
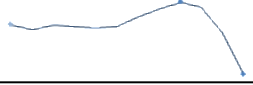





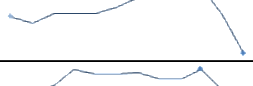



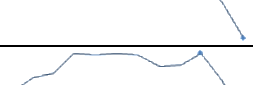
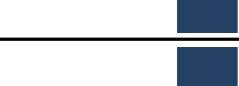
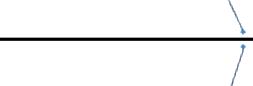

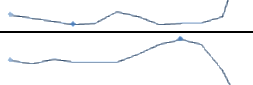
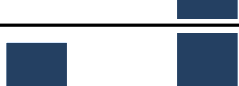
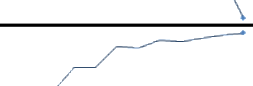

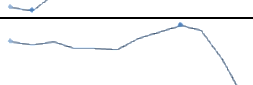




Data Insights: Consumer Price Index, Producer Price Index

Tuesday, May 12, 2020

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	+0.33%	-4.4%	-9.1%		
Core	+1.43%	-1.3%	-5.2%		
OER	+3.1%	+2.8%	+2.1%		
All less OER	+0.4%	-4.5%	-8.8%		
Core less OER	+0.5%	-3.6%	-9.2%		
Energy	-17.3%	-52.6%	-72.3%		
All less energy	+1.7%	+0.2%	-1.9%		
Food	+3.4%	+8.8%	+18.2%		
All less food	-0.1%	-6.5%	-13.1%		
Health care	+4.8%	+3.8%	+5.0%		
All less health care	-0.0%	-5.2%	-10.4%		

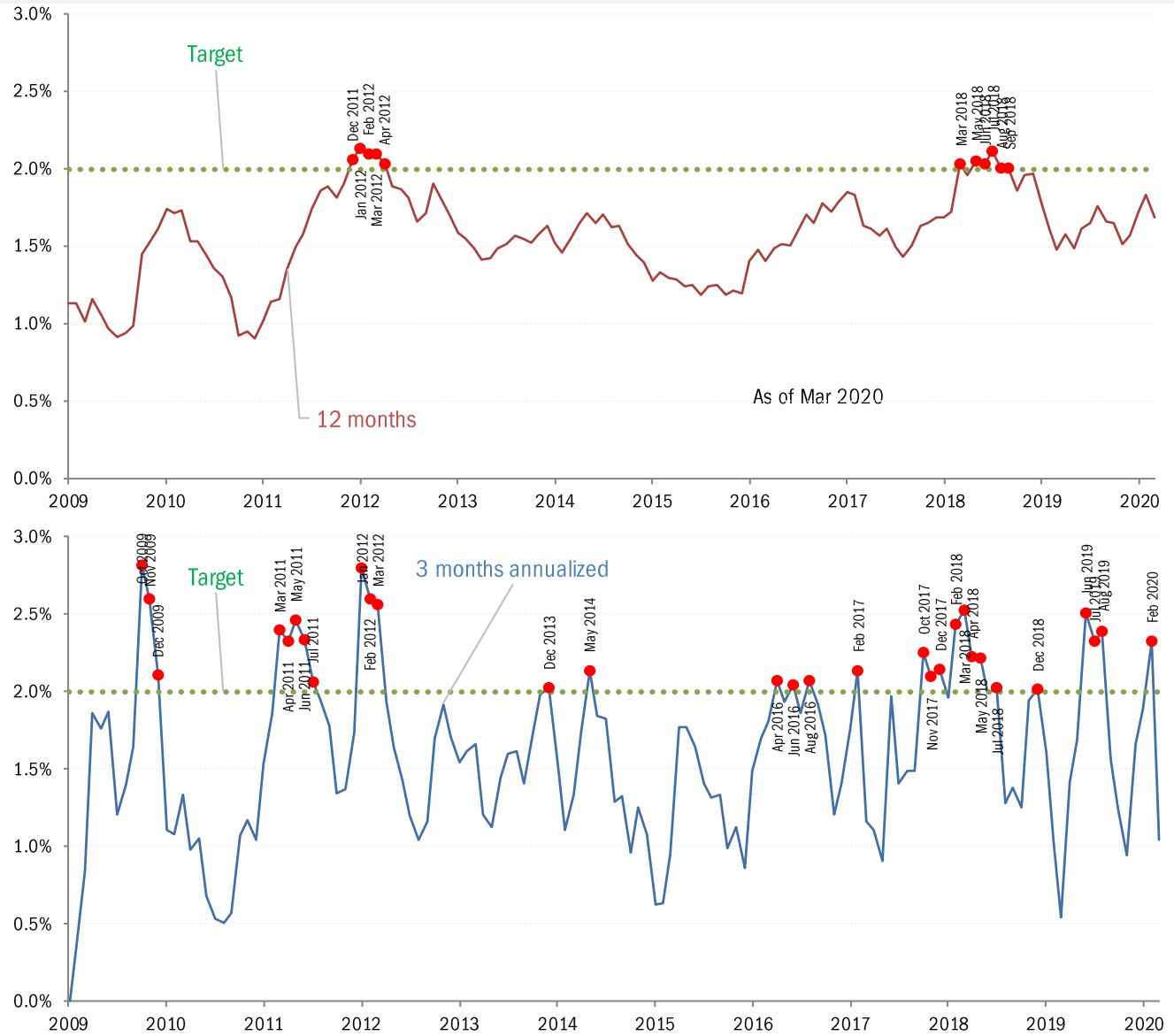
Source: BLS Consumer Price Index, TrendMacro calculations

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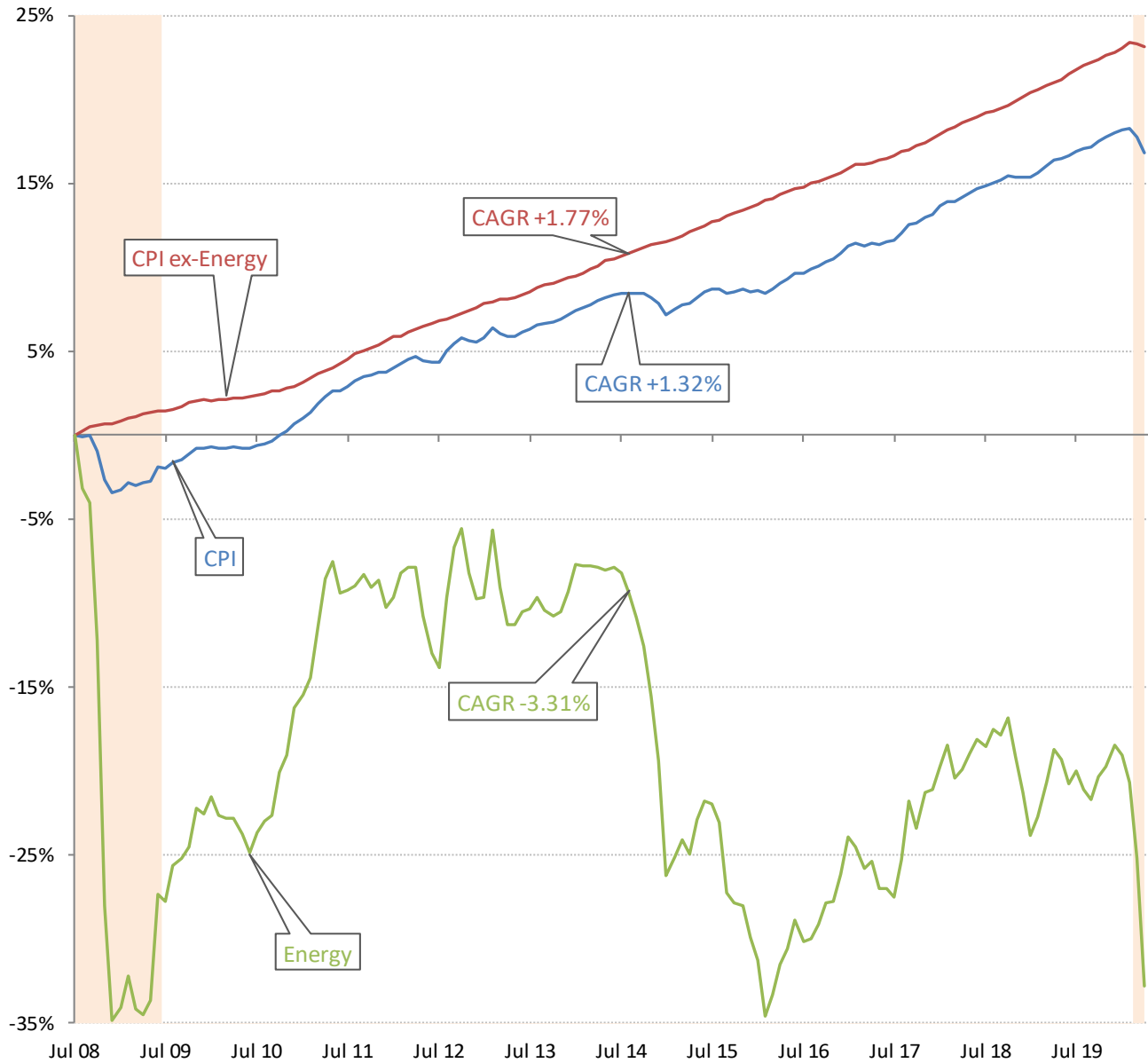
Target malpractice: the Fed's permanent "transitory" problem

Core PCE Price Index



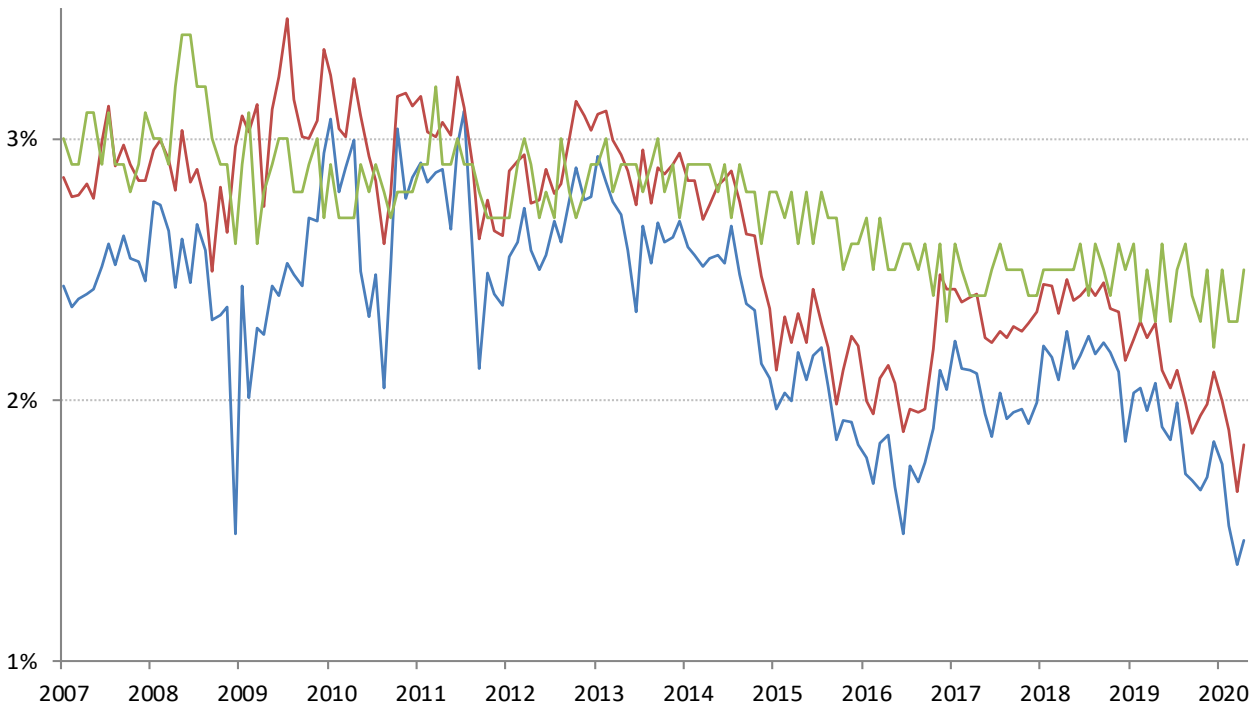
Source: Bureau of Economic Analysis, TrendMacro calculations

The deflation delusion: it's all about oil, and always has been (until Covid-2019)
 Cumulative growth of CPI from July 2008, the all-time high oil price Recession



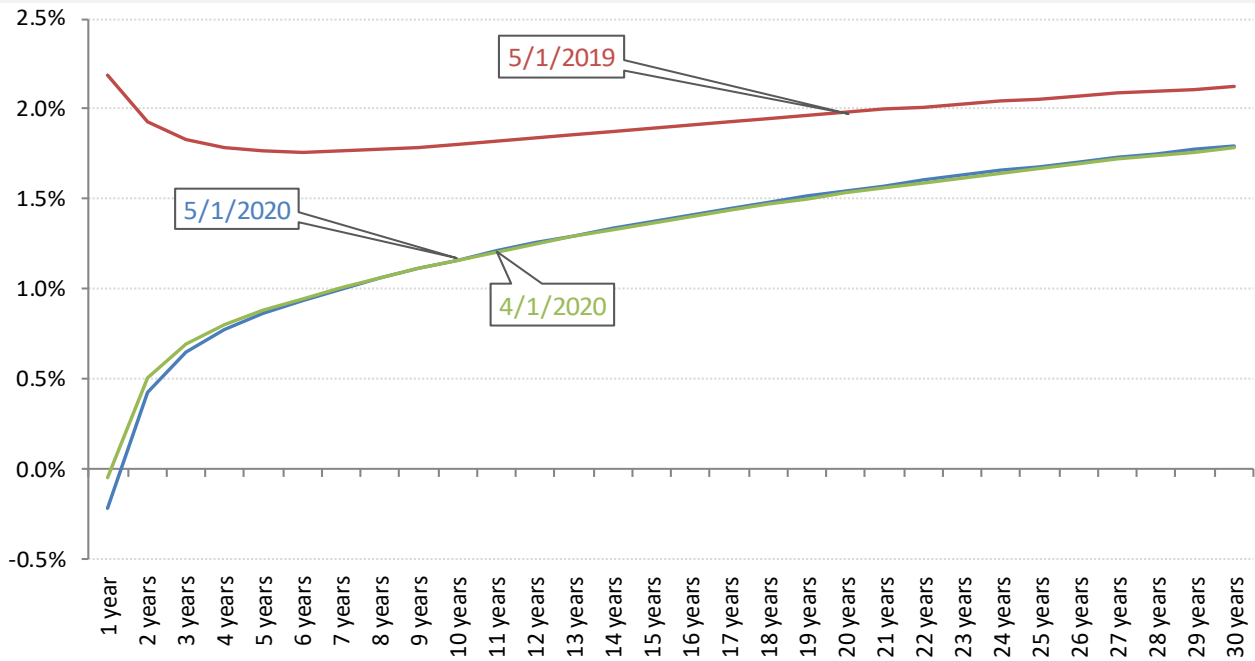
Source: Bloomberg, TrendMacro calculations

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



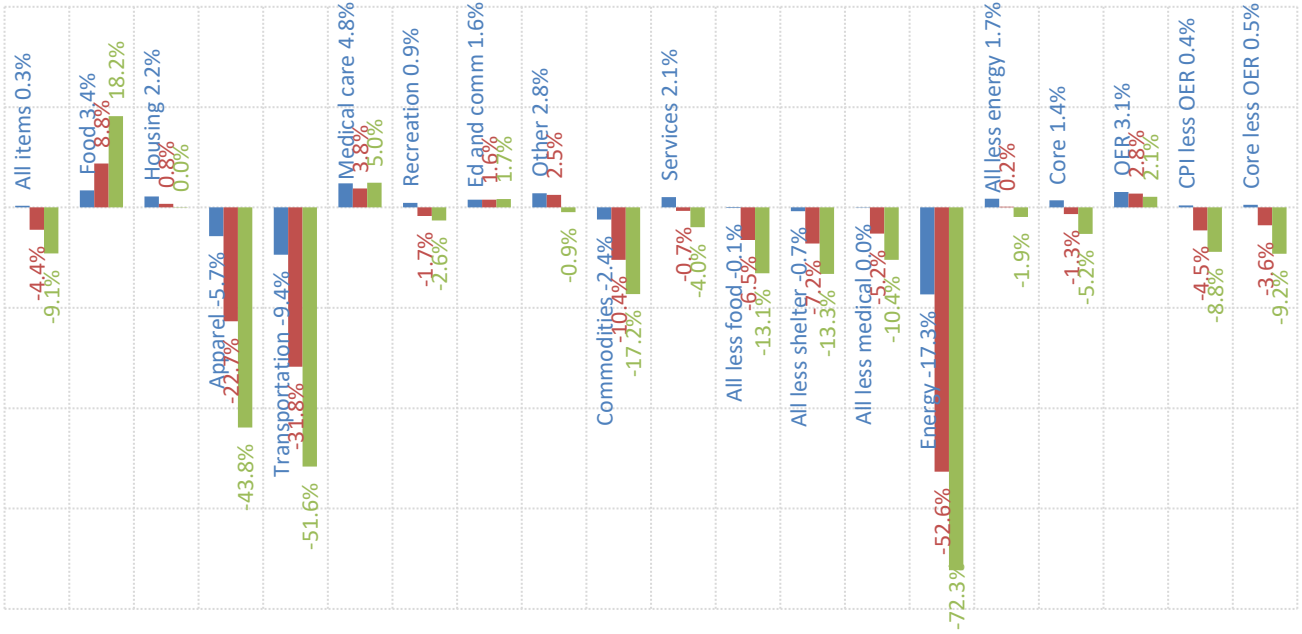
Source: Bloomberg, TrendMacro calculations

Swap-implied inflation yield curve, per annum



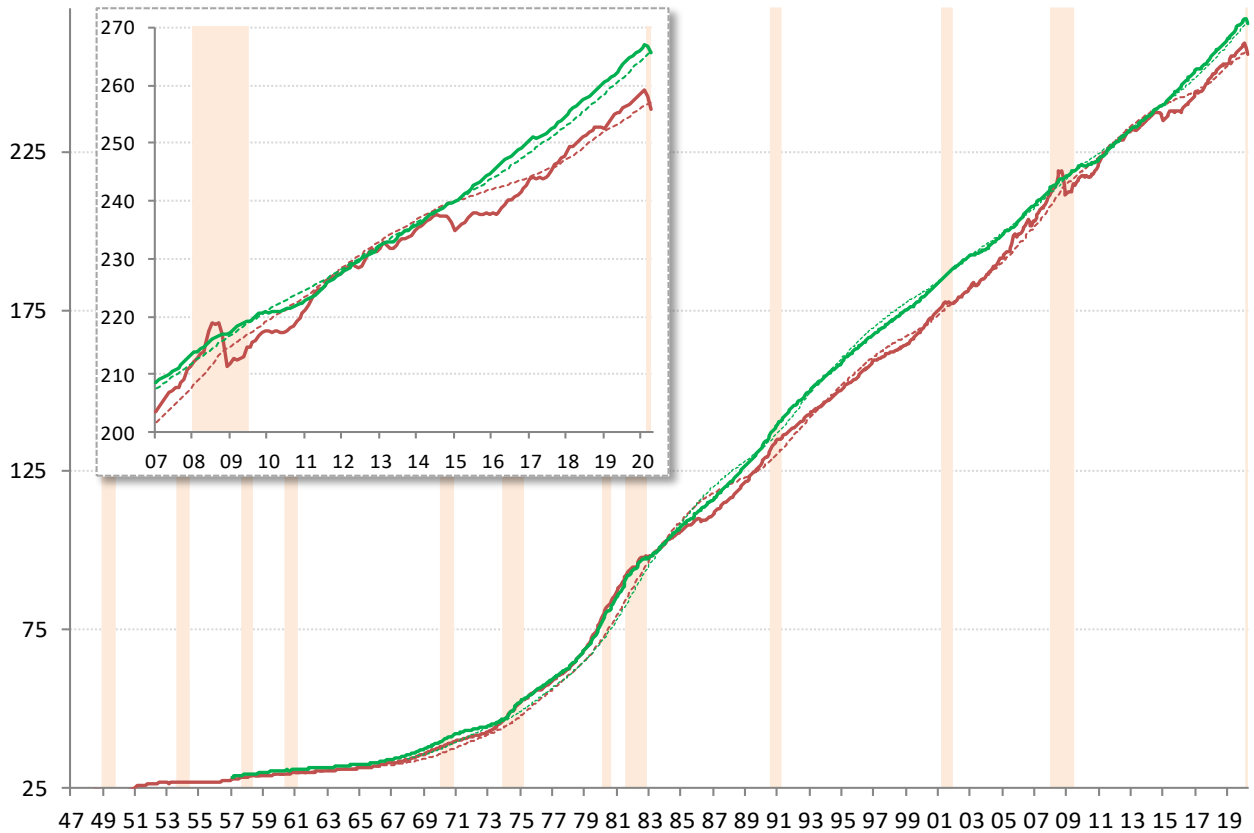
Source: Cleveland Fed, TrendMacro calculations

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



Source: BLS Consumer Price Index, TrendMacro calculations

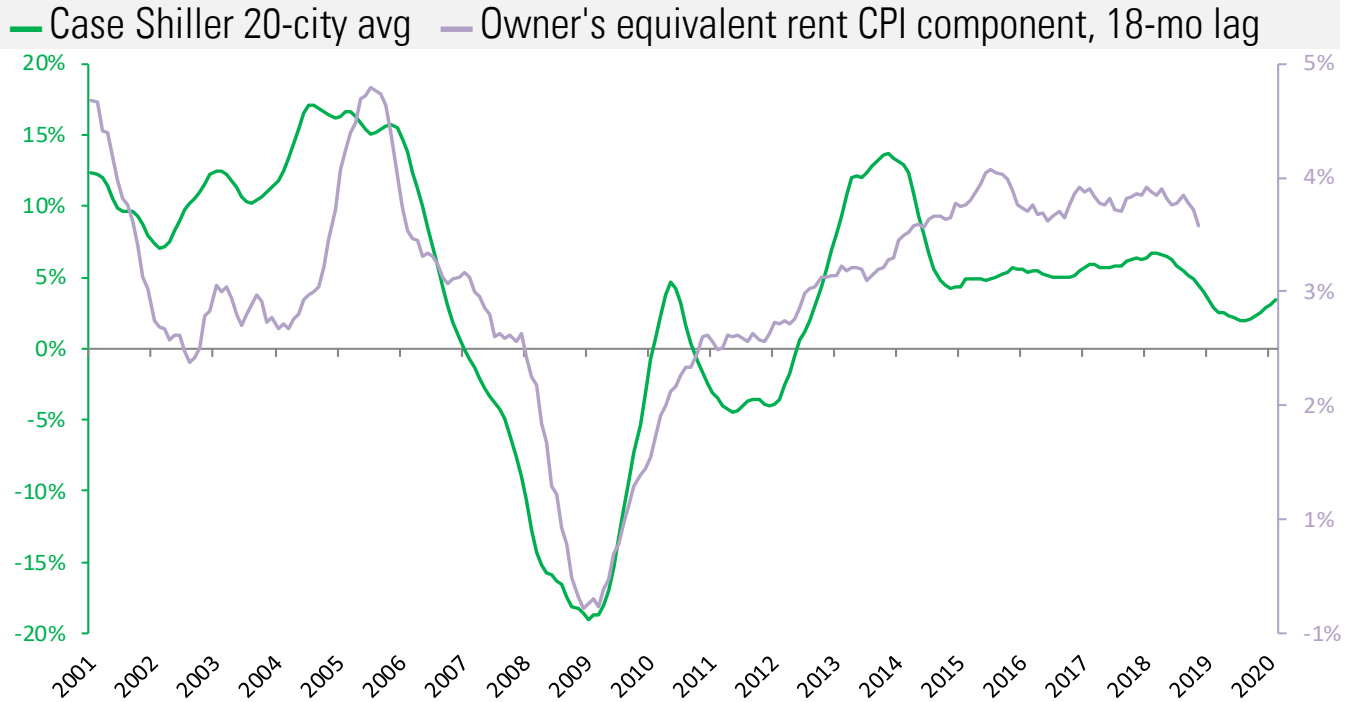
US CPI Core — Level ... 20-year trend ■ Recession



Source: BLS Consumer Price Index, TrendMacro calculations

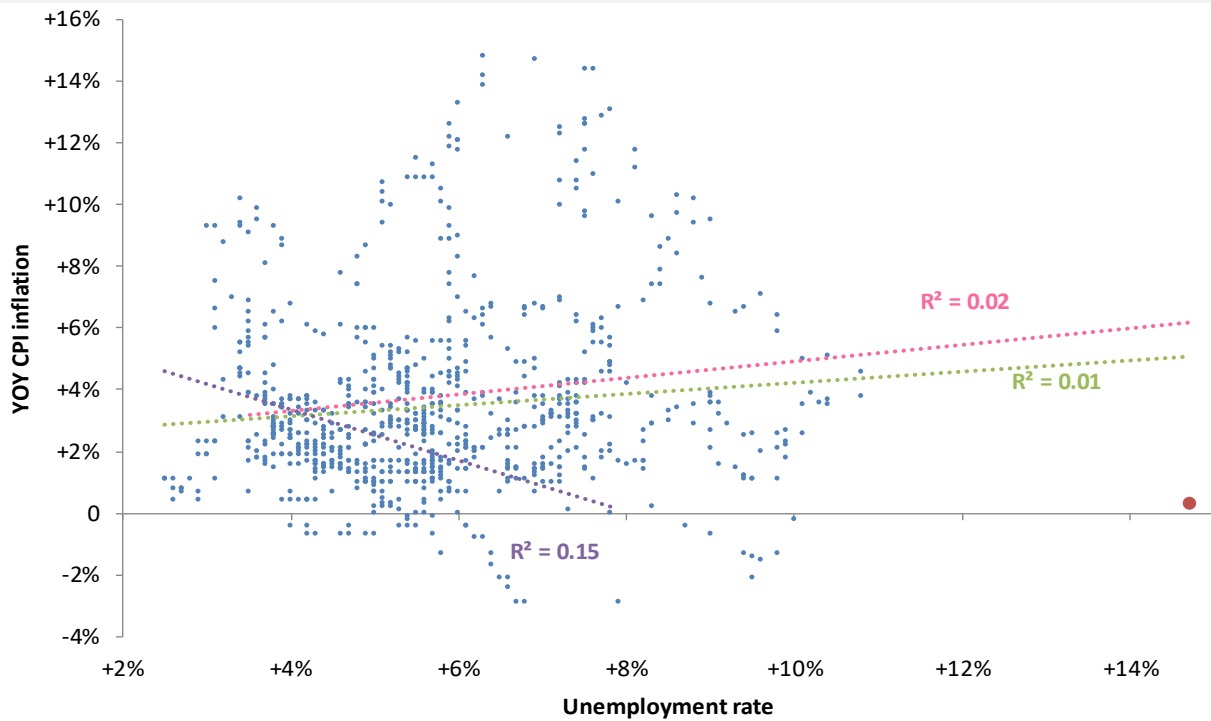
Housing leads US CPI

Year-over-year change



The world is flat: the vanishing Phillips Curve

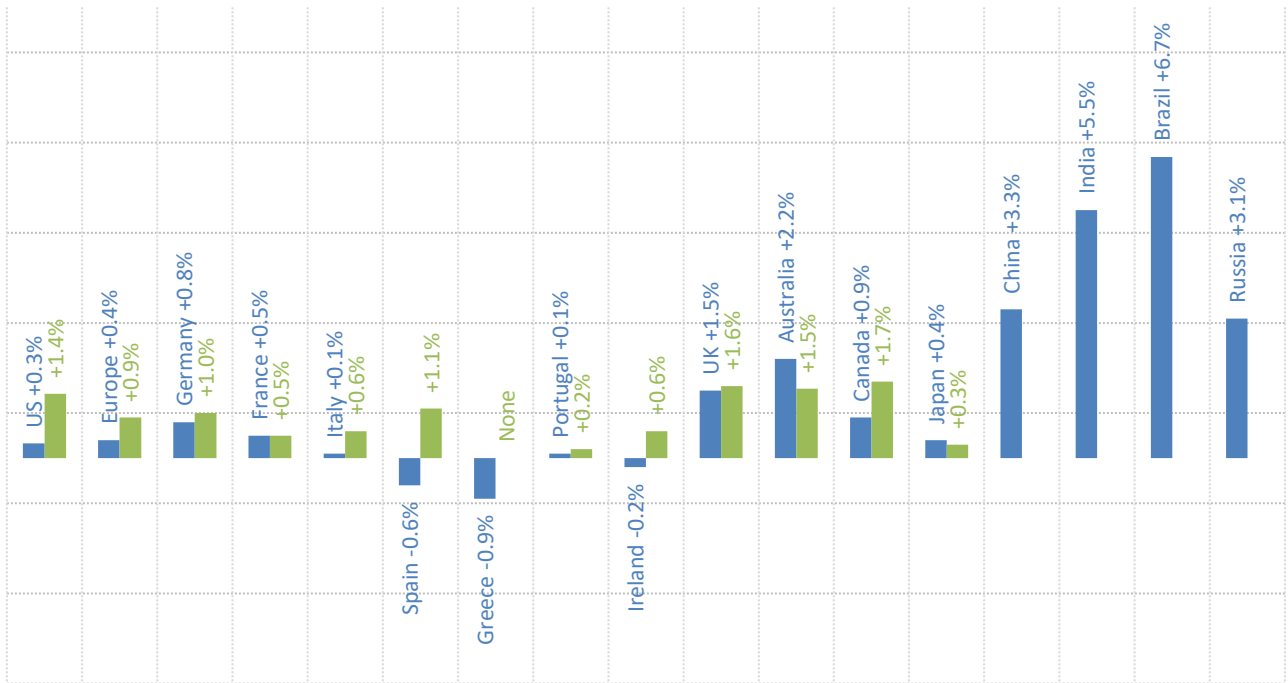
● Latest Linear trend: ● Pre-74 ● Post-74 ● All



Source: BLS Consumer Price Index, Current Population Survey

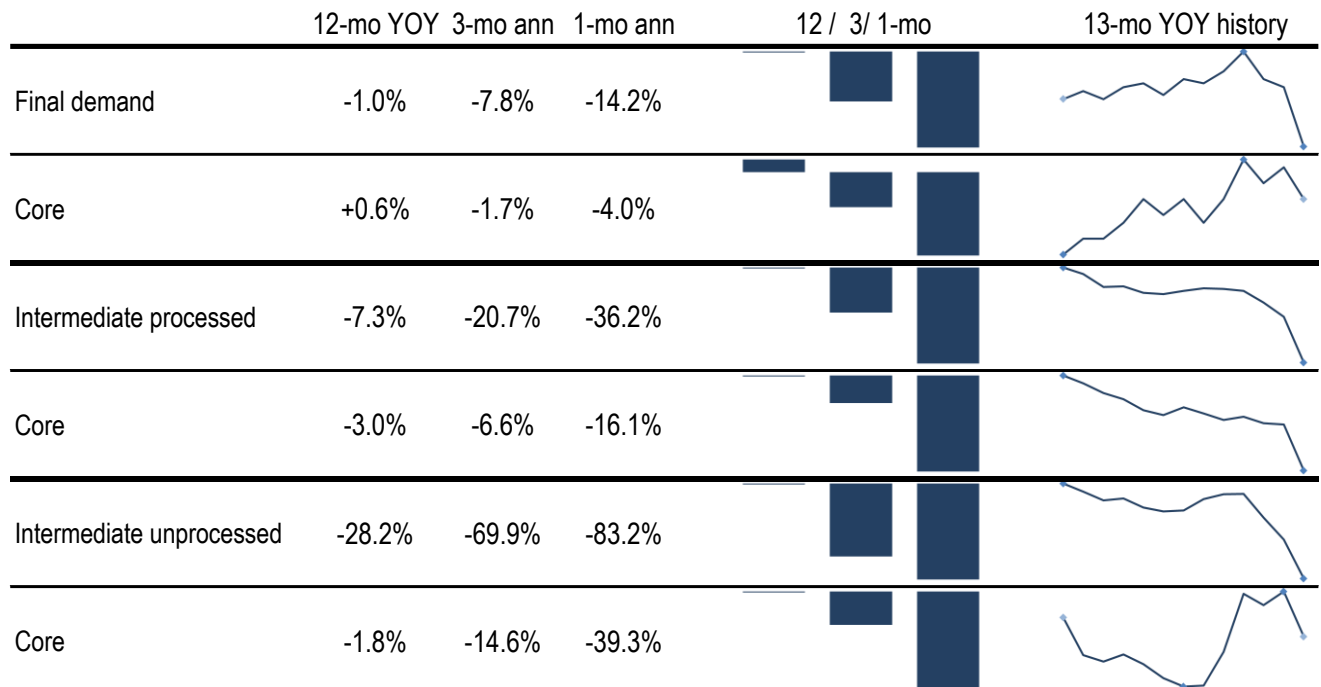
Major economies CPI, year on year

■ Headline ■ Ex-food and energy



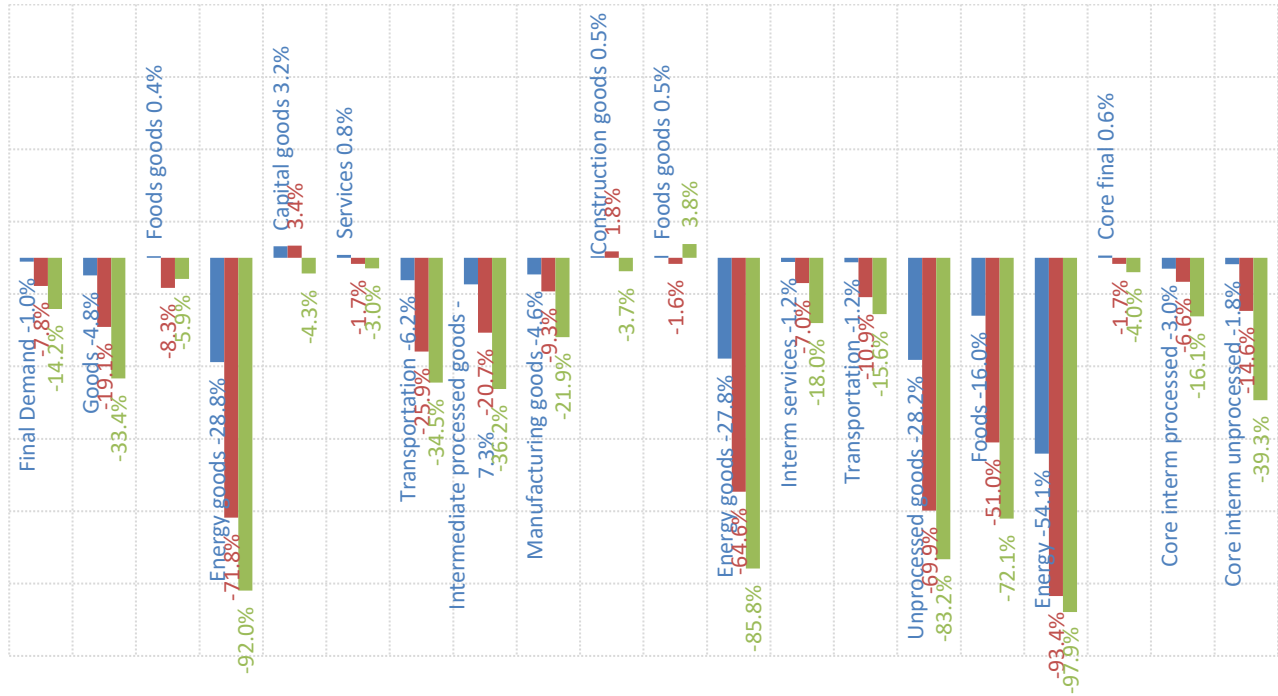
Source: Respective Statistical agencies, TrendMacro calculations

PPI data: what you need to know



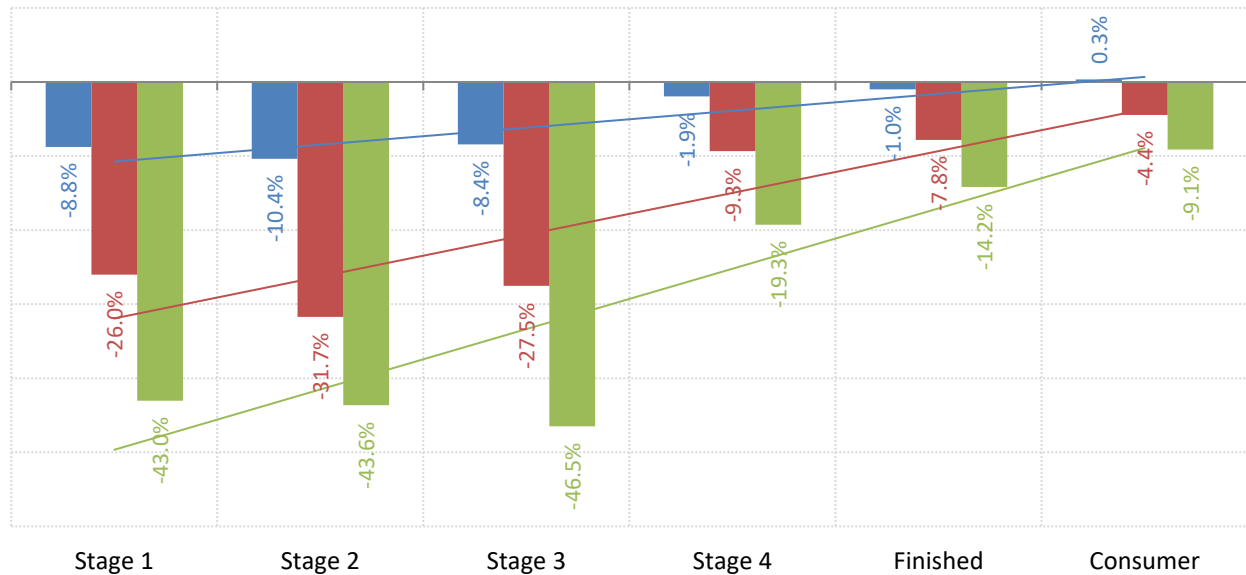
Source: BLS Producer Price Index, TrendMacro calculations

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



Source: BLS Producer Price Index, TrendMacro calculations

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



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