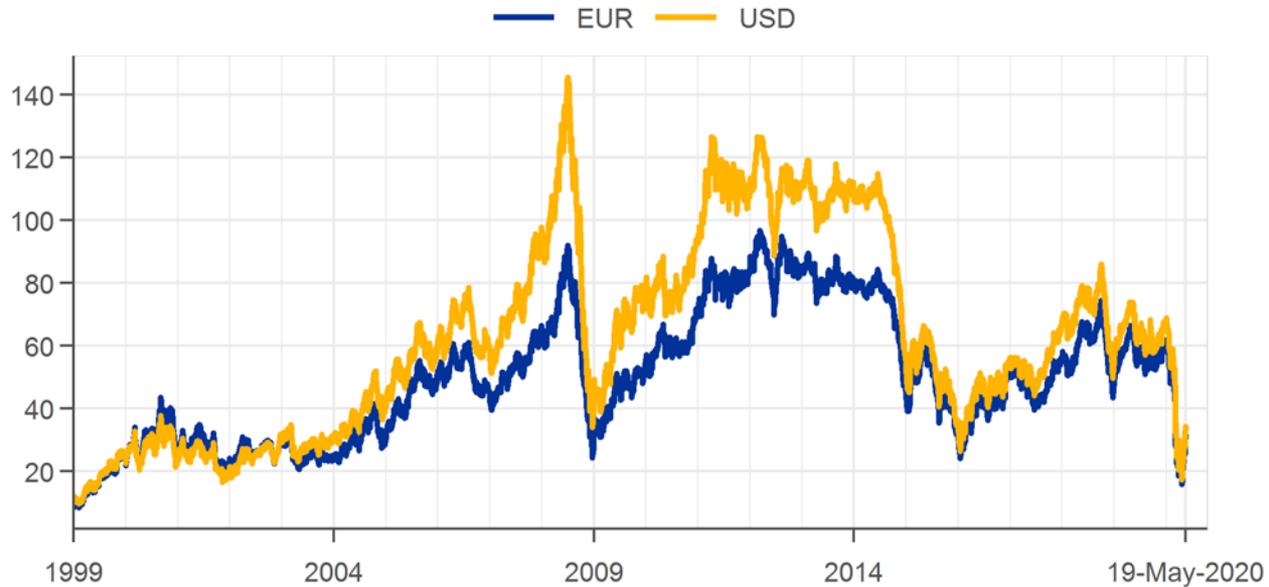


Sources: Haver Analytics and national statistical offices.

Notes: The common factor is demeaned. The estimation sample runs from January 1997 to December 2019. The blue line reflects the zero mean common factor in global inflation as derived by replicating the principal component approach of Ciccarelli and Mojon (2010) for a sample of 33 advanced and emerging economies. The yellow line reflects movements of oil and food prices weighted with the coefficients derived by a linear regression of the common factor on oil and food prices.

Oil prices in US dollars and in euro

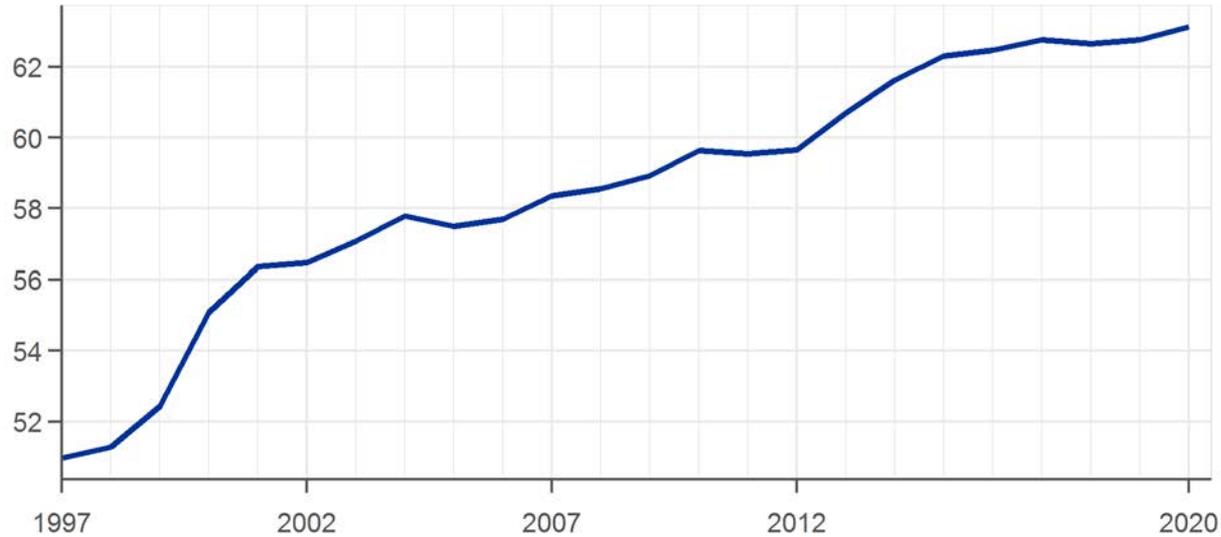
(USD and EUR per barrel)



Sources: ECB and Bloomberg.

Share of services in core inflation in the euro area

(percentages)



Source: Eurostat.

Notes: Core inflation refers to HICP excluding energy and food.