


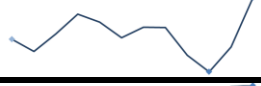

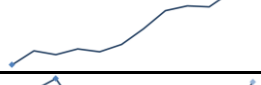







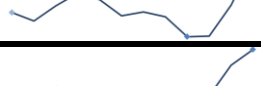










Data Insights: Consumer Price Index, Producer Price Index

Thursday, May 15, 2014

Today's CPI data: what you need to know

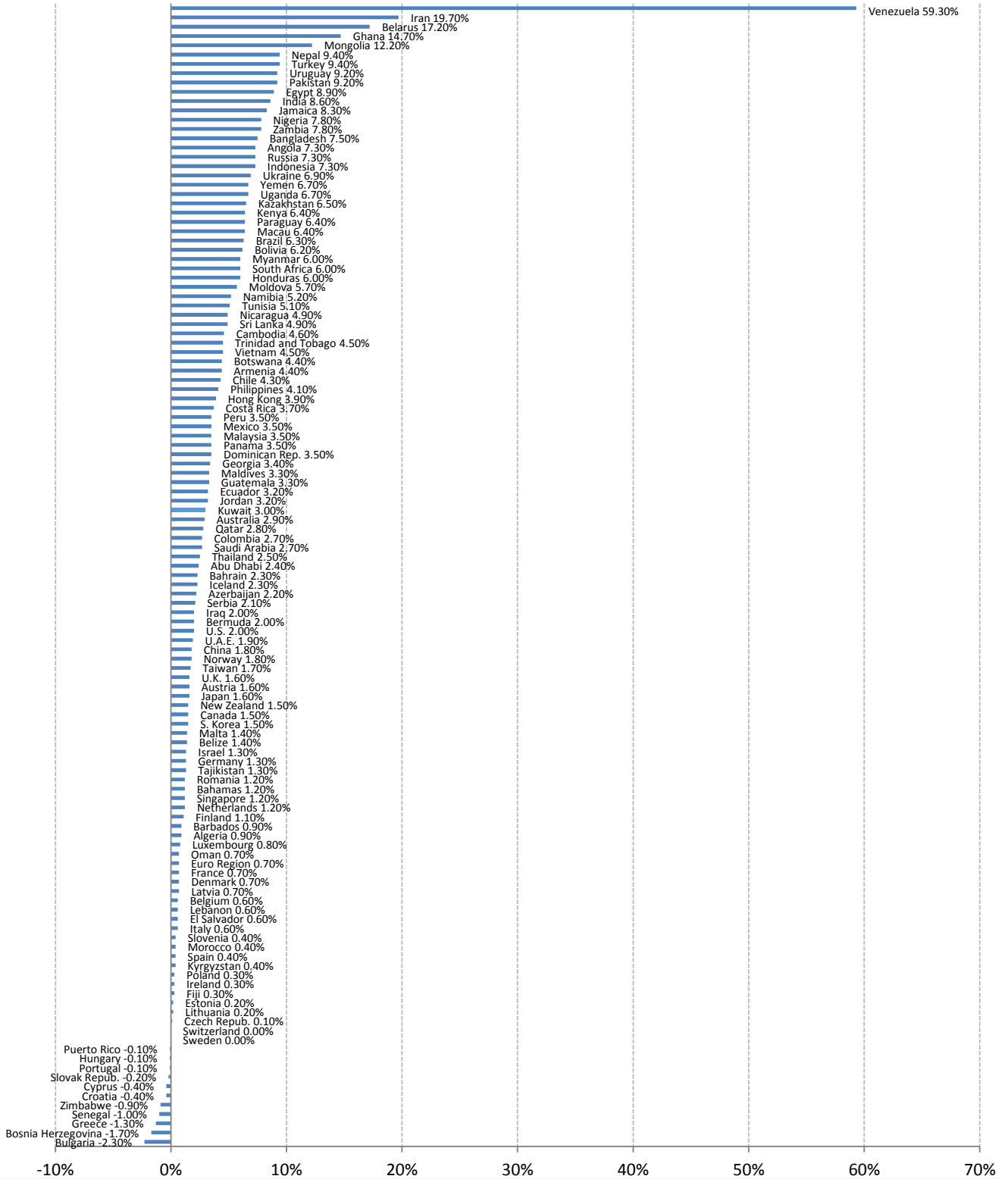
	12-mo YOY	3-mo ann	1-mo ann	12 / 3/ 1-mo	12-mo YOY history
All items	+2.0%	+2.3%	+3.2%		
Core	+1.8%	+2.3%	+2.9%		
OER	+2.6%	+2.6%	+2.4%		
All less OER	+1.9%	+2.3%	+3.3%		
Core less OER	+1.4%	+2.1%	+3.1%		
Energy	+3.3%	-1.3%	+3.7%		
All less energy	+1.8%	+2.6%	+3.1%		
Food	+1.8%	+4.5%	+4.3%		
All less food	+2.0%	+1.9%	+3.0%		
Health care	+2.4%	+3.1%	+3.4%		
All less health care	+1.9%	+2.2%	+3.2%		

Source: BLS Consumer Price Index, TrendMacro calculations

For more information contact us:

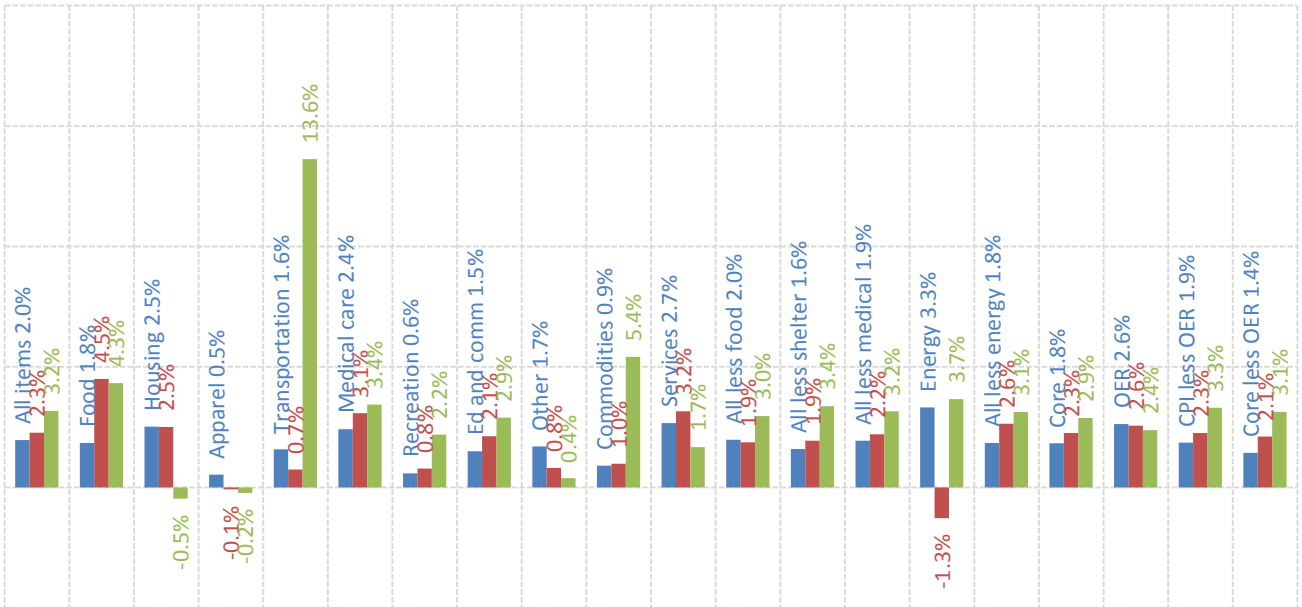
Donald Luskin: 312 273 6766 don@trendmacro.com
 Thomas Demas: 704 552 3625 tdemas@trendmacro.com

World round-up: CPI year-on-year



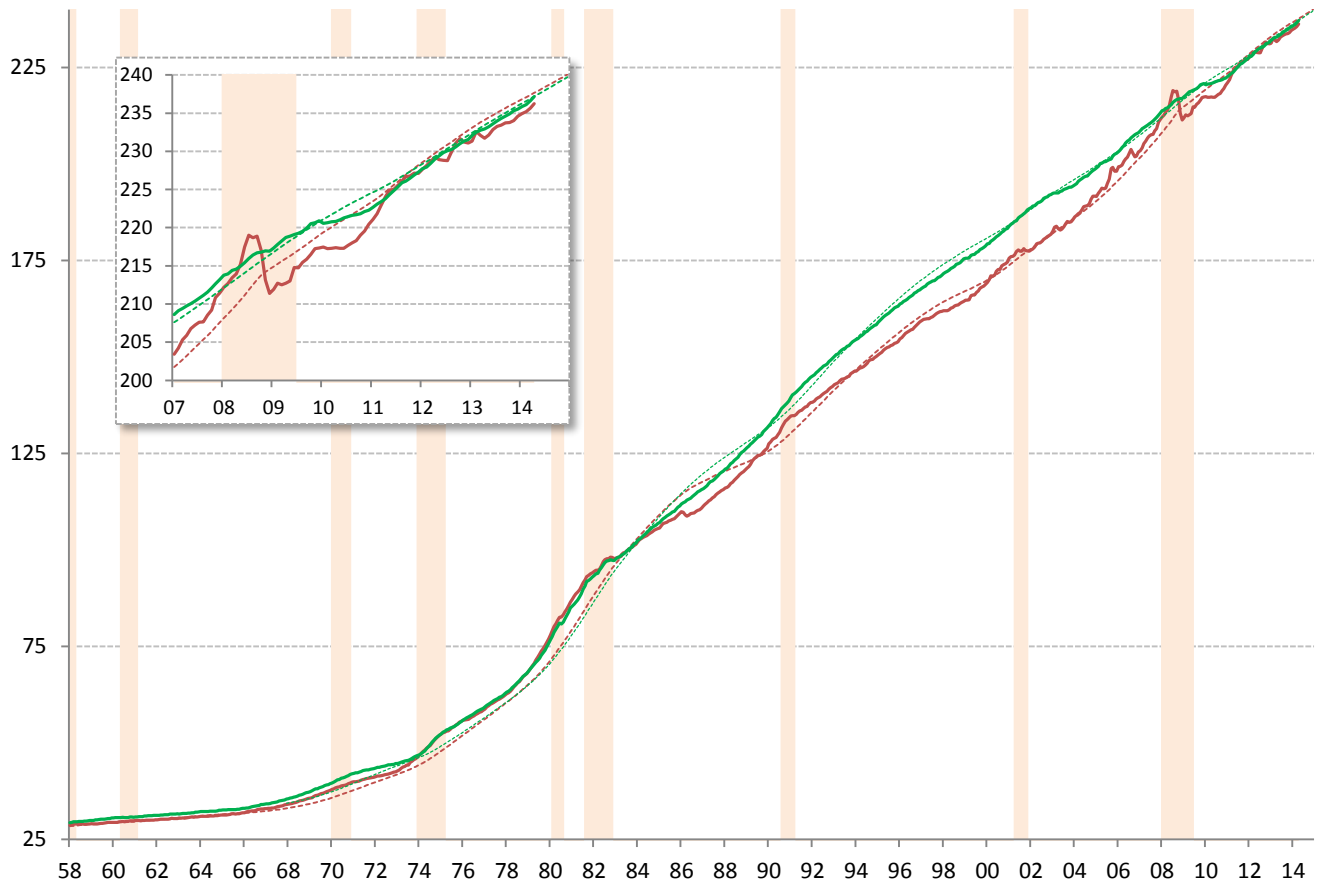
Source: Bloomberg, TrendMacro calculations

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



Source: BLS Consumer Price Index, TrendMacro calculations

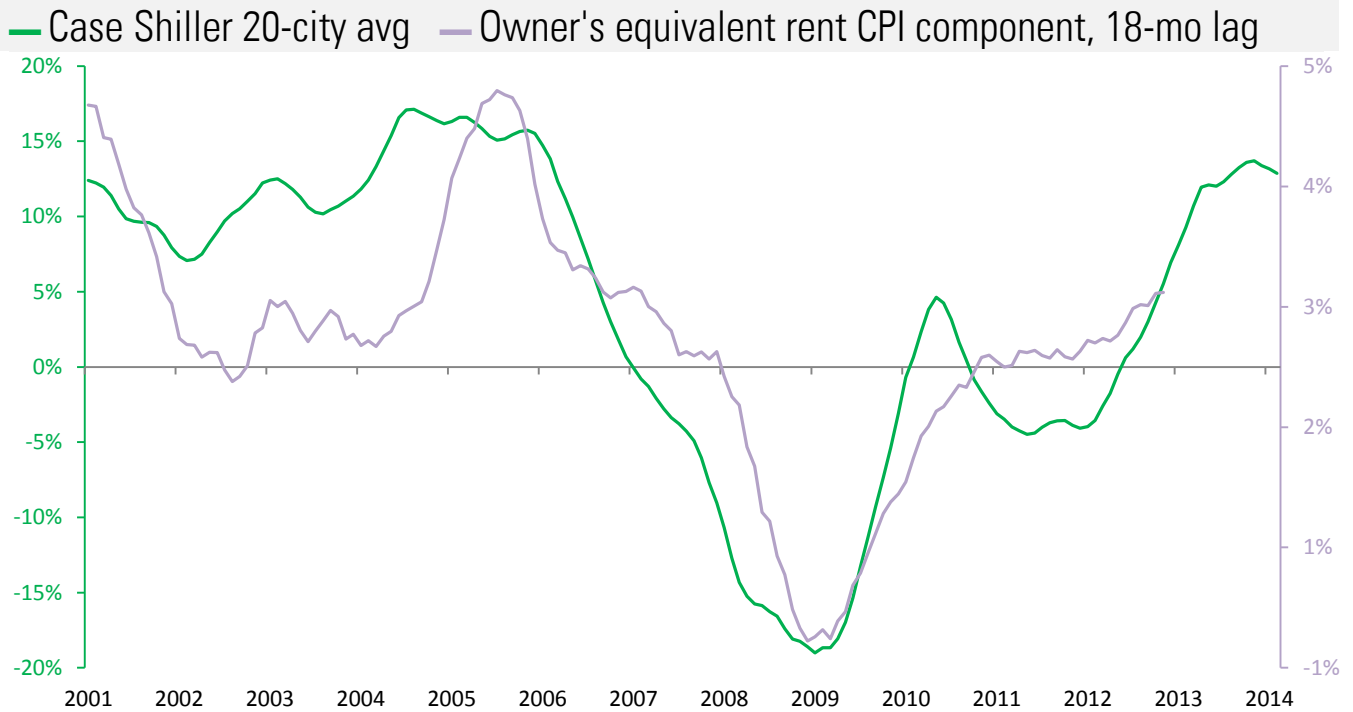
US CPI Core — Level ... 20-year trend ■ Recession



Source: BLS Consumer Price Index, TrendMacro calculations

Housing leads US CPI

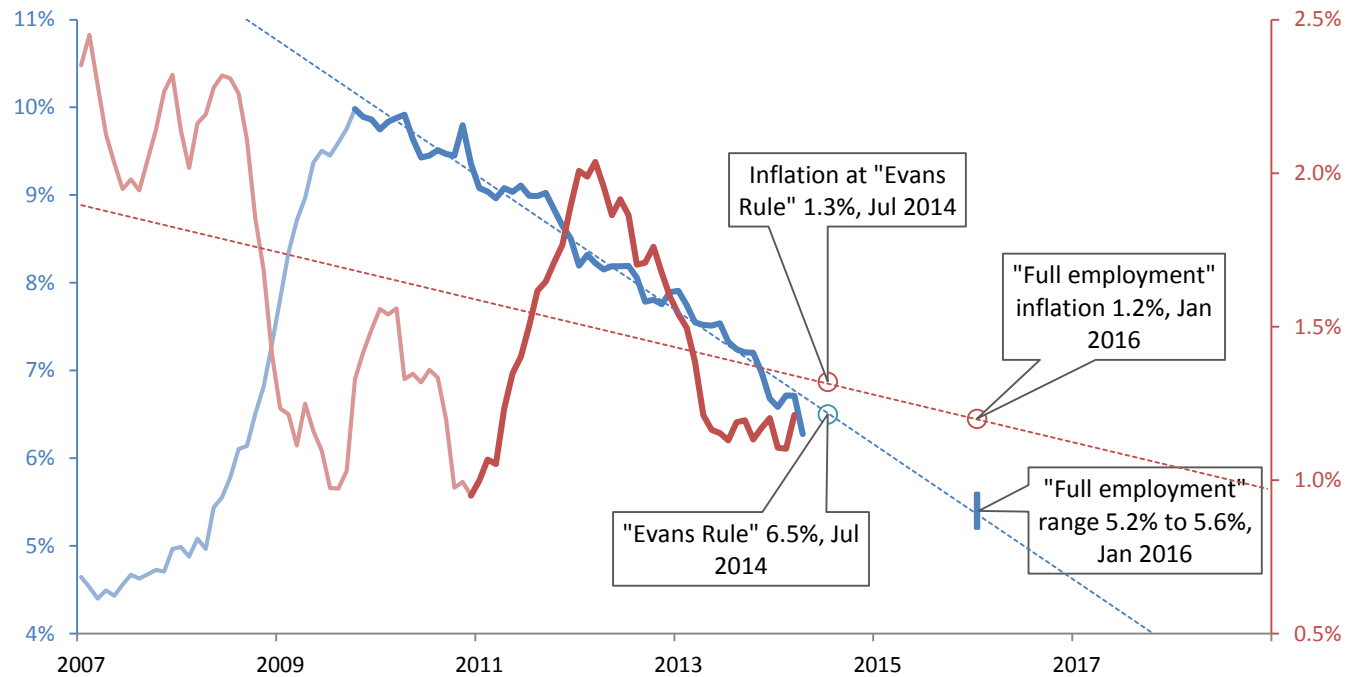
Year-over-year change



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

Deflation as the Fed considers timing of rate hikes

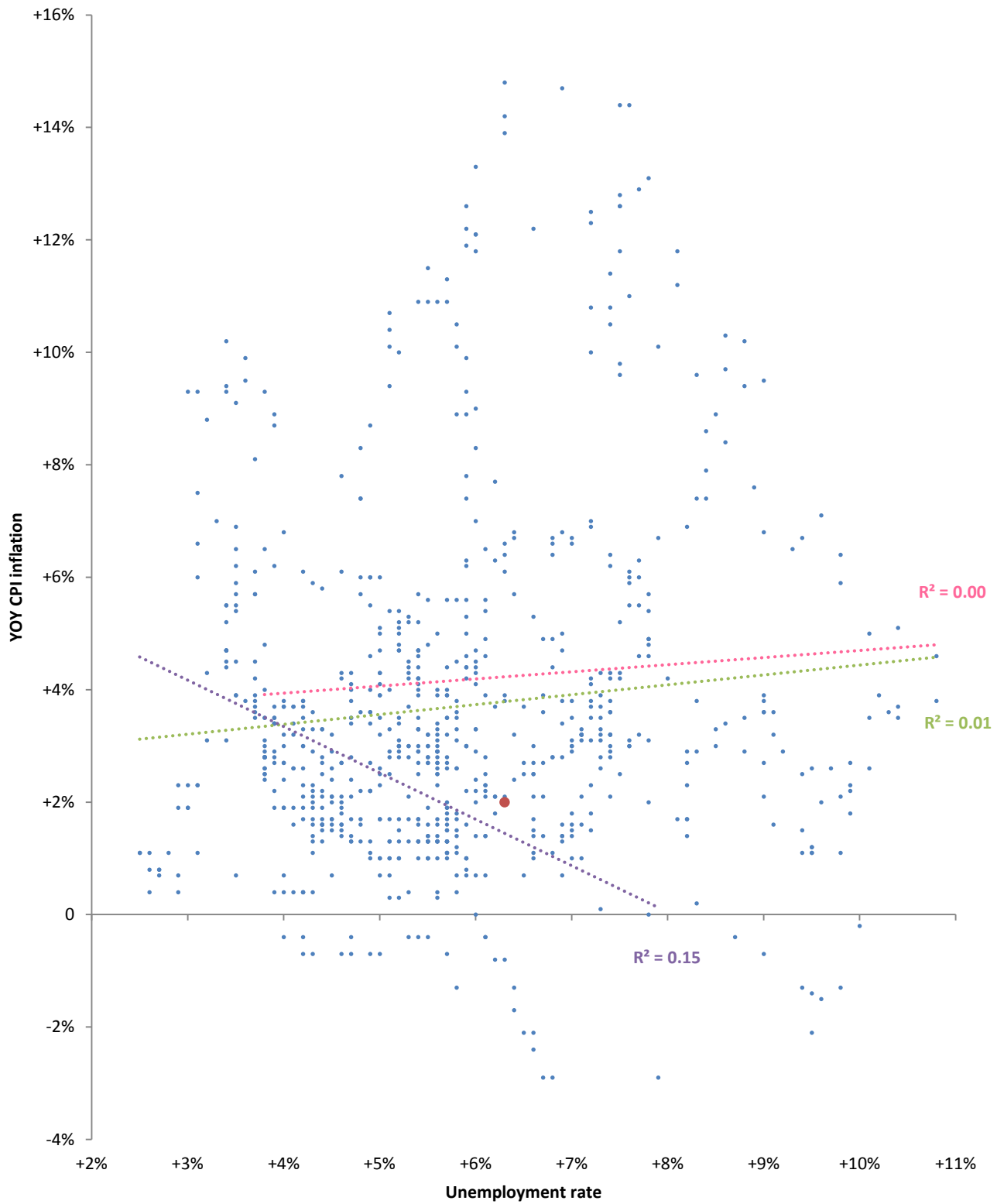
— Core PCE — Unemployment ... Trend from peak/trough



Source: BLS, BEA, TrendMacro calculations

The world is flat: the vanishing Phillips Curve

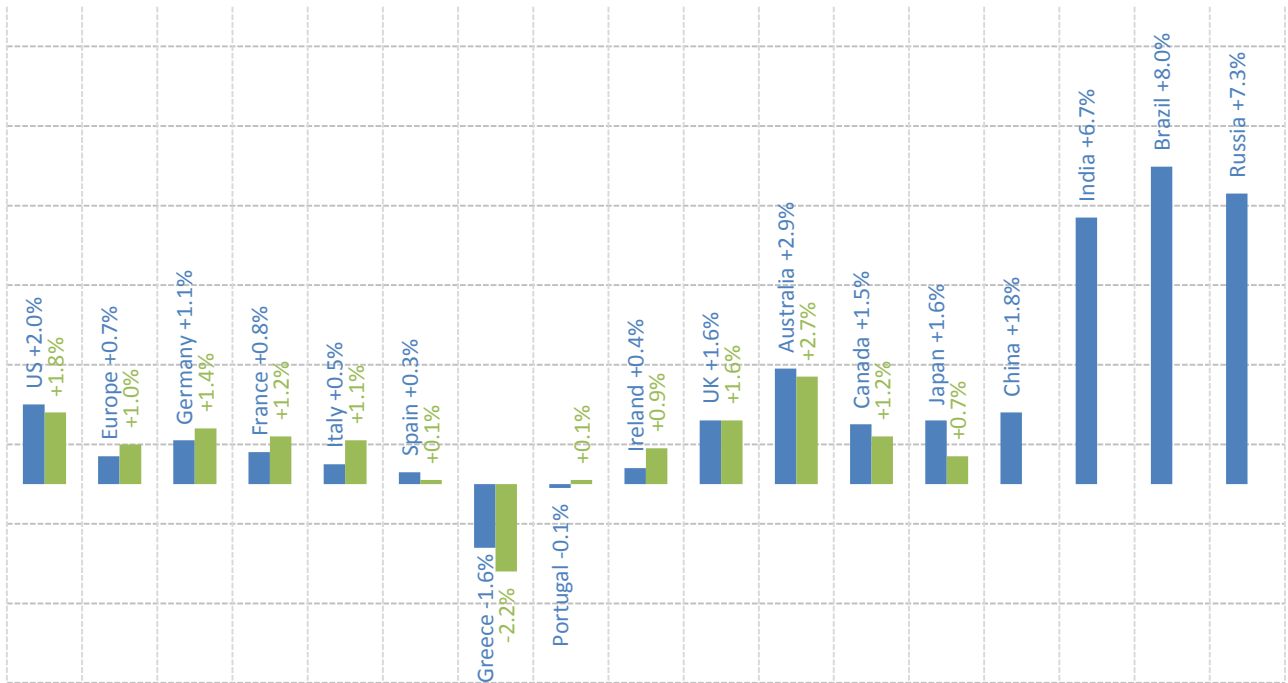
● Latest Linear trend: ... Pre-74 ... Post-74 ... All



Source: BLS Consumer Price Index, Current Population Survey

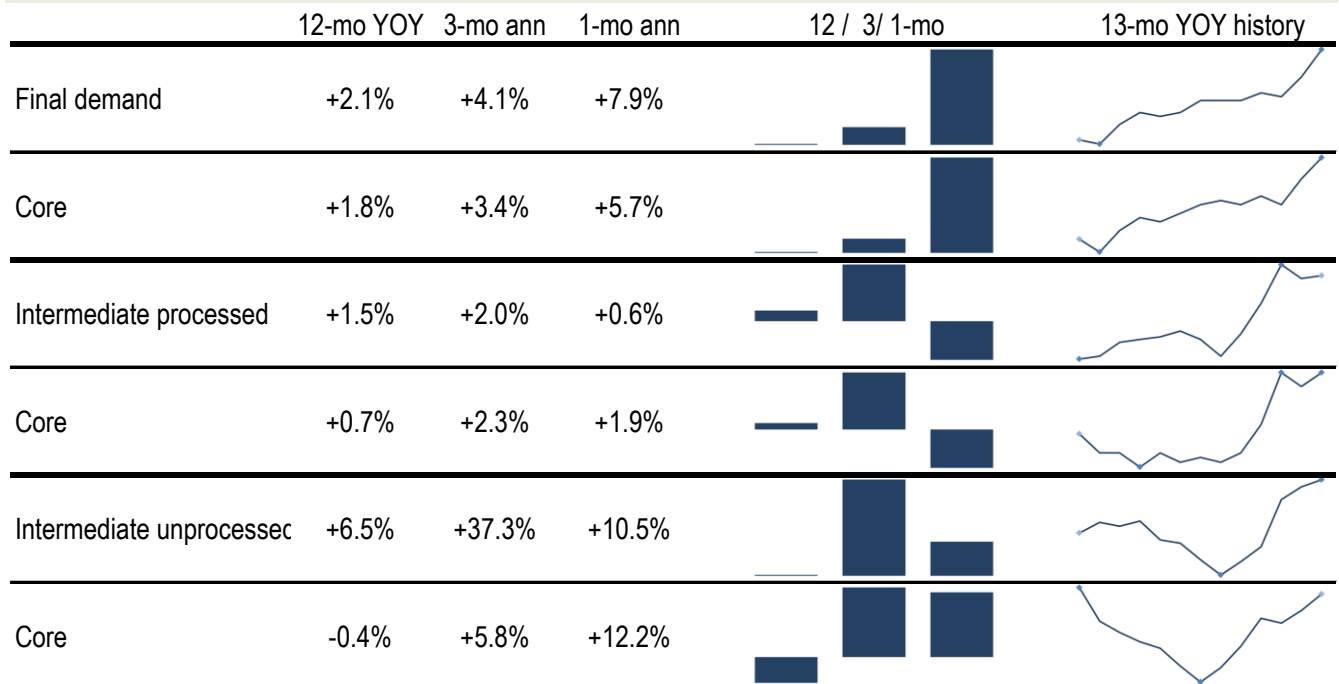
Major economies CPI, year on year

■ Headline ■ Ex-food and energy



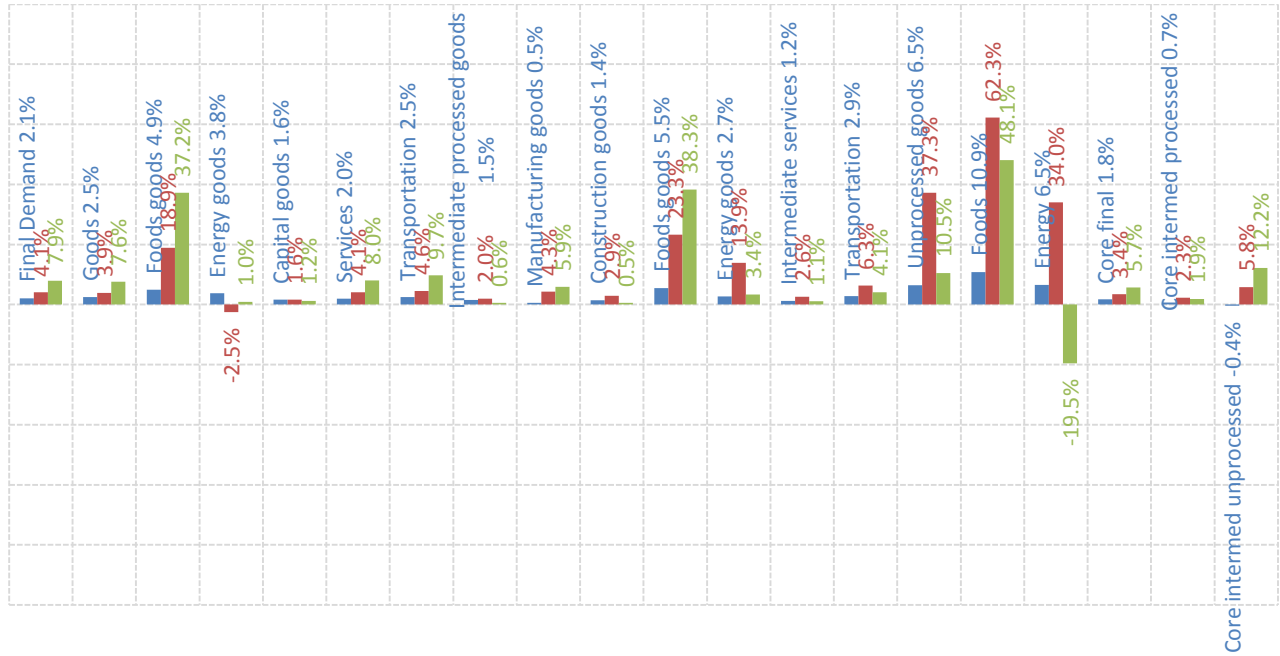
Source: Respective Statistical agencies, TrendMacro calculations

PPI data: what you need to know



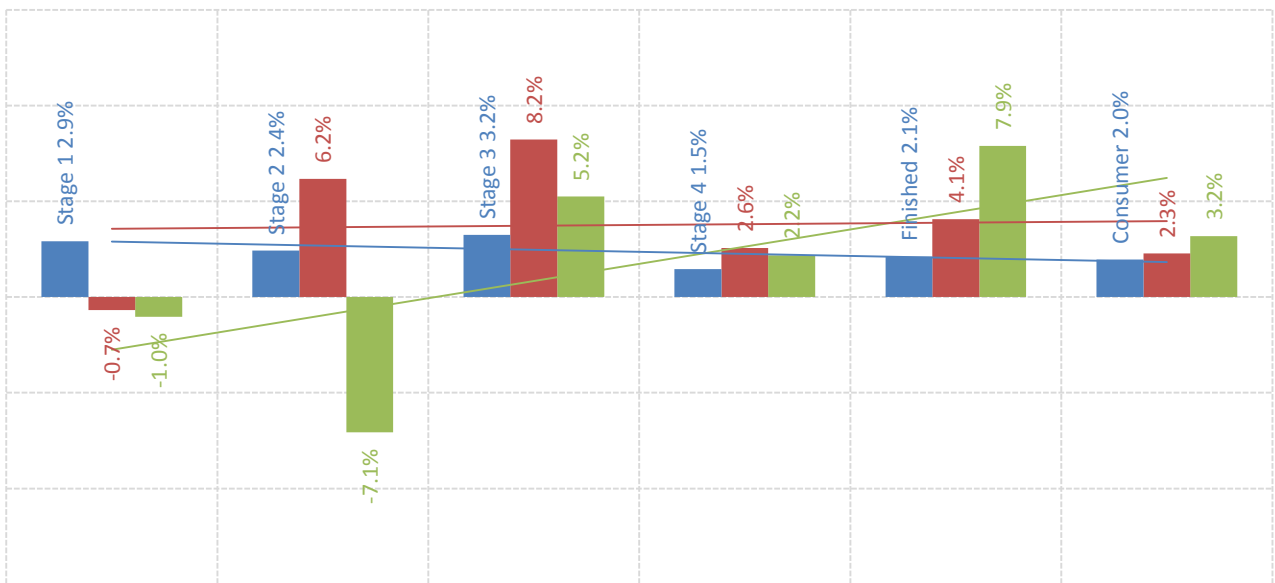
Source: BLS Producer Price Index, TrendMacro calculations

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