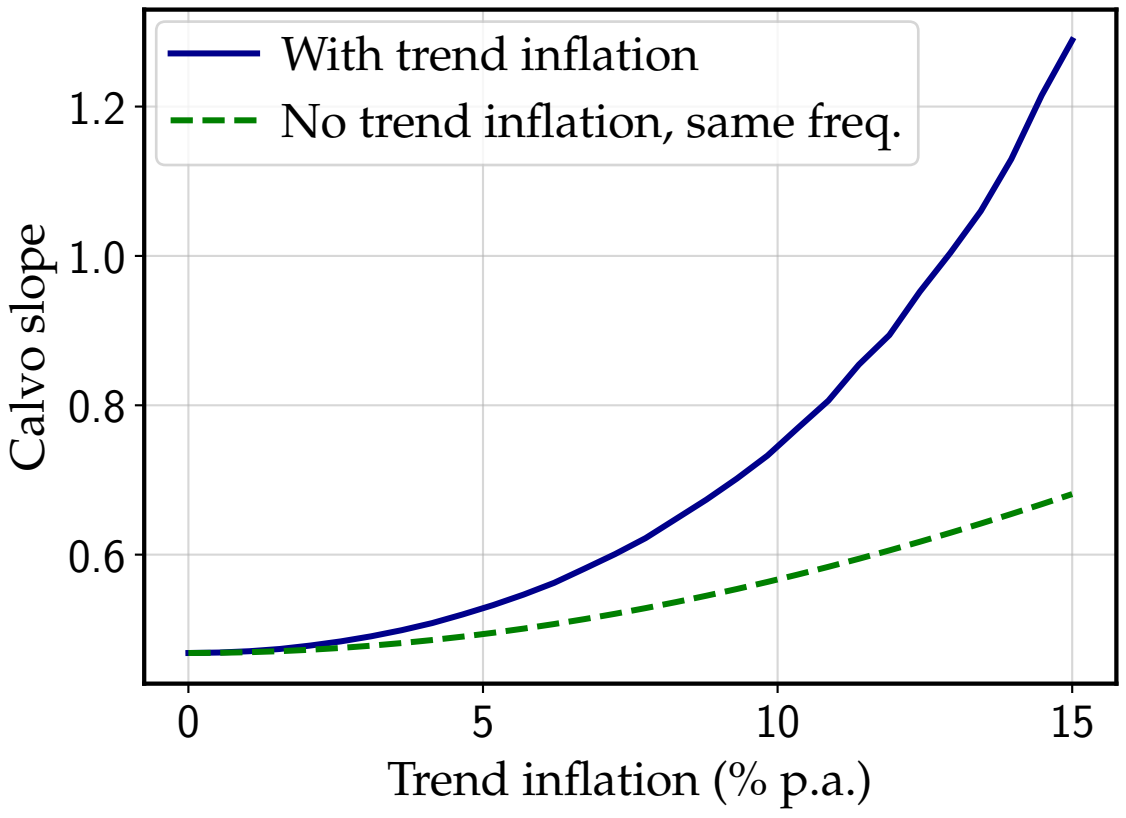
With trend inflation
No trend inflation, same freq.
Calvo slope
1.2
1.0
0.8
0.6
0
5
10
15
Trend inflation (% p.a.)