

Table 29. Inflation Bond Prices

Beginning in January of 2003, the US Treasury Department established an inflation bond index that summarizes the returns on long-term bonds offered by the Treasury Department that are inflation-indexed. For a treasury inflation protected security (TIPS), the principal of the bond is indexed by the (three month lagged) value of the (non-seasonally adjusted) consumer price index. The bond then pays a semi-annual coupon at a rate determined at auction when the bond is issued. The index that we examine is the unweighted average of bid yields for all TIPS with remaining terms to maturity of 10 or more years (Source: *US Treasury*). Monthly values of the index from January 2003 through March 2007 are considered, for a total of $T = 51$ returns.

File Name: InflationBond	Number of obs: 51	Number of variables: 2
Variable	Number of Obs Missing	Description
date		Calendar date
INFBOND		Inflation Bond Index that summarizes the returns on long-term bonds offered by the Treasury Department that are inflation-indexed

Source: US Treasury.

Table 29		
Example of the first five observations:		
	date	INFBOND
1	31-Jan-03	2.72
2	28-Feb-03	2.50
3	31-Mar-03	2.52
4	30-Apr-03	2.72
5	31-May-03	2.40