
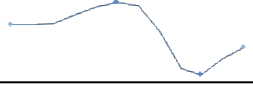





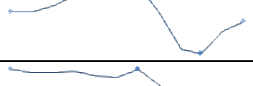

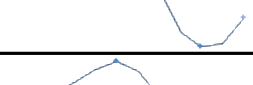

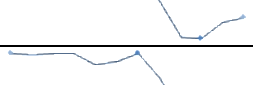

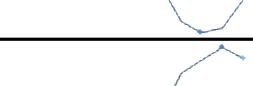

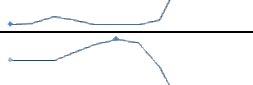

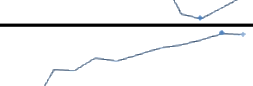

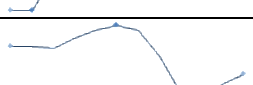




## Data Insights: Consumer Price Index, Producer Price Index

Wednesday, August 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	+0.99%	+4.5%	+7.3%		
Core	+1.57%	+3.2%	+7.7%		
OER	+2.8%	+2.3%	+2.6%		
All less OER	+1.3%	+5.3%	+7.7%		
Core less OER	+0.9%	+3.8%	+10.8%		
Energy	-11.1%	+25.4%	+35.2%		
All less energy	+1.9%	+3.3%	+5.7%		
Food	+3.9%	+3.6%	-4.7%		
All less food	+0.5%	+4.6%	+9.4%		
Health care	+5.0%	+5.5%	+5.0%		
All less health care	+0.6%	+4.4%	+7.5%		

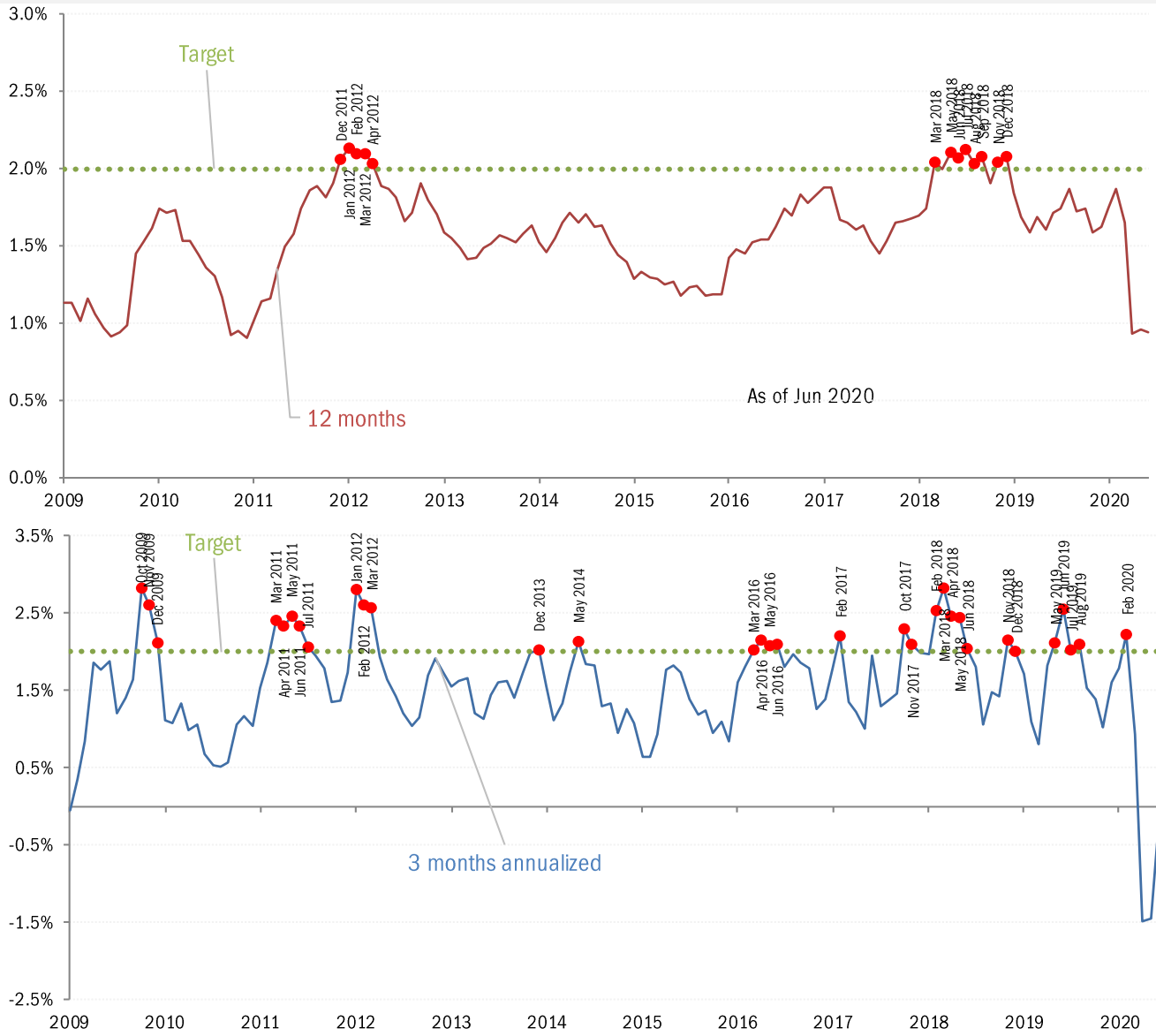
Source: BLS Consumer Price Index, TrendMacro calculations

#### For more information contact us:

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

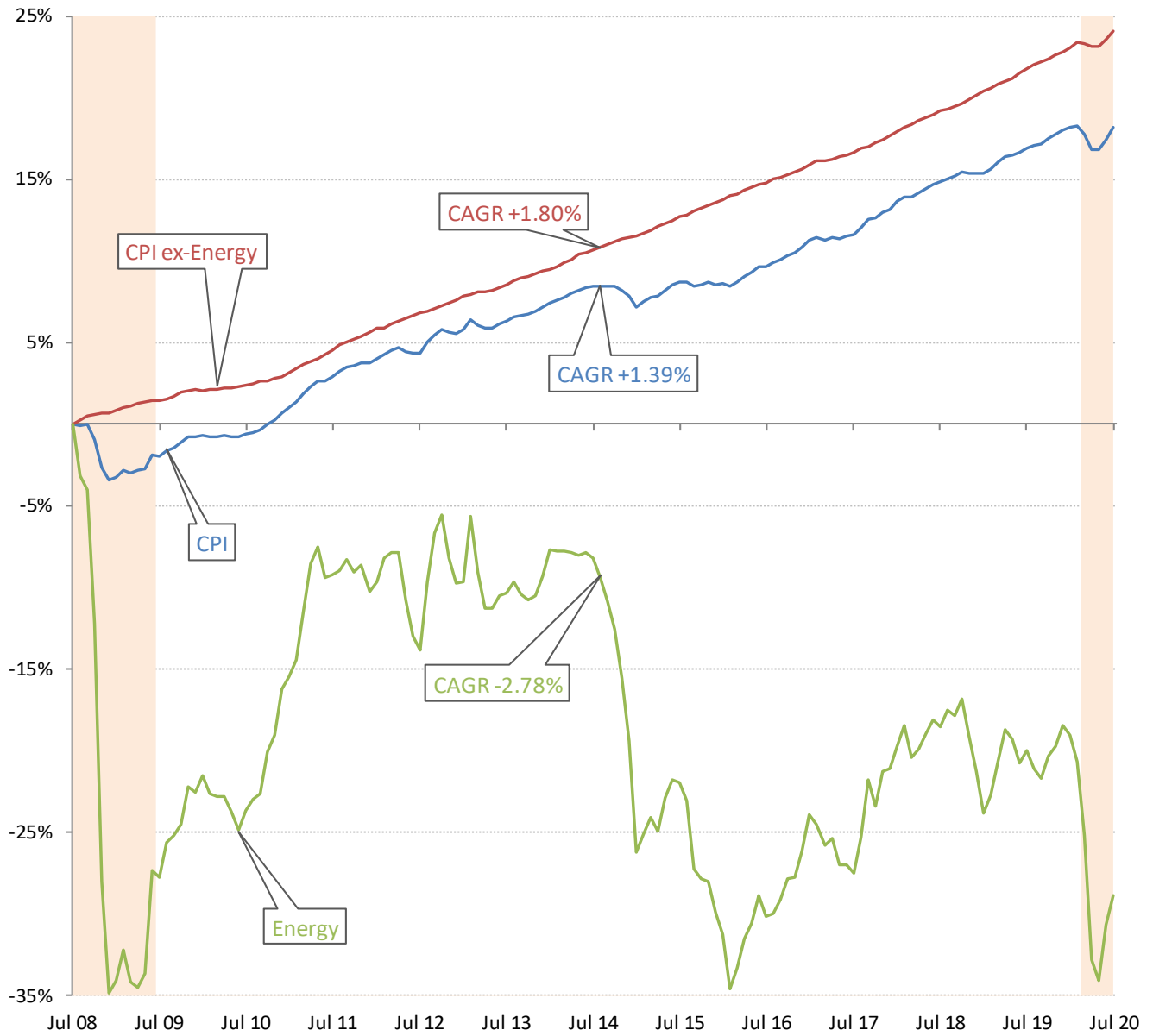
# The Fed-eye view of inflation (or lack thereof)

## Core PCE Price Index



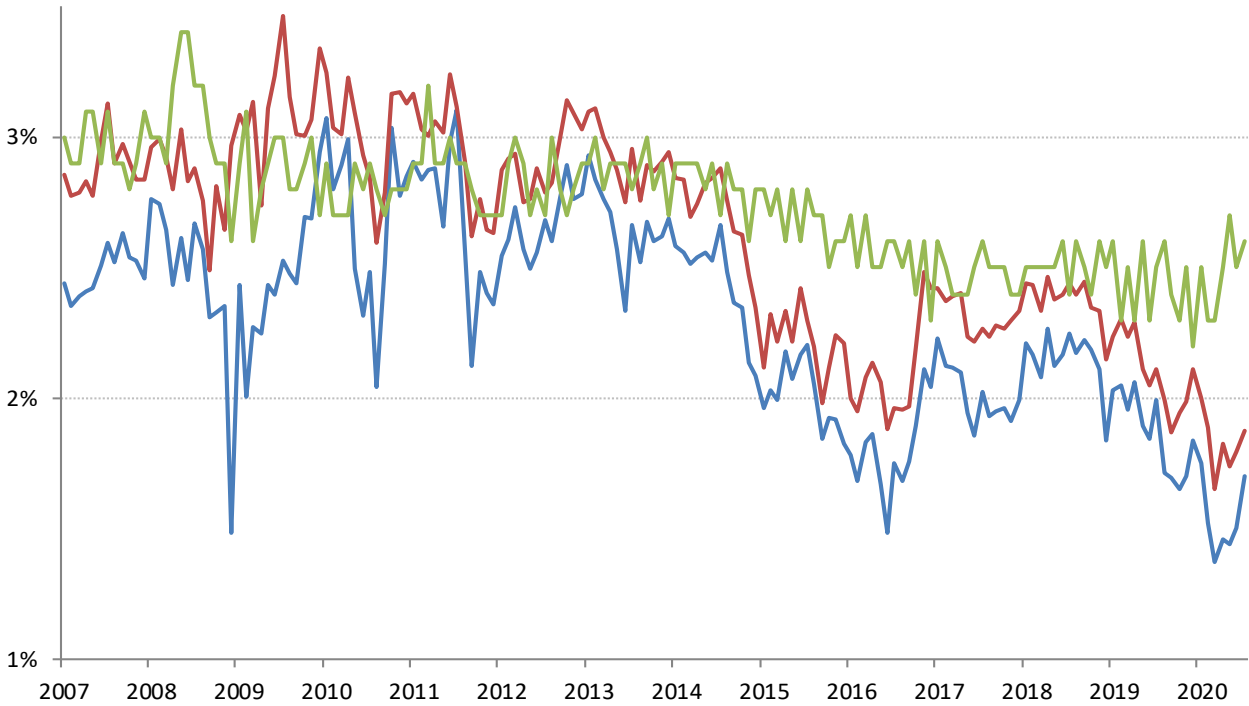
Source: Bureau of Economic Analysis, TrendMacro calculations

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 Recession



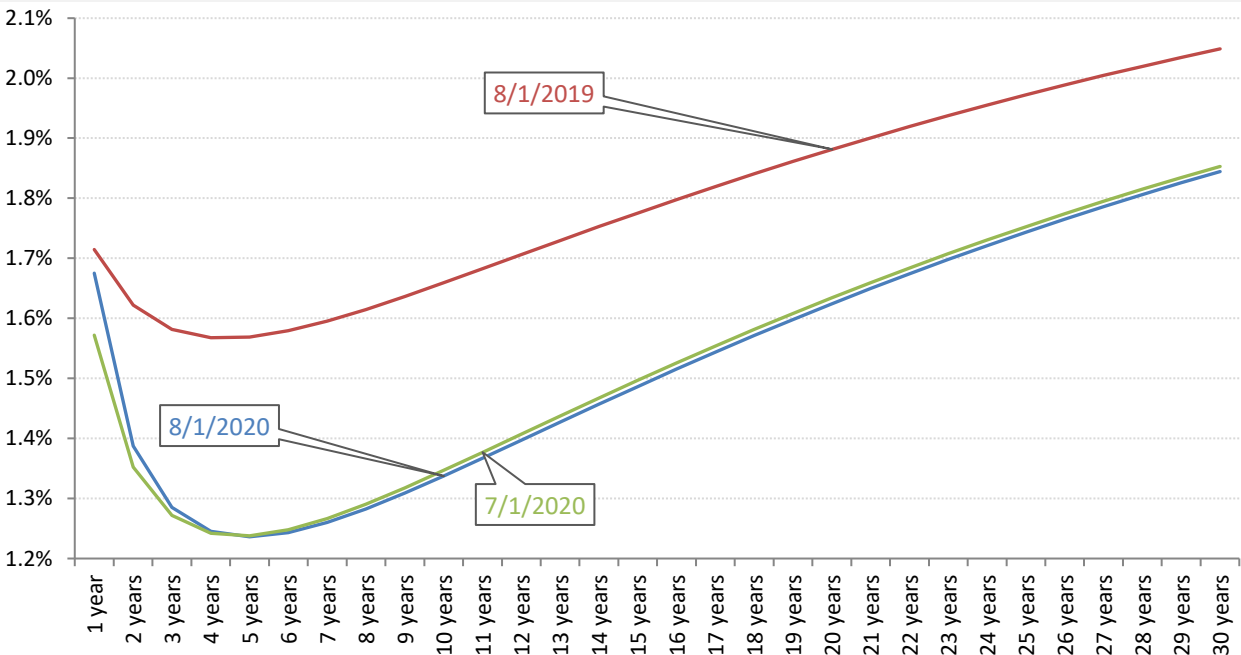
Source: Bloomberg, TrendMacro calculations

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



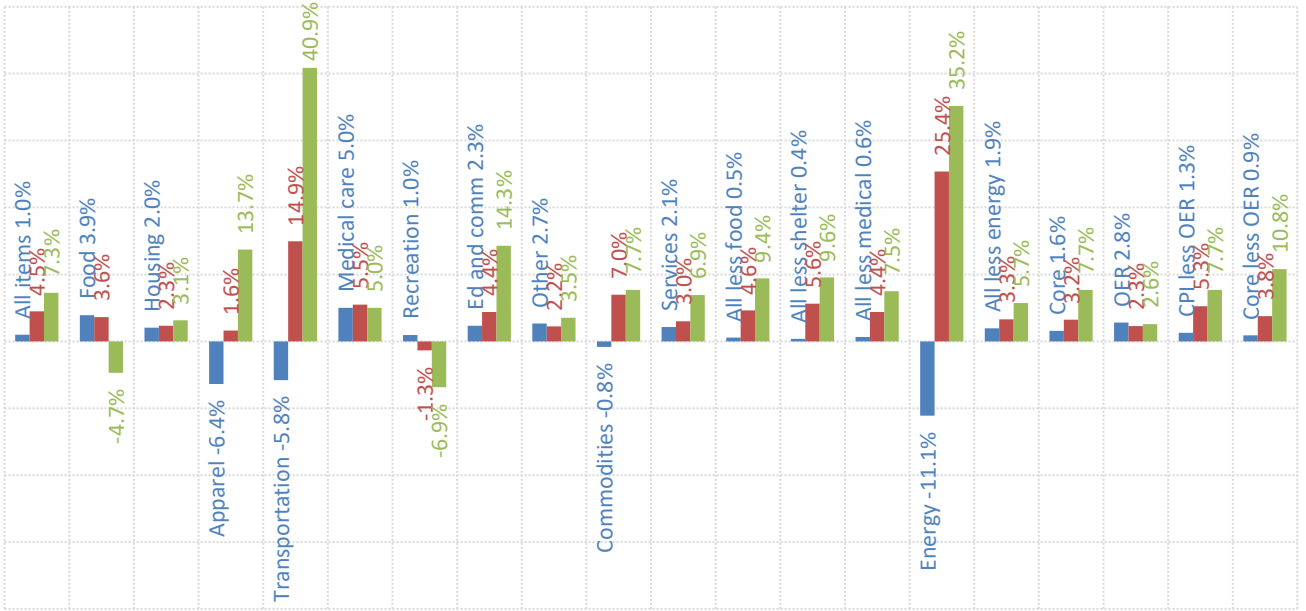
Source: Bloomberg, TrendMacro calculations

Swap-implied inflation yield curve, per annum



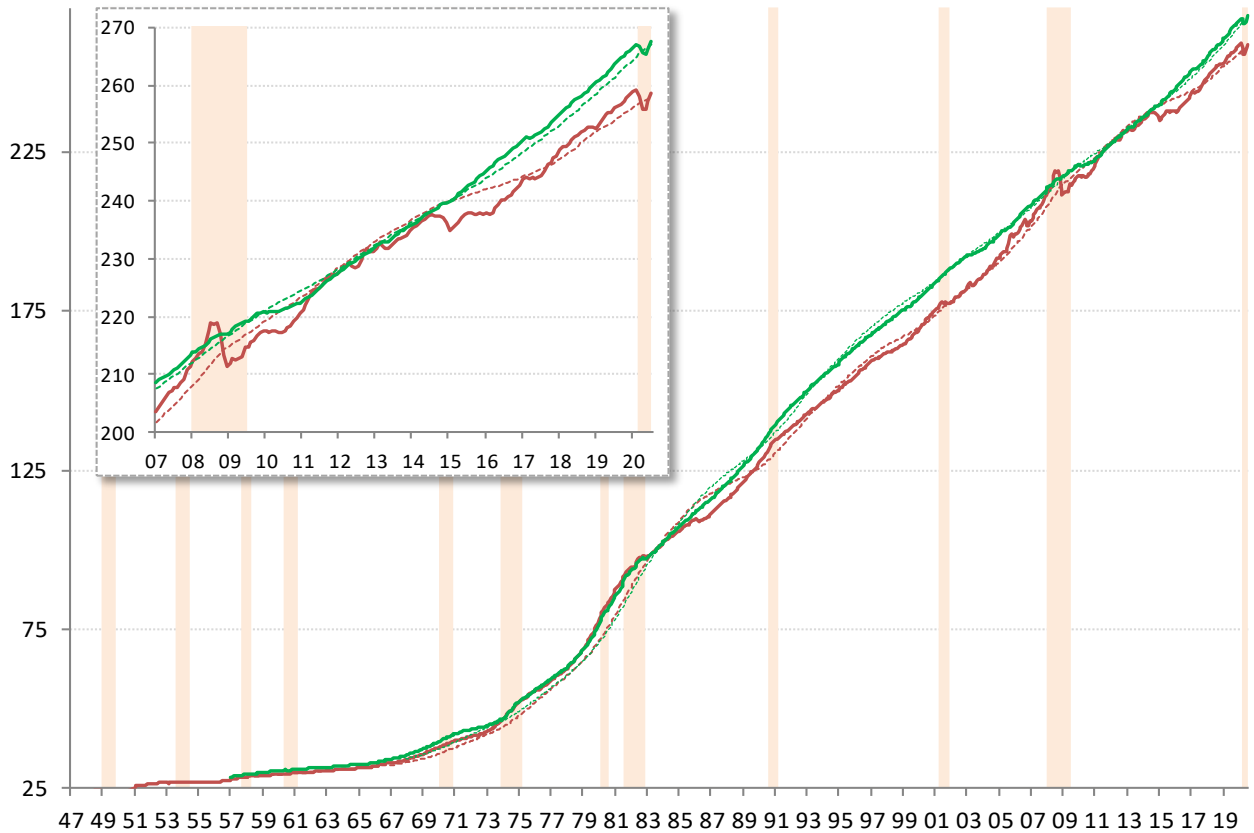
Source: Cleveland Fed, TrendMacro calculations

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



Source: BLS Consumer Price Index, TrendMacro calculations

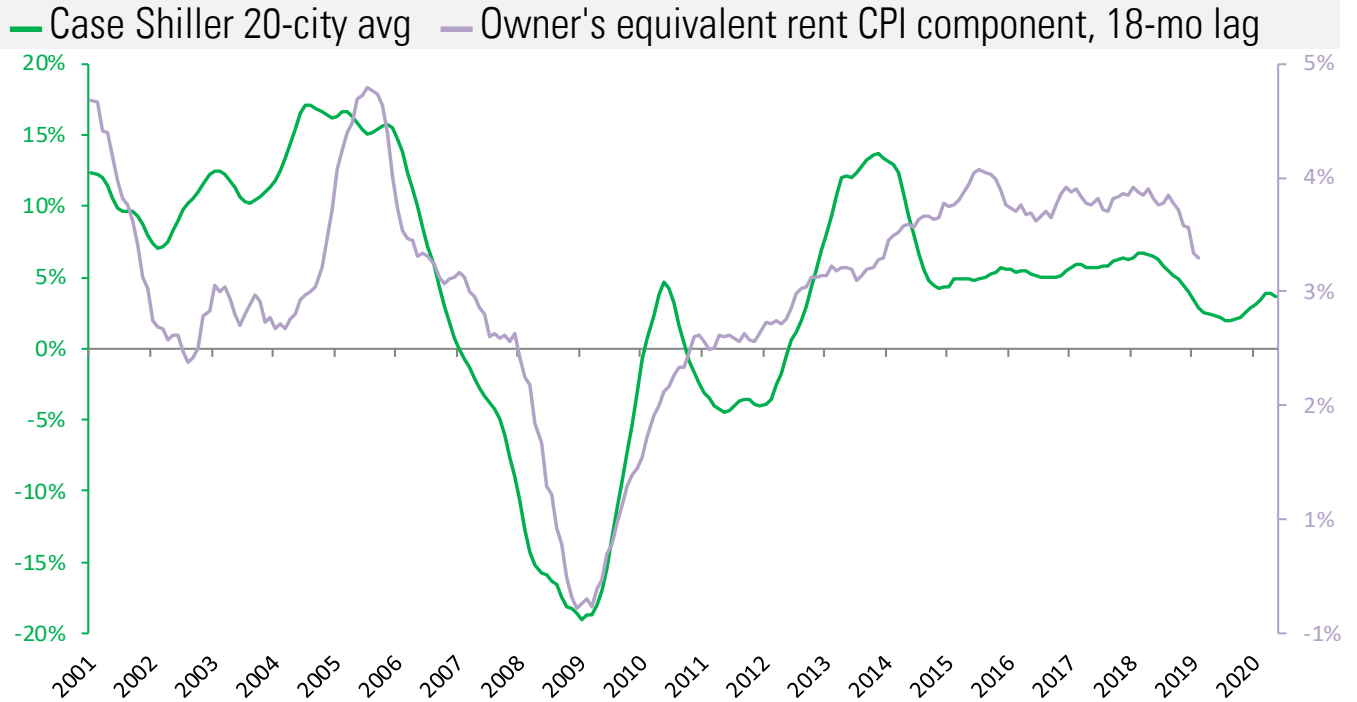
US CPI Core — Level ... 20-year trend ■ Recession



Source: BLS Consumer Price Index, TrendMacro calculations

## Housing leads US CPI

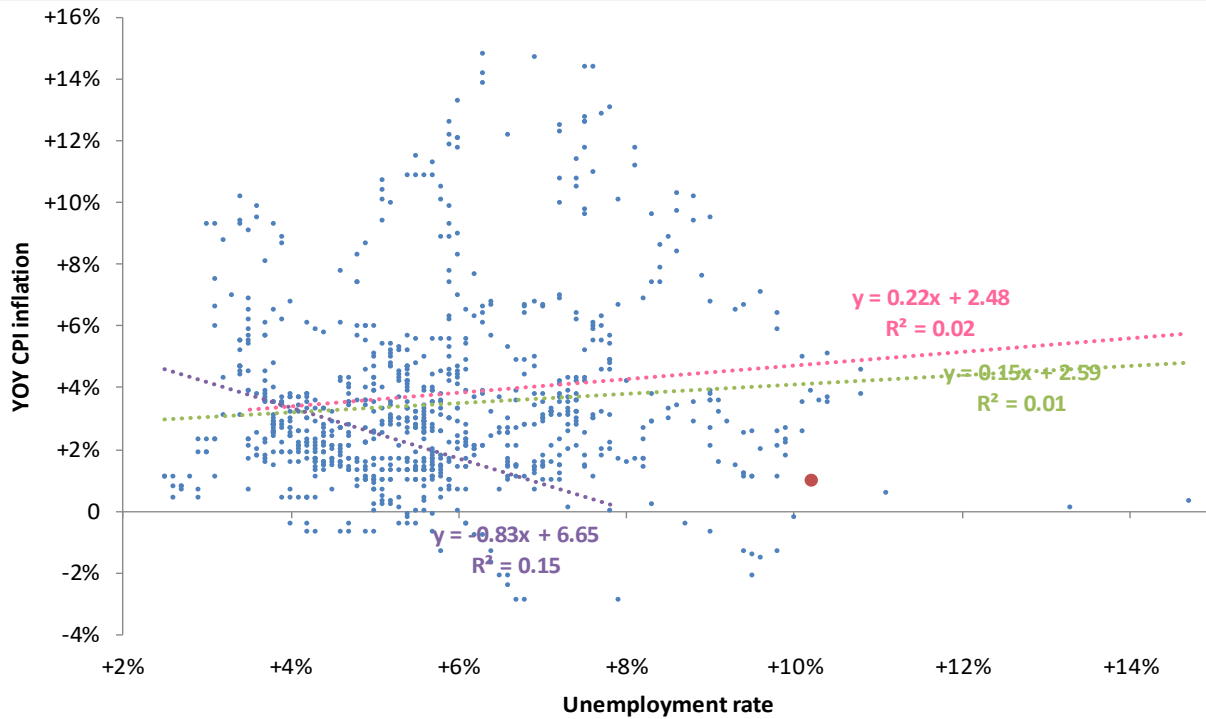
Year-over-year change



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

## The world is flat: the vanishing Phillips Curve

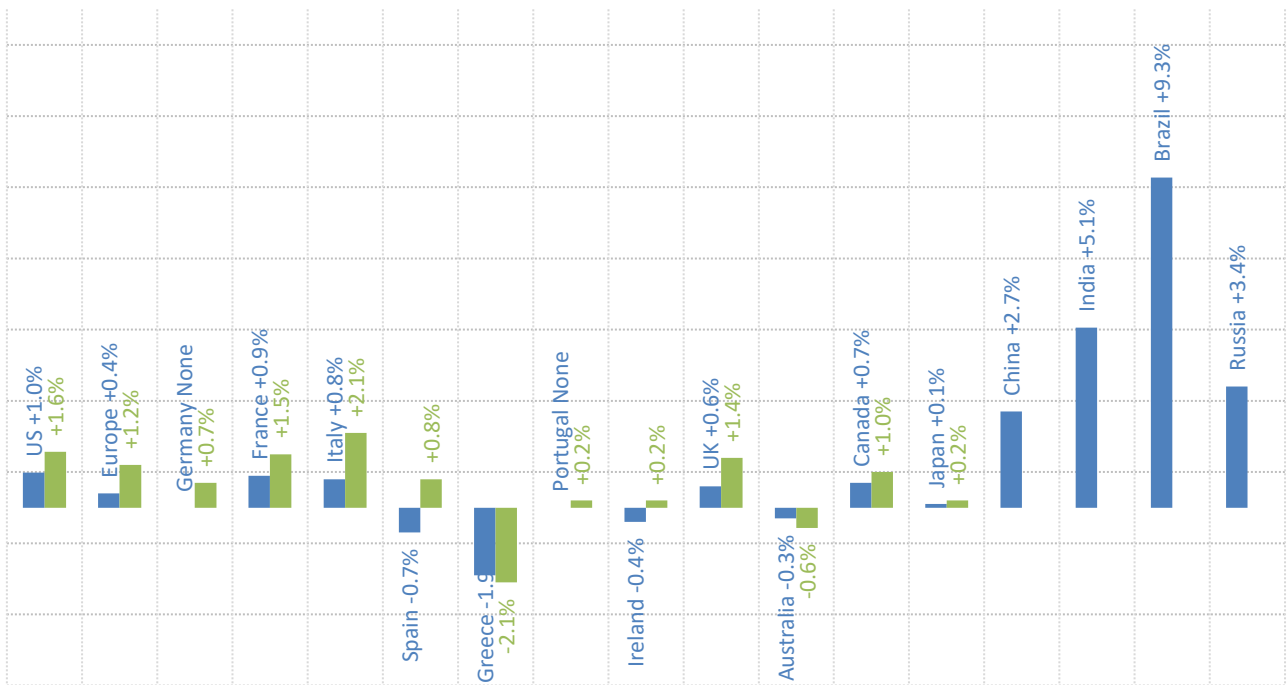
● Latest Linear trend: ● Pre-74 ● Post-74 ● All



Source: BLS Consumer Price Index, Current Population Survey

## Major economies CPI, year on year

■ Headline ■ Ex-food and energy



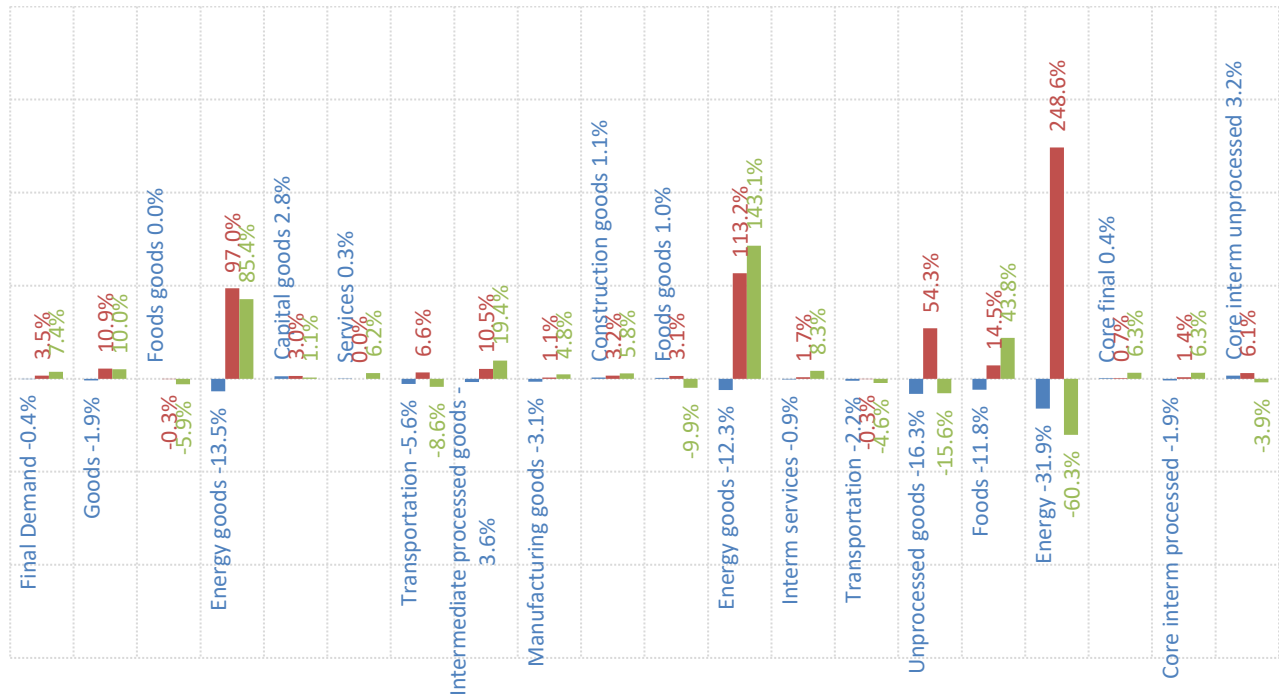
Source: Respective Statistical agencies, TrendMacro calculations

## PPI data: what you need to know

	12-mo YOY	3-mo ann	1-mo ann	12 / 3 / 1-mo	13-mo YOY history
Final demand	-0.4%	+3.5%	+7.4%		
Core	+0.4%	+0.7%	+6.3%		
Intermediate processed	-3.6%	+10.5%	+19.4%		
Core	-1.9%	+1.4%	+6.3%		
Intermediate unprocessed	-16.3%	+54.3%	-15.6%		
Core	+3.2%	+6.1%	-3.9%		

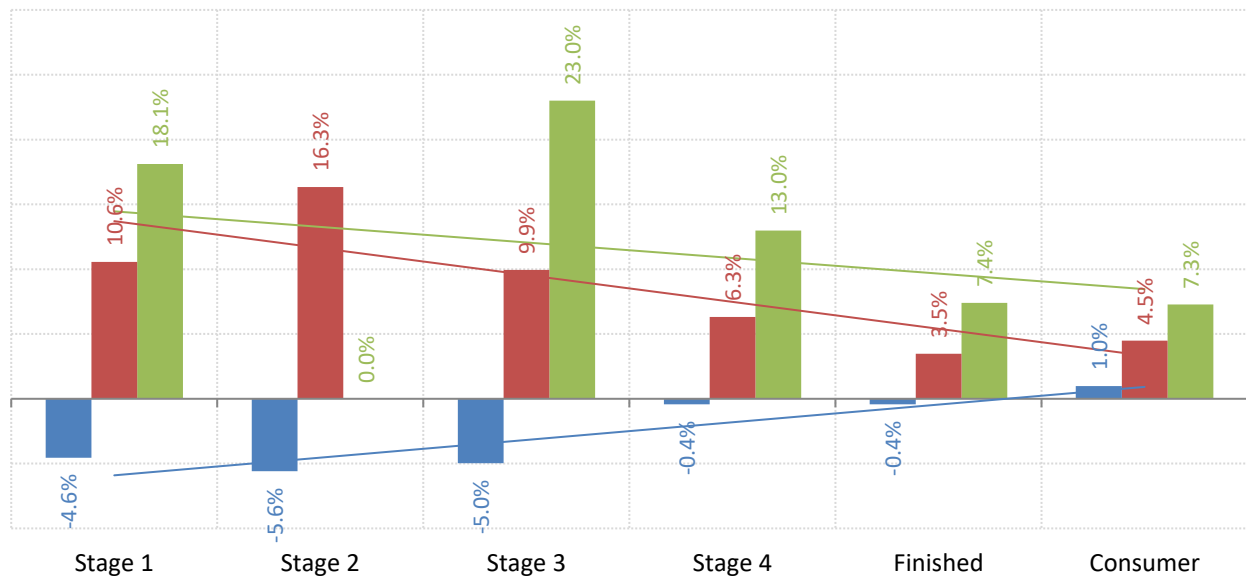
Source: BLS Producer Price Index, TrendMacro calculations

## 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