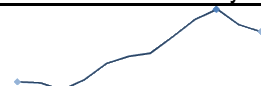
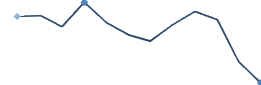
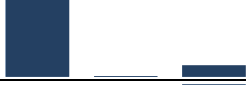
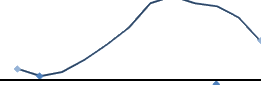
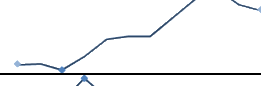
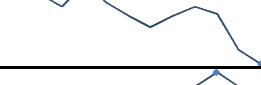
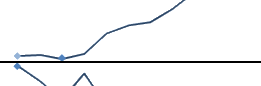
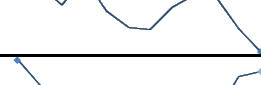
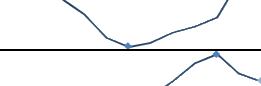
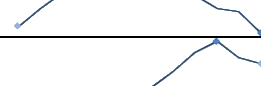
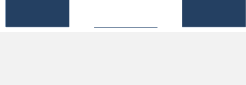


Data Insights: Consumer Price Index, Producer Price Index

Friday, May 12, 2017

Today's CPI data: what you need to know

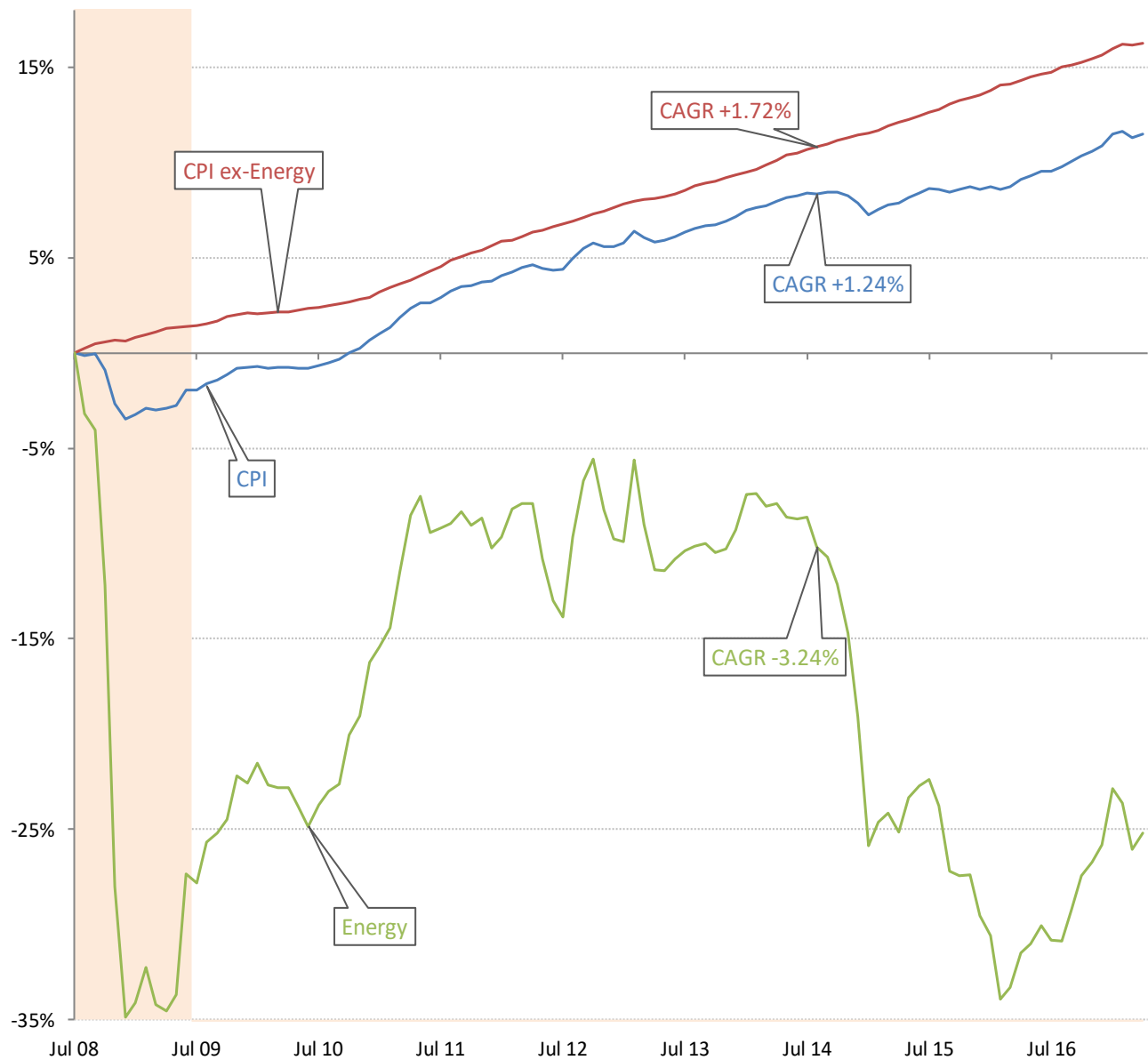
	12-mo YOY	3-mo ann	1-mo ann	12 / 3/ 1-mo	12-mo YOY history
All items	+2.20%	unch	+2.0%		
Core	+1.9%	+0.6%	+0.9%		
OER	+3.4%	+2.6%	+2.7%		
All less OER	+2.0%	-0.3%	+2.3%		
Core less OER	+1.0%	-0.6%	-0.2%		
Energy	+9.2%	-11.7%	+14.6%		
All less energy	+1.7%	+1.0%	+1.1%		
Food	+0.6%	+3.1%	+2.5%		
All less food	+2.5%	-0.5%	+1.9%		
Health care	+3.0%	+0.4%	-0%		
All less health care	+2.1%	-0.0%	+2.4%		

Source: BLS Consumer Price Index, TrendMacro calculations

For more information contact us:

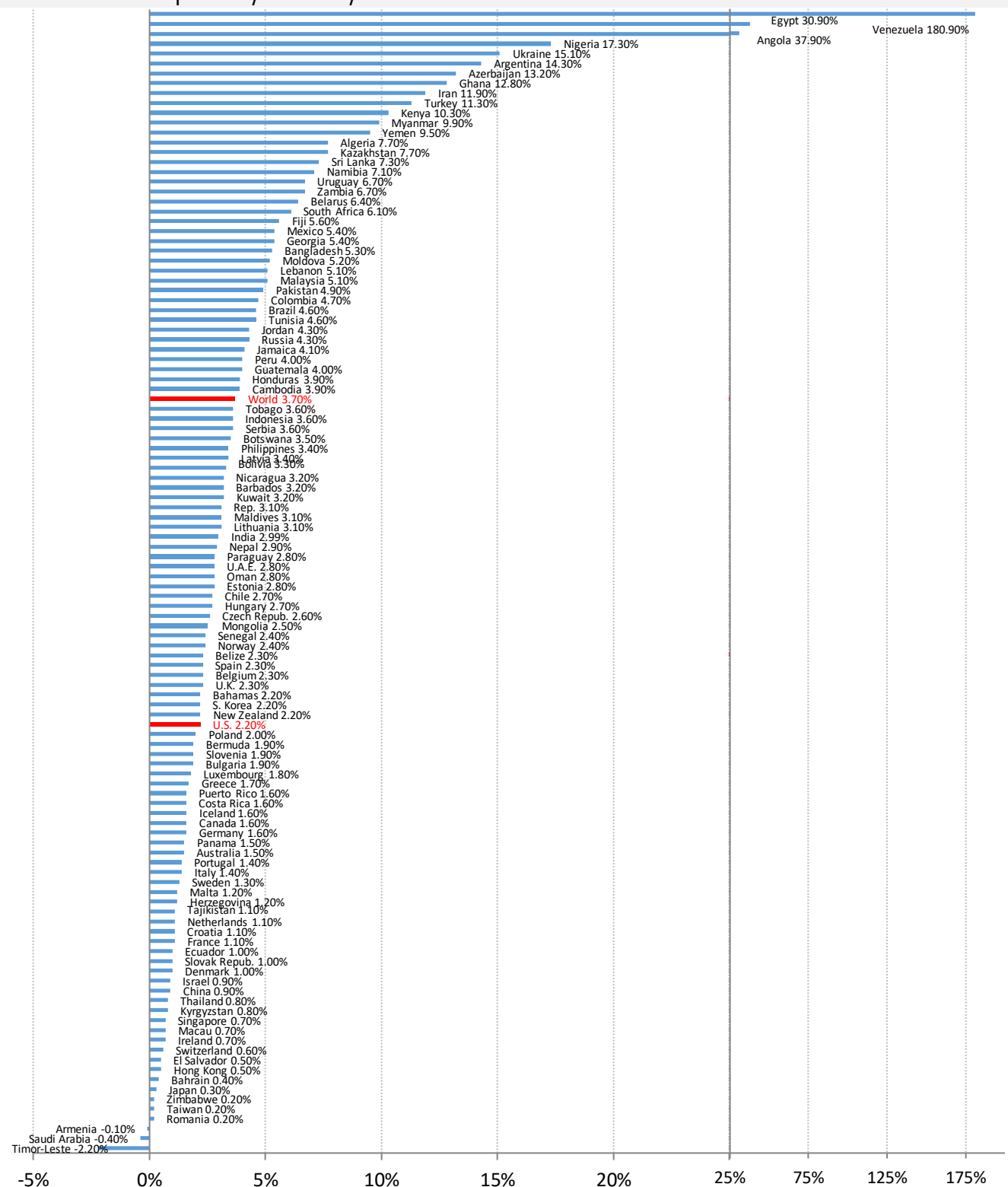
Donald Luskin: 312 273 6766 don@trendmacro.com
Thomas Demas: 704 552 3625 tdemas@trendmacro.com

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



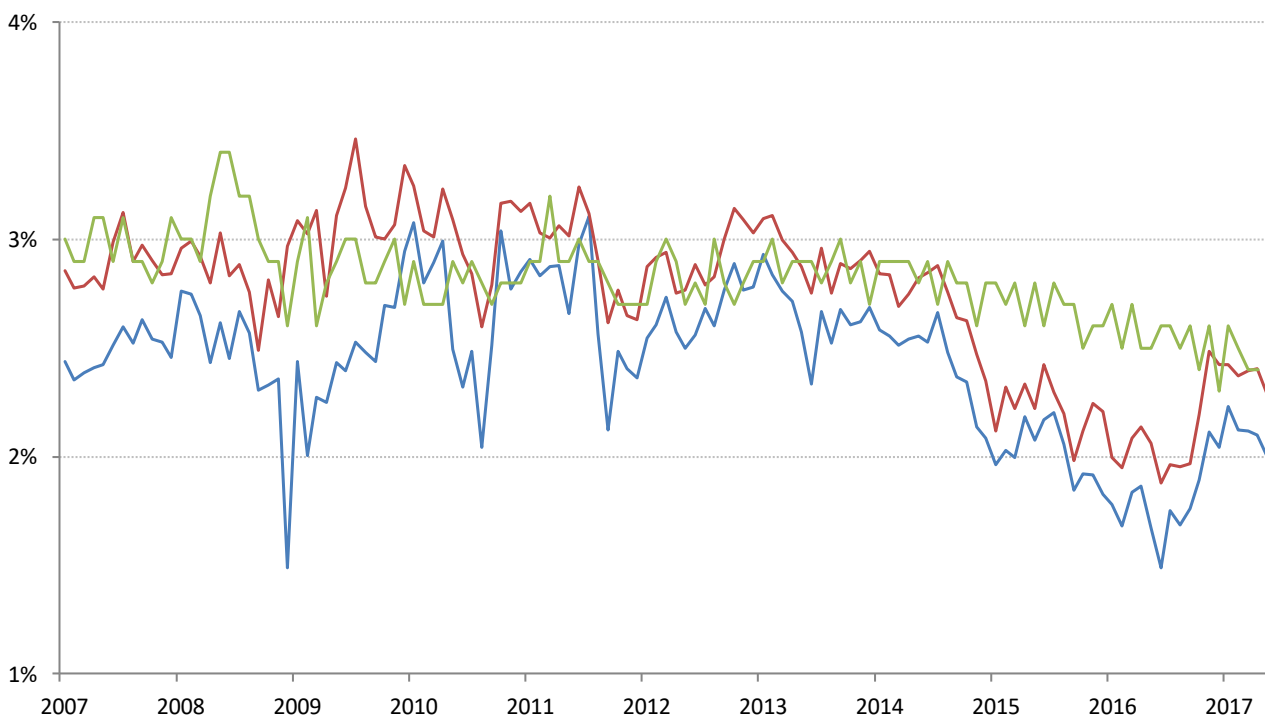
Source: Bloomberg, TrendMacro calculations

World round-up: CPI year-on-year



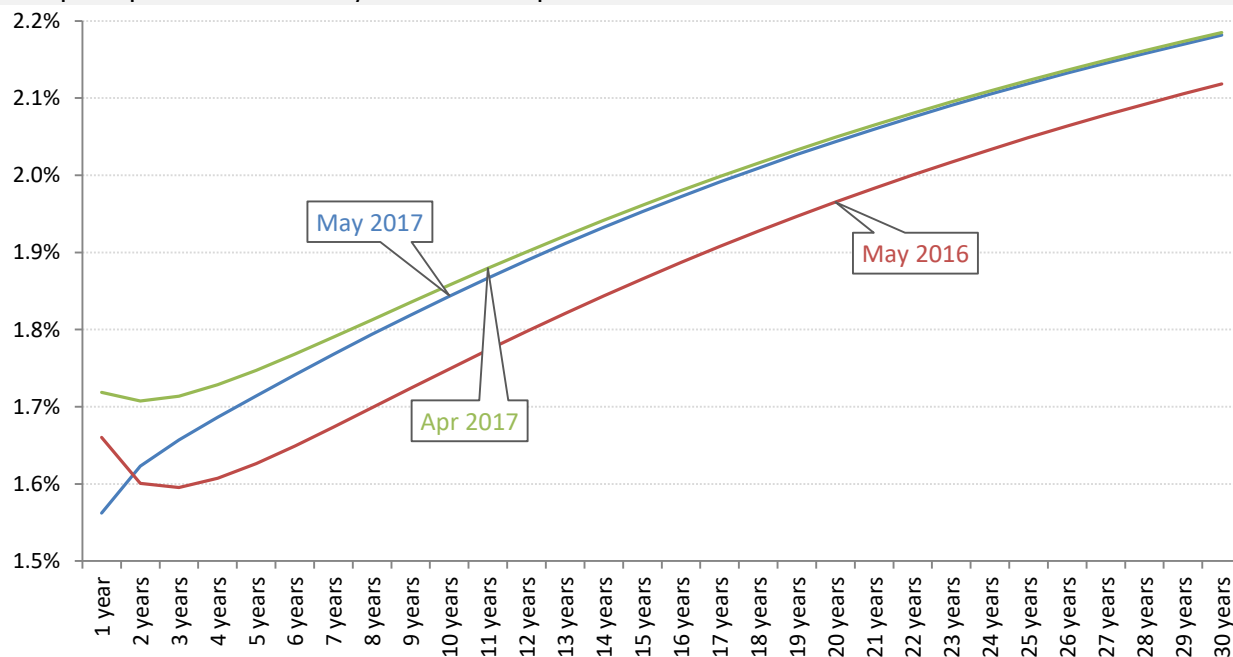
Source: Bloomberg, TrendMacro calculations

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



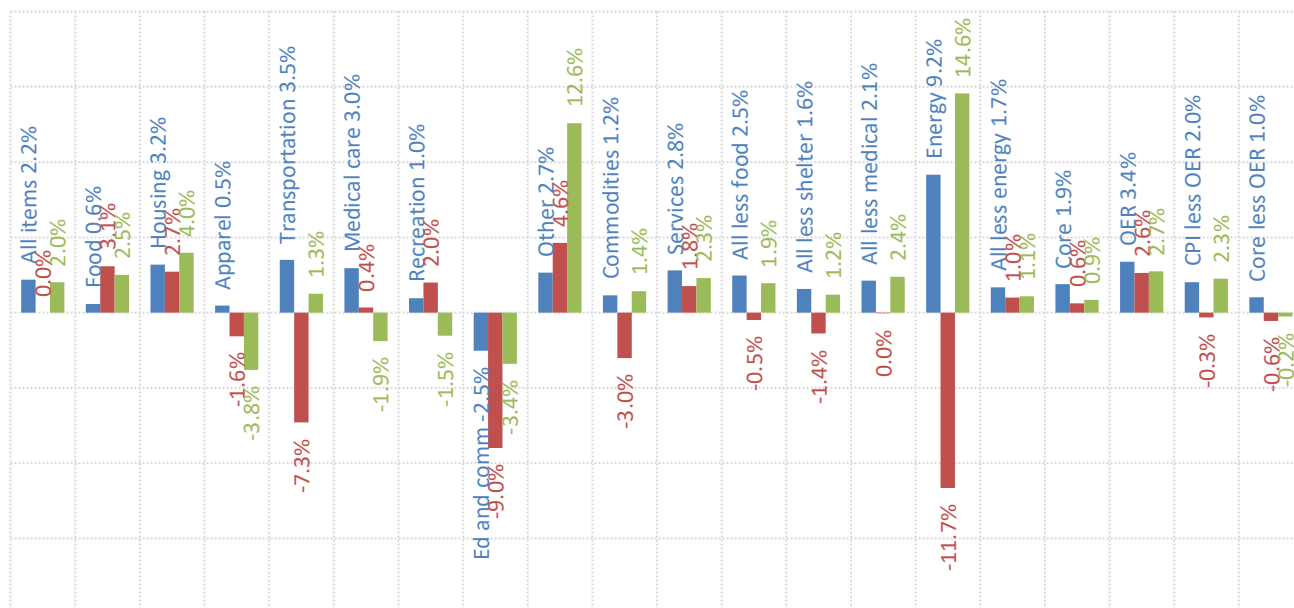
Source: Bloomberg, TrendMacro calculations

Swap-implied inflation yield curve, per annum



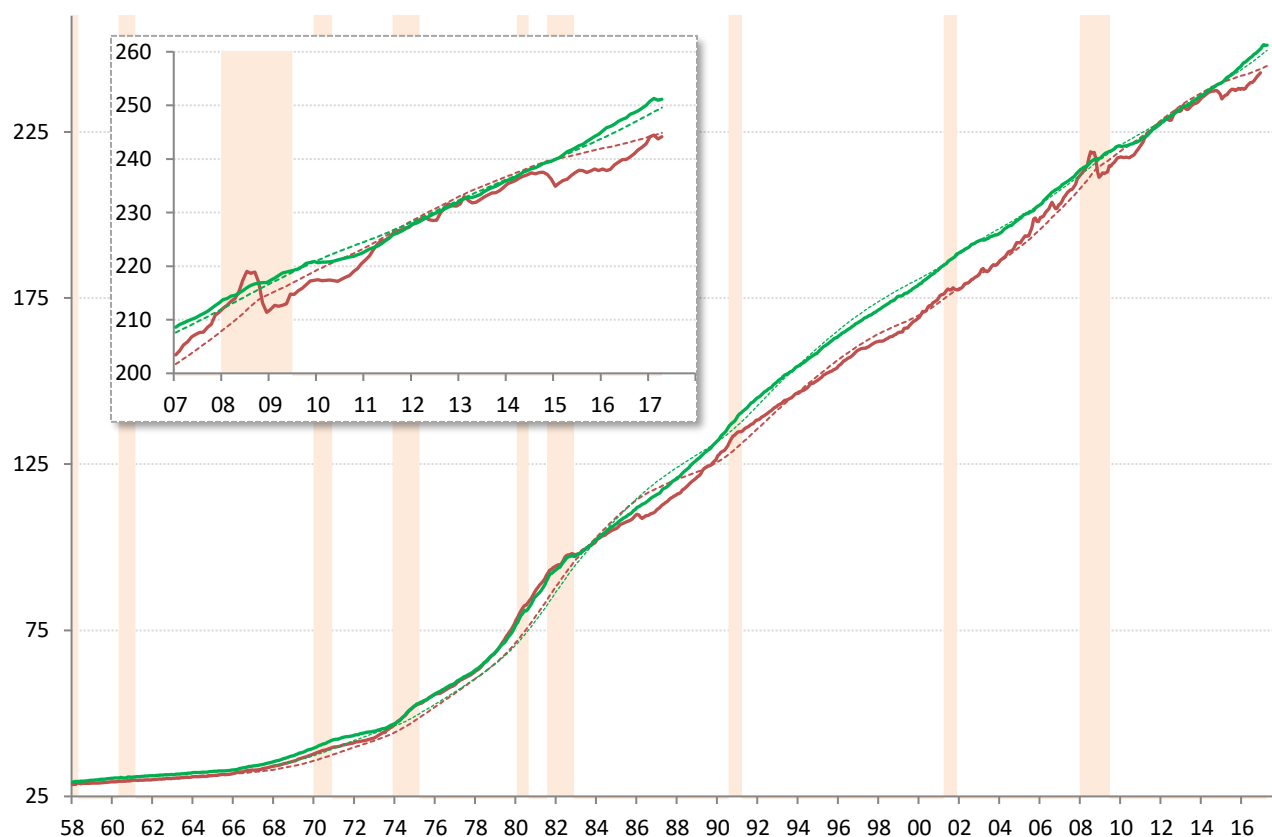
Source: Cleveland Fed, TrendMacro calculations

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



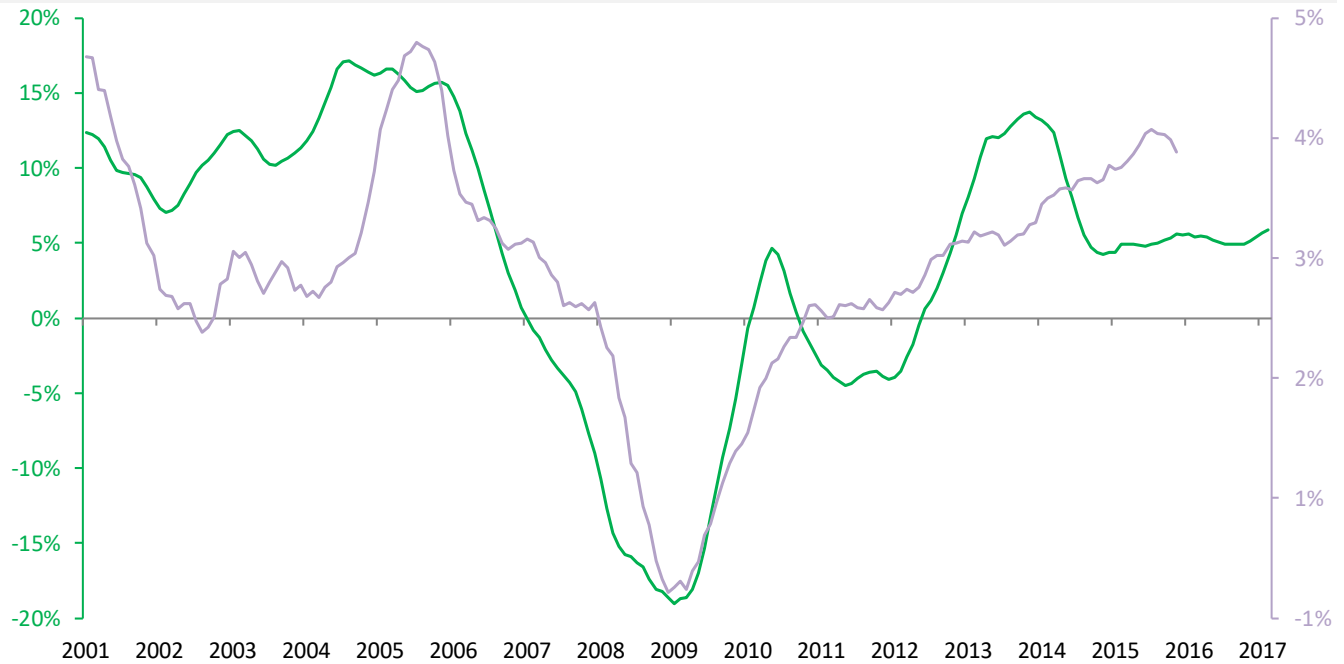
Source: BLS Consumer Price Index, TrendMacro calculations

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

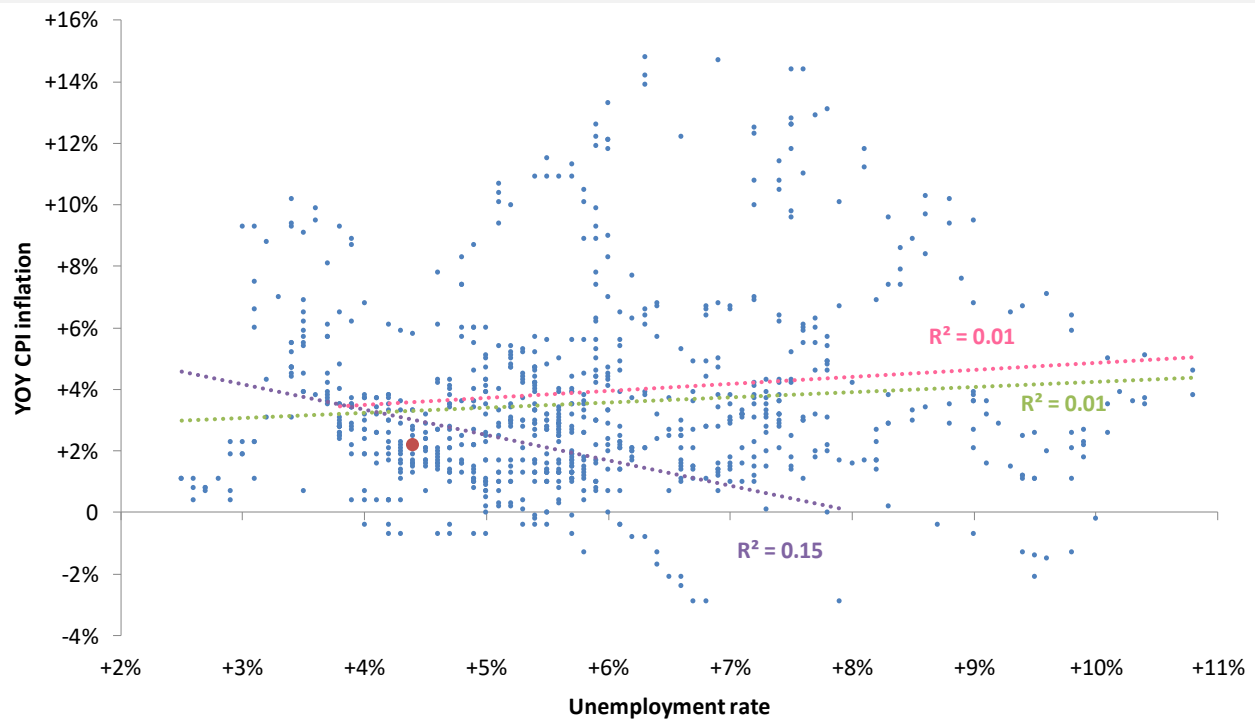
● Latest

Linear trend: ...

Pre-74

Post-74

... All

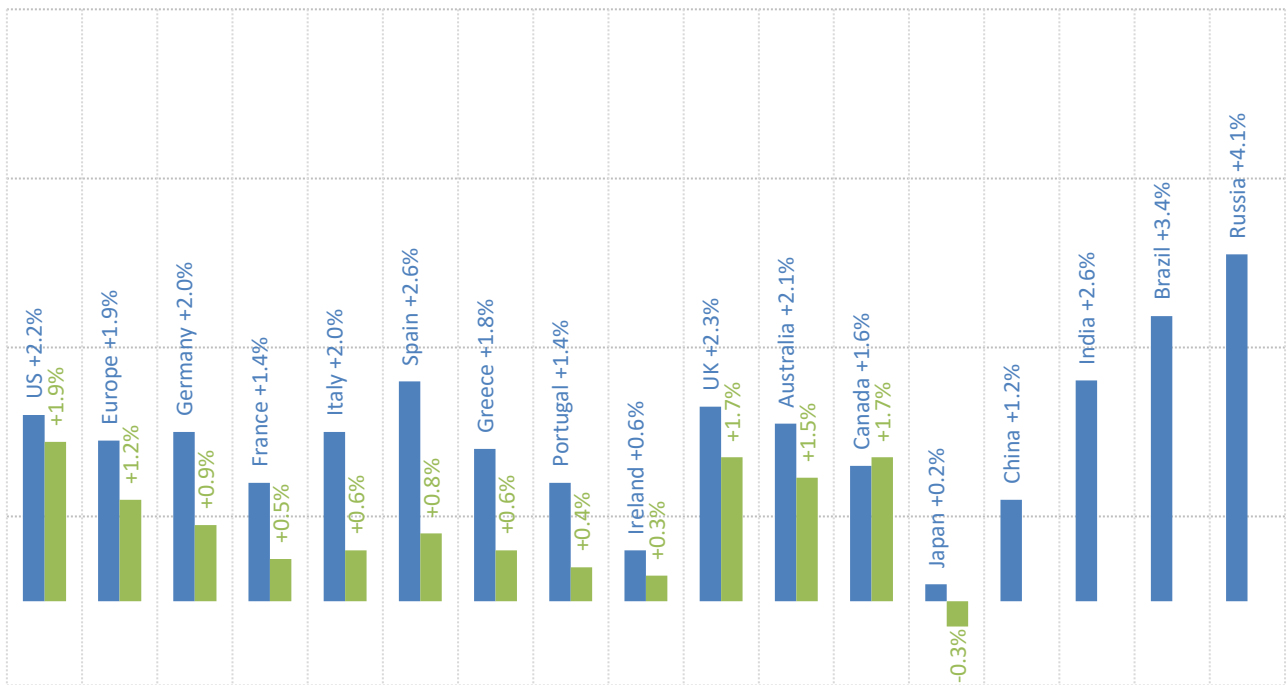


Source: BLS Consumer Price Index, Current Population Survey

Major economies CPI, year on year

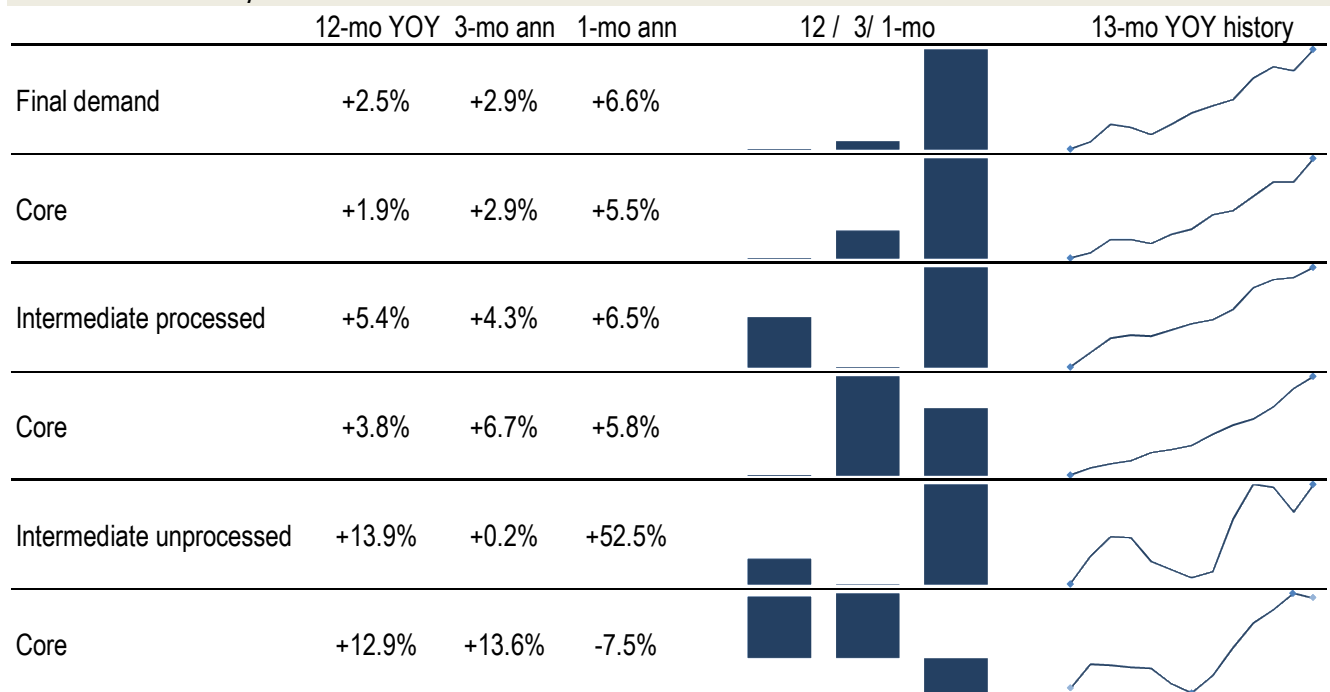
■ Headline

■ Ex-food and energy



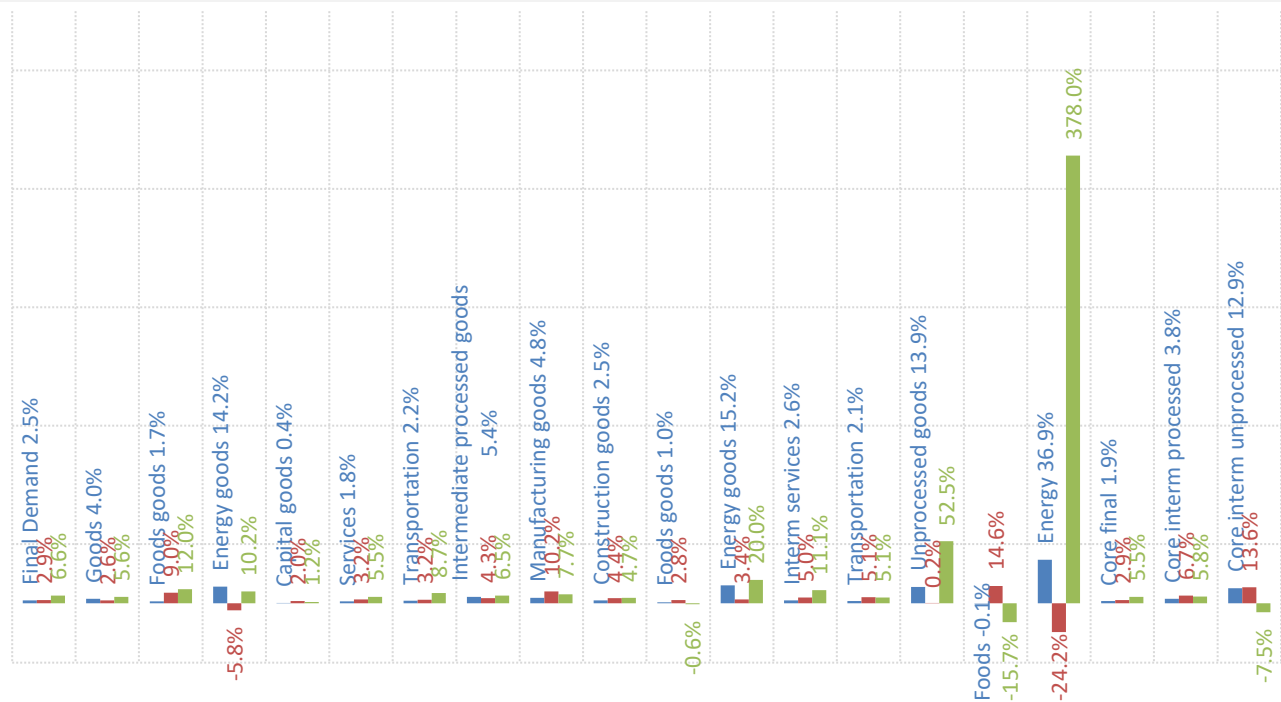
Source: Respective Statistical agencies, TrendMacro calculations

PPI data: what you need to know



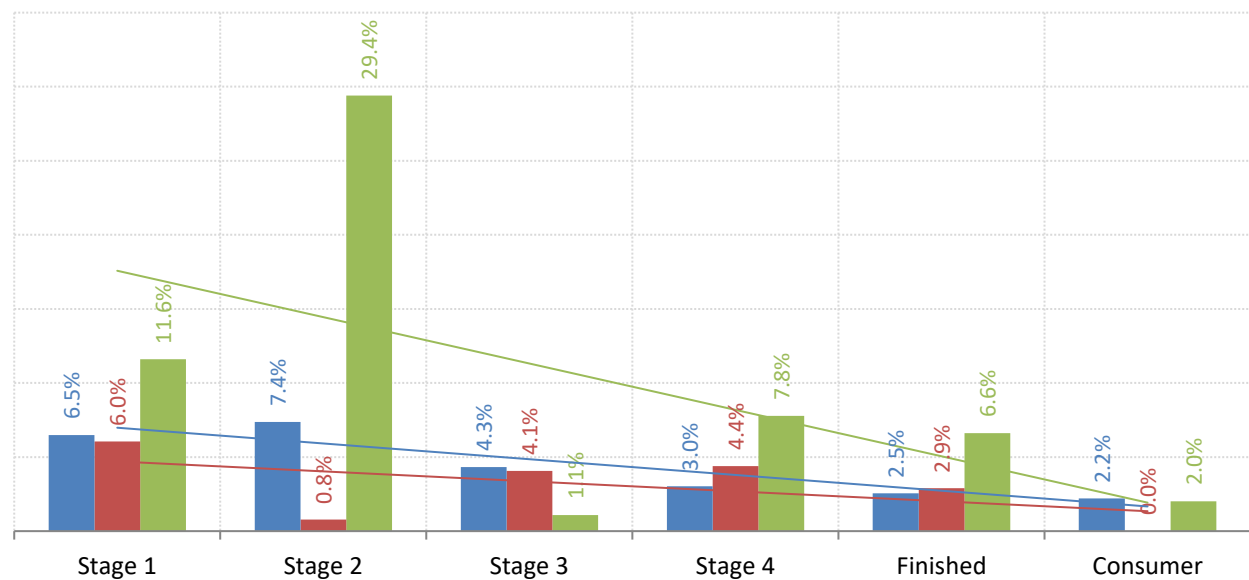
Source: BLS Producer Price Index, TrendMacro calculations

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