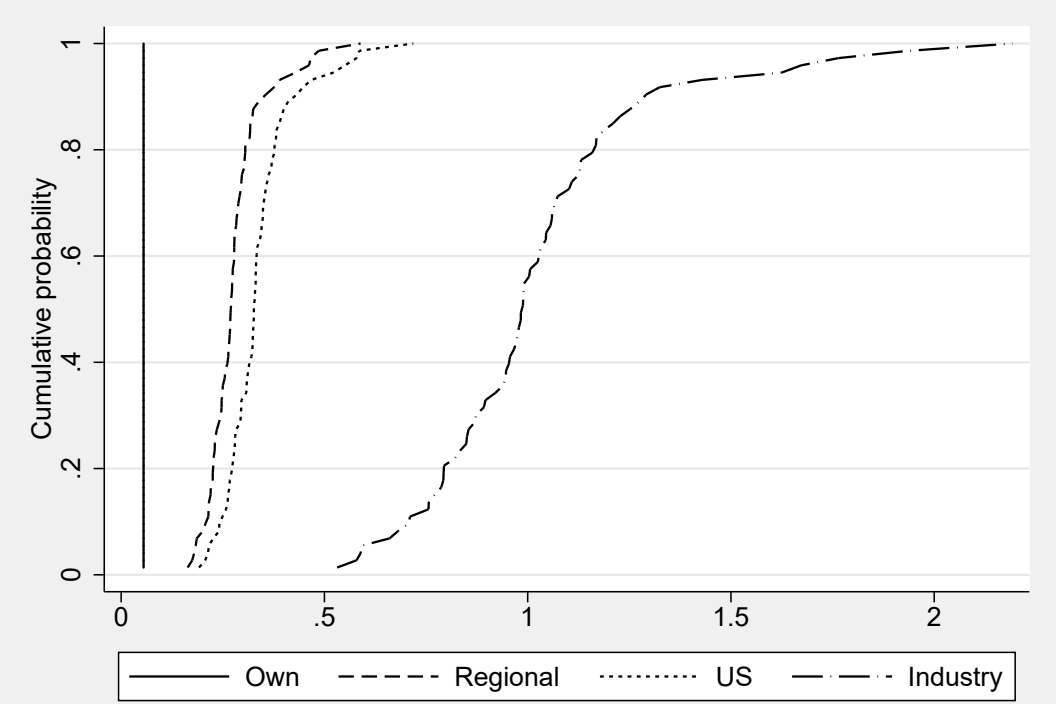

A value of 1 denotes full pass-through of a firm's cost shock onto consumers.