Table 1a. Summary Statistics for Baseline Sample

	Durables Spending Panel (N=1,084)				Nondurables Spending Panel (N=2,010)			
	Mean	SD	Min	Max	Mean	SD	Min	Max
Durables Spending ($)	320.11	845.60	0.00	12,942.66	.	.	.	.
Nondurables Spending ($)	.	.	.	.	1,547.04	967.61	249.96	10,028.94
Bought Durables	0.38	0.49	0.00	1.00	.	.	.	.
Inflation Expectation	3.20	3.01	–5.00	23.25	3.97	3.46	–5.00	21.58
Inflation Uncertainty	2.15	1.96	0.14	20.54	2.18	2.13	0.14	20.54
Household Income (Median $)	67,500	44,551	8,750	237,500	55,000	48,730	8,750	237,500
Monthly Payments ($)	807	749	0	10,520	917	796	0	9,754
Expects Interest Rate Increase	0.34	0.47	0.00	1.00	0.37	0.48	0.00	1.00
Expects Interest Rate Decrease	0.11	0.32	0.00	1.00	0.05	0.22	0.00	1.00
Expects Unemployment Increase	0.24	0.43	0.00	1.00	0.29	0.45	0.00	1.00
Expects Unemployment Decrease	0.23	0.42	0.00	1.00	0.22	0.41	0.00	1.00
Real Wage Growth Expectation	0.20	7.24	–22.80	35.36	–1.34	6.68	–20.57	35.36
Wage Growth Uncertainty	1.36	1.80	0.14	20.27	1.56	2.16	0.14	20.73
House Price Growth Expectation	2.60	7.05	–50.00	25.00	1.41	8.32	–100.00	25.00
Age*	56.44	7.29	43.00	74.00	55.39	6.78	43.00	74.00
Non-White*	0.12	0.32	0.00	1.00	0.19	0.40	0.00	1.00
Female*	0.45	0.50	0.00	1.00	0.51	0.50	0.00	1.00
No College*	0.41	0.49	0.00	1.00	0.44	0.50	0.00	1.00
Homeowner	0.82	0.38	0.00	1.00	0.67	0.46	0.00	1.00
Has Mortgage	0.57	0.47	0.00	1.00	0.46	0.48	0.00	1.00

Note: * Values represent the weighted average of the given variable over the unique set of individuals in the given sample.

Table 1b. Summary Statistics for Mortgagor Sample

	Durables Spending Panel (N=671)				Nondurables Spending Panel (N=579)			
	Mean	SD	Min	Max	Mean	SD	Min	Max
Durables Spending ($)	336.51	914.74	0.00	12,942.66	.	.	.	.
Nondurables Spending ($)	.	.	.	.	1,753.51	1,016.21	332.77	9,544.67
Bought Durables	0.38	0.48	0.00	1.00	.	.	.	.
Inflation Expectation	2.70	2.45	–3.54	23.25	3.07	2.74	–3.30	19.02
Inflation Uncertainty	2.11	2.05	0.14	20.54	1.96	2.10	0.14	20.54
Household Income (Median $)	67,500	44,185	8,750	237,500	87,500	49,152	8,750	237,500
Mortgage Balance ($)	99,161	89,982	400	1,100,000	122,800	97,521	400	835,000
Monthly Payments ($)	1,136	788	0	10,520	1,402	870	0	9,754
Expects Interest Rate Increase	0.31	0.46	0.00	1.00	0.34	0.47	0.00	1.00
Expects Interest Rate Decrease	0.16	0.36	0.00	1.00	0.08	0.27	0.00	1.00
Expects Unemployment Increase	0.27	0.44	0.00	1.00	0.34	0.47	0.00	1.00
Expects Unemployment Decrease	0.24	0.43	0.00	1.00	0.22	0.41	0.00	1.00
Real Wage Growth Expectation	–0.26	3.99	–22.80	35.36	–0.94	3.92	–18.02	35.36
Wage Growth Uncertainty	1.42	1.85	0.14	17.64	1.50	1.85	0.14	14.20
House Price Growth Expectation	1.92	6.44	–20.00	25.00	0.65	6.23	–20.00	20.00
Age*	54.80	6.94	43.00	70.00	55.01	6.94	43.00	70.00
Non-White*	0.10	0.30	0.00	1.00	0.14	0.35	0.00	1.00
Female*	0.41	0.49	0.00	1.00	0.44	0.50	0.00	1.00
No College*	0.47	0.50	0.00	1.00	0.44	0.50	0.00	1.00

Note: * Values represent the weighted average of the given variable over the unique set of individuals in the given sample.

Table 2: Real Durable Goods Spending vs. Year-Ahead Expectations, Baseline Sample (Columns 1-6), Mortgagor Sample (Column 7), GEE estimation

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Inflation Expectation	0.038	–0.006	–0.012	0.080	0.179*	0.191**	0.571***
	(0.038)	(0.045)	(0.052)	(0.109)	(0.095)	(0.089)	(0.183)
Inflation Uncertainty	–0.009	0.068	0.087	–0.003	0.101	0.075	0.087
	(0.043)	(0.053)	(0.055)	(0.068)	(0.093)	(0.091)	(0.097)
Household Income (Log)		0.836***	0.802***	–1.344*	–1.473*	–1.128	–1.516
		(0.260)	(0.237)	(0.795)	(0.821)	(0.839)	(1.213)
Expects Unemployment Increase			–0.481*	–1.092***	–1.160***	–1.232***	–1.225**
			(0.256)	(0.384)	(0.391)	(0.409)	(0.586)
Expects Unemployment Decrease			0.074	–0.118	–0.070	–0.103	–0.129
			(0.277)	(0.276)	(0.275)	(0.284)	(0.274)
Mean Inflation Expectation				–0.141	–0.211	–0.248*	–0.438***
				(0.153)	(0.141)	(0.132)	(0.156)
Mean Log Household Income				2.310***	2.589***	2.320***	2.431*
				(0.866)	(0.890)	(0.896)	(1.311)
Mean Expects Unemployment Increase				1.301**	1.164**	1.276***	0.756
				(0.514)	(0.463)	(0.416)	(0.474)
Mean Expects Unemployment Decrease				0.540	0.280	0.225	–0.284
				(0.456)	(0.414)	(0.381)	(0.487)
No College					–0.621*	–0.497	0.004
					(0.362)	(0.375)	(0.473)
No College × Inflation Expectation					–0.360***	–0.355***	–0.271**
					(0.079)	(0.087)	(0.131)
No College × Inflation Uncertainty					0.048	0.043	0.016
					(0.115)	(0.120)	(0.150)
Mean Log Household Income × Inflation Expectation						–0.169***	–0.118
						(0.038)	(0.103)
Mean Log Mortgage Balance							–0.249
							(0.314)
Mean Log Mortgage Balance × Inflation Expectation							0.160***
							(0.055)

Mortgage Balance (Log)							0.376
							(0.236)
Correlated Random Effects	No	No	No	Yes	Yes	Yes	Yes
Chi^2	29.55	214.18	253.17	788.30	967.82	2195.88	5094.23
P Value	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Sample Size	1084	1084	1084	1084	1084	1084	671

Standard errors in parentheses.

Note: Each column includes time fixed effects. All means refer to within-subject means. Model (1) includes the inflation expectation and inflation uncertainty. Model (2) adds household income (log), monthly payments (log), the "expects interest rate increase" indicator, the "expects interest rate decrease indicator", the real wage expectation, wage uncertainty, the house price expectation, the no mortgage indicator, respondent's age, and the indicators for non-white, female, retired, and homeowner. Model (3) adds the "expects unemployment increase" indicator and the "expects unemployment decrease" indicator. Model (4) adds the within-subject means of the inflation expectation, inflation uncertainty, household income (log), monthly payments (log), expects interest rate increase, expects interest rate decrease, the real wage expectation, wage uncertainty, the house price expectation, expects unemployment increase, expects unemployment decrease, the no mortgage indicator, and the homeowner indicator. Model (5) adds the no college indicator and the indicator's interactions with the inflation expectation and inflation uncertainty. Model (6) adds interactions between the inflation expectation and each of within-subject mean household income (log), mean monthly payments (log), and the mean no mortgage indicator. Model (7) is restricted to the mortgagor sample. This model includes the mortgage balance (log), the within-subject mean of the mortgage balance (log), and the interaction between the inflation expectation and within-subject mean mortgage balance. The full set of coefficients is presented in Appendix H. Robust standard errors are clustered at the level of the individual respondent. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 3: Average Marginal Effects of Inflation Expectations on Durable Goods Spending

	Baseline Sample Model (6)	**Mortgagor Sample** Model (7)
Average	0.04	0.25**
	(0.09)	(0.12)
No College	-0.15	0.12
	(0.10)	(0.16)
Some College or More	0.21**	0.39***
	(0.09)	(0.09)
No College, 25th Percentile Household Income	-0.10	0.16
	(0.10)	(0.16)
College, 25th Percentile Household Income	0.25***	0.43***
	(0.09)	(0.09)
No College, 75th Percentile Household Income	-0.21*	0.06
	(0.11)	(0.18)
College, 75th Percentile Household Income	0.14	0.33***
	(0.10)	(0.12)
No College, 25th Percentile Mortgage Balance		0.01
		(0.15)
College, 25th Percentile Mortgage Balance		0.28***
		(0.07)
No College, 75th Percentile Mortgage Balance		0.26
		(0.19)
College, 75th Percentile Mortgage Balance		0.53***
		(0.13)
Observation	1084	671

Standard errors in parentheses

Note: A given semi-elasticity estimate indicates the population average relative change in quarterly durable goods spending for a 1-percentage-point increase in expected inflation one year ahead, assuming the given characteristics. (Percentage changes are obtained by multiplying each value by 100.)

$^{*}p < 0.10,^{**}p < .05,^{***}p < .01$

Table 4: Real Nondurable Goods Spending vs. Year-Ahead Expectations, Baseline Sample (Columns 1-6), Mortgagor Sample (Column 7), GEE estimation

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Inflation Expectation	0.002	0.002	0.003	0.003	–0.001	0.003	0.027
	(0.006)	(0.006)	(0.006)	(0.007)	(0.007)	(0.012)	(0.021)
Inflation Uncertainty	–0.004	–0.002	–0.000	–0.003	0.016	0.012	0.021
	(0.007)	(0.008)	(0.007)	(0.008)	(0.010)	(0.011)	(0.013)
Household Income (Log)		0.419***	0.409***	0.116	0.118	0.124	0.012
		(0.056)	(0.056)	(0.089)	(0.089)	(0.090)	(0.137)
Expects Unemployment Increase			–0.124***	–0.125***	–0.123***	–0.123***	–0.128**
			(0.034)	(0.033)	(0.034)	(0.034)	(0.064)
Expects Unemployment Decrease			–0.023	–0.027	–0.028	–0.028	0.001
			(0.027)	(0.027)	(0.027)	(0.027)	(0.047)
Mean Inflation Expectation				–0.012	–0.011	–0.020	–0.075**
				(0.022)	(0.022)	(0.021)	(0.031)
Mean Log Household Income				0.409***	0.404***	0.419***	0.472***
				(0.108)	(0.108)	(0.113)	(0.153)
Mean Expects Unemployment Increase				0.201	0.206	0.233	–0.311
				(0.170)	(0.168)	(0.163)	(0.226)
Mean Expects Unemployment Decrease				–0.039	–0.045	–0.047	0.039
				(0.190)	(0.185)	(0.184)	(0.158)
No College					0.011	0.020	–0.112
					(0.090)	(0.090)	(0.114)
No College × Inflation Expectation					0.006	–0.000	–0.010
					(0.009)	(0.009)	(0.021)
No College × Inflation Uncertainty					–0.030**	–0.026**	0.005
					(0.012)	(0.011)	(0.020)
Mean Log Household Income × Inflation Expectation						–0.021**	0.017
						(0.008)	(0.015)
Mean Log Mortgage Balance							–0.043
							(0.054)
Mean Log Mortgage Balance × Inflation Expectation							0.025**
							(0.011)

Mortgage Balance (Log)							0.050
							(0.049)
Correlated Random Effects	No	No	No	Yes	Yes	Yes	Yes
Chi^2	168.47	317.43	417.65	773.60	930.76	1224.80	1468.69
P Value	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sample Size	2010	2010	2010	2010	2010	2010	579

Standard errors in parentheses.

Note: Each column includes time fixed effects. All means refer to within-subject means. Model (1) includes the inflation expectation and inflation uncertainty. Model (2) adds household income (log), monthly payments (log), the "expects interest rate increase" indicator, the "expects interest rate decrease indicator", the real wage expectation, wage uncertainty, the house price expectation, the no mortgage indicator, respondent's age, and the indicators for non-white, female, retired, and homeowner. Model (3) adds the "expects unemployment increase" indicator and the "expects unemployment decrease" indicator. Model (4) adds the within-subject means of the inflation expectation, inflation uncertainty, household income (log), monthly payments (log), expects interest rate increase, expects interest rate decrease, the real wage expectation, wage uncertainty, the house price expectation, expects unemployment increase, expects unemployment decrease, the no mortgage indicator, and the homeowner indicator. Model (5) adds the no college indicator and the indicator's interactions with the inflation expectation and inflation uncertainty. Model (6) adds interactions between the inflation expectation and each of within-subject mean household income (log), mean monthly payments (log), and the mean no mortgage indicator. Model (7) is restricted to the mortgagor sample. This model includes the mortgage balance (log), the within-subject mean of the mortgage balance (log), and the interaction between the inflation expectation and within-subject mean mortgage balance. The full set of coefficients is presented in Appendix H. Robust standard errors are clustered at the level of the individual respondent. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 5: Average Marginal Effects of Inflation Expectations on Real Nondurables/Services Spending, As Semi-Elasticities

	Baseline Sample Model (6)	**Mortgagor Sample** Model (7)
Average	0.01	-0.02*
	(0.01)	(0.01)
No College	0.00	-0.02*
	(0.00)	(0.01)
Some College or More	0.01	-0.01
	(0.01)	(0.01)
No College, 25th Percentile Household Income	0.02***	-0.03*
	(0.01)	(0.02)
College, 25th Percentile Household Income	0.02	-0.02
	(0.01)	(0.02)
No College, 75th Percentile Household Income	-0.00	-0.02
	(0.01)	(0.01)
College, 75th Percentile Household Income	-0.00	-0.01
	(0.01)	(0.02)
No College, 25th Percentile Mortgage Balance		-0.03**
		(0.01)
College, 25th Percentile Mortgage Balance		-0.02
		(0.02)
No College, 75th Percentile Mortgage Balance		-0.01
		(0.02)
College, 75th Percentile Mortgage Balance		0.00
		(0.01)
Observations	2010	579

Standard errors in parentheses

Note: A given semi-elasticity estimate indicates the population average relative change in monthly nondurable goods and services spending for a 1-percentage-point increase in expected inflation one year ahead, assuming the given characteristics. (Percentage changes are obtained by multiplying each value by 100.)

$^{*}p < 0.10,^{**}p < .05,^{***}p < .01$