
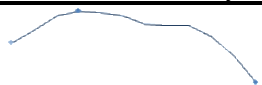

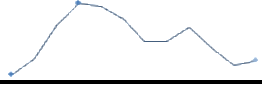

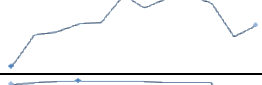

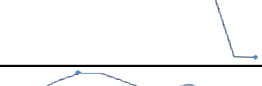

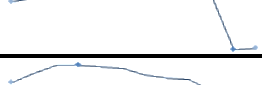

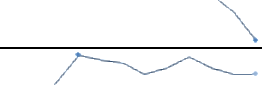



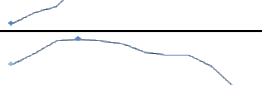



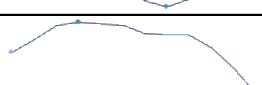
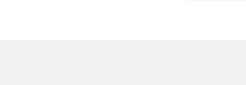
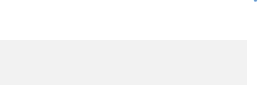


## Data Insights: Consumer Price Index, Producer Price Index

Thursday, February 26, 2015

### 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	-0.2%	-5.1%	-7.9%		
Core	+1.6%	+1.3%	+2.2%		
OER	+2.6%	+2.5%	+2.9%		
All less OER	-0.9%	-7.1%	-11.3%		
Core less OER	+1.1%	+0.5%	+1.7%		
Energy	-20.0%	-53.7%	-70.6%		
All less energy	+1.9%	+1.3%	+1.7%		
Food	+3.1%	+1.6%	-0.7%		
All less food	-0.7%	-6.1%	-9.0%		
Health care	+2.6%	+3.4%	-0%		
All less health care	-0.4%	-5.7%	-8.5%		

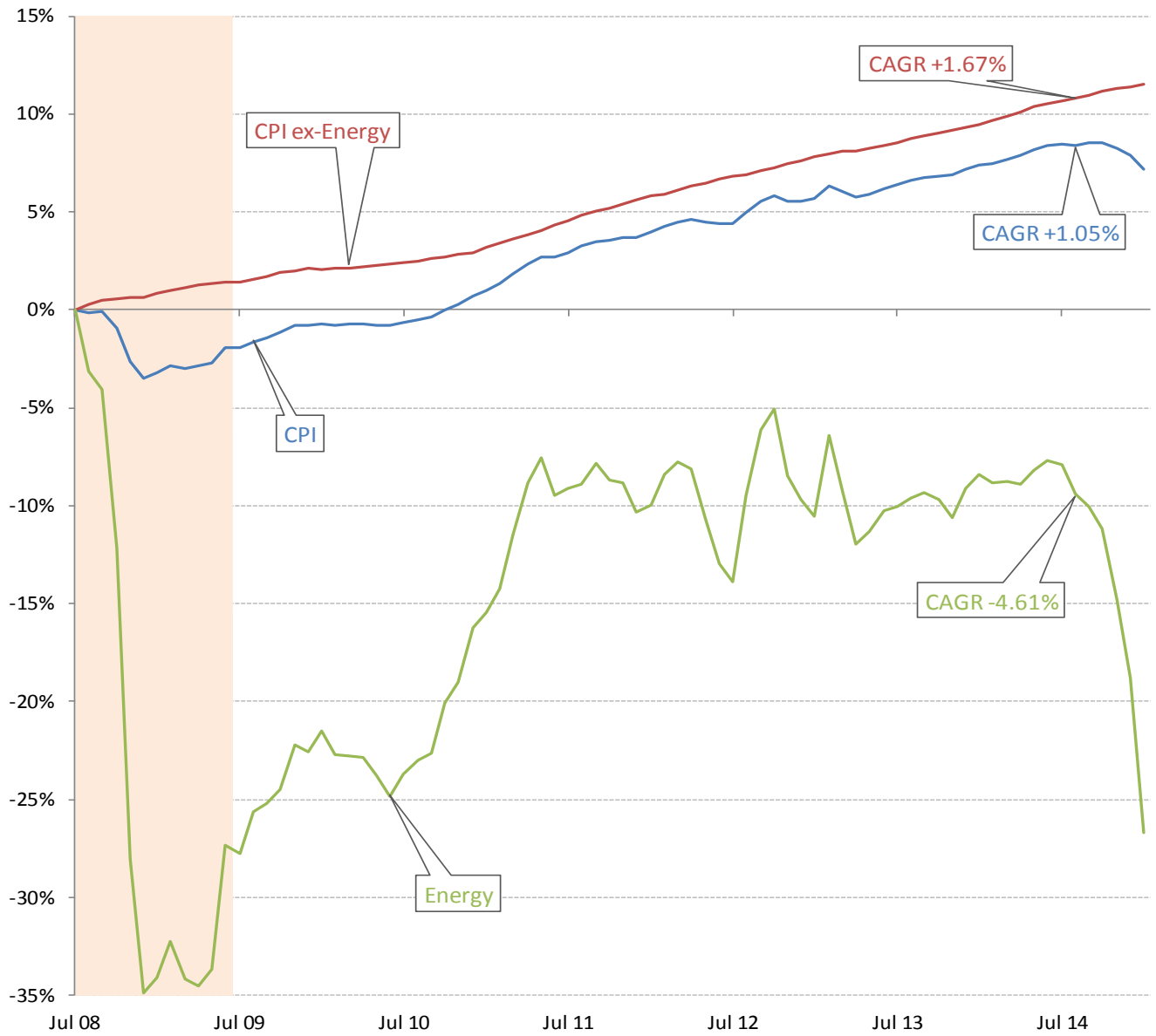
Source: BLS Consumer Price Index, TrendMacro calculations

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 Thomas Demas: 704 552 3625 [tdemas@trendmacro.com](mailto:tdemas@trendmacro.com)

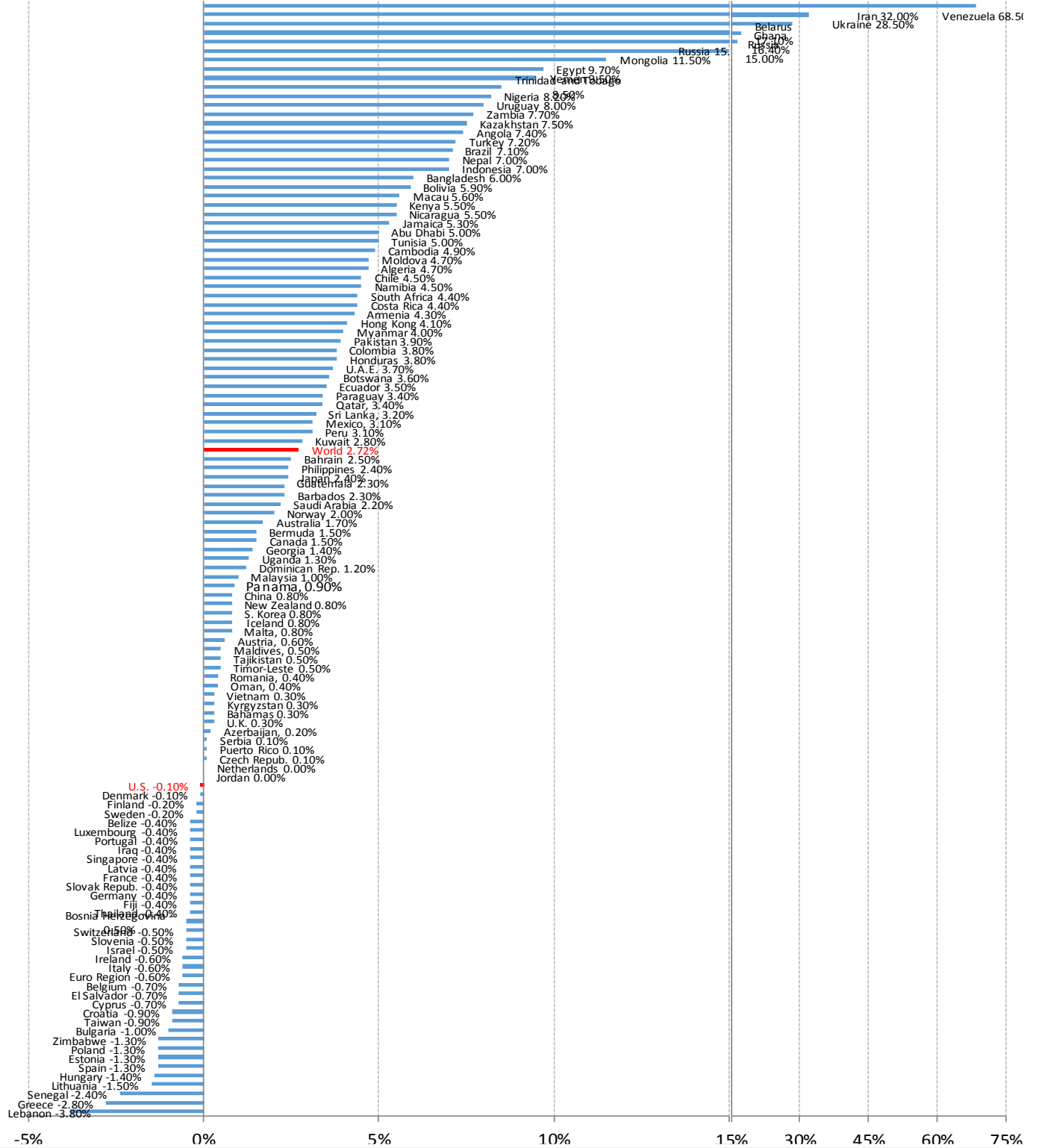
# The deflation delusion: it's all about oil, and always has been

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



Source: Bloomberg, TrendMacro calculations

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



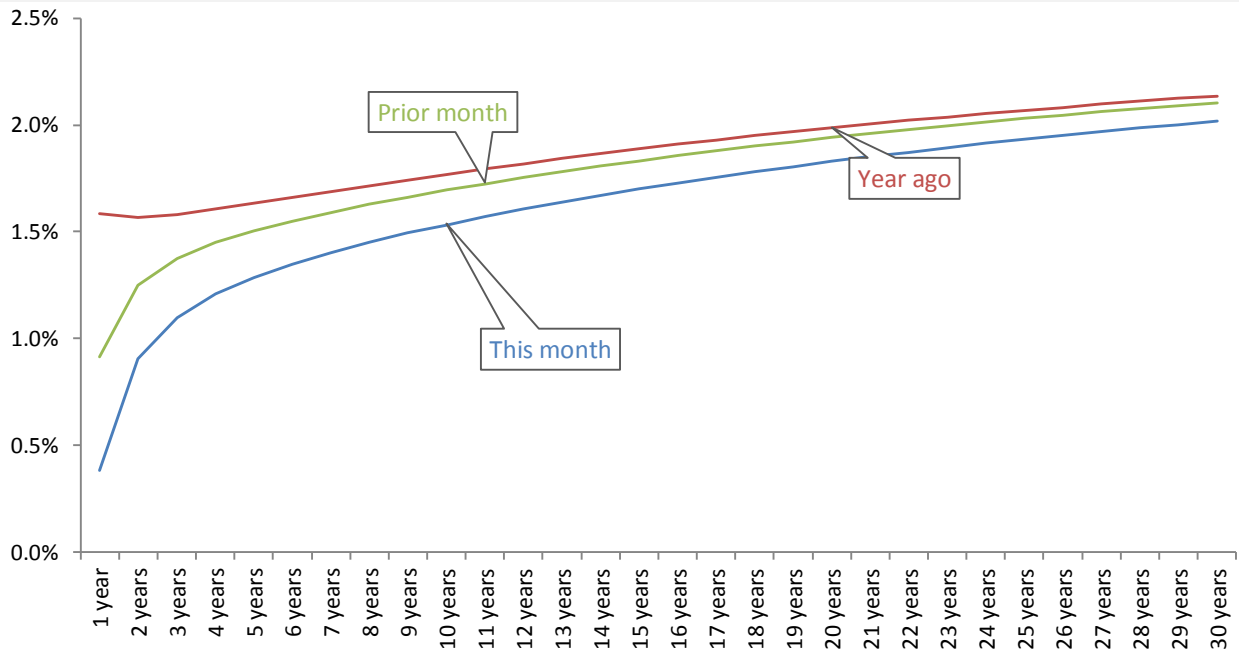
Source: Bloomberg, TrendMacro calculations

## TIPS-implied 5-year inflation, 5 years forward



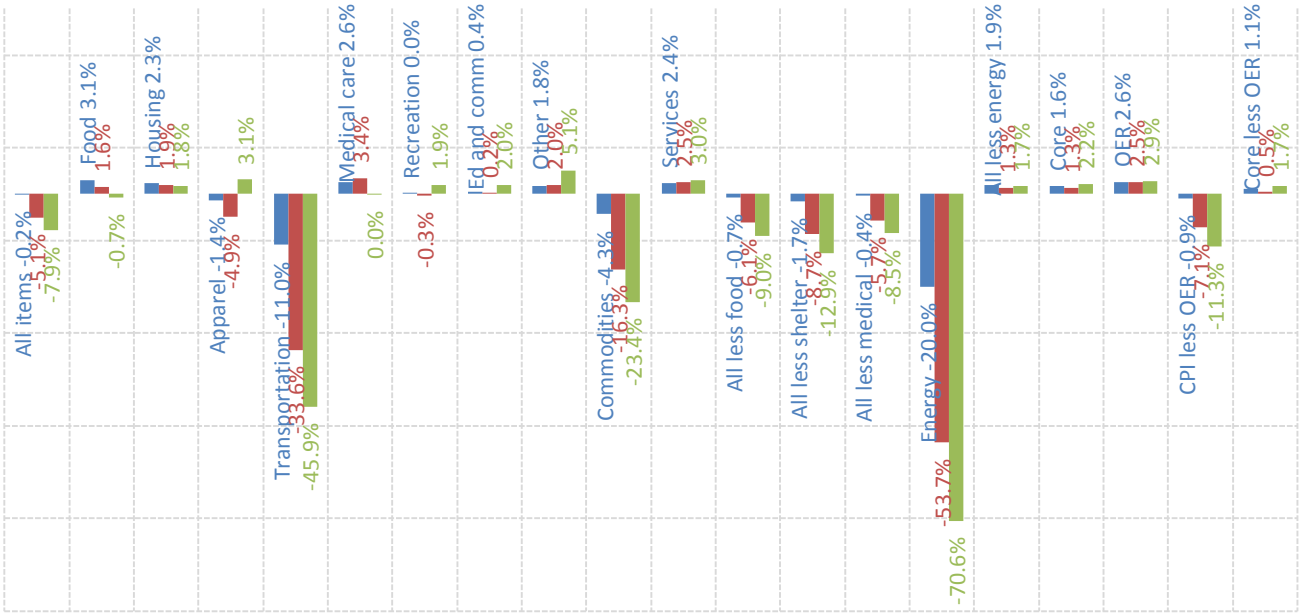
Source: Bloomberg, TrendMacro calculations

## Implied inflation yield curve, per annum



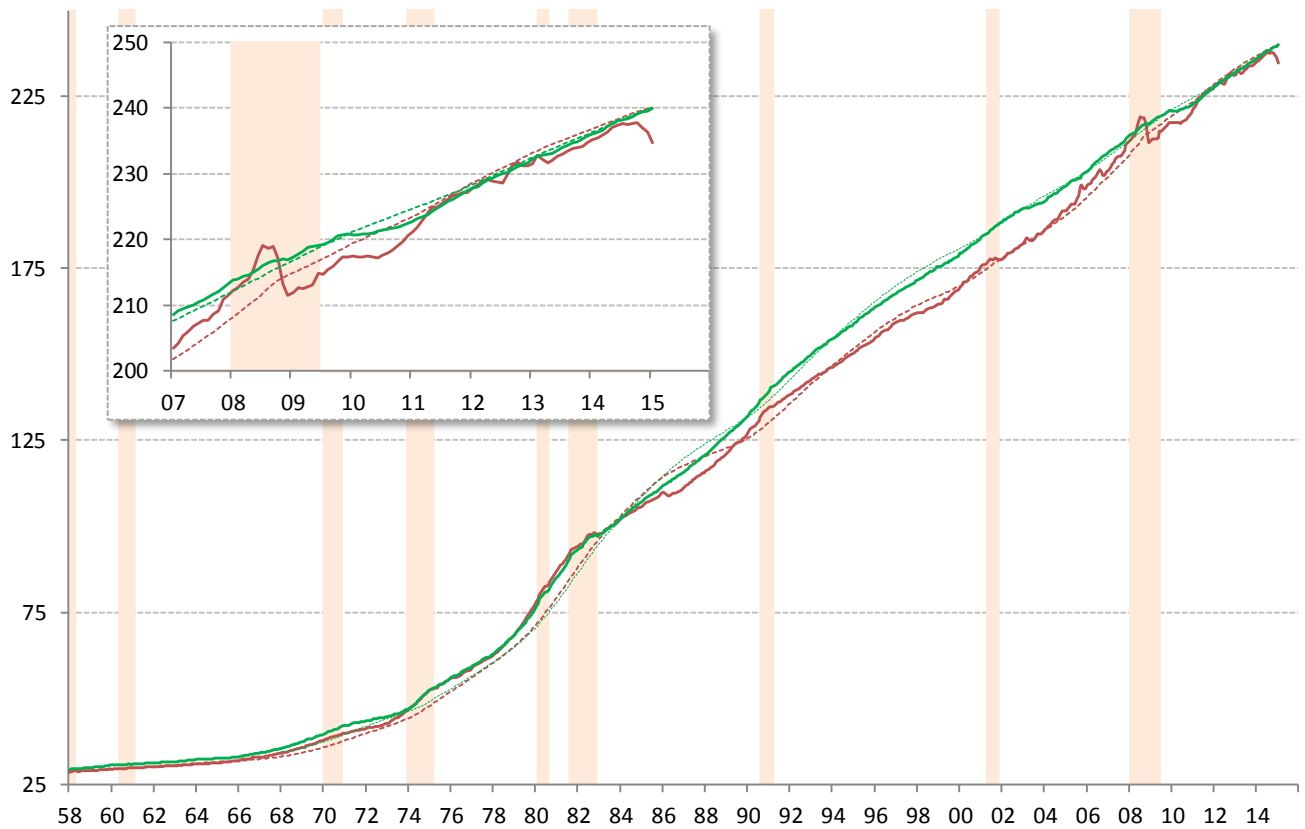
Source: Cleveland Fed, TrendMacro calculations

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



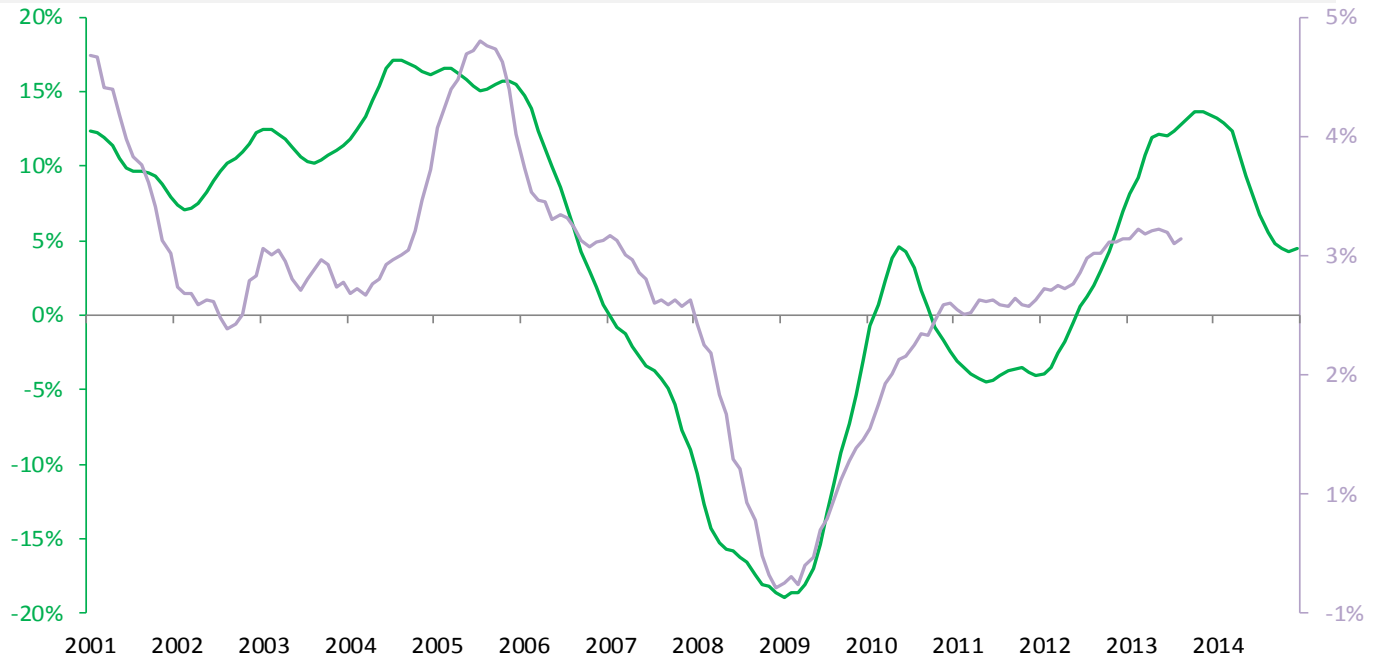
Source: BLS Consumer Price Index, TrendMacro calculations

## Housing leads US CPI

Year-over-year change

— Case Shiller 20-city avg

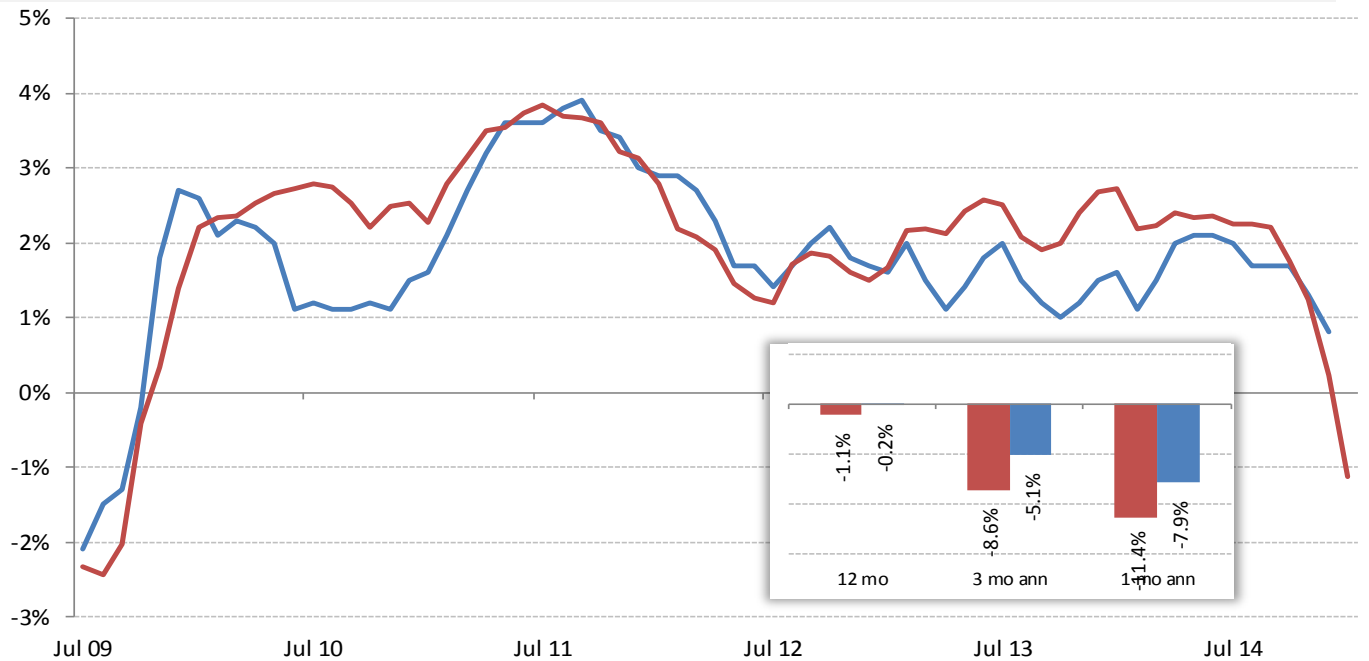
— Owner's equivalent rent CPI component, 18-mo lag



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

## Does the Internet know more than the US Labor Department?

YOY inflation: — MIT Billion Prices Project — CPI



Source: BLS, BEA, TrendMacro calculations

# The world is flat: the vanishing Phillips Curve

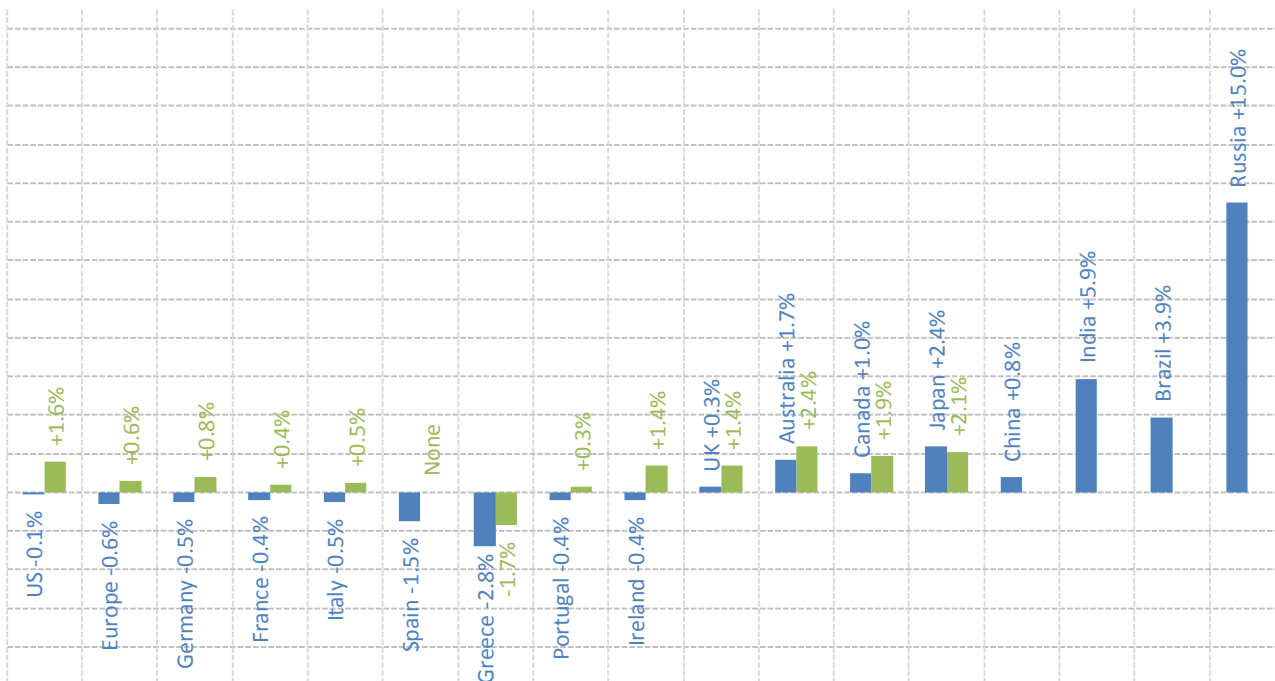
● Latest    Linear trend: ● Pre-74    ● Post-74    ● All



Source: BLS Consumer Price Index, Current Population Survey

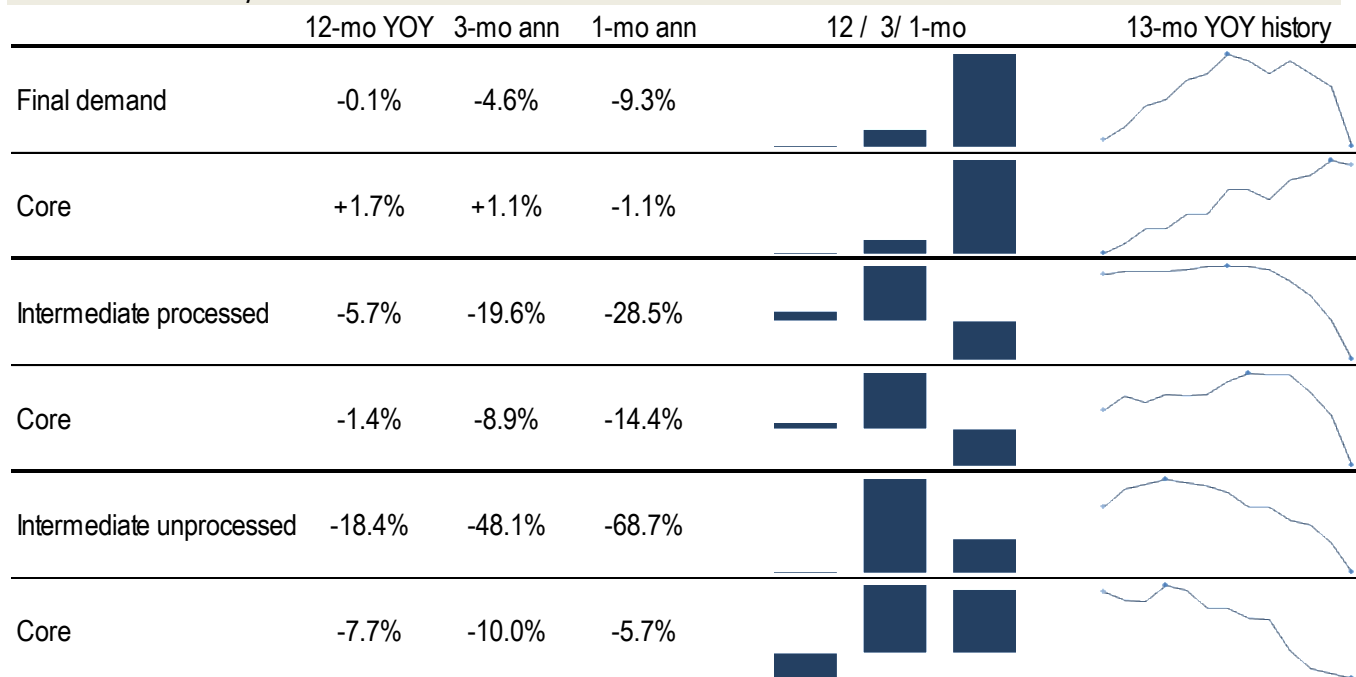
## Major economies CPI, year on year

■ Headline ■ Ex-food and energy



Source: Respective Statistical agencies, TrendMacro calculations

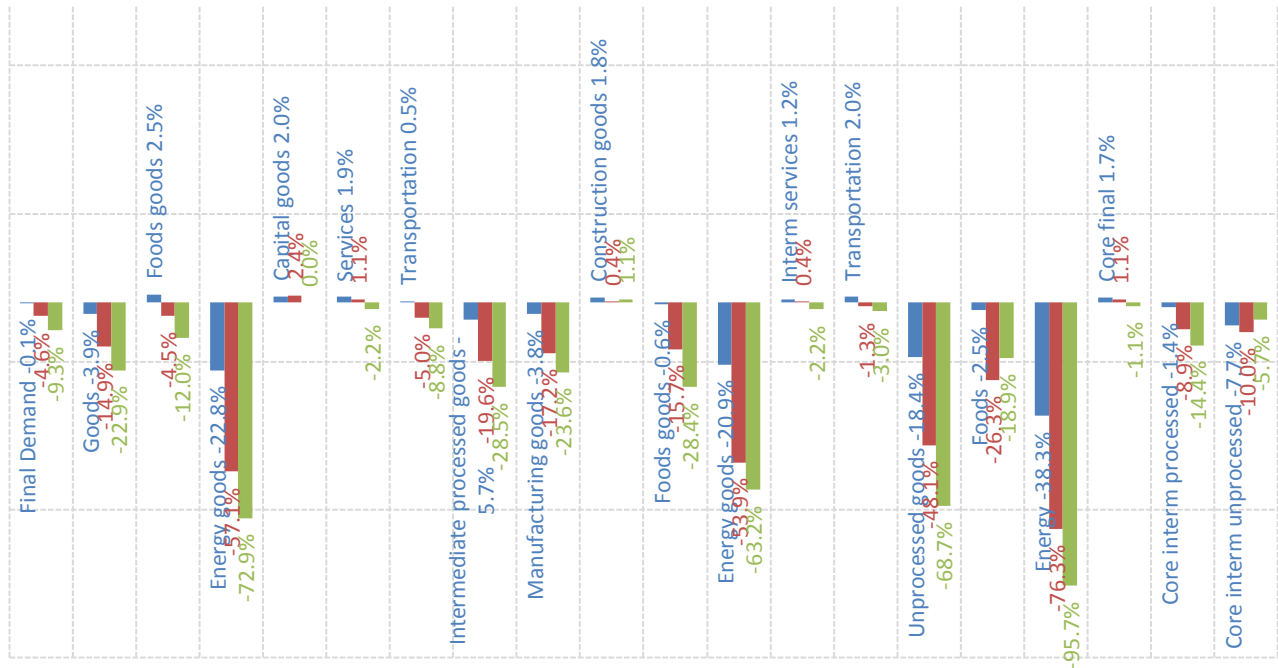
## PPI data: what you need to know



Source: BLS Producer Price Index, TrendMacro calculations

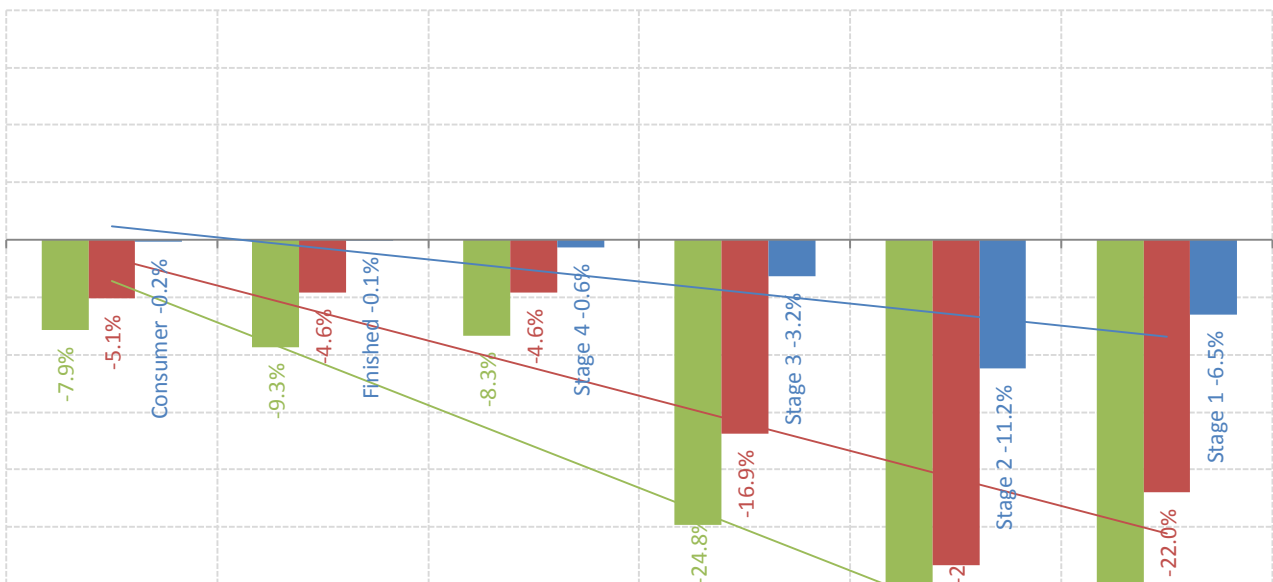


## PPI inflation by sector (SAAR) ■ 12-month ■ 3-month ■ 1-month



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