

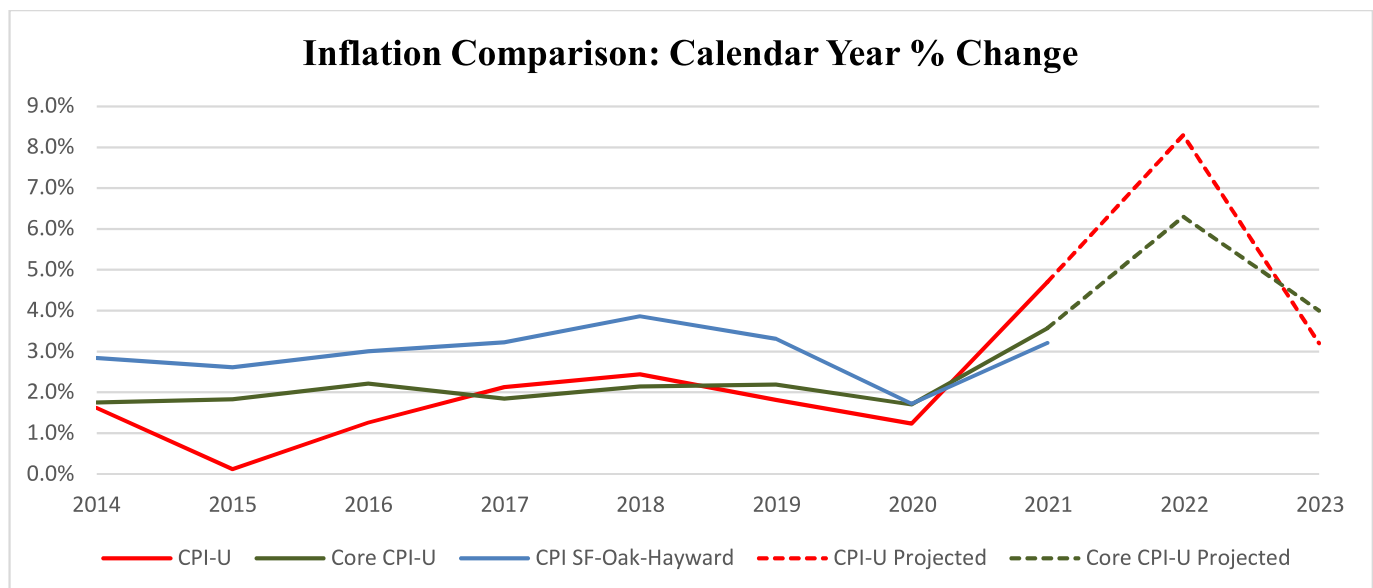
INFLATION REPORT

Summer 2022

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 2021 was 4.7% and Core CPI-U increase was 3.6% according to the Bureau of Labor Statistics on August 3rd, 2022. For the calendar year 2022, Wells Fargo estimates inflation rates to be 8.3% for the CPI-U and 6.3% for Core CPI-U. For calendar year 2023, Wells Fargo estimates inflation rates to be 3.2% for the CPI-U and 4.0% 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.

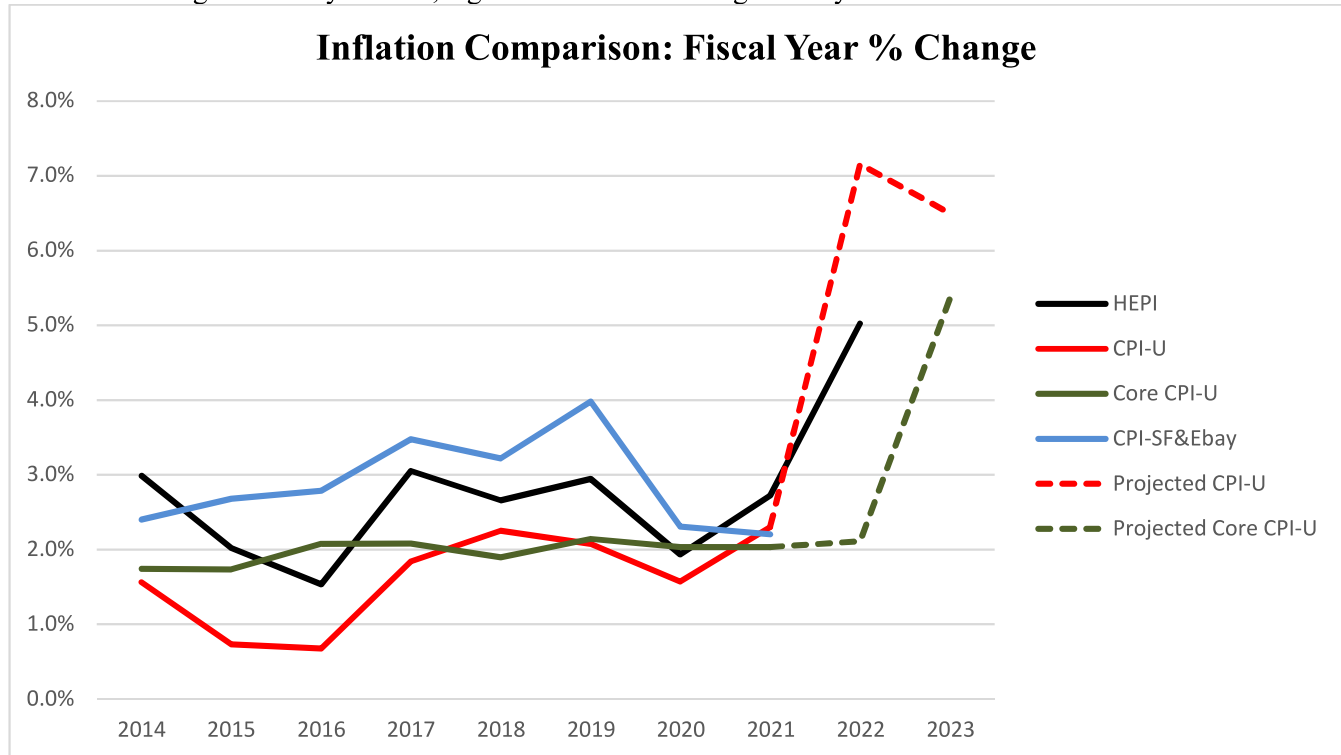


CALENDAR YEAR 12- Month									PROJECTED	
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CPI-U	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%	1.2%	4.7%	8.3%	3.2%
Core CPI-U	1.7%	1.8%	2.2%	1.8%	2.1%	2.2%	1.7%	3.6%	6.3%	4.0%
CPI SF-Oak-Hayward	2.8%	2.6%	3.0%	3.2%	3.9%	3.3%	1.7%	3.2%	N/A	N/A

Information sources

- Bureau of Labor Statistics and Wells Fargo Securities, LLC.
- CPI-U and Core CPI-U forecasts from Wells Fargo report, July 22nd, 2022.
- All the existing CPI data provided by Bureau of Labor Statistics as of August 3rd, 2022.

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. FY2021 is the average of July 2020 to June 2021.

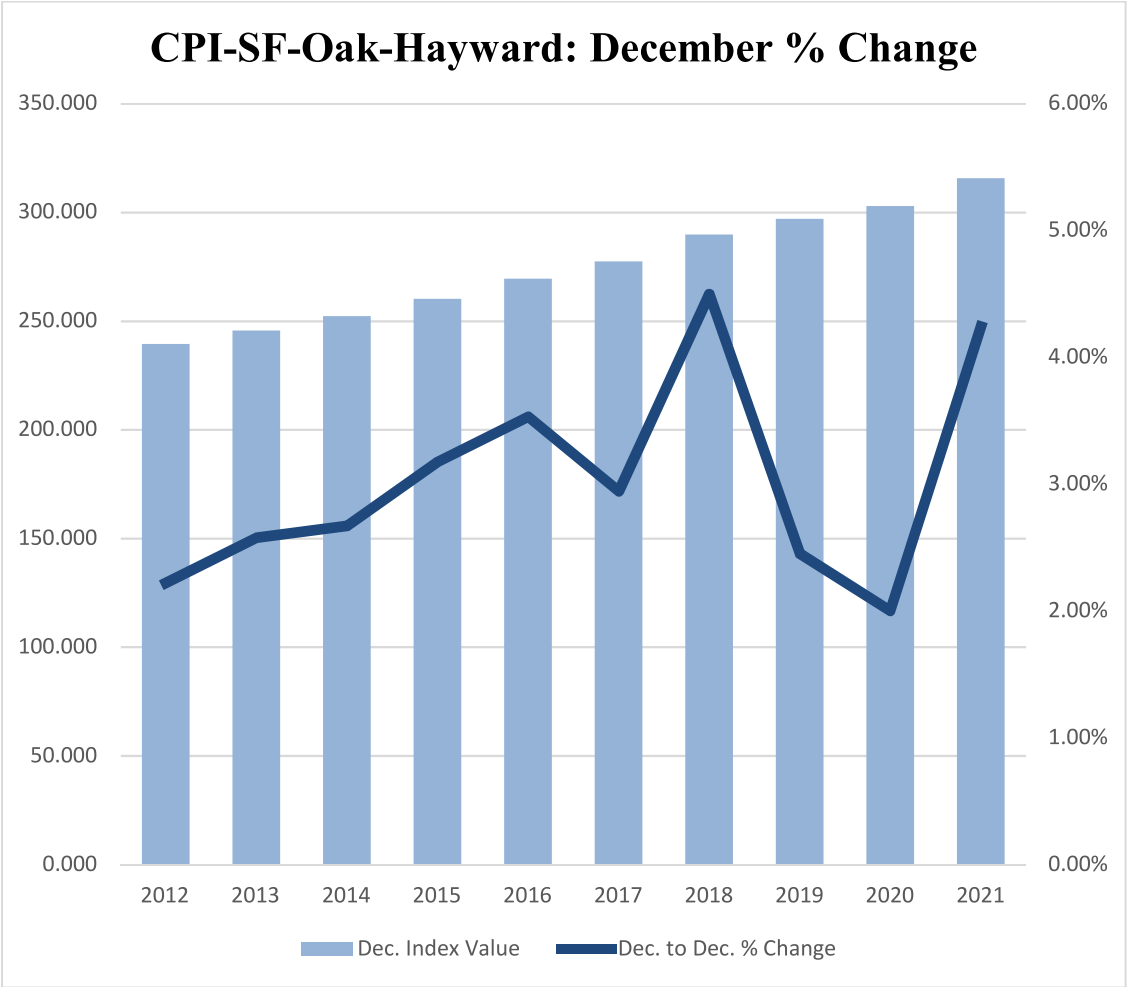


Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	Projected	
									2022	2023
HEPI	3.0%	2.0%	1.5%	3.1%	2.7%	2.9%	1.9%	2.7%	5.0%	N/A
CPI-U	1.6%	0.7%	0.7%	1.8%	2.3%	2.1%	1.6%	2.3%	6.2%	6.5%
Core CPI-U	1.7%	1.7%	2.1%	2.1%	1.9%	2.1%	2.0%	2.0%	2.1%	5.4%
CPI SF-Oak-Hayward	2.4%	2.7%	2.8%	3.5%	3.2%	4.0%	2.3%	2.2%	N/A	N/A

Information Sources

- Bureau of Labor Statistics Website as of August 3rd, 2022.
- Wells Fargo Securities, LLC Report, July 22nd, 2022.
- Higher Education Price Index Report, 2022 June Update.

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



CPI SF-Oak-Hayward	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Dec. Index Value	239.533	245.711	252.273	260.289	269.483	277.414	289.896	297.007	302.948	315.805
Dec. to Dec. % Change	2.22%	2.58%	2.67%	3.18%	3.53%	2.94%	4.50%	2.45%	2.00%	4.24%

Information Sources

- Bureau of Labor Statistics Website as of August 3rd, 2022.

Appendix

Bureau of Labor Statistics Data: CPI, August 5 th , 2022	A1
Bureau of Labor Statistics Data: Core-CPI August 3 rd , 2022	A2
Bureau of Labor Statistics Data: CPI-SF-Oak-Hayward, August 11 th , 2022	A3
Wells Fargo U.S. Economic Forecast, July 22 nd , 2022	A4
2022 Higher Education Price Index, 2022 Updates	A5

A1: Consumer Price Index – All Urban Consumers

8/5/22, 3:26 PM

Bureau of Labor Statistics Data



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Data extracted on: August 5, 2022 (5:35:44 PM)

CPI 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	Annual	HALF1	HALF2
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	229.594	228.850	230.338
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.957	232.366	233.548
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	236.736	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	237.017	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	240.007	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	245.120	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	251.107	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	255.657	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	258.811	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	270.970	266.236	275.703
2022	281.148	283.716	287.504	289.109	292.296	296.311								288.347	

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A2: Core Consumer Price Index – All Urban Consumers

8/3/22, 2:11 PM

Bureau of Labor Statistics Data



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Change Output Options: From: 2012 To: 2022 GO

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Data extracted on: August 3, 2022 (5:11:01 PM)

CPI for All Urban Consumers (CPI-U)

Series Id: CUUR0000SA0L1E

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

Download: [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2012	227.237	227.865	228.735	229.303	229.602	229.879	229.893	230.196	230.780	231.276	231.263	231.033	229.755	228.770	230.740
2013	231.612	232.432	233.052	233.236	233.462	233.640	233.792	234.258	234.782	235.162	235.243	235.000	233.806	232.906	234.706
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	237.897	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	242.247	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	247.602	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	252.169	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	257.565	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	263.211	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	267.693	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	277.255	273.374	281.136
2022	285.996	288.059	289.305	290.846	292.506	294.680								290.232	

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A3: Consumer Price Index – SF-Oak-Hayward

8/11/22, 3:11 PM

Bureau of Labor Statistics Data



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Change Output Options: From: 2012 To: 2022

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Data extracted on: August 11, 2022 (6:11:28 PM)

CPI for All Urban Consumers (CPI-U)

Series Id: CUURS49BSA0, CUUSS49BSA0

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

Download: [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2012		236.880		238.985		239.806		241.170		242.834		239.533	239.650	238.099	241.201
2013		242.677		244.675		245.935		246.072		246.617		245.711	245.023	243.894	246.152
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								323.408	

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A4: Wells Fargo Economic Forecast



Economics

U.S. Economic Forecast

Wells Fargo U.S. Economic Forecast

	Actual				Forecast				Actual			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2020	2021	2022	2023
Real Gross Domestic Product (a)	-5.1	-31.2	33.8	4.5	6.3	6.7	2.3	6.9	-1.6	0.2	1.6	0.7
Personal Consumption	-6.9	-33.4	41.4	3.4	11.4	12.0	2.0	2.5	1.8	1.0	2.1	0.5
Business Fixed Investment	-8.1	-30.3	18.7	12.5	12.9	9.2	1.7	2.9	10.0	2.8	3.6	3.8
Equipment	-11.3	-32.5	18.9	12.5	14.1	10.3	1.4	3.0	10.0	2.8	3.6	3.8
Nonresidential Structures	-9.9	-46.8	-15.3	-8.2	5.4	-3.0	-4.1	-8.9	11.2	10.0	5.5	4.5
Residential Investment	20.4	-30.7	59.9	34.4	13.3	-11.7	-7.7	2.2	0.4	-10.5	-8.0	-4.0
Government Purchases	3.7	3.9	-2.1	-0.5	4.2	-2.0	0.9	-2.6	-2.9	-2.2	1.6	1.4
Net Exports	-841.9	-774.8	-1021.3	-1132.8	-1226.1	-1244.5	-1116.6	-1350.1	-1544.7	-1495.1	-1507.2	-1480.9
Pct. Point Contribution to GDP	-0.1	1.5	-3.3	-1.7	-1.6	-0.2	-1.3	-0.2	-3.2	1.0	-0.2	0.5
Inventory Change	-30.4	-252.8	25.3	88.8	-88.3	-168.5	-66.8	193.2	188.5	132.7	127.4	118.9
Pct. Point Contribution to GDP	-0.5	-4.0	0.6	1.1	-2.6	-1.3	2.2	5.3	-0.4	-1.1	-0.1	-0.2
Nominal GDP (a)	-3.9	-32.4	38.7	6.6	10.9	13.4	8.4	14.5	6.6	7.6	7.0	4.0
Real Final Sales	-4.6	-27.6	25.9	3.4	9.1	8.1	0.1	1.5	-1.2	1.3	1.8	0.9
Retail Sales (b)	1.1	-7.9	4.5	4.4	15.1	32.6	15.2	17.3	12.6	8.1	8.4	4.5
Inflation Indicators (b)												
Core Inflation	1.7	0.6	1.2	1.4	1.8	3.9	4.3	5.5	6.3	6.4	6.4	5.6
"Core" PCE Deflator	1.8	1.0	1.5	1.4	1.7	3.4	3.6	4.6	5.2	4.7	4.7	4.4
Consumer Price Index	2.1	0.4	1.3	1.2	1.9	4.8	5.3	6.7	8.0	8.6	8.8	7.8
"Core" Consumer Price Index	2.3	1.3	1.7	1.6	1.4	3.7	4.1	5.0	6.3	6.0	6.4	6.3
Producer Price Index (Final Demand)	1.1	-1.0	0.0	0.7	2.9	6.9	8.4	9.7	10.8	11.0	10.0	8.7
Employment Cost Index	2.8	2.7	2.4	2.5	2.6	2.9	3.7	4.0	4.5	5.0	4.9	4.9
Real Disposable Income (b)	1.6	12.5	6.9	4.0	15.1	-4.3	-0.9	0.1	-12.0	-4.2	-3.0	-1.4
Nominal Personal Income (b)	3.3	10.9	7.1	4.8	16.1	1.6	3.2	4.5	12.8	4.5	5.4	5.7
Real Personal Income (a)	3.1	-4.0	-4.2	-0.6	14.5	1.1	3.1	4.3	11.6	4.1	5.2	5.4
Capacity Utilization	76.2	66.6	71.0	74.6	75.6	77.2	78.0	78.8	79.5	80.3	80.6	79.9
Corporate Profits Before Taxes (b)	-5.6	-18.6	2.3	0.9	17.6	45.1	19.7	21.0	12.6	-0.2	-5.0	-7.5
Corporate Profits After Taxes	-3.8	-18.3	2.1	1.1	14.7	43.4	18.2	19.7	8.8	-1.3	-6.3	-8.6
Federal Budget Balance (c)	-387	-2001	-388	-573	-1133	-532	-538	-378	-291	153	-285	-396
Trade Weighted Dollar Index (d)	112.7	110.3	106.5	103.3	104.2	102.8	105.3	108.2	109.7	114.9	118.5	120.0
Nonfarm Payroll Change (e)	-261	-4449	1324	288	645	422	543	637	539	375	235	133
Unemployment Rate	3.8	13.0	8.8	6.8	6.2	5.9	5.1	4.2	3.8	3.6	3.5	3.6
Housing Starts (f)	1.47	1.09	1.45	1.57	1.58	1.59	1.57	1.68	1.72	1.65	1.66	1.61
Light Vehicle Sales (g)	14.0	11.3	14.4	14.5	16.8	16.9	13.3	14.9	15.9	16.2	16.4	15.1
Crude Oil Break-Even Contract (h)	53.0	34.7	43.8	45.5	60.9	60.6	72.3	79.0	95.7	109.8	110.0	103.0
Quarter-End Interest Rates (i)												
Secured Overnight Financing Rate	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	1.75	3.25	4.00
3 Month LIBOR	0.01	0.10	0.08	0.07	0.01	0.05	0.05	0.05	0.29	1.50	3.05	3.80
Prime Rate	1.45	0.30	0.23	0.24	0.19	0.15	0.13	0.21	0.96	2.29	3.70	4.25
Conventional Mortgage Rate	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.50	4.75	6.25	7.00
1 Month Bill	0.11	0.16	0.10	0.09	0.03	0.05	0.04	0.06	0.52	1.72	3.25	3.85
3 Month Bill	0.11	0.16	0.10	0.09	0.03	0.05	0.04	0.06	0.52	1.72	3.25	3.85
1 Year Bill	0.17	0.16	0.12	0.10	0.07	0.07	0.09	0.39	1.63	2.80	3.45	3.70
2 Year Note	0.23	0.16	0.13	0.13	0.16	0.25	0.28	0.73	2.28	2.92	3.35	3.55
5 Year Note	0.37	0.29	0.28	0.36	0.92	0.87	0.98	1.26	2.42	3.01	3.20	3.35
10 Year Note	0.70	0.66	0.69	0.93	1.74	1.45	1.52	1.52	2.32	2.98	3.10	3.20
30 Year Bond	1.35	1.41	1.46	1.65	2.41	2.06	2.08	1.90	2.44	3.14	3.30	3.40

Forecast as of: July 21, 2022
Notes: (a) Year-over percentage change; (b) Year-over percentage change; (c) Quarterly sum - Billion USD; (d) Annual Data Represents Fiscal Yr; (e) Year-over percentage change; (f) Annual Data Represents Fiscal Yr; (g) Quarterly sum - Billion USD; (h) Annual Data Represents Fiscal Yr; (i) Annual Data Represents Fiscal Yr

Source: U.S. Department of Commerce, U.S. Department of Labor, IHS Markit, Federal Reserve Board and Wells Fargo Economics

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A5: Higher Education Prices Index, 2022 updates

Table 3.1 Higher Education Price Index®, 2012-2022
Compiled by Regression Analysis of Components, FY 1961-2001
Reported data through June 20, 2022

commonfund
INSTITUTE

Fiscal year	Regression HEPI	Faculty salaries (H1.1)	Admin salaries (H1.6)	Clerical (H2.3)	Service employees (H2.5)	Fringe benefits (H3.0)	Misc services (H4.5)	Supplies & mat'l (H5.0)	Utilities (H8.0)
2012	293.2	289.6	352.3	264.8	235.7	425.3	264.6	204.0	191.7
2013	297.8	294.6	362.4	269.8	239.4	437.5	269.4	180.0	195.6
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 Preliminary Forecast *	380.5	362.1		353.2	332.9	587.3	332.9	233.2	233.9
2012	1.7%	1.8%	2.7%	1.7%	1.1%	1.8%	1.7%	5.2%	-4.9%
2013	1.6%	1.7%	2.9%	1.9%	1.6%	2.9%	1.8%	-11.7%	2.0%
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 Preliminary Forecast *	5.0%	2.1%		5.2%	8.6%	2.6%	4.3%	19.4%	40.1%
Coefficients									
	-0.286286907	0.3537417	0.104289477	0.18408585	0.082314791	0.131020859	0.022899544	0.055138426	0.068247106
	Intercept	Faculty	Admin	Clerical	Service	Fringe	Services	Supplies	Utilities
SUMMARY OUTPUT									
<i>Regression Statistics</i>									
Multiple R	0.999998904								
R Square	0.999997809								
Adjusted R Square	0.999997261								
Standard Error	0.096391663								
Observations	41								

* 2022 Preliminary Forecast: This estimate of HEPI is calculated by inserting into the model a combination of actual new data points, where they have become available, and forecasts of the remaining data points based upon historical information. Numbers in blue are updated monthly.