

## Data Insights: Consumer Price Index, Producer Price Index

Wednesday, February 15, 2017

### Today's CPI data: what you need to know

	12-mo YOY	3-mo ann	1-mo ann	12 / 3 / 1-mo	12-mo YOY history
All items	+2.50%	+4.1%	+6.8%		
Core	+2.3%	+1.4%	+4.7%		
OER	+3.5%	+3.4%	+2.9%		
All less OER	+2.3%	+4.1%	+7.4%		
Core less OER	+1.5%	+2.5%	+4.3%		
Energy	+11.1%	+27.5%	+59.6%		
All less energy	+1.9%	+2.5%	+3.4%		
Food	-0.1%	+0.3%	+1.6%		
All less food	+3.0%	+4.8%	+7.7%		
Health care	+3.9%	+1.9%	+2.4%		
All less health care	+2.4%	+4.3%	+7.2%		

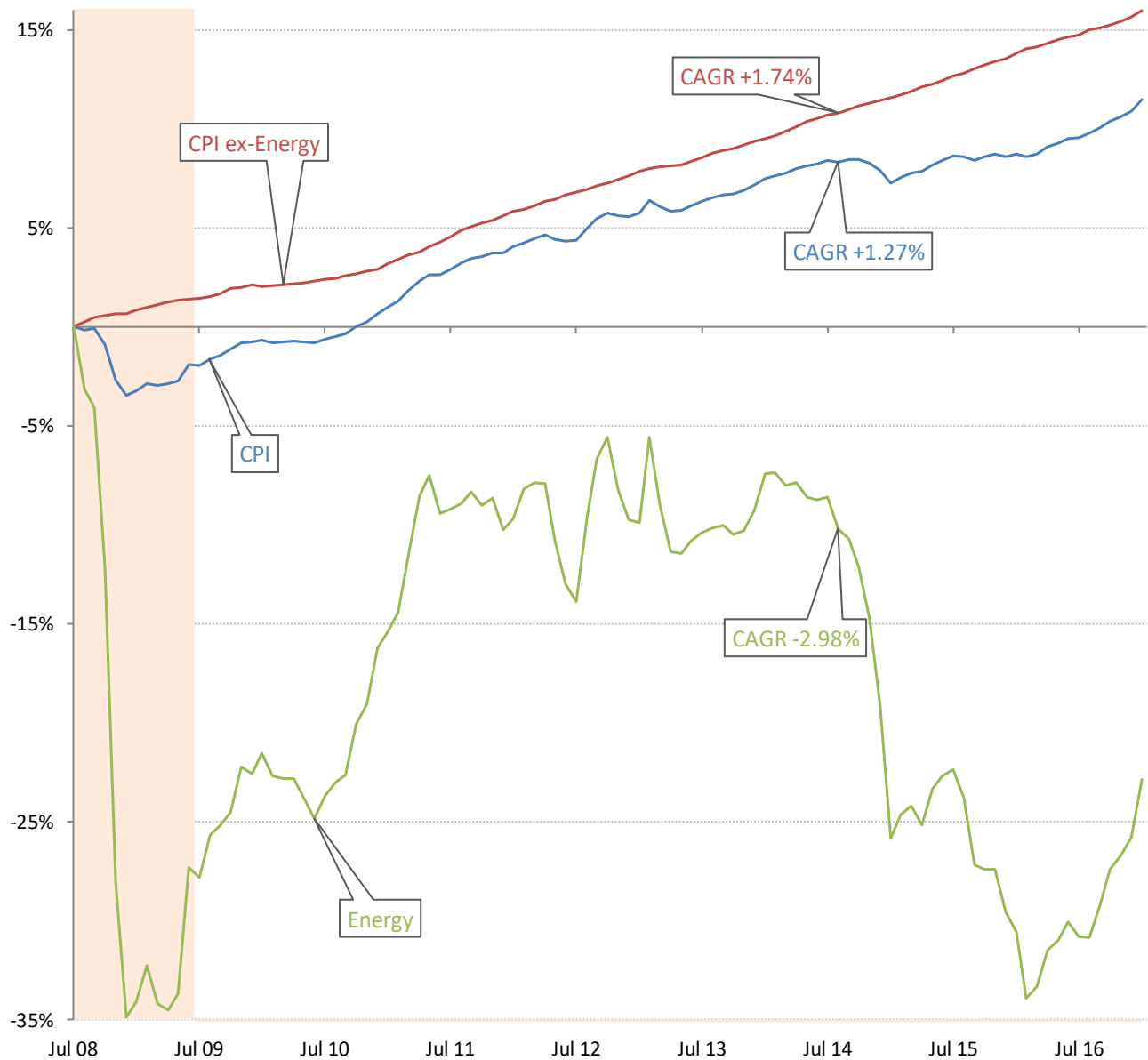
Source: BLS Consumer Price Index, TrendMacro calculations

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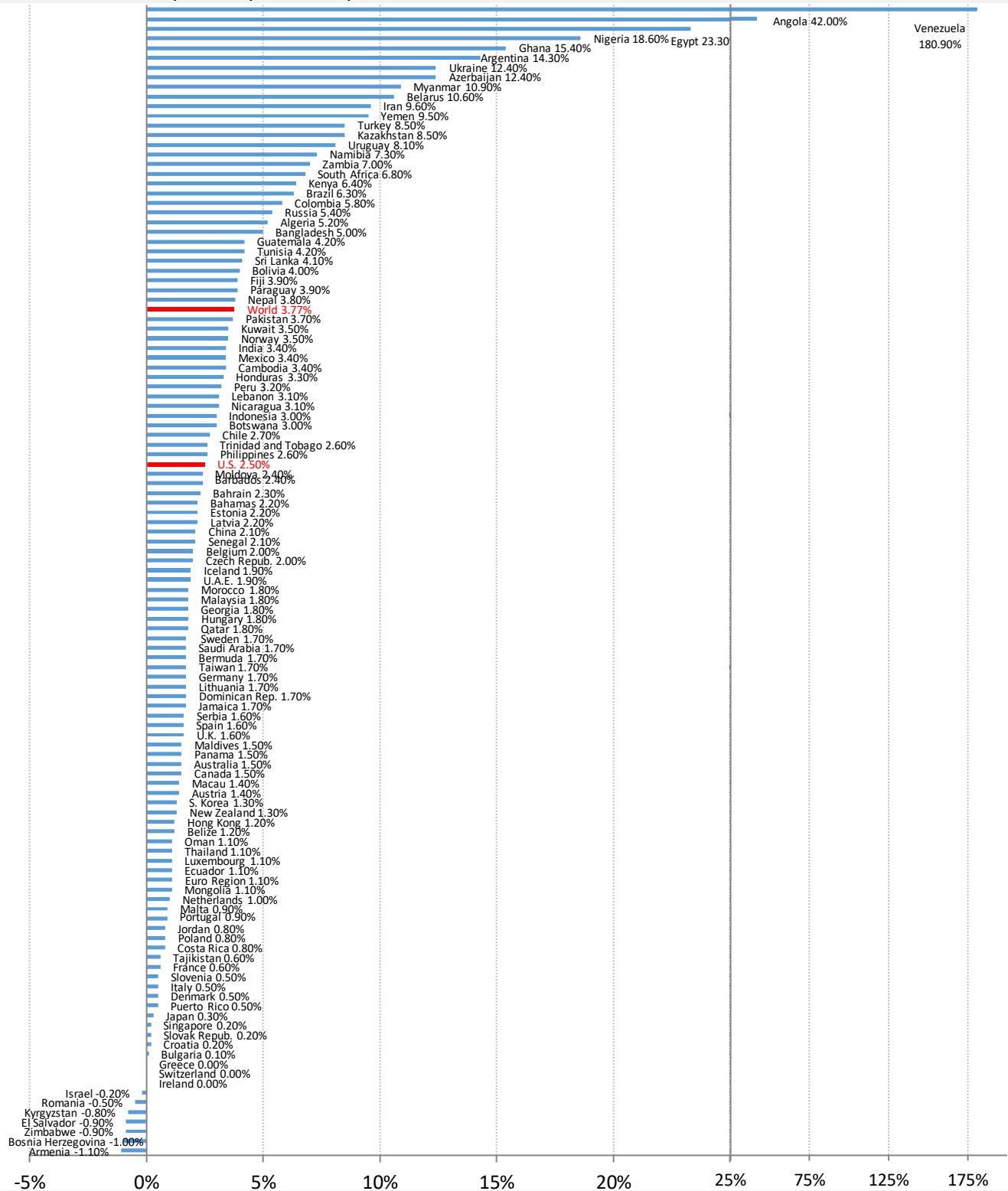
# The deflation delusion: it's all about oil, and always has been

Cumulative growth of CPI from July 2008, the all-time high oil price



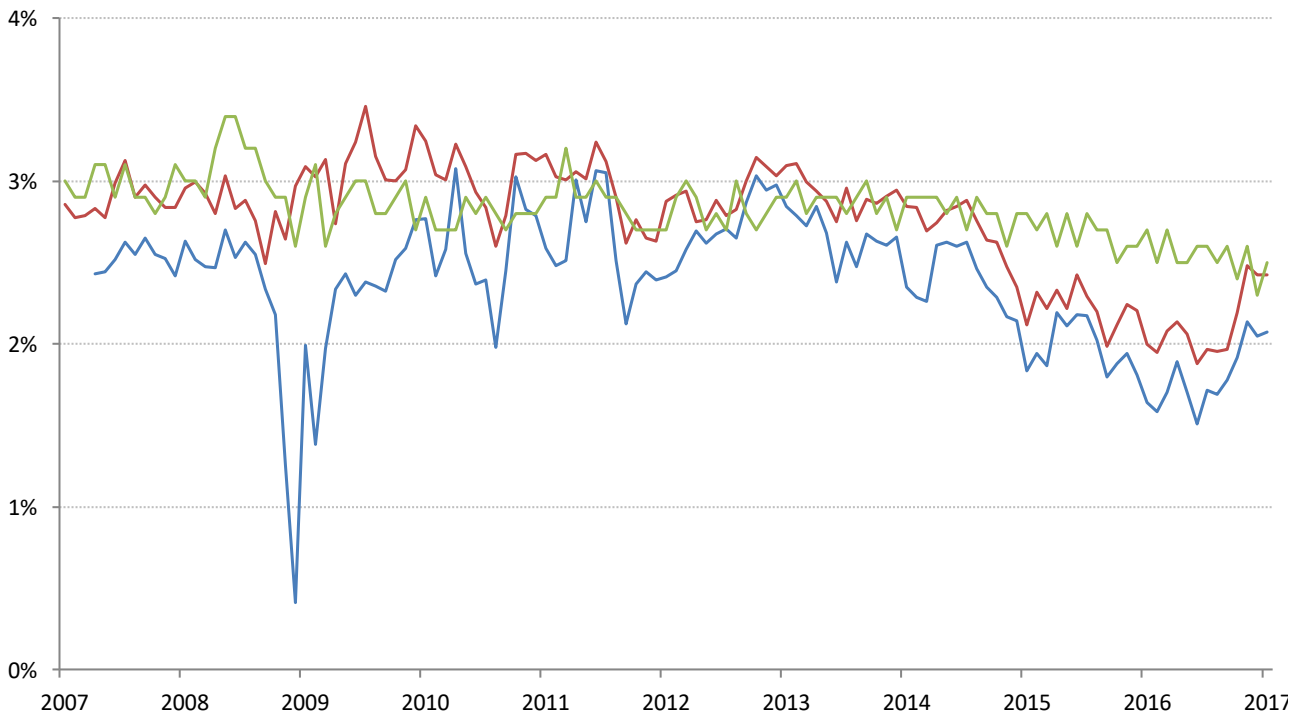
Source: Bloomberg, TrendMacro calculations

# World round-up: CPI year-on-year



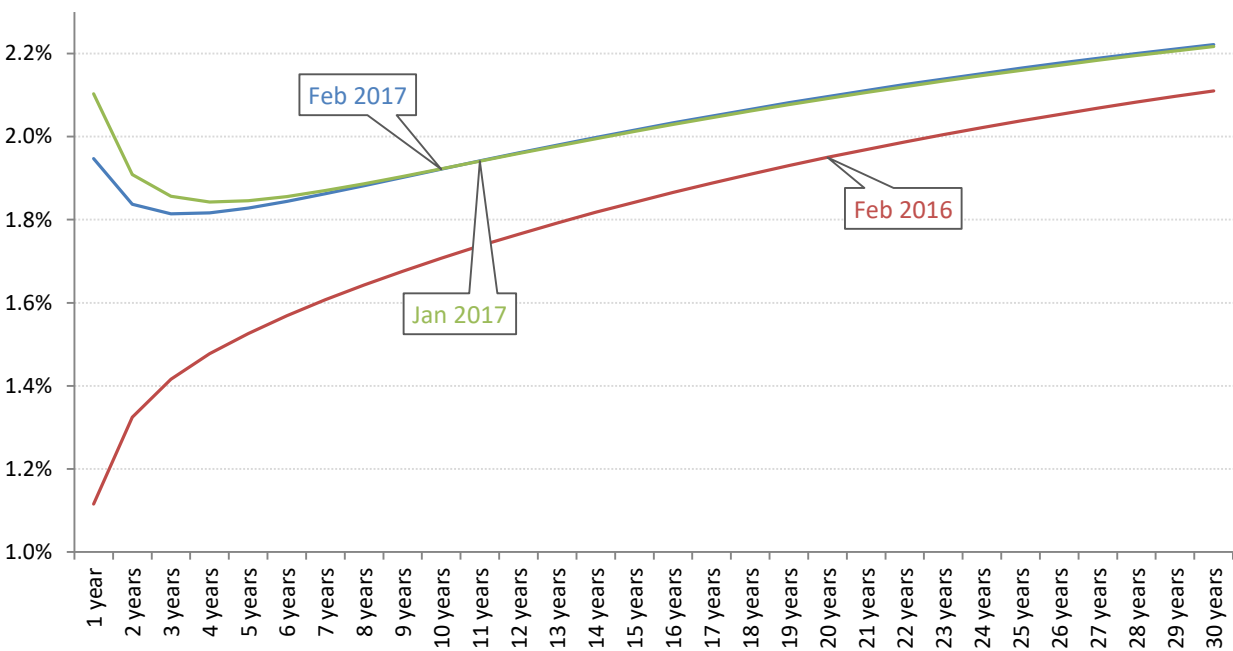
Source: Bloomberg, TrendMacro calculations

Implied 5-year inflation, 5 years forward — TIPS — Swaps — U. Michigan Survey



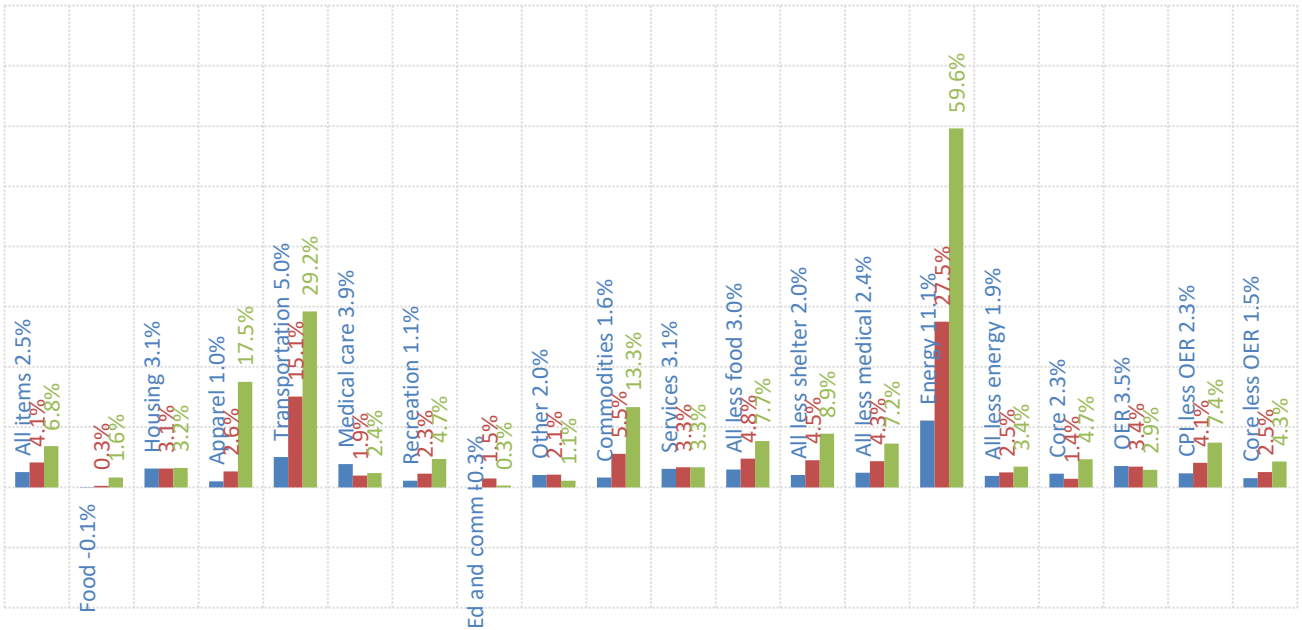
Source: Bloomberg, TrendMacro calculations

Swap-implied inflation yield curve, per annum



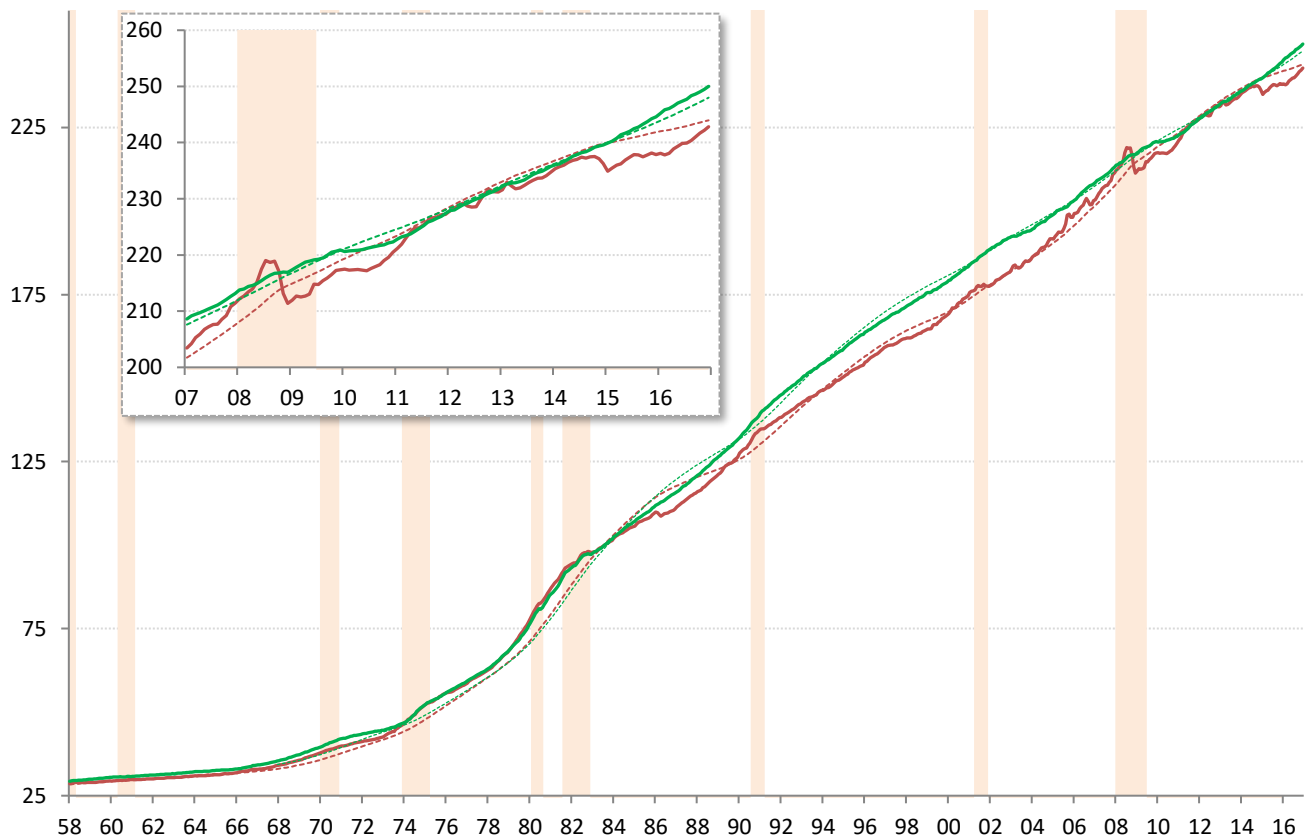
Source: Cleveland Fed, TrendMacro calculations

US CPI inflation by sector (SAAR) ■ 12-month ■ 3-month ■ 1-month



Source: BLS Consumer Price Index, TrendMacro calculations

US CPI Core — Level ... 20-year trend ■ Recession



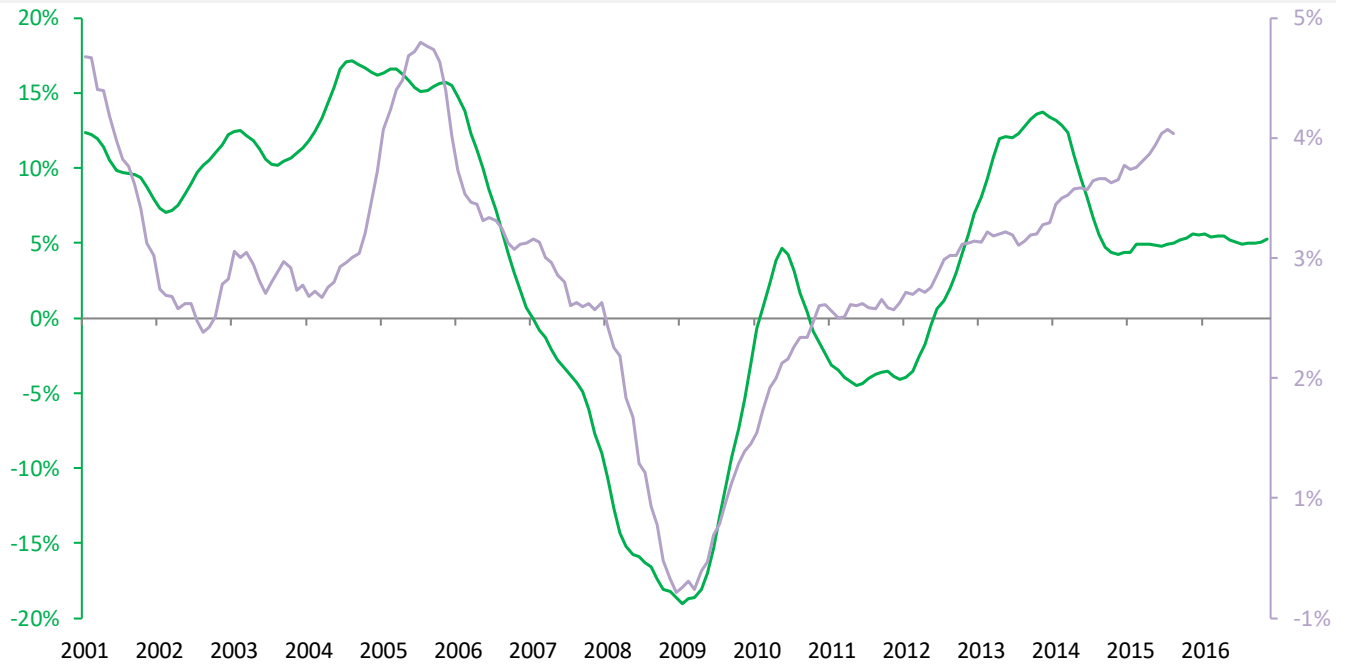
Source: BLS Consumer Price Index, TrendMacro calculations

## Housing leads US CPI

Year-over-year change

— Case Shiller 20-city avg

— Owner's equivalent rent CPI component, 18-mo lag

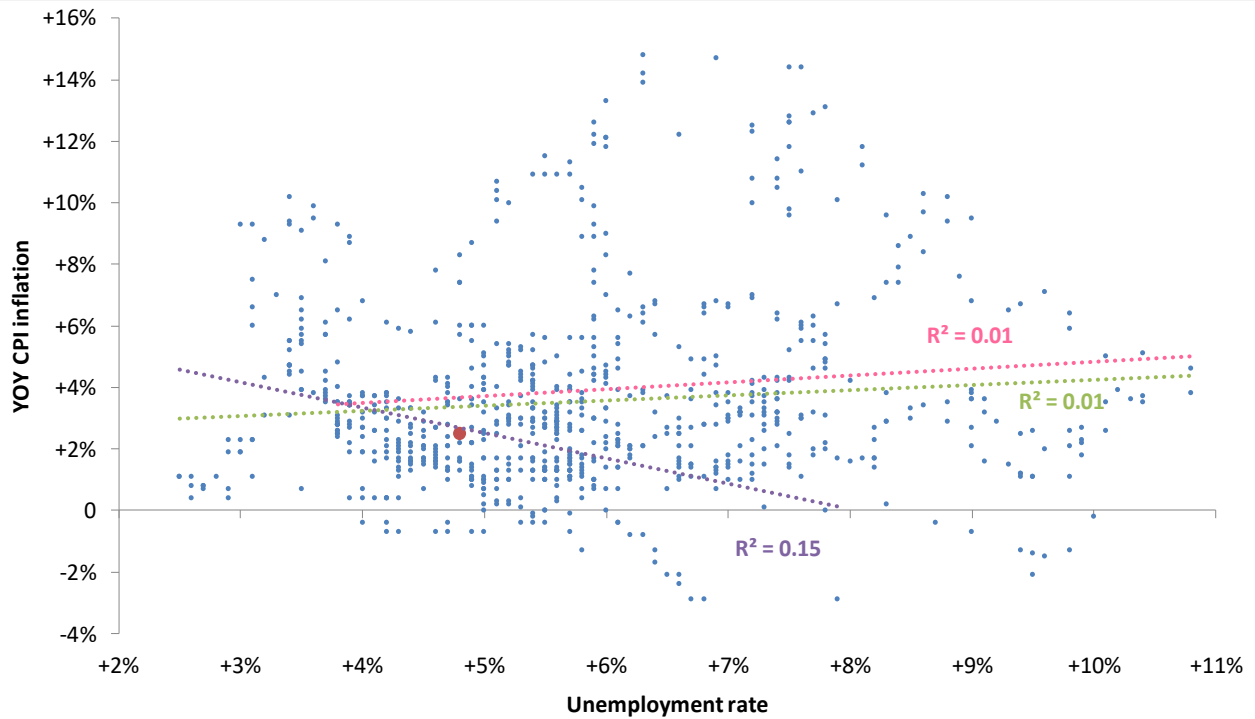


Source: BLS, Standard & Poor's Case Shiller, TrendMacro calculations

## The world is flat: the vanishing Phillips Curve

● Latest

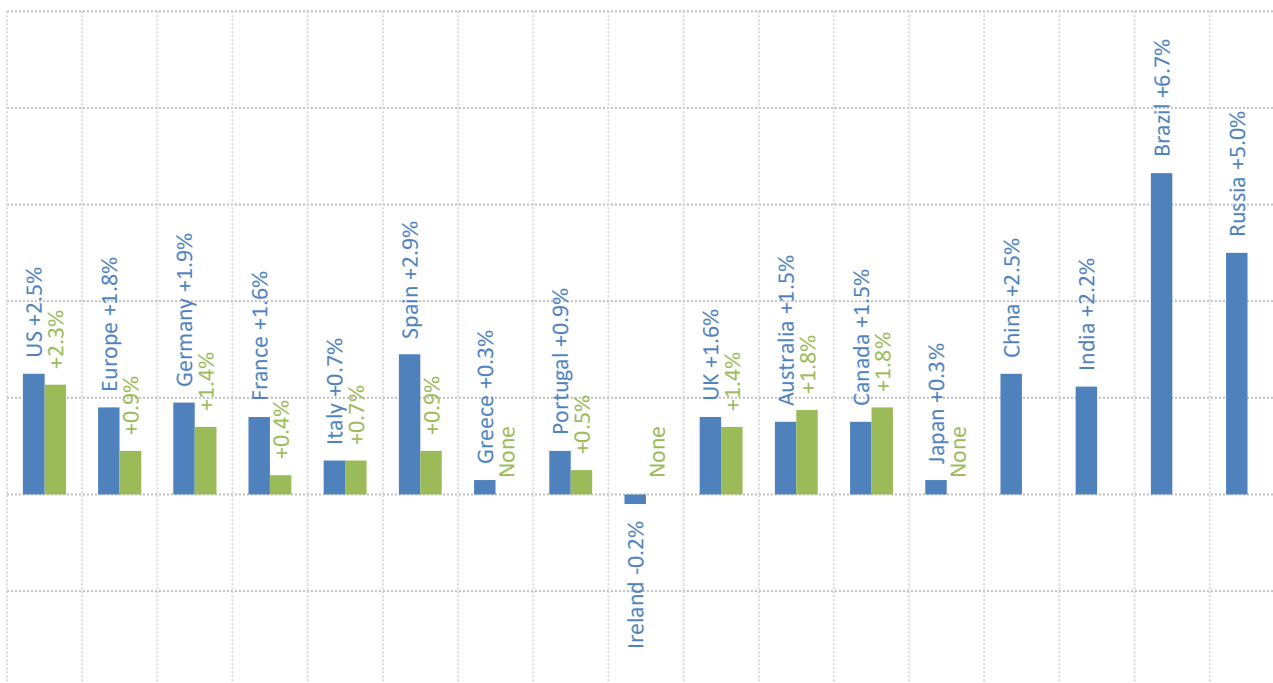
Linear trend: ● Pre-74 ● Post-74 ● All



Source: BLS Consumer Price Index, Current Population Survey

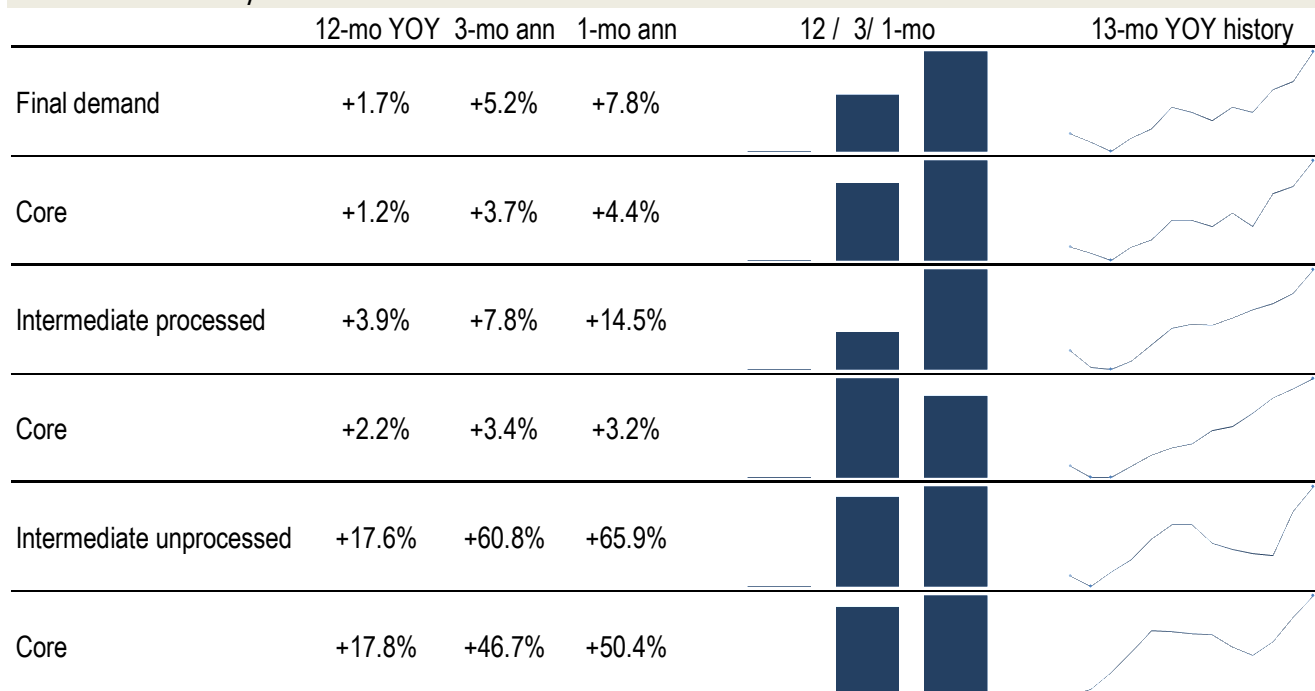
## Major economies CPI, year on year

■ Headline ■ Ex-food and energy



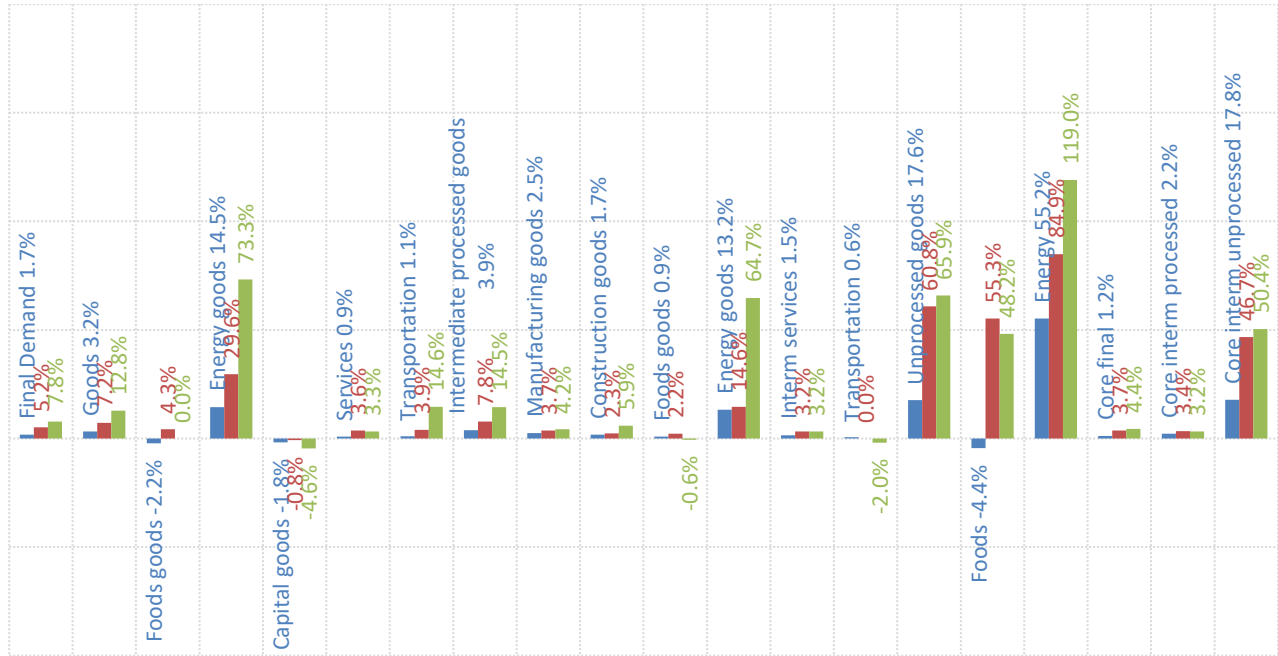
Source: Respective Statistical agencies, TrendMacro calculations

## PPI data: what you need to know



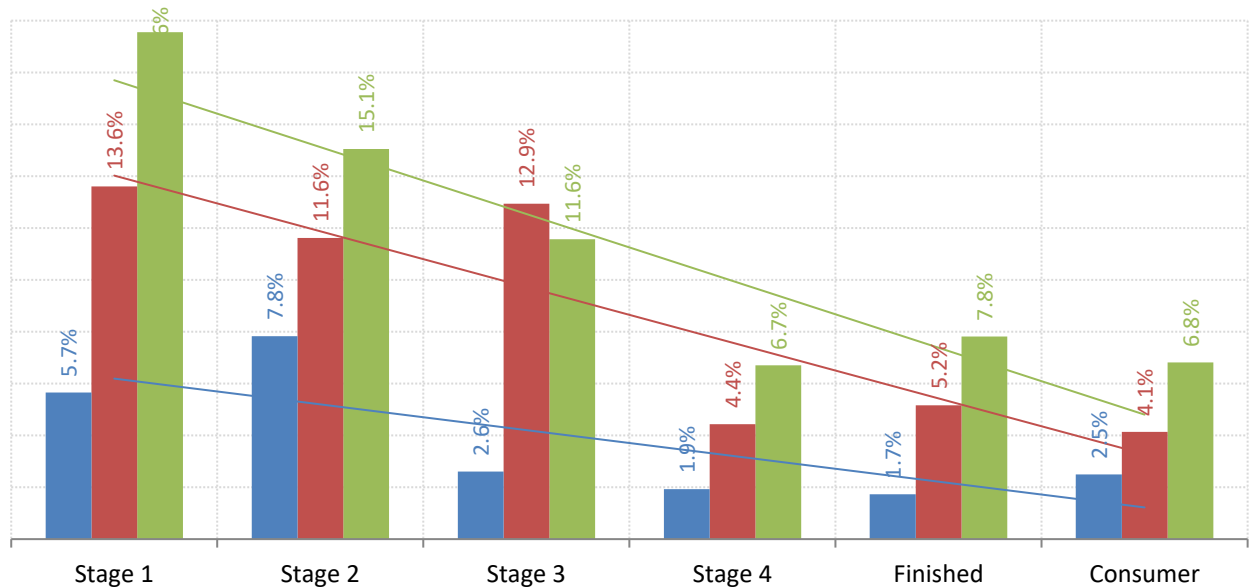
Source: BLS Producer Price Index, TrendMacro calculations

PPI inflation by sector (SAAR) ■ 12-month ■ 3-month ■ 1-month



Source: BLS Producer Price Index, TrendMacro calculations

The inflation pipeline (SAAR) ■ 12-month ■ 3-month ■ 1-month



Source: BLS Producer Price Index and Consumer Price Index, TrendMacro calculations