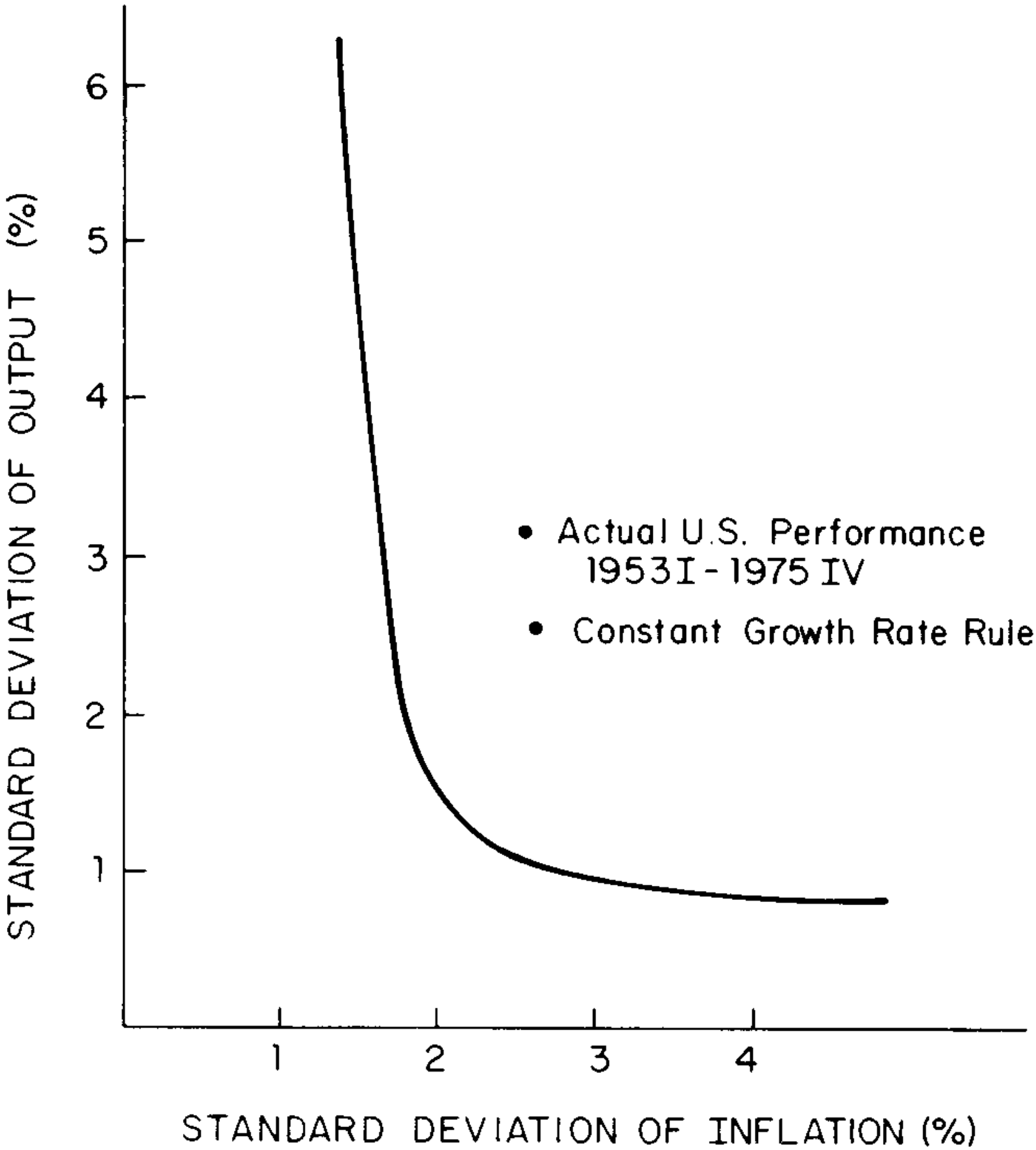

FIGURE 1—Output-inflation variation tradeoff.