

[Home](#) > [Latest from President Bullard](#) > [Speeches, Presentations and Commentary](#)



[From the President](#)

A Primer on Price Level Targeting in the U.S.

January 10, 2018

[Presentation \(pdf\)](#) | [Press Release](#)

St. Louis Fed President James Bullard said that despite low unemployment and accommodative monetary policy, U.S. inflation surprised to the downside in 2017. This has spurred talk of possible alternatives to inflation targeting. He noted one possible approach – price level targeting – would likely require lots of careful preparation and debate before any changes could be made. Under this framework, “deviations from target are overcome by allowing for higher or lower inflation in the future in such a way that the inflation target is maintained on average. In contrast, today’s inflation targeting regime simply allows misses and does not do anything about them.” Bullard spoke in St. Louis.

FOLLOW US



SIGN UP FOR EMAIL ALERTS

Receive updates in your inbox as soon as new content is published on our website

[SIGN UP](#)

QUICK LINKS

[About Us](#)

[Legal Information](#)



[Monetary Policy](#)

[Careers](#)

[Doing Business with the Fed](#)

[Events](#)

[Federal Reserve Services](#)

[Visiting the St. Louis Fed](#)

[Federal Banking Regulations](#)