
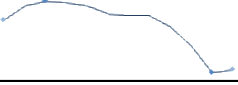

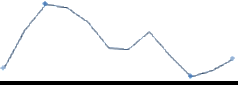

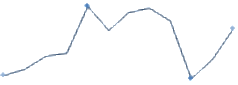

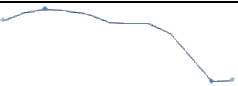

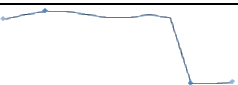

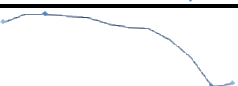

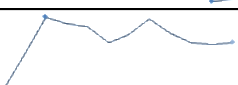

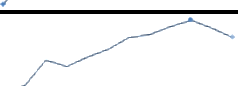

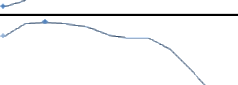



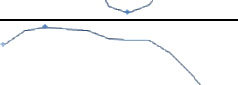


Data Insights: Consumer Price Index, Producer Price Index

Tuesday, March 24, 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	-0.1%	-3.1%	+2.6%		
Core	+1.7%	+1.6%	+1.9%		
OER	+2.7%	+2.6%	+3.0%		
All less OER	-1.8%	-6.7%	+2.6%		
Core less OER	+1.1%	+1.0%	+1.3%		
Energy	-18.9%	-43.0%	+12.1%		
All less energy	+1.9%	+1.6%	+1.9%		
Food	+2.8%	+1.2%	+1.8%		
All less food	-0.6%	-3.9%	+2.8%		
Health care	+2.3%	+1.8%	+0.1%		
All less health care	-0.3%	-3.5%	+2.9%		

Source: BLS Consumer Price Index, TrendMacro calculations

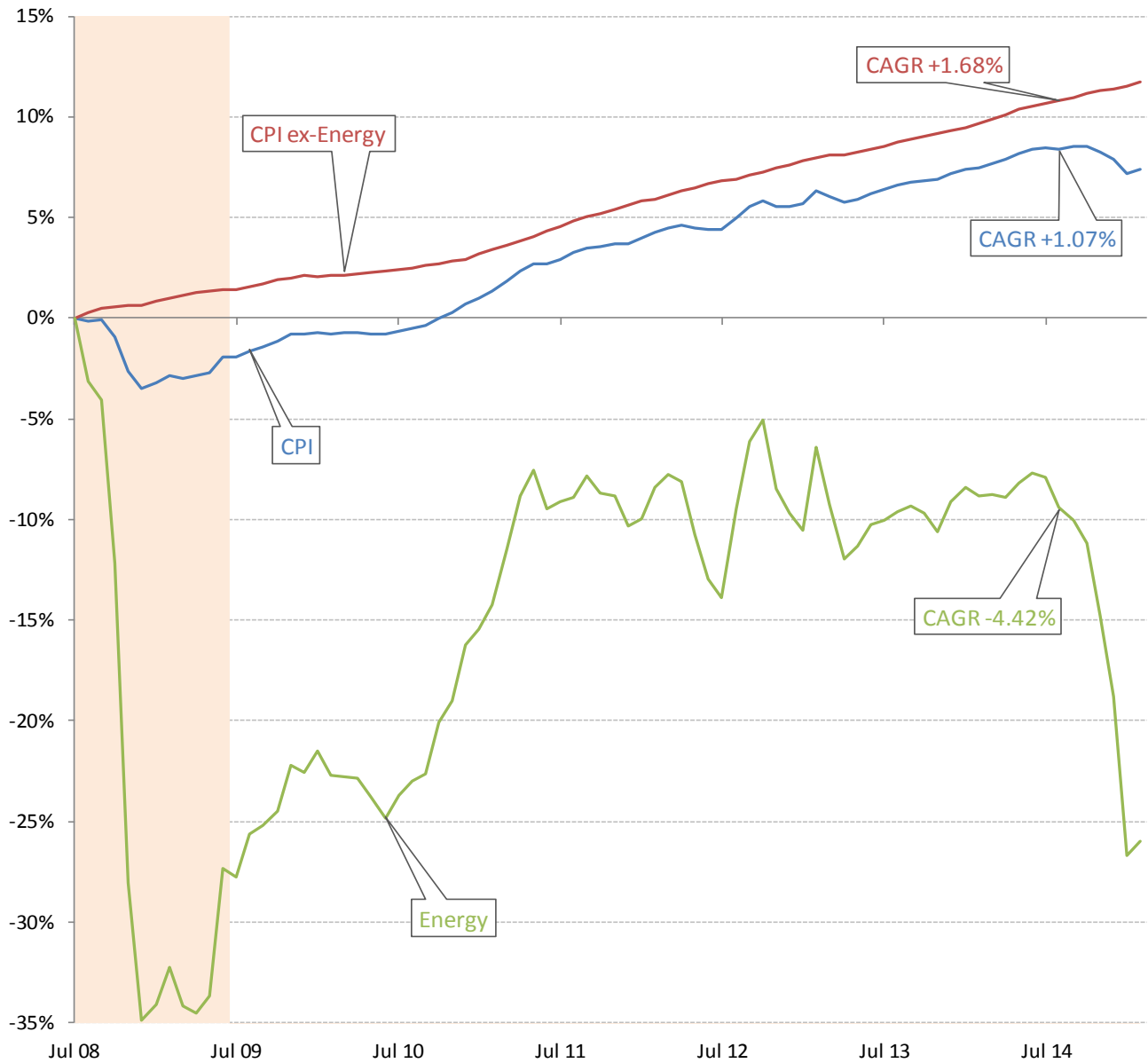
For more information contact us:

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

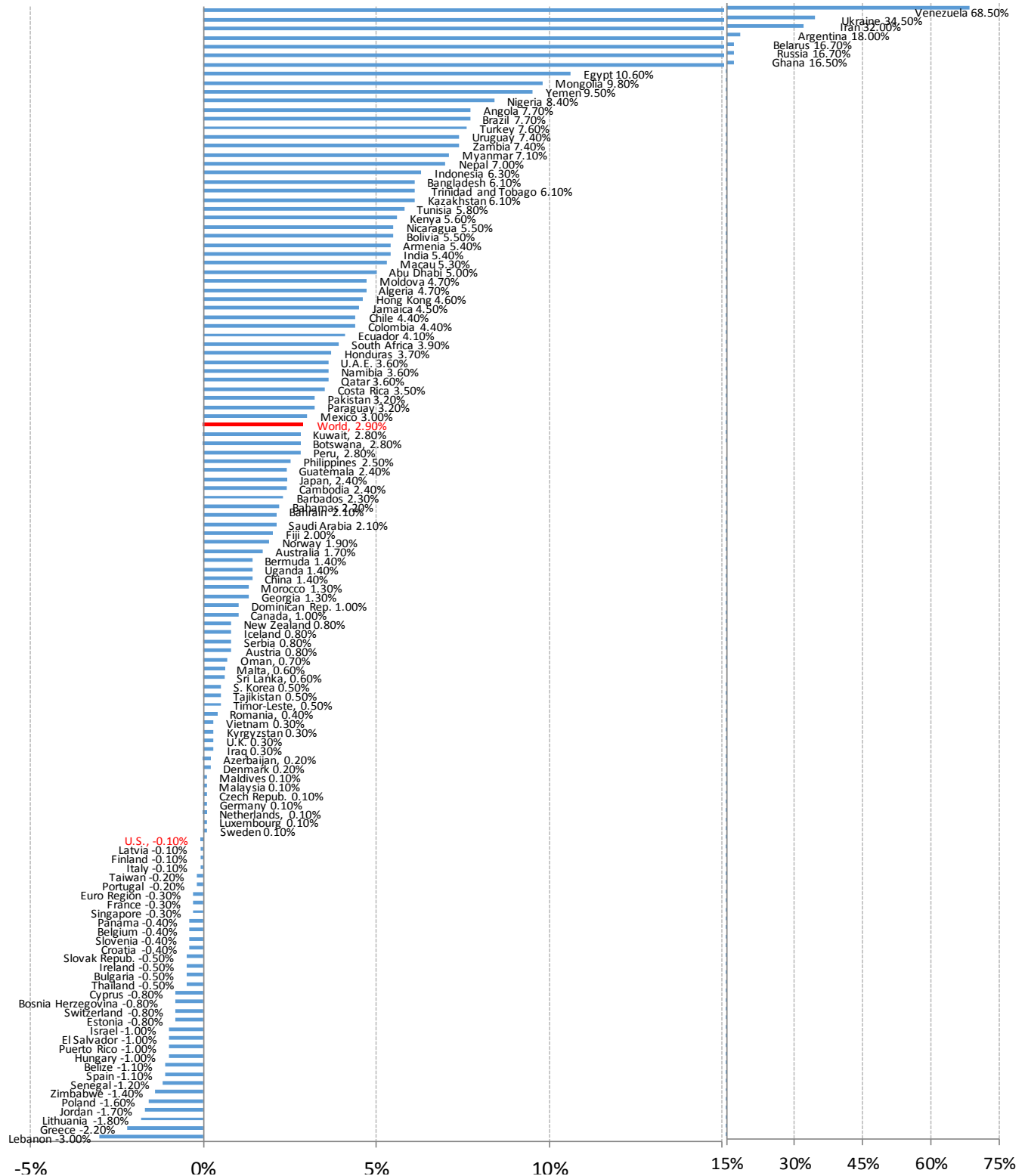
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Cumulative growth of CPI from July 2008, the all-time high oil price



Source: Bloomberg, TrendMacro calculations

World round-up: CPI year-on-year



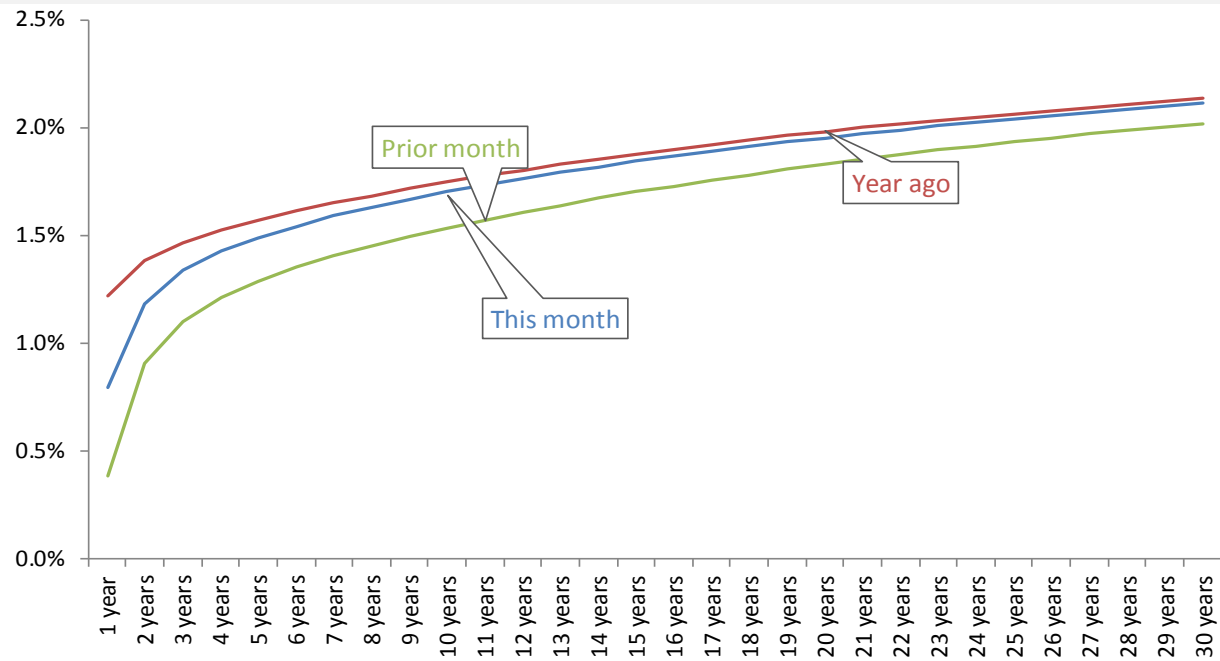
Source: Bloomberg, TrendMacro calculations

TIPS-implied 5-year inflation, 5 years forward



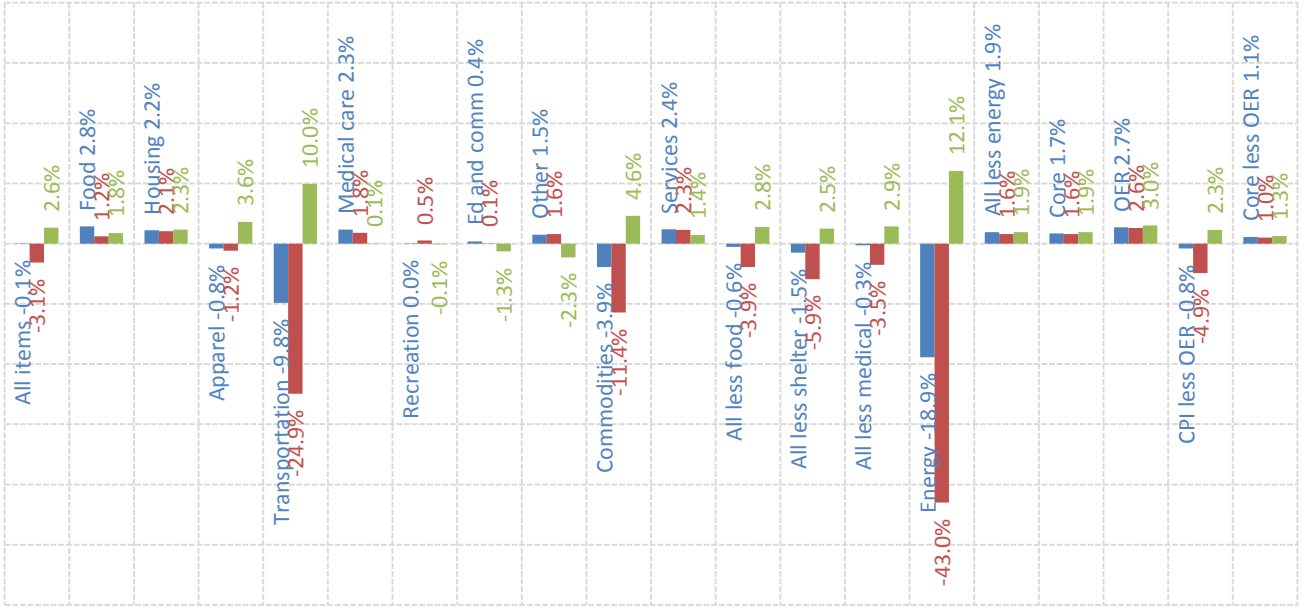
Source: Bloomberg, TrendMacro calculations

Implied inflation yield curve, per annum



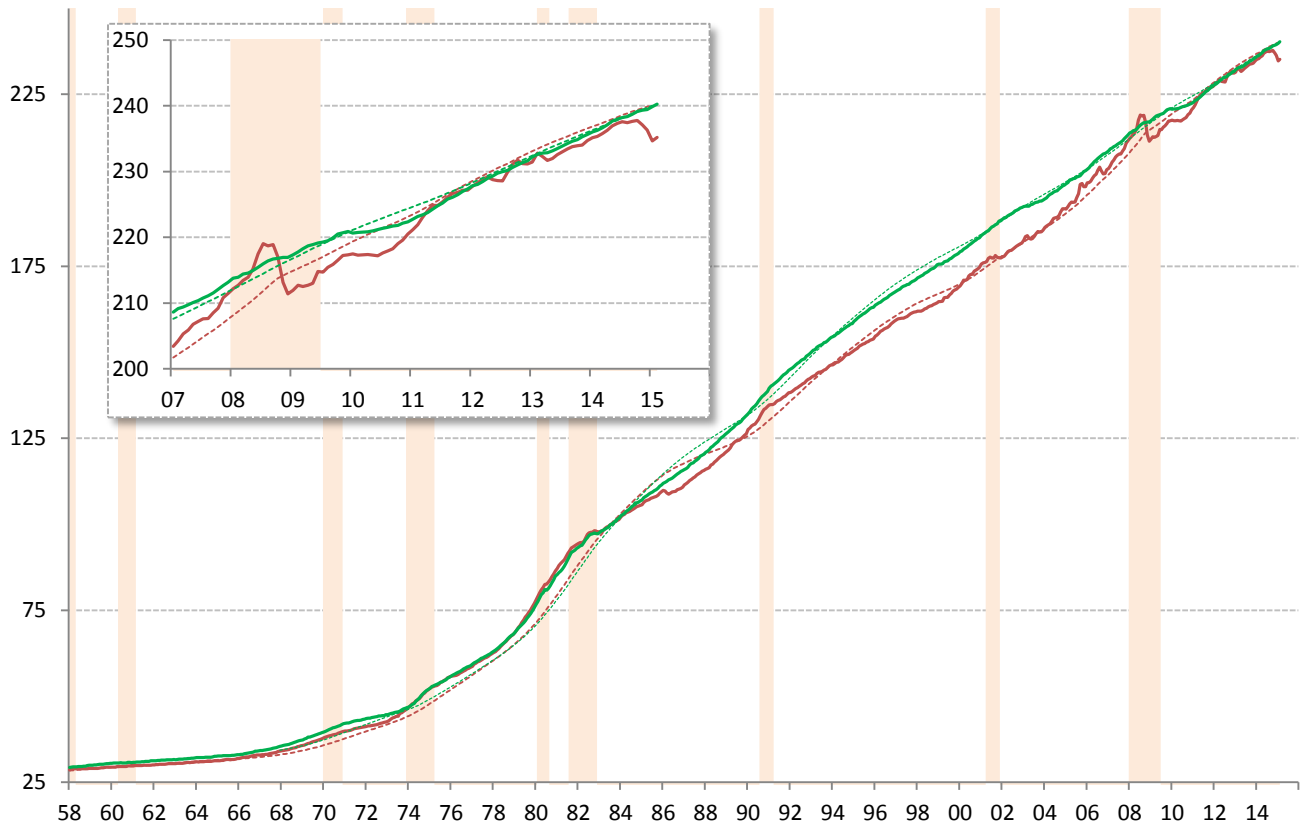
Source: Cleveland Fed, TrendMacro calculations

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



Source: BLS Consumer Price Index, TrendMacro calculations

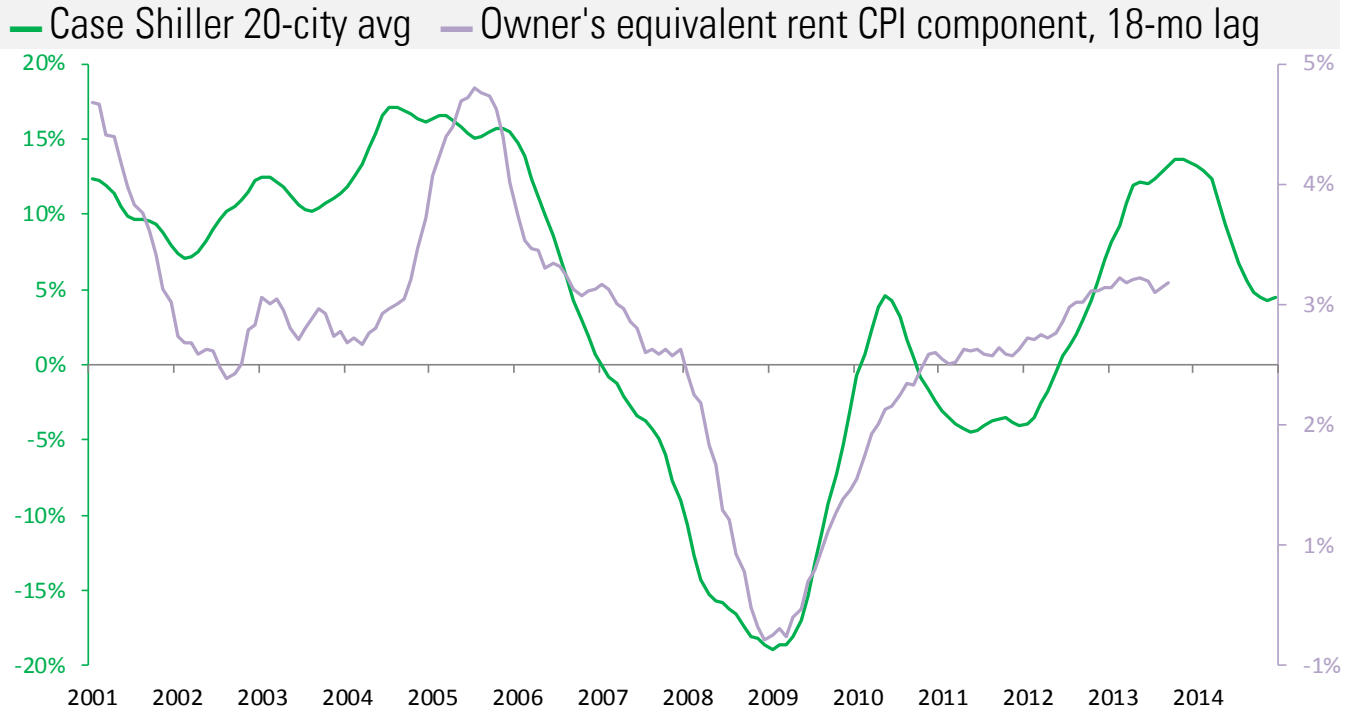
US CPI Core — Level ... 20-year trend ■ Recession



Source: BLS Consumer Price Index, TrendMacro calculations

Housing leads US CPI

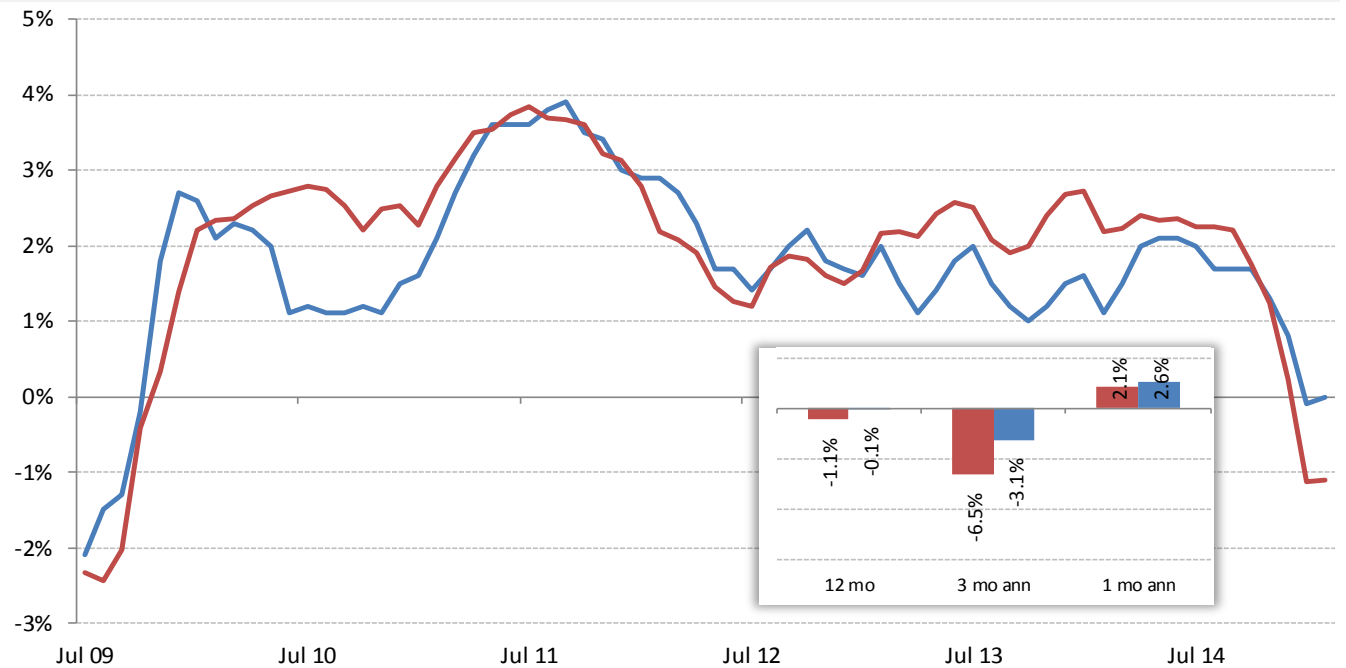
Year-over-year change



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

Does the Internet know more than the US Labor Department?

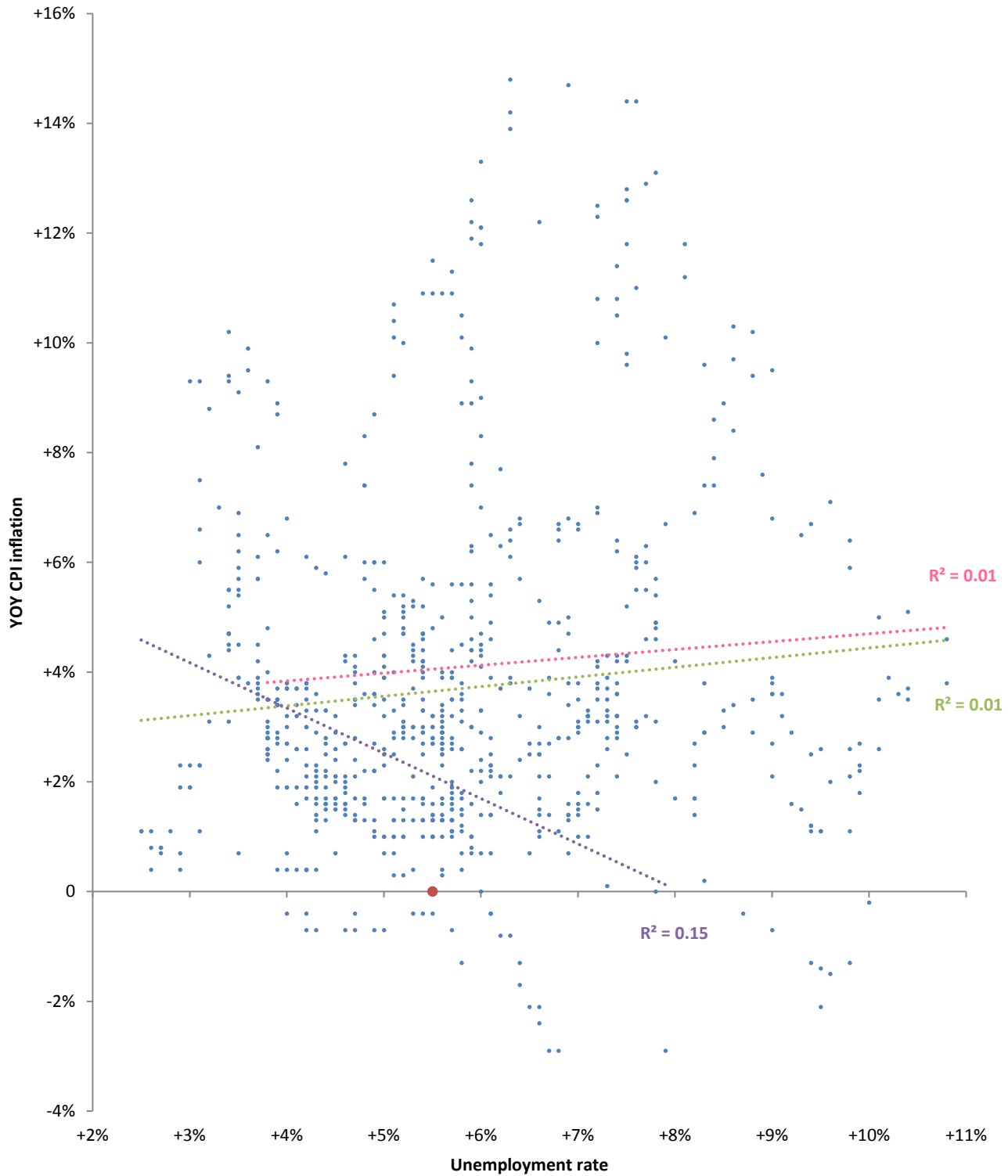
YOY inflation: — MIT Billion Prices Project — CPI



Source: BLS, BEA, TrendMacro calculations

The world is flat: the vanishing Phillips Curve

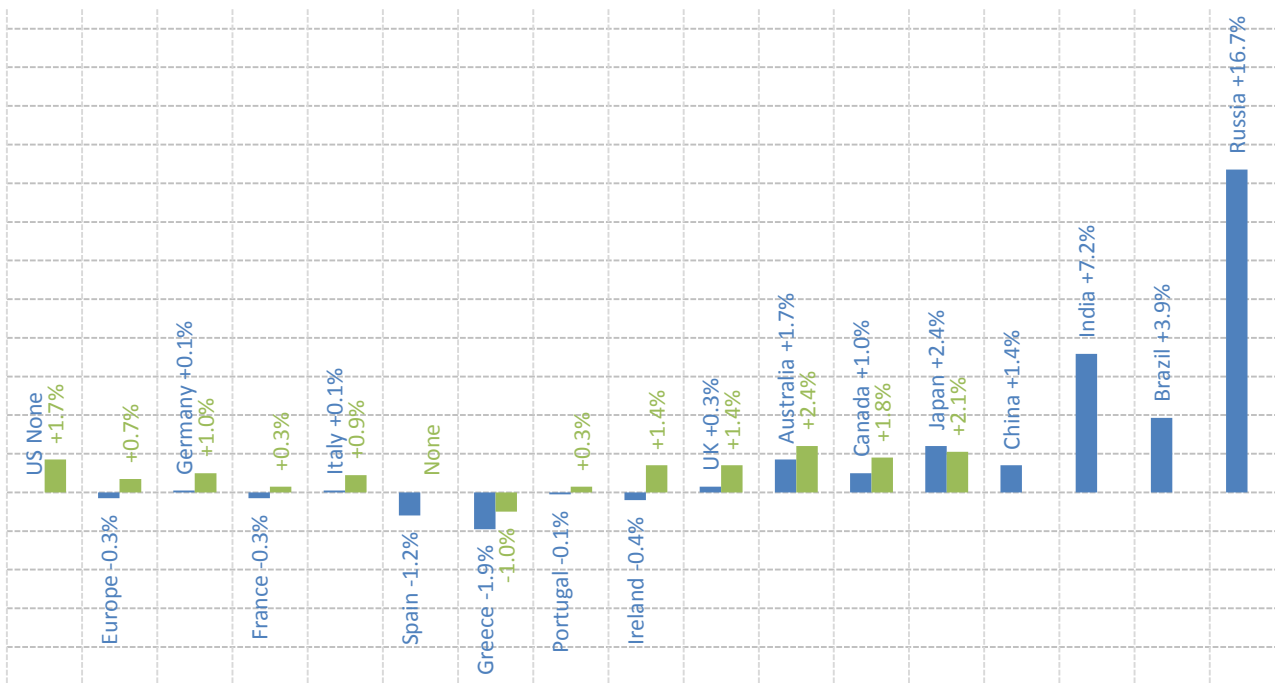
● Latest Linear trend: ● Pre-74 ● Post-74 ● All



Source: BLS Consumer Price Index, Current Population Survey

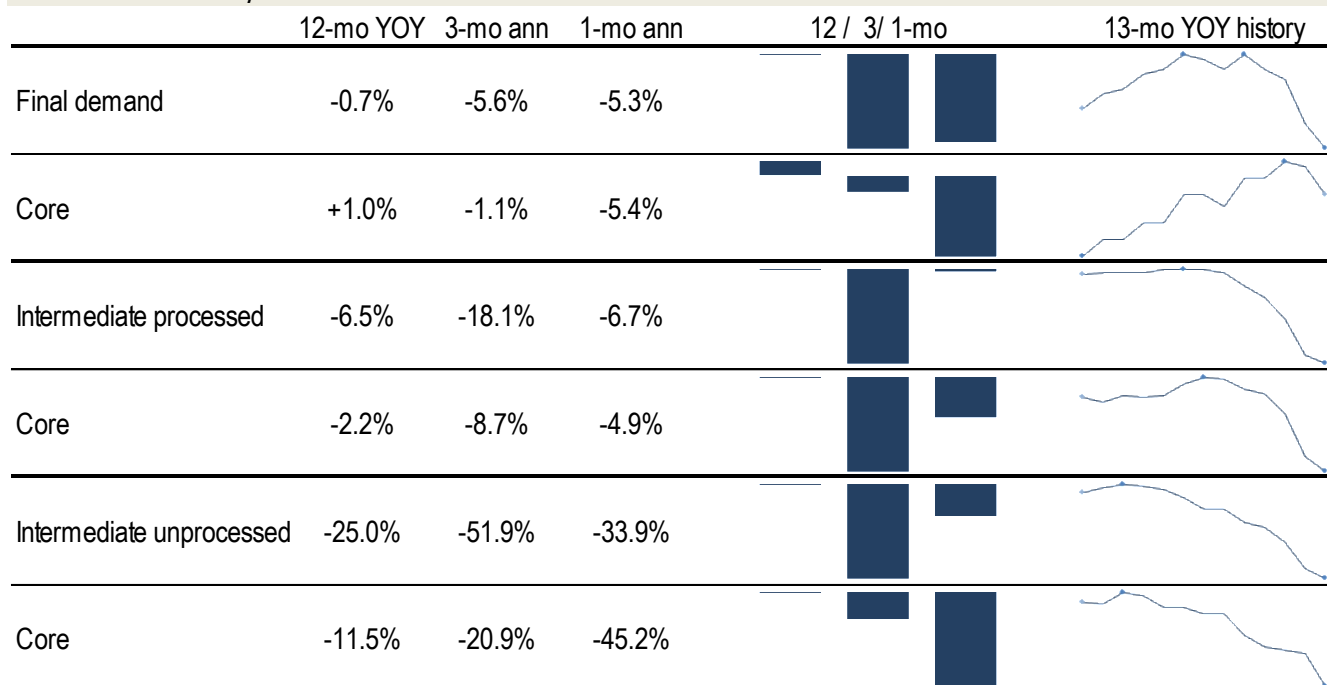
Major economies CPI, year on year

■ Headline ■ Ex-food and energy



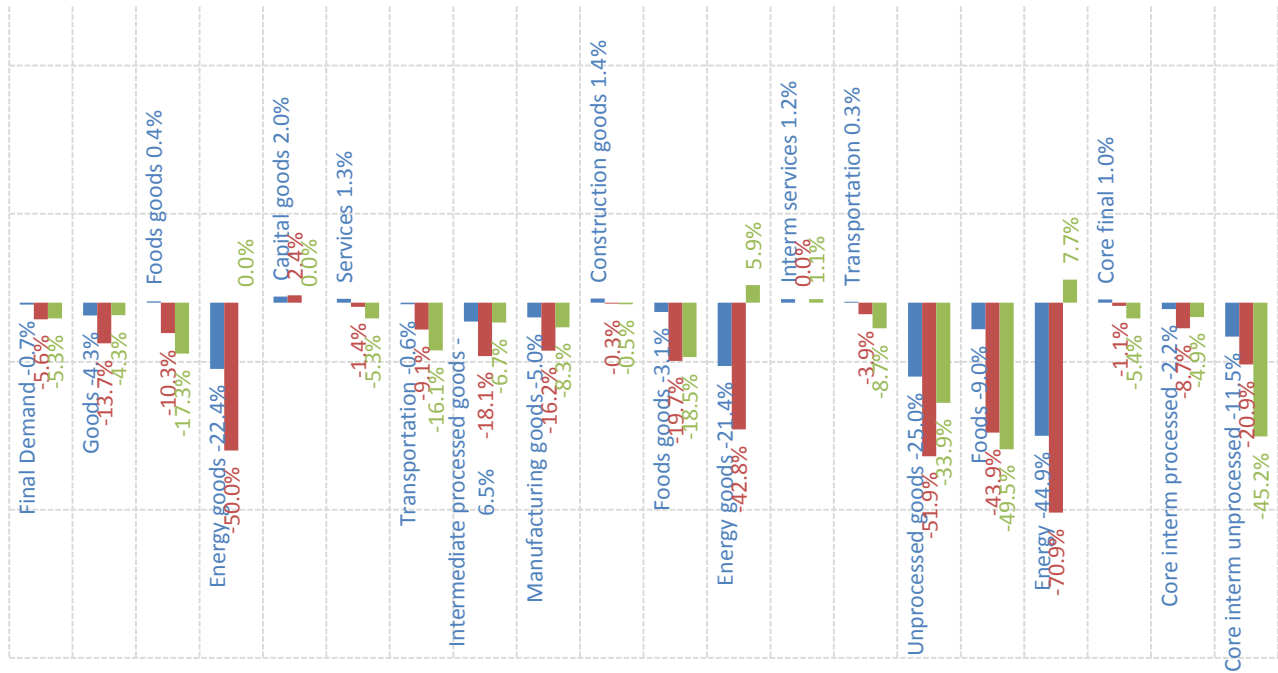
Source: Respective Statistical agencies, TrendMacro calculations

PPI data: what you need to know



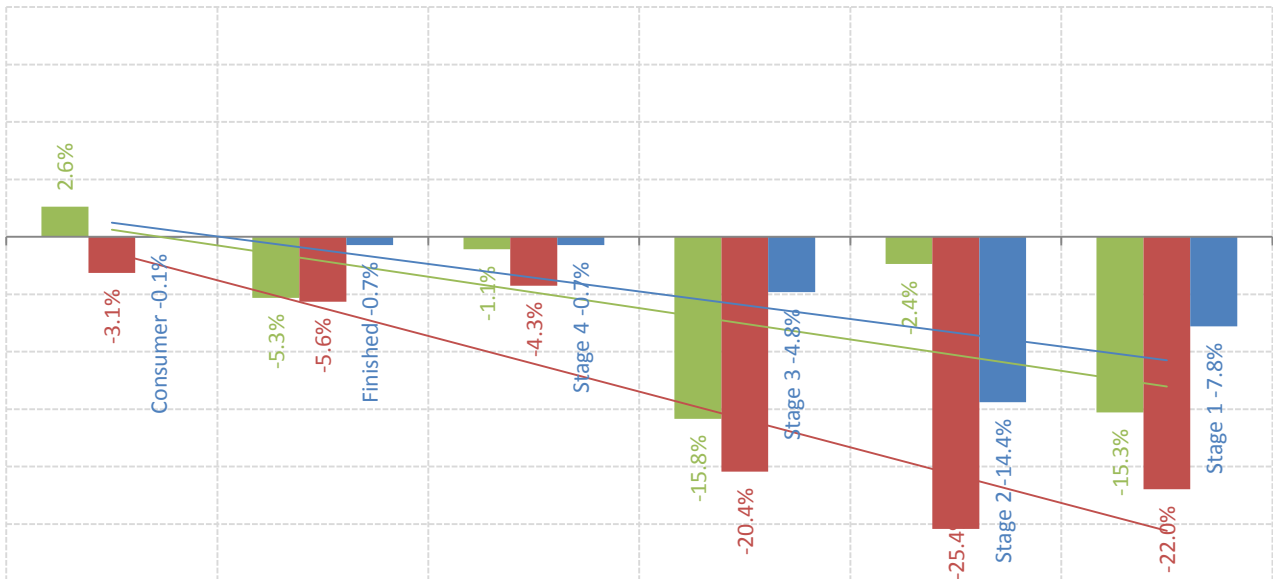
Source: BLS Producer Price Index, TrendMacro calculations

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