



Does Low Inflation Justify a Zero Policy Rate?

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November 14, 2014

St. Louis Fed President James Bullard discussed whether current macroeconomic data can rationalize the exceptionally low setting for the policy rate. During an event in St. Louis, he said that inflation at the current level is not enough to justify remaining at the zero lower bound. He added that low inflation can justify a policy rate somewhat lower than normal, but not zero.

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- [Bullard Says Low Inflation Doesn't Justify Zero Rates](#), by Steve Matthews, *Bloomberg*.
- [Fed's Bullard Still Wants Fed Rate Rise in Late First Quarter 2015](#), by Michael S. Derby and Rebecca Boyle, *Dow Jones*.
- [St. Louis Fed's Bullard: Sees 1Q 2015 As Best Time For Liftoff](#), by David Nicklaus, *Market News International*.
- [Fed's Bullard says U.S. inflation fails to justify near-zero rates](#), by Michael Flaherty, *Reuters*.
- [Fed's Bullard says sticking to interest rate and inflation forecasts](#), by Michael Flaherty, *Reuters*.
- [Fed's Bullard continues push for interest rate hike](#), by Greg Edwards, *St. Louis Business Journal*.
- [Low inflation shouldn't delay rate liftoff, Bullard argues](#), by David Nicklaus, *St. Louis Post-Dispatch*.

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Amerigo Vespucci

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