

**BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM**  
**DIVISION OF RESEARCH AND STATISTICS**

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**Date:** September 5, 2014

**To:** Federal Open Market Committee

**From:** David W. Wilcox

**Subject:** Background Memo on Long-term Inflation Expectations and Risks to the  
Inflation Outlook

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Following up on the discussion at the July FOMC meeting, the attached memo, which is entitled, “Long-term Inflation Expectations and Risks to the Inflation Outlook,” examines the sensitivity of the staff projection to alternative assumptions about the evolution of long-term inflation expectations.