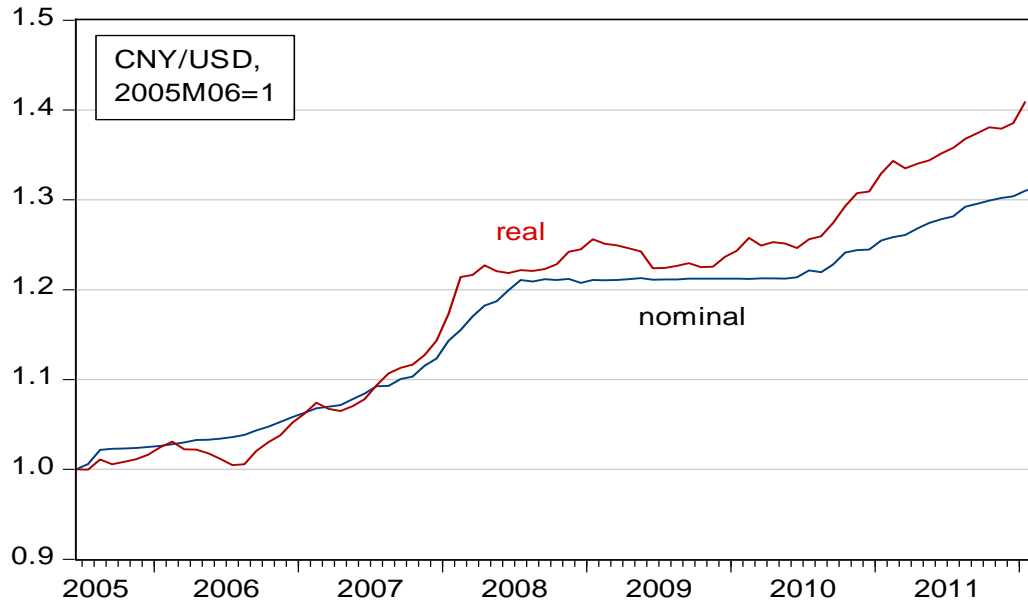
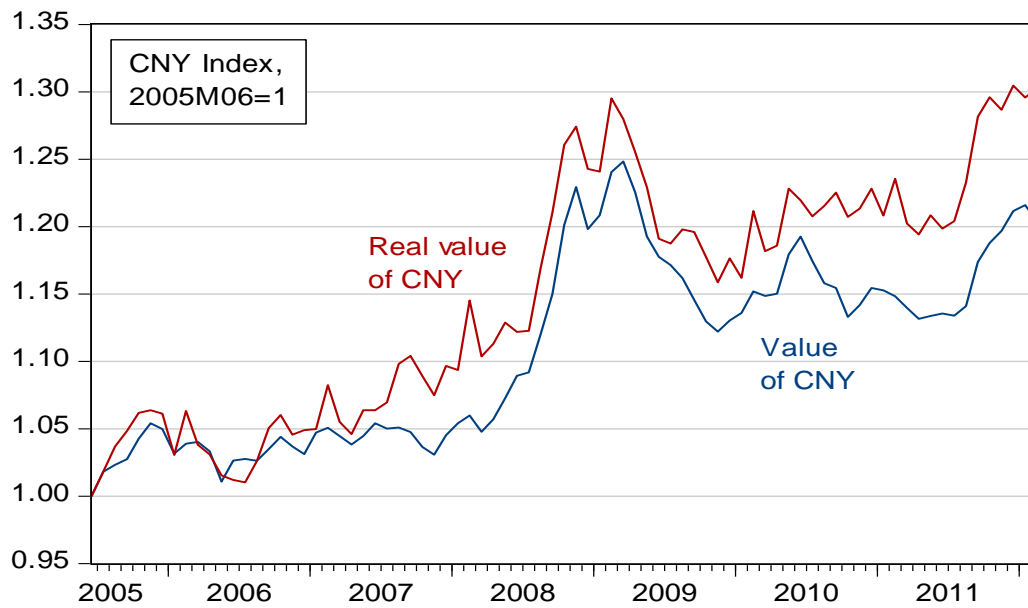


Chinese relative prices have risen as much (since 2009) via inflation as via nominal RMB appreciation.



Bilateral: Value of CNY in terms of USD, nominal (blue) and real (red), 2005M06=1. Real calculated CPIs.
Source: Menzie Chinn. Data: St. Louis Fed FRED.



Weighted Index: Value of CNY in terms of broad basket of currencies, nominal (blue) and real (red), 2005M06=1.
Source: Menzie Chinn. Data: BIS.