



# FISCAL POLICY AND THE LONG-RUN NEUTRAL REAL INTEREST RATE

FRANKFURT, GERMANY

JULY 9, 2015

NARAYANA KOCHERLAKOTA

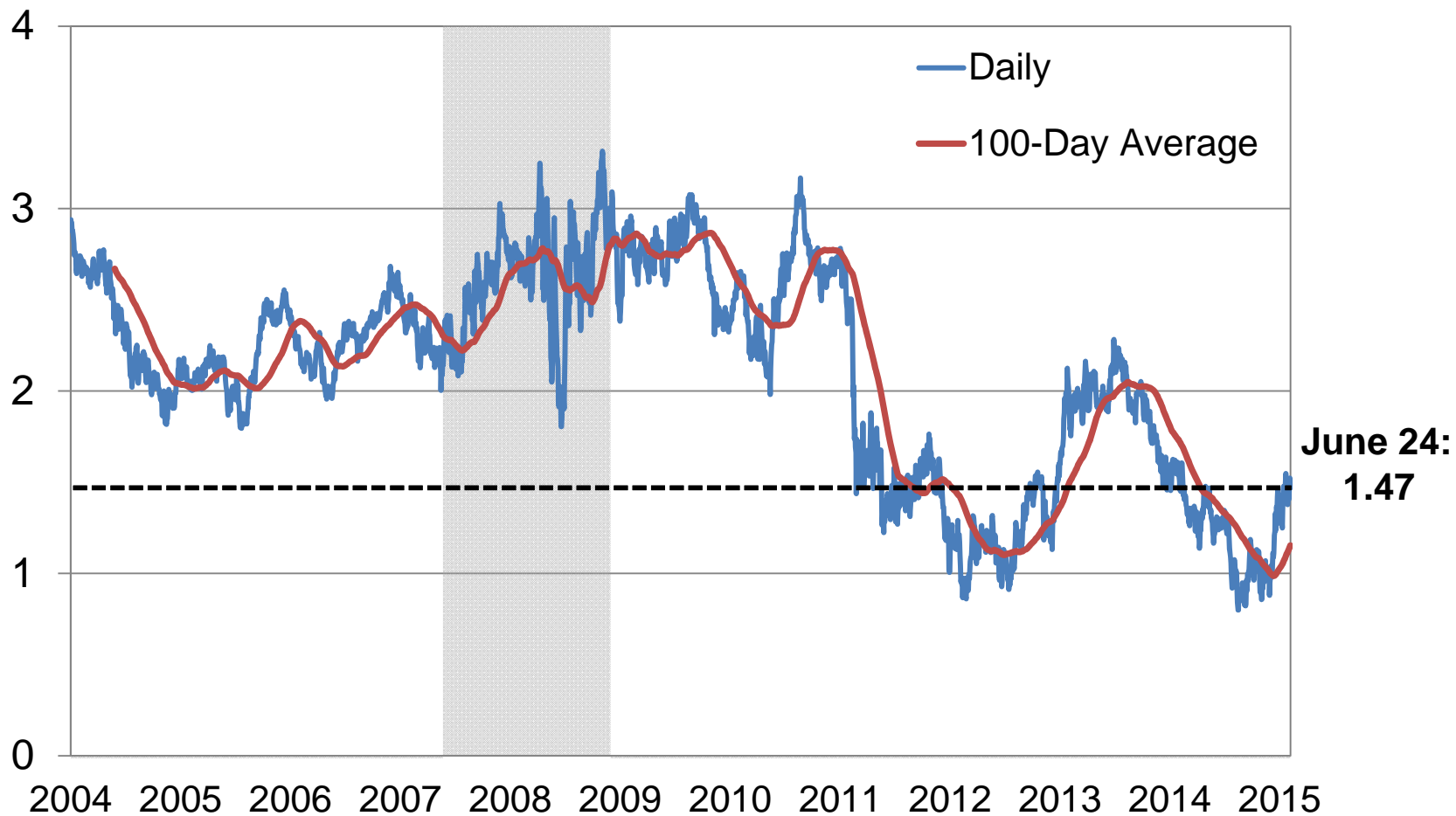
PRESIDENT

FEDERAL RESERVE BANK OF MINNEAPOLIS



# 10 Year-10 Year Forward TIPS Yields

Percent

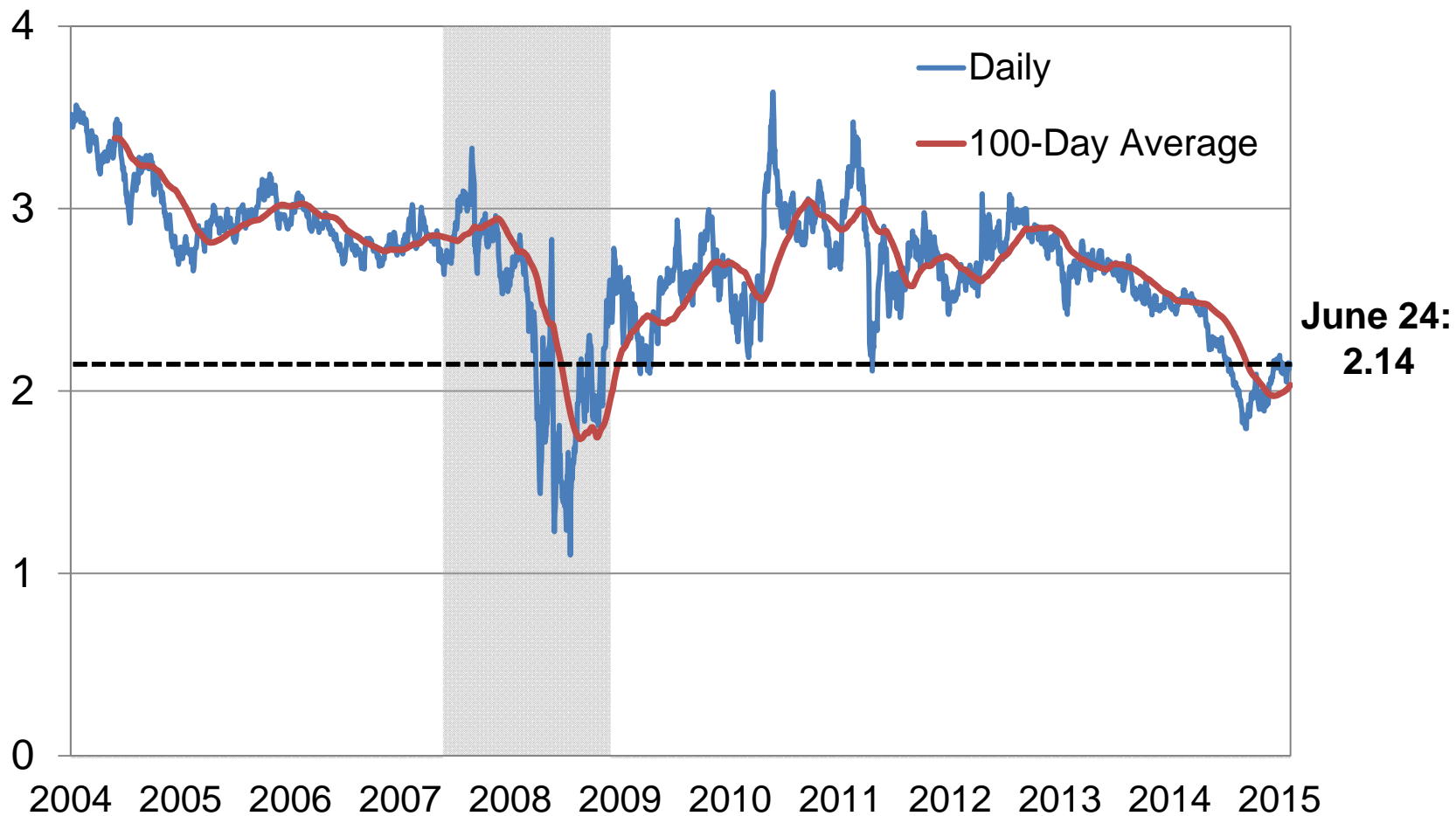


Source: Board of Governors and Federal Reserve Bank of Minneapolis calculations



# 10 Year-10 Year Forward TIPS Inflation Breakeven

Percent



Source: Board of Governors and Federal Reserve Bank of Minneapolis calculations



[minneapolisfed.org](http://minneapolisfed.org)