



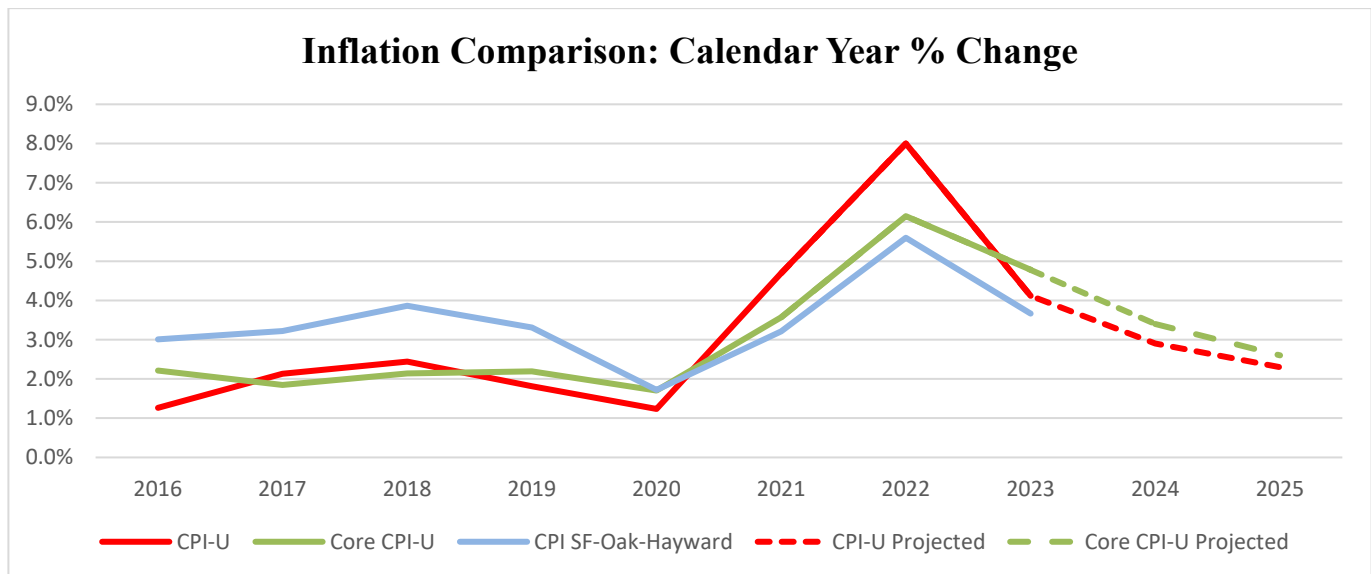
# Inflation Report

## September 2024

The Consumer Price Index for all urban consumers (CPI-U) "is a statistical measure of change over time of the prices of goods and services in major expenditure groups--such as food, housing, apparel, transportation and medical care--typically purchased by urban consumers," according to the Bureau of Labor Statistics. The Core CPI-U is another measure of inflation that excludes certain items including food and energy. CPI-SF&EBay covers all urban consumers in San Francisco, Oakland and Hayward.

The CPI-U increase for the calendar year 2023 was 4.1% and Core CPI-U increase was 4.8% according to the Bureau of Labor Statistics on September 23<sup>rd</sup>, 2024. For the calendar year 2024, Wells Fargo estimates inflation rates to be 2.9% for the CPI-U and 3.4% for Core CPI-U. For calendar year 2025, Wells Fargo estimates inflation rates to be 2.3% for the CPI-U and 2.6% for Core CPI-U.

Another measure of inflation within the higher education industry is the Higher Education Price Index. "The Higher Education Price Index (HEPI) measures the average relative level in the prices of a fixed market basket of goods and services purchased by colleges and universities through current fund educational and general expenditures excluding expenditures for research," according to Commonfund Institute.



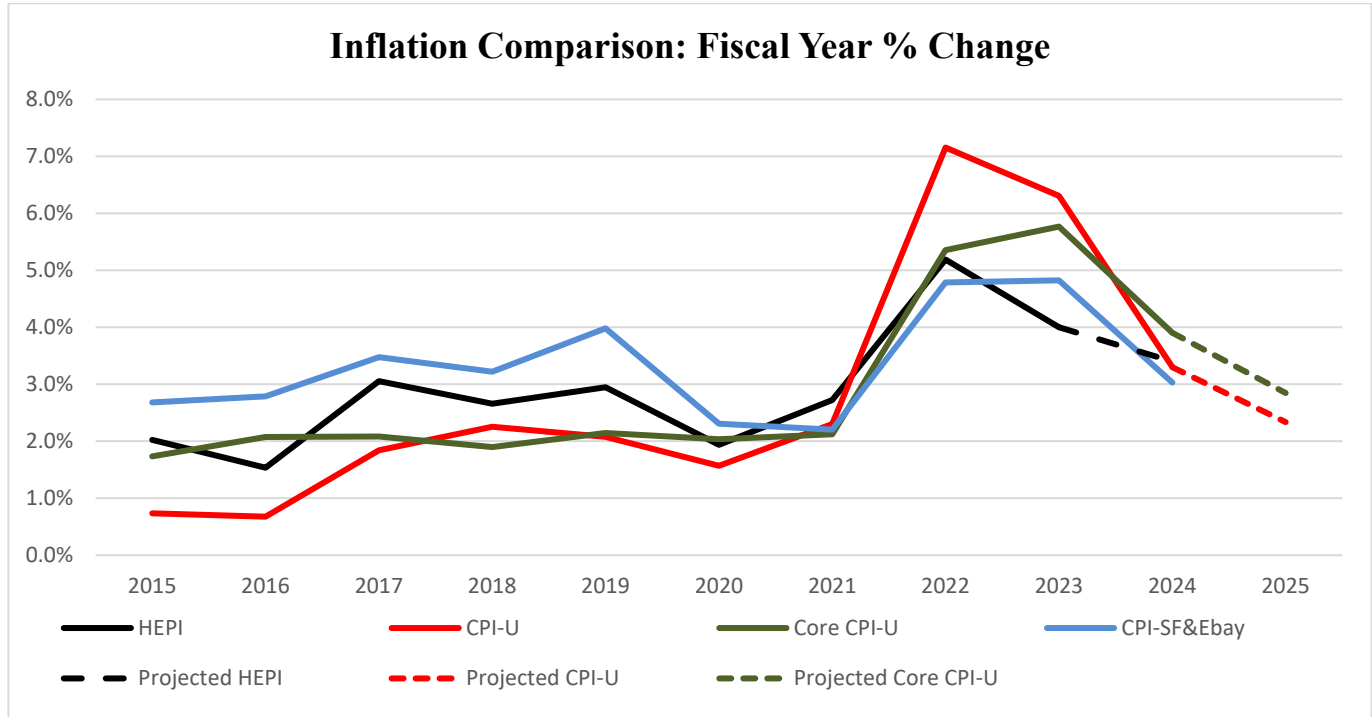
**CALENDAR YEAR 12- Month**

|                    | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | PROJECTED |      |  |
|--------------------|------|------|------|------|------|------|------|------|-----------|------|--|
|                    | 2024 | 2025 |      |      |      |      |      |      |           |      |  |
| CPI-U              | 1.3% | 2.1% | 2.4% | 1.8% | 1.2% | 4.7% | 8.0% | 4.1% | 2.9%      | 2.3% |  |
| Core CPI-U         | 2.2% | 1.8% | 2.1% | 2.2% | 1.7% | 3.6% | 6.2% | 4.8% | 3.4%      | 2.6% |  |
| CPI SF-Oak-Hayward | 3.0% | 3.2% | 3.9% | 3.3% | 1.7% | 3.2% | 5.6% | 3.7% | N/A       | N/A  |  |

**Information sources**

- Bureau of Labor Statistics and Wells Fargo Securities, LLC.
- CPI-U and Core CPI-U forecasts from Wells Fargo report, September 19<sup>th</sup>, 2024.
- All the existing CPI data provided by Bureau of Labor Statistics as of September 23<sup>rd</sup>, 2024.

**Purpose of Profile:** To adjust Consumer Price Index – All Urban (CPI-U), Core CPI-U and CPI-SF-Oak-Hayward, and HEPI to an academic fiscal year. To illustrate the change in fiscal year indices, actual, and projected, Fiscal Year here is the change from July to June, e.g. FY2024 is the average of July 2023 to June 2024.

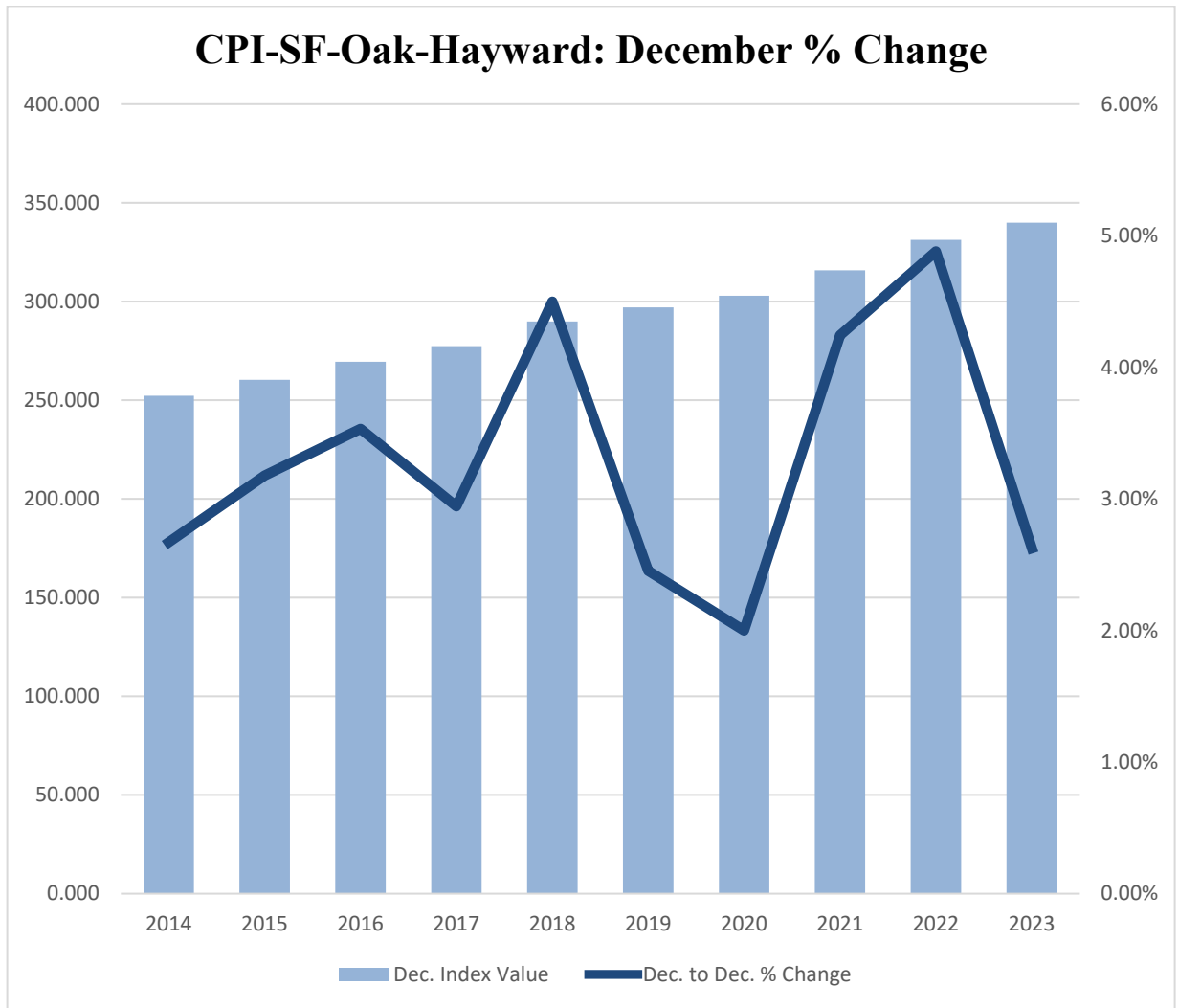


| Fiscal Year        | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | Projected 2025 |
|--------------------|------|------|------|------|------|------|------|------|------|------|----------------|
| HEPI               | 2.0% | 1.5% | 3.1% | 2.7% | 2.9% | 1.9% | 2.7% | 5.2% | 4.0% | 3.4% | NA             |
| CPI-U              | 0.7% | 0.7% | 1.8% | 2.3% | 2.1% | 1.6% | 2.3% | 7.2% | 6.3% | 3.3% | 2.3%           |
| Core CPI-U         | 1.7% | 2.1% | 2.1% | 1.9% | 2.1% | 2.0% | 2.1% | 5.4% | 5.8% | 3.9% | 2.8%           |
| CPI SF-Oak-Hayward | 2.7% | 2.8% | 3.5% | 3.2% | 4.0% | 2.3% | 2.2% | 4.8% | 4.8% | 3.0% | NA             |

**Information Sources**

- Bureau of Labor Statistics Website as of September 23<sup>rd</sup>, 2024.
- Wells Fargo Securities, LLC Report, September 19<sup>th</sup>, 2024.
- Higher Education Price Index Report, 2023 December Report.
- According to Commonfund Institute's latest update, the Higher Education Price Index (HEPI) forecasts a 3.4% inflation rate for U.S. colleges and universities in fiscal year 2024. The latest forecast, based on data through June 25, 2024, predicts a decrease from last year's 4.0% inflation rate. Jul 8, 2024

**Purpose of Profile:** To track inflation index used by the University for various formula adjustments.



**End of Calendar Year**

| CPI SF-Oak-Hayward    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023    |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Dec. Index Value      | 252.273 | 260.289 | 269.483 | 277.414 | 289.896 | 297.007 | 302.948 | 315.805 | 331.222 | 339.915 |
| Dec. to Dec. % Change | 2.67%   | 3.18%   | 3.53%   | 2.94%   | 4.50%   | 2.45%   | 2.00%   | 4.24%   | 4.88%   | 2.62%   |

**Information Sources**

- Bureau of Labor Statistics Website as of September 23<sup>rd</sup>, 2024.

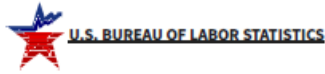
## Appendix

|  |    |
|--|----|
| Bureau of Labor Statistics Data: CPI, September 23 <sup>rd</sup> , 2024                | A1 |
| Bureau of Labor Statistics Data: Core-CPI September 23 <sup>rd</sup> , 2024            | A2 |
| Bureau of Labor Statistics Data: CPI-SF-Oak-Hayward, September 23 <sup>rd</sup> , 2024 | A3 |
| Wells Fargo U.S. Economic Forecast, September 19 <sup>th</sup> , 2024                  | A4 |
| FY2023 and 2024 Higher Education Price Index   | A5 |

# A1: Consumer Price Index – All Urban Consumers

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Bureau of Labor Statistics Data



## Databases, Tables & Calculators by Subject

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include graphs  include annual averages

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### Consumer Price Index for All Urban Consumers (CPI-U)

**Series Id:** CUUR0000SA0  
 Not Seasonally Adjusted  
**Series Title:** All items in U.S. city average, all urban consumers, not seasonally adjusted  
**Area:** U.S. city average  
**Item:** All items  
**Base Period:** 1982-84=100

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| Year | Jan     | Feb     | Mar     | Apr     | May     | Jun     | Jul     | Aug     | Sep     | Oct     | Nov     | Dec     | HALF1   | HALF2   |
|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 2014 | 233.916 | 234.781 | 236.293 | 237.072 | 237.900 | 238.343 | 238.250 | 237.852 | 238.031 | 237.433 | 236.151 | 234.812 | 236.384 | 237.088 |
| 2015 | 233.707 | 234.722 | 236.119 | 236.599 | 237.805 | 238.638 | 238.654 | 238.316 | 237.945 | 237.838 | 237.336 | 236.525 | 236.265 | 237.769 |
| 2016 | 236.916 | 237.111 | 238.132 | 239.261 | 240.229 | 241.018 | 240.628 | 240.849 | 241.428 | 241.729 | 241.353 | 241.432 | 238.778 | 241.237 |
| 2017 | 242.839 | 243.603 | 243.801 | 244.524 | 244.733 | 244.955 | 244.786 | 245.519 | 246.819 | 246.663 | 246.669 | 246.524 | 244.076 | 246.163 |
| 2018 | 247.867 | 248.991 | 249.554 | 250.546 | 251.588 | 251.989 | 252.006 | 252.146 | 252.439 | 252.885 | 252.038 | 251.233 | 250.089 | 252.125 |
| 2019 | 251.712 | 252.776 | 254.202 | 255.548 | 256.092 | 256.143 | 256.571 | 256.558 | 256.759 | 257.346 | 257.208 | 256.974 | 254.412 | 256.903 |
| 2020 | 257.971 | 258.678 | 258.115 | 256.389 | 256.394 | 257.797 | 259.101 | 259.918 | 260.280 | 260.388 | 260.229 | 260.474 | 257.557 | 260.065 |
| 2021 | 261.582 | 263.014 | 264.877 | 267.054 | 269.195 | 271.696 | 273.003 | 273.567 | 274.310 | 276.589 | 277.948 | 278.802 | 266.236 | 275.703 |
| 2022 | 281.148 | 283.716 | 287.504 | 289.109 | 292.296 | 296.311 | 296.276 | 296.171 | 296.808 | 298.012 | 297.711 | 296.797 | 288.347 | 296.963 |
| 2023 | 299.170 | 300.840 | 301.836 | 303.363 | 304.127 | 305.109 | 305.691 | 307.026 | 307.789 | 307.671 | 307.051 | 306.746 | 302.408 | 306.996 |
| 2024 | 308.417 | 310.326 | 312.332 | 313.548 | 314.069 | 314.175 | 314.540 | 314.796 |         |         |         |         | 312.145 |         |

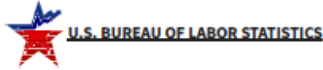
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## A2: Core Consumer Price Index – All Urban Consumers

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Bureau of Labor Statistics Data



### Databases, Tables & Calculators by Subject

Change Output Options:

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include graphs  include annual averages

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Data extracted on: September 23, 2024 (3:39:36 PM)

#### Consumer Price Index for All Urban Consumers (CPI-U)

**Series Id:** CUUR0000SA01LE  
 Not Seasonally Adjusted  
**Series Title:** All items less food and energy in U.S. city average, all urban consumers, not seasonally adjusted  
**Area:** U.S. city average  
**Item:** All items less food and energy  
**Base Period:** 1982-84=100

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| Year | Jan     | Feb     | Mar     | Apr     | May     | Jun     | Jul     | Aug     | Sep     | Oct     | Nov     | Dec     | HALF1   | HALF2   |
|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 2014 | 235.367 | 236.075 | 236.913 | 237.509 | 238.029 | 238.157 | 238.138 | 238.296 | 238.841 | 239.413 | 239.248 | 238.775 | 237.008 | 238.785 |
| 2015 | 239.248 | 240.083 | 241.067 | 241.802 | 242.119 | 242.354 | 242.436 | 242.651 | 243.359 | 243.985 | 244.075 | 243.779 | 241.112 | 243.381 |
| 2016 | 244.528 | 245.680 | 246.358 | 246.992 | 247.544 | 247.794 | 247.744 | 248.278 | 248.731 | 249.218 | 249.227 | 249.134 | 246.483 | 248.722 |
| 2017 | 250.083 | 251.143 | 251.290 | 251.642 | 251.835 | 252.014 | 251.936 | 252.460 | 252.941 | 253.638 | 253.492 | 253.558 | 251.335 | 253.004 |
| 2018 | 254.638 | 255.783 | 256.610 | 257.025 | 257.469 | 257.697 | 257.867 | 258.012 | 258.429 | 259.063 | 259.105 | 259.083 | 256.537 | 258.593 |
| 2019 | 260.122 | 261.114 | 261.836 | 262.332 | 262.590 | 263.177 | 263.566 | 264.169 | 264.522 | 265.059 | 265.108 | 264.935 | 261.862 | 264.560 |
| 2020 | 266.004 | 267.268 | 267.312 | 266.089 | 265.799 | 266.302 | 267.703 | 268.756 | 269.054 | 269.328 | 269.473 | 269.226 | 266.462 | 268.923 |
| 2021 | 269.755 | 270.696 | 271.713 | 273.968 | 275.893 | 278.218 | 279.146 | 279.507 | 279.884 | 281.617 | 282.754 | 283.908 | 273.374 | 281.136 |
| 2022 | 285.996 | 288.059 | 289.305 | 290.846 | 292.506 | 294.680 | 295.646 | 297.178 | 298.442 | 299.315 | 299.600 | 300.113 | 290.232 | 298.382 |
| 2023 | 301.962 | 304.011 | 305.476 | 306.899 | 308.096 | 308.910 | 309.402 | 310.103 | 310.817 | 311.380 | 311.606 | 311.907 | 305.892 | 310.869 |
| 2024 | 313.623 | 315.419 | 317.088 | 317.978 | 318.629 | 319.003 | 319.214 | 320.017 |         |         |         |         | 316.957 |         |

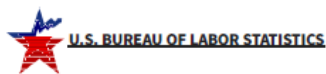
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# A3: Consumer Price Index – SF-Oak-Hayward


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Bureau of Labor Statistics Data



## Databases, Tables & Calculators by Subject

Change Output Options:

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include graphs  include annual averages

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Data extracted on: September 23, 2024 (4:49:24 PM)

### Consumer Price Index for All Urban Consumers (CPI-U)

**Series Id:** CUURS49BSA0  
 Not Seasonally Adjusted  
**Series Title:** All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted  
**Area:** San Francisco-Oakland-Hayward, CA  
**Item:** All items  
**Base Period:** 1982-84=100

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| Year | Jan     | Feb | Mar     | Apr | May     | Jun | Jul     | Aug | Sep     | Oct | Nov     | Dec     | Annual  | HALF1   | HALF2 |
|------|---------|-----|---------|-----|---------|-----|---------|-----|---------|-----|---------|---------|---------|---------|-------|
| 2014 | 248.615 |     | 251.495 |     | 253.317 |     | 253.354 |     | 254.503 |     | 252.273 | 251.985 | 250.507 | 253.463 |       |
| 2015 | 254.910 |     | 257.622 |     | 259.117 |     | 259.917 |     | 261.019 |     | 260.289 | 258.572 | 256.723 | 260.421 |       |
| 2016 | 262.600 |     | 264.565 |     | 266.041 |     | 267.853 |     | 270.306 |     | 269.483 | 266.344 | 263.911 | 268.777 |       |
| 2017 | 271.626 |     | 274.589 |     | 275.304 |     | 275.893 |     | 277.570 |     | 277.414 | 274.924 | 273.306 | 276.542 |       |
| 2018 | 281.308 |     | 283.422 |     | 286.062 |     | 287.664 |     | 289.673 |     | 289.896 | 285.550 | 282.666 | 288.435 |       |
| 2019 | 291.227 |     | 294.801 |     | 295.259 |     | 295.490 |     | 298.443 |     | 297.007 | 295.004 | 293.150 | 296.859 |       |
| 2020 | 299.690 |     | 298.074 |     | 300.032 |     | 300.182 |     | 301.736 |     | 302.948 | 300.084 | 299.109 | 301.059 |       |
| 2021 | 304.387 |     | 309.419 |     | 309.497 |     | 311.167 |     | 313.265 |     | 315.805 | 309.721 | 306.724 | 312.718 |       |
| 2022 | 320.195 |     | 324.878 |     | 330.539 |     | 328.871 |     | 332.062 |     | 331.222 | 327.060 | 323.408 | 330.711 |       |
| 2023 | 337.173 |     | 338.496 |     | 340.056 |     | 340.094 |     | 341.219 |     | 339.915 | 339.050 | 337.689 | 340.411 |       |
| 2024 | 345.151 |     | 351.247 |     | 351.064 |     | 349.290 |     |         |     |         |         | 347.857 |         |       |

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# A4: Wells Fargo Economic Forecast



## U.S. Economic Forecast

| Wells Fargo U.S. Economic Forecast     |        |        |        |        |          |         |         |         |          |         |         |         |         |         |         |         |          |         |         |         |        |         |         |         |        |         |         |         |        |         |         |         |     |
|--|--------|--------|--------|--------|----------|---------|---------|---------|----------|---------|---------|---------|---------|---------|---------|---------|----------|---------|---------|---------|--------|---------|---------|---------|--------|---------|---------|---------|--------|---------|---------|---------|-----|
|  | Actual |        |        |        | Forecast |         |         |         | Forecast |         |         |         | Actual  |         |         |         | Forecast |         |         |         |        |         |         |         |        |         |         |         |        |         |         |         |     |
|  | 2023   |        |        |        | 2024     |         |         |         | 2025     |         |         |         | 2026    |         |         |         | 2023     |         |         |         | 2024   |         |         |         | 2025   |         |         |         | 2026   |         |         |         |     |
|  | 1Q     | 2Q     | 3Q     | 4Q     | 1Q       | 2Q      | 3Q      | 4Q      | 1Q       | 2Q      | 3Q      | 4Q      | 1Q      | 2Q      | 3Q      | 4Q      | 1Q       | 2Q      | 3Q      | 4Q      | 1Q     | 2Q      | 3Q      | 4Q      | 1Q     | 2Q      | 3Q      | 4Q      | 1Q     | 2Q      | 3Q      | 4Q      |     |
| Real Gross Domestic Product (a)        | 2.2    | 2.1    | 4.9    | 3.4    | 1.4      | 3.0     | 2.6     | 1.0     | 1.1      | 1.9     | 2.8     | 2.9     | 2.6     | 2.7     | 2.6     | 2.5     | 2.5      | 2.7     | 1.9     | 2.6     | 2.5    | 2.2     | 2.3     | 2.2     | 2.4    | 2.2     | 2.5     | 1.9     | 2.3    | 2.2     | 2.2     | 2.2     | 2.4 |
| Personal Consumption                   | 3.8    | 0.8    | 3.1    | 3.3    | 1.5      | 2.9     | 3.5     | 1.2     | 1.3      | 1.8     | 2.4     | 2.5     | 2.2     | 2.3     | 2.2     | 2.4     | 2.2      | 2.3     | 2.2     | 2.4     | 2.2    | 2.2     | 2.3     | 2.2     | 2.4    | 2.2     | 2.5     | 1.9     | 2.3    | 2.2     | 2.2     | 2.2     | 2.4 |
| Business Fixed Investment              | 5.7    | 7.4    | 1.4    | 3.7    | 4.4      | 4.6     | 4.2     | 0.4     | 2.4      | 4.2     | 7.1     | 7.0     | 6.3     | 6.3     | 6.3     | 6.2     | 6.3      | 6.3     | 6.3     | 6.2     | 6.3    | 6.3     | 6.3     | 6.2     | 6.2    | 4.5     | 3.9     | 3.6     | 6.4    | 4.5     | 3.9     | 3.6     | 6.4 |
| Equipment                              | -4.1   | 7.7    | -4.4   | -1.1   | 1.6      | 10.8    | 8.8     | 0.4     | 3.5      | 5.9     | 9.3     | 7.3     | 6.2     | 6.6     | 6.7     | 7.0     | 6.2      | 6.6     | 6.7     | 7.0     | 6.2    | 6.6     | 6.7     | 7.0     | 6.2    | 6.6     | 6.7     | 7.0     | -0.3   | 3.2     | 5.4     | 6.9     |     |
| Intellectual Property Products         | 3.8    | 2.7    | 1.8    | -4.3   | 7.7      | 2.6     | 4.0     | 2.5     | 4.0      | 5.6     | 7.4     | 8.6     | 7.5     | 7.4     | 7.4     | 7.5     | 7.5      | 7.4     | 7.4     | 7.5     | 7.5    | 7.4     | 7.4     | 7.5     | 7.5    | 7.4     | 7.4     | 7.5     | 4.5    | 4.2     | 4.6     | 7.5     |     |
| Structures                             | 30.3   | 16.1   | 11.2   | 10.9   | 3.4      | -1.6    | -3.8    | -4.1    | -3.5     | -2.3    | 1.8     | 2.7     | 3.8     | 3.1     | 2.9     | 1.5     | 13.2     | 4.0     | -2.3    | 2.6     | 13.2   | 4.0     | -2.3    | 2.6     | 13.2   | 4.0     | -2.3    | 2.6     | 13.2   | 4.0     | -2.3    | 2.6     |     |
| Residential Investment                 | -5.3   | -2.2   | 6.7    | 2.8    | 16.0     | -2.0    | -6.4    | -2.1    | 2.8      | 3.9     | 4.6     | 5.2     | 3.9     | 3.4     | 3.1     | 2.8     | 3.9      | 3.4     | 3.1     | 2.8     | 3.9    | 3.4     | 3.1     | 2.8     | 3.9    | 3.4     | 3.1     | 2.8     | -10.6  | 3.6     | 0.9     | 4.0     |     |
| Government Purchases                   | 4.8    | 3.3    | 5.8    | 4.6    | 1.8      | 2.7     | 2.0     | 1.7     | 1.5      | 1.2     | 1.2     | 1.0     | 1.1     | 0.9     | 0.8     | 0.8     | 4.1      | 3.1     | 1.5     | 1.0     | 4.1    | 3.1     | 1.5     | 1.0     | 4.1    | 3.1     | 1.5     | 1.0     | 4.1    | 3.1     | 1.5     | 1.0     |     |
| Net Exports                            | -935.1 | -928.2 | -930.7 | -918.5 | -960.3   | -1010.2 | -1043.7 | -1045.5 | -1055.6  | -1081.5 | -1099.5 | -1114.6 | -1129.8 | -1140.9 | -1150.9 | -1167.4 | -928.1   | -1014.9 | -1087.8 | -1147.3 | -928.1 | -1014.9 | -1087.8 | -1147.3 | -928.1 | -1014.9 | -1087.8 | -1147.3 | -928.1 | -1014.9 | -1087.8 | -1147.3 |     |
| Pct. Point Contribution to GDP         | 0.6    | 0.0    | 0.0    | 0.3    | -0.7     | -0.8    | -0.6    | 0.0     | -0.2     | -0.4    | -0.3    | -0.3    | -0.3    | -0.2    | -0.2    | -0.3    | 0.6      | -0.4    | -0.3    | -0.3    | 0.6    | -0.4    | -0.3    | -0.3    | 0.6    | -0.4    | -0.3    | -0.3    | 0.6    | -0.4    | -0.3    | -0.3    |     |
| Inventory Change                       | 27.2   | 14.9   | 77.8   | 54.9   | 28.6     | 69.0    | 71.2    | 66.2    | 51.4     | 59.3    | 61.3    | 63.3    | 65.3    | 68.2    | 70.0    | 68.0    | 43.7     | 58.8    | 58.8    | 67.9    | 43.7   | 58.8    | 58.8    | 67.9    | 43.7   | 58.8    | 58.8    | 67.9    | 43.7   | 58.8    | 58.8    | 67.9    |     |
| Pct. Point Contribution to GDP         | -2.2   | 0.0    | 1.3    | -0.5   | -0.4     | 0.8     | 0.0     | -0.1    | -0.3     | 0.1     | 0.0     | 0.0     | 0.0     | 0.0     | 0.0     | 0.0     | -0.4     | 0.1     | 0.0     | 0.0     | -0.4   | 0.1     | 0.0     | 0.0     | -0.4   | 0.1     | 0.0     | 0.0     | -0.4   | 0.1     | 0.0     | 0.0     |     |
| Nominal GDP (a)                        | 6.3    | 3.8    | 8.3    | 5.1    | 4.5      | 5.5     | 3.9     | 2.7     | 3.6      | 4.3     | 5.0     | 5.1     | 4.7     | 4.6     | 4.5     | 4.5     | 6.3      | 5.1     | 4.0     | 4.7     | 6.3    | 5.1     | 4.0     | 4.7     | 6.3    | 5.1     | 4.0     | 4.7     | 6.3    | 5.1     | 4.0     | 4.7     |     |
| Real Final Sales                       | 4.6    | 2.1    | 3.6    | 3.9    | 1.8      | 2.2     | 2.6     | 1.1     | 1.4      | 1.7     | 2.7     | 2.8     | 2.5     | 2.6     | 2.6     | 2.6     | 2.9      | 2.7     | 2.0     | 2.6     | 2.9    | 2.7     | 2.0     | 2.6     | 2.9    | 2.7     | 2.0     | 2.6     | 2.9    | 2.7     | 2.0     | 2.6     |     |
| Retail Sales (b)                       | 5.1    | 1.9    | 3.4    | 4.0    | 2.0      | 2.4     | 2.1     | 1.5     | 2.0      | 2.1     | 1.7     | 2.5     | 3.1     | 3.3     | 3.5     | 3.5     | 3.6      | 2.0     | 2.1     | 3.4     | 3.6    | 2.0     | 2.1     | 3.4     | 3.6    | 2.0     | 2.1     | 3.4     | 3.6    | 2.0     | 2.1     | 3.4     |     |
| Inflation Indicators (b)               |        |        |        |        |          |         |         |         |          |         |         |         |         |         |         |         |          |         |         |         |        |         |         |         |        |         |         |         |        |         |         |         |     |
| PCE Deflator                           | 5.0    | 3.9    | 3.3    | 2.8    | 2.6      | 2.6     | 2.2     | 2.2     | 2.0      | 1.9     | 2.2     | 2.3     | 2.2     | 2.1     | 2.0     | 2.0     | 3.7      | 2.4     | 2.1     | 2.1     | 3.7    | 2.4     | 2.1     | 2.1     | 3.7    | 2.4     | 2.1     | 2.1     | 3.7    | 2.4     | 2.1     | 2.1     |     |
| *Core* PCE Deflator                    | 4.8    | 4.6    | 3.8    | 3.2    | 2.9      | 2.6     | 2.6     | 2.6     | 2.3      | 2.2     | 2.3     | 2.3     | 2.2     | 2.1     | 2.0     | 2.0     | 4.1      | 2.7     | 2.3     | 2.1     | 4.1    | 2.7     | 2.3     | 2.1     | 4.1    | 2.7     | 2.3     | 2.1     | 4.1    | 2.7     | 2.3     | 2.1     |     |
| Consumer Price Index                   | 5.7    | 4.0    | 3.6    | 3.2    | 3.2      | 3.2     | 2.6     | 2.4     | 2.2      | 2.1     | 2.4     | 2.5     | 2.5     | 2.4     | 2.3     | 2.3     | 4.1      | 2.9     | 2.3     | 2.4     | 4.1    | 2.9     | 2.3     | 2.4     | 4.1    | 2.9     | 2.3     | 2.4     | 4.1    | 2.9     | 2.3     | 2.4     |     |
| *Core* Consumer Price Index            | 5.5    | 5.2    | 4.4    | 4.0    | 3.8      | 3.4     | 3.2     | 3.1     | 2.6      | 2.5     | 2.6     | 2.5     | 2.5     | 2.5     | 2.4     | 2.4     | 4.8      | 3.4     | 2.6     | 2.4     | 4.8    | 3.4     | 2.6     | 2.4     | 4.8    | 3.4     | 2.6     | 2.4     | 4.8    | 3.4     | 2.6     | 2.4     |     |
| Producer Price Index (Final Demand)    | 4.4    | 1.3    | 1.6    | 1.0    | 1.5      | 2.5     | 1.8     | 2.3     | 2.1      | 1.8     | 2.0     | 2.0     | 2.0     | 2.0     | 2.0     | 2.0     | 2.0      | 2.0     | 2.0     | 2.0     | 2.0    | 2.0     | 2.0     | 2.0     | 2.0    | 2.0     | 2.0     | 2.0     | 2.0    | 2.0     | 2.0     | 2.0     |     |
| Employment Cost Index                  | 4.8    | 4.5    | 4.3    | 4.2    | 4.2      | 4.1     | 4.0     | 3.9     | 3.7      | 3.6     | 3.6     | 3.5     | 3.4     | 3.5     | 3.5     | 3.5     | 4.5      | 4.0     | 3.6     | 3.5     | 4.5    | 4.0     | 3.6     | 3.5     | 4.5    | 4.0     | 3.6     | 3.5     | 4.5    | 4.0     | 3.6     | 3.5     |     |
| Real Disposable Income (a)             | 10.8   | 3.3    | 0.5    | 0.9    | 1.3      | 1.0     | 1.6     | 1.9     | 2.5      | 2.0     | 2.3     | 2.6     | 3.1     | 2.5     | 2.7     | 2.7     | 4.1      | 1.3     | 2.1     | 2.6     | 4.1    | 1.3     | 2.1     | 2.6     | 4.1    | 1.3     | 2.1     | 2.6     | 4.1    | 1.3     | 2.1     | 2.6     |     |
| Nominal Personal Income (a)            | 6.8    | 4.0    | 3.9    | 2.8    | 7.0      | 4.0     | 3.3     | 3.7     | 5.0      | 4.4     | 4.5     | 4.9     | 5.3     | 4.5     | 4.6     | 4.6     | 5.1      | 4.4     | 4.3     | 4.8     | 5.1    | 4.4     | 4.3     | 4.8     | 5.1    | 4.4     | 4.3     | 4.8     | 5.1    | 4.4     | 4.3     | 4.8     |     |
| Industrial Production (a)              | 0.0    | 0.3    | 1.2    | -1.8   | -1.8     | 2.9     | -0.3    | 1.6     | 0.3      | 1.2     | 3.6     | 5.1     | 3.7     | 2.5     | 2.2     | 1.8     | 0.2      | 0.0     | 1.5     | 3.3     | 0.2    | 0.0     | 1.5     | 3.3     | 0.2    | 0.0     | 1.5     | 3.3     | 0.2    | 0.0     | 1.5     | 3.3     |     |
| Capacity Utilization                   | 79.6   | 79.1   | 78.9   | 78.3   | 77.7     | 78.1    | 77.8    | 78.1    | 77.9     | 77.9    | 78.4    | 79.1    | 79.6    | 79.8    | 80.0    | 80.1    | 79.0     | 77.9    | 78.3    | 79.9    | 79.0   | 77.9    | 78.3    | 79.9    | 79.0   | 77.9    | 78.3    | 79.9    | 79.0   | 77.9    | 78.3    | 79.9    |     |
| Corporate Profits Before Taxes (b)     | 4.6    | -2.7   | -0.6   | 5.1    | 6.4      | 8.0     | 4.3     | 3.0     | 3.0      | 3.5     | 4.0     | 3.0     | 5.0     | 4.7     | 4.5     | 4.2     | 1.5      | 5.4     | 3.4     | 4.6     | 1.5    | 5.4     | 3.4     | 4.6     | 1.5    | 5.4     | 3.4     | 4.6     | 1.5    | 5.4     | 3.4     | 4.6     |     |
| Corporate Profits After Taxes          | 3.6    | -4.1   | -2.1   | 3.8    | 5.3      | 6.6     | 3.5     | 2.1     | 3.3      | 3.9     | 3.8     | 2.9     | 5.1     | 4.7     | 4.5     | 4.2     | 0.2      | 4.3     | 3.5     | 4.6     | 0.2    | 4.3     | 3.5     | 4.6     | 0.2    | 4.3     | 3.5     | 4.6     | 0.2    | 4.3     | 3.5     | 4.6     |     |
| Federal Budget Balance (c)             | -680   | -292   | -302   | -510   | -555     | -209    | -577    | -534    | -741     | -255    | -420    | -572    | -788    | -286    | -454    | -598    | -1695    | -1850   | -1950   | -2100   | -1695  | -1850   | -1950   | -2100   | -1695  | -1850   | -1950   | -2100   | -1695  | -1850   | -1950   | -2100   |     |
| Trade Weighted Dollar Index (d)        | 116.2  | 114.7  | 117.0  | 114.6  | 115.8    | 117.3   | 116.3   | 116.0   | 114.3    | 113.3   | 114.0   | 115.5   | 117.0   | 118.5   | 119.5   | 120.5   | 115.4    | 116.3   | 114.3   | 118.9   | 115.4  | 116.3   | 114.3   | 118.9   | 115.4  | 116.3   | 114.3   | 118.9   | 115.4  | 116.3   | 114.3   | 118.9   |     |
| Nonfarm Payroll Change (e)             | 305    | 274    | 213    | 212    | 267      | 147     | 114     | 105     | 112      | 125     | 133     | 142     | 145     | 145     | 140     | 140     | 251      | 158     | 128     | 143     | 251    | 158     | 128     | 143     | 251    | 158     | 128     | 143     | 251    | 158     | 128     | 143     |     |
| Unemployment Rate                      | 3.5    | 3.6    | 3.7    | 3.7    | 3.8      | 4.0     | 4.3     | 4.5     | 4.4      | 4.3     | 4.3     | 4.2     | 4.1     | 4.1     | 4.0     | 4.0     | 3.6      | 4.1     | 4.3     | 4.0     | 3.6    | 4.1     | 4.3     | 4.0     | 3.6    | 4.1     | 4.3     | 4.0     | 3.6    | 4.1     | 4.3     | 4.0     |     |
| Housing Starts (f)                     | 1.37   | 1.46   | 1.38   | 1.48   | 1.41     | 1.34    | 1.33    | 1.41    | 1.42     | 1.42    | 1.43    | 1.44    | 1.46    | 1.48    | 1.50    | 1.51    | 1.42     | 1.37    | 1.43    | 1.49    | 1.42   | 1.37    | 1.43    | 1.49    | 1.42   | 1.37    | 1.43    | 1.49    | 1.42   | 1.37    | 1.43    | 1.49    |     |
| Light Vehicle Sales (g)                | 15.0   | 15.8   | 15.7   | 15.7   | 15.3     | 15.7    | 15.6    | 15.6    | 15.9     | 16.3    | 16.7    | 16.9    | 17.0    | 17.1    | 17.2    | 17.4    | 15.5     | 15.5    | 16.5    | 17.1    | 15.5   | 15.5    | 16.5    | 17.1    | 15.5   | 15.5    | 16.5    | 17.1    | 15.5   | 15.5    | 16.5    | 17.1    |     |
| Crude Oil - Brent - Front Contract (h) | 81.9   | 77.6   | 85.3   | 82.3   | 81.2     | 84.4    | 80.8    | 72.7    | 74.7     | 78.7    | 80.0    | 78.3    | 78.0    | 79.7    | 79.7    | 78.0    | 81.8     | 79.7    | 77.9    | 78.8    | 81.8   | 79.7    | 77.9    | 78.8    | 81.8   | 79.7    | 77.9    | 78.8    | 81.8   | 79.7    | 77.9    | 78.8    |     |
| Quarter-End Interest Rates (i)         |        |        |        |        |          |         |         |         |          |         |         |         |         |         |         |         |          |         |         |         |        |         |         |         |        |         |         |         |        |         |         |         |     |
| Federal Funds Target Rate (j)          | 5.00   | 5.25   | 5.50   | 5.50   | 5.50     | 5.50    | 5.00    | 4.50    | 4.00     | 3.50    | 3.25    | 3.25    | 3.25    | 3.25    | 3.25    | 3.25    | 5.23     | 5.13    | 3.50    | 3.25    | 5.23   | 5.13    | 3.50    | 3.25    | 5.23   | 5.13    | 3.50    | 3.25    | 5.23   | 5.13    | 3.50    | 3.25    |     |
| Secured Overnight Financing Rate       | 4.87   | 5.09   | 5.31   | 5.38   | 5.34     | 5.33    | 4.85    | 4.40    | 3.90     | 3.40    | 3.15    | 3.15    | 3.15    | 3.15    | 3.15    | 3.15    | 5.01     | 4.98    | 3.40    | 3.15    | 5.01   | 4.98    | 3.40    | 3.15    | 5.01   | 4.98    | 3.40    | 3.15    | 5.01   | 4.98    | 3.40    | 3.15    |     |
| Prime Rate                             | 8.00   | 8.25   | 8.50   | 8.50   | 8.50     | 8.50    | 8.00    | 7.50    | 7.00     | 6.50    | 6.25    | 6.25    | 6.25    | 6.25    | 6.25    | 6.25    | 8.23     | 8.13    | 6.50    | 6.25    | 8.23   | 8.13    | 6.50    | 6.25    | 8.23   | 8.13    | 6.50    | 6.25    | 8.23   | 8.13    | 6.50    | 6.25    |     |
| Conventional Mortgage Rate             | 6.54   | 6.71   | 7.20   | 6.82   | 6.82     | 6.92    | 6.30    | 6.15    | 5.95     | 5.80    | 5.65    | 5.55    | 5.50    | 5.55    | 5.60    | 5.65    | 6.80     | 6.55    | 5.74    | 5.58    | 6.80   | 6.55    | 5.74    | 5.58    | 6.80   | 6.55    | 5.74    | 5.58    | 6.80   | 6.55    | 5.74    | 5.58    |     |
| 3 Month Bill                           | 4.85   | 5.43   | 5.55   | 5.40   | 5.46     | 5.48    | 4.70    | 4.20    | 3.70     | 3.20    | 3.15    | 3.15    | 3.15    | 3.15    | 3.15    | 3.15    | 5.28     | 4.96    | 3.30    | 3.15    | 5.     |         |         |         |        |         |         |         |        |         |         |         |     |



## A5: Higher Education Prices Index

According to Commonfund Institute's latest update, the Higher Education Price Index (HEPI) forecasts a 3.4% inflation rate for U.S. colleges and universities in fiscal year 2024. The latest forecast, based on data through June 25, 2024, predicts a decrease from last year's 4.0% inflation rate. Jul 8, 2024

Commonfund Higher Education Price Index | 2023 Update

**TABLE B**  
**HIGHER EDUCATION PRICE INDEX COMPONENTS ANALYSIS**

Fiscal Years 2014 to 2023

|                    | Fiscal    | Regression HEPI | Faculty salaries | Administrative salaries | Clerical | Service employees | Fringe benefits | Miscellaneous services | Supplies and materials | Utilities |
|--------------------|-----------|-----------------|------------------|-------------------------|----------|-------------------|-----------------|------------------------|------------------------|-----------|
| Index Value        | 2014      | 306.7           | 301.0            | 366.4                   | 274.8    | 242.0             | 458.3           | 274.2                  | 200.2                  | 211.4     |
|                    | 2015      | 312.9           | 306.4            | 381.9                   | 280.4    | 248.4             | 484.0           | 279.8                  | 190.7                  | 183.5     |
|                    | 2016      | 317.7           | 318.2            | 393.3                   | 289.1    | 253.3             | 487.9           | 285.7                  | 179.5                  | 146.5     |
|                    | 2017      | 327.4           | 326.0            | 405.2                   | 297.3    | 262.7             | 501.6           | 290.7                  | 180.1                  | 167.8     |
|                    | 2018      | 336.1           | 333.6            | 414.1                   | 305.9    | 271.6             | 516.3           | 297.8                  | 187.9                  | 170.7     |
|                    | 2019      | 346.0           | 342.2            | 424.1                   | 316.6    | 282.5             | 534.1           | 304.8                  | 195.6                  | 172.3     |
|                    | 2020      | 352.7           | 351.4            | 430.3                   | 326.6    | 293.9             | 549.6           | 313.2                  | 188.8                  | 145.3     |
|                    | 2021      | 362.3           | 354.7            | 437.2                   | 335.7    | 306.6             | 572.2           | 319.3                  | 195.4                  | 167.0     |
|                    | 2022      | 381.1           | 362.1            | 449.8                   | 353.2    | 332.9             | 587.3           | 332.9                  | 237.5                  | 239.0     |
| 2023               | 396.2     | 376.8           | 468.1            | 370.7                   | 354.2    | 603.6             | 349.2           | 257.3                  | 230.1                  |           |
| Standard Deviation | 2002-2023 | 50.8            | 46.0             | 67.8                    | 46.6     | 44.7              | 98.0            | 40.3                   | 30.8                   | 35.5      |
| Yearly% change     | 2014      | 3.0%            | 2.2%             | 1.1%                    | 1.9%     | 1.1%              | 4.8%            | 1.8%                   | 11.2%                  | 8.1%      |
|                    | 2015      | 2.0%            | 1.8%             | 4.2%                    | 2.1%     | 2.6%              | 5.6%            | 2.1%                   | -4.8%                  | -13.2%    |
|                    | 2016      | 1.5%            | 3.8%             | 3.0%                    | 3.1%     | 2.0%              | 0.8%            | 2.1%                   | -5.8%                  | -20.2%    |
|                    | 2017      | 3.0%            | 2.5%             | 3.0%                    | 2.8%     | 3.7%              | 2.8%            | 1.7%                   | 0.3%                   | 14.5%     |
|                    | 2018      | 2.6%            | 2.3%             | 2.2%                    | 2.9%     | 3.4%              | 2.9%            | 2.4%                   | 4.3%                   | 1.7%      |
|                    | 2019      | 3.0%            | 2.6%             | 2.4%                    | 3.5%     | 4.0%              | 3.5%            | 2.4%                   | 4.1%                   | 0.9%      |
|                    | 2020      | 1.9%            | 2.7%             | 1.5%                    | 3.2%     | 4.0%              | 2.9%            | 2.8%                   | -3.5%                  | -15.7%    |
|                    | 2021      | 2.7%            | 1.0%             | 1.6%                    | 2.8%     | 4.3%              | 4.1%            | 2.0%                   | 3.5%                   | 15.0%     |
|                    | 2022      | 5.2%            | 2.1%             | 2.9%                    | 5.2%     | 8.6%              | 2.6%            | 4.3%                   | 21.5%                  | 43.1%     |
| 2023               | 4.0%      | 4.0%            | 4.1%             | 5.0%                    | 6.4%     | 2.8%              | 4.9%            | 7.3%                   | -3.7%                  |           |

IMPORTANT NOTE: In 2015, the American Association of University Professors (AAUP) began using a new methodology to calculate salary and total compensation that was not directly comparable with the past. Further adjustments were made to the data for FY2022 and data for fiscal years 2015 through 2022 have now been restated to account for the change and to make the data compatible with past reporting. As of FY2023 and moving forward, HEPI incorporates an amended materials category due to expiration of collection for one of its many components, with no material change on the category outcomes when mapped to prior years.

### Summary Output

#### Regression Statistics

|                   |             |
|-------------------|-------------|
| Multiple R        | 0.999998904 |
| R Square          | 0.999997809 |
| Adjusted R Square | 0.999997261 |
| Standard Error    | 0.096391663 |
| Observations      | 41          |

#### Coefficients

|           |              |
|-----------|--------------|
| Intercept | -0.286286907 |
| Faculty   | 0.353741718  |
| Admin     | 0.104289477  |
| Clerical  | 0.18408585   |
| Service   | 0.082314791  |
| Fringe    | 0.131020859  |
| Services  | 0.022899544  |
| Supplies  | 0.055138426  |
| Utilities | 0.068247106  |