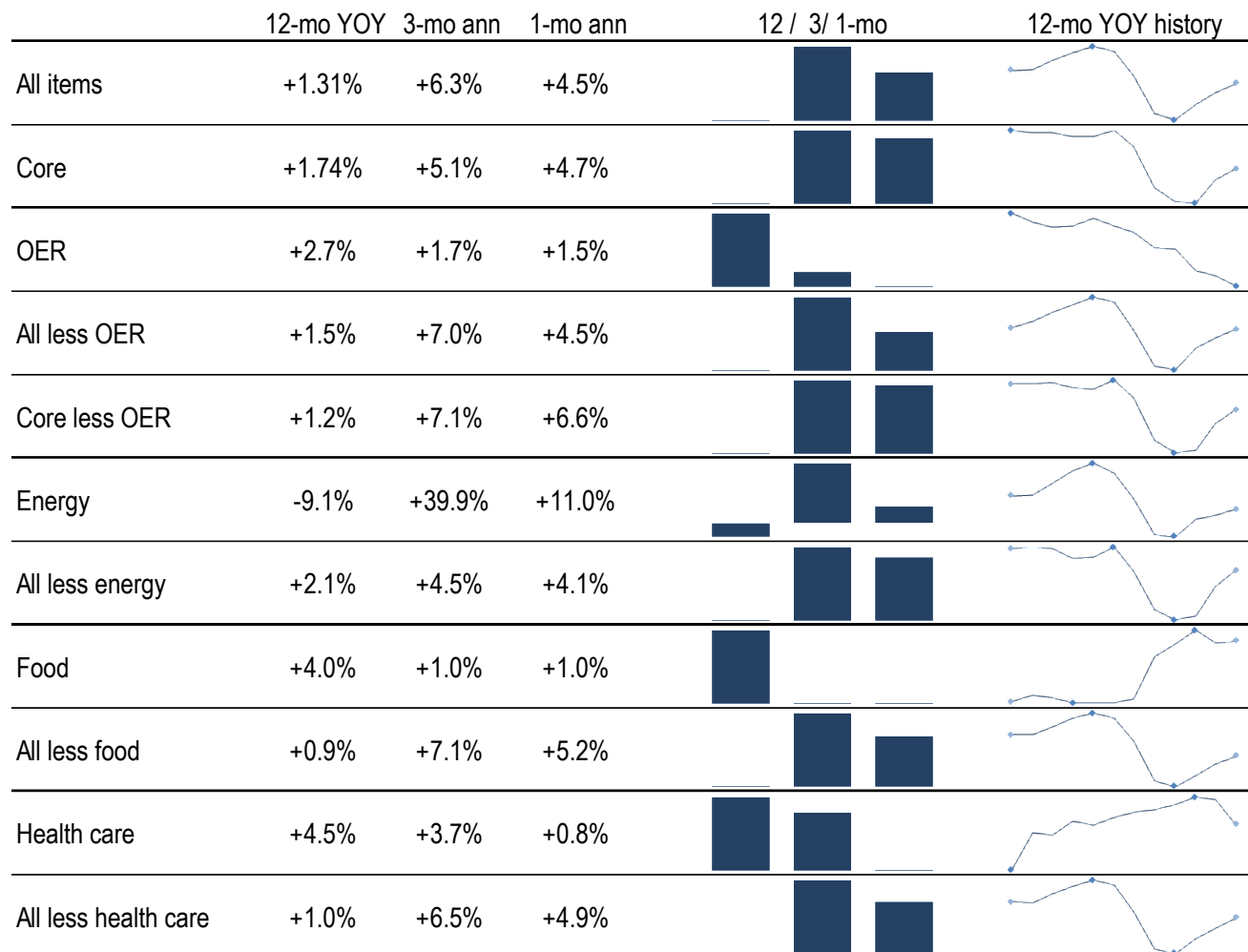


## Data Insights: Consumer Price Index, Producer Price Index

Friday, September 11, 2020

### Today's CPI data: what you need to know



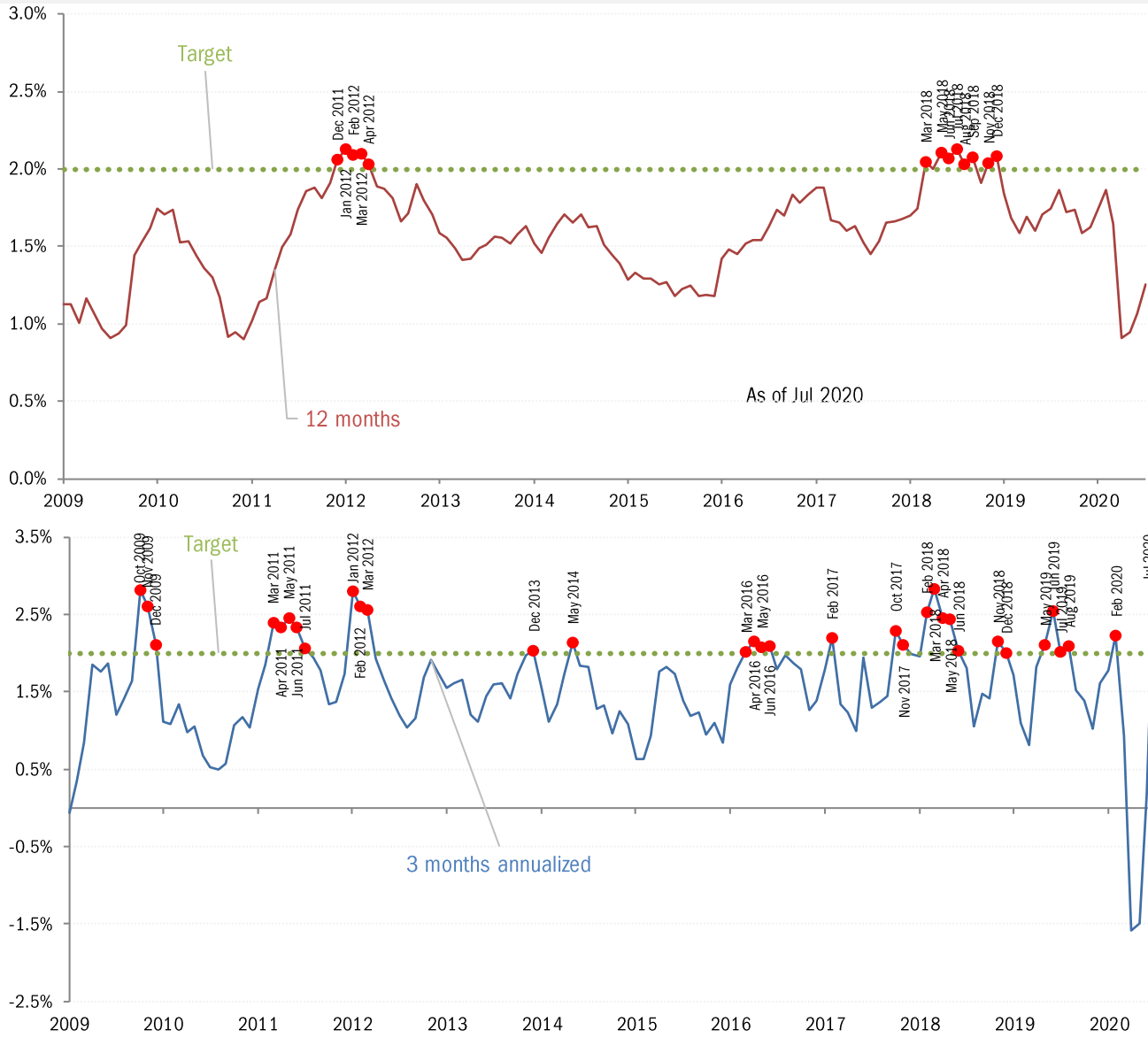
Source: BLS Consumer Price Index, TrendMacro calculations

#### For more information contact us:

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

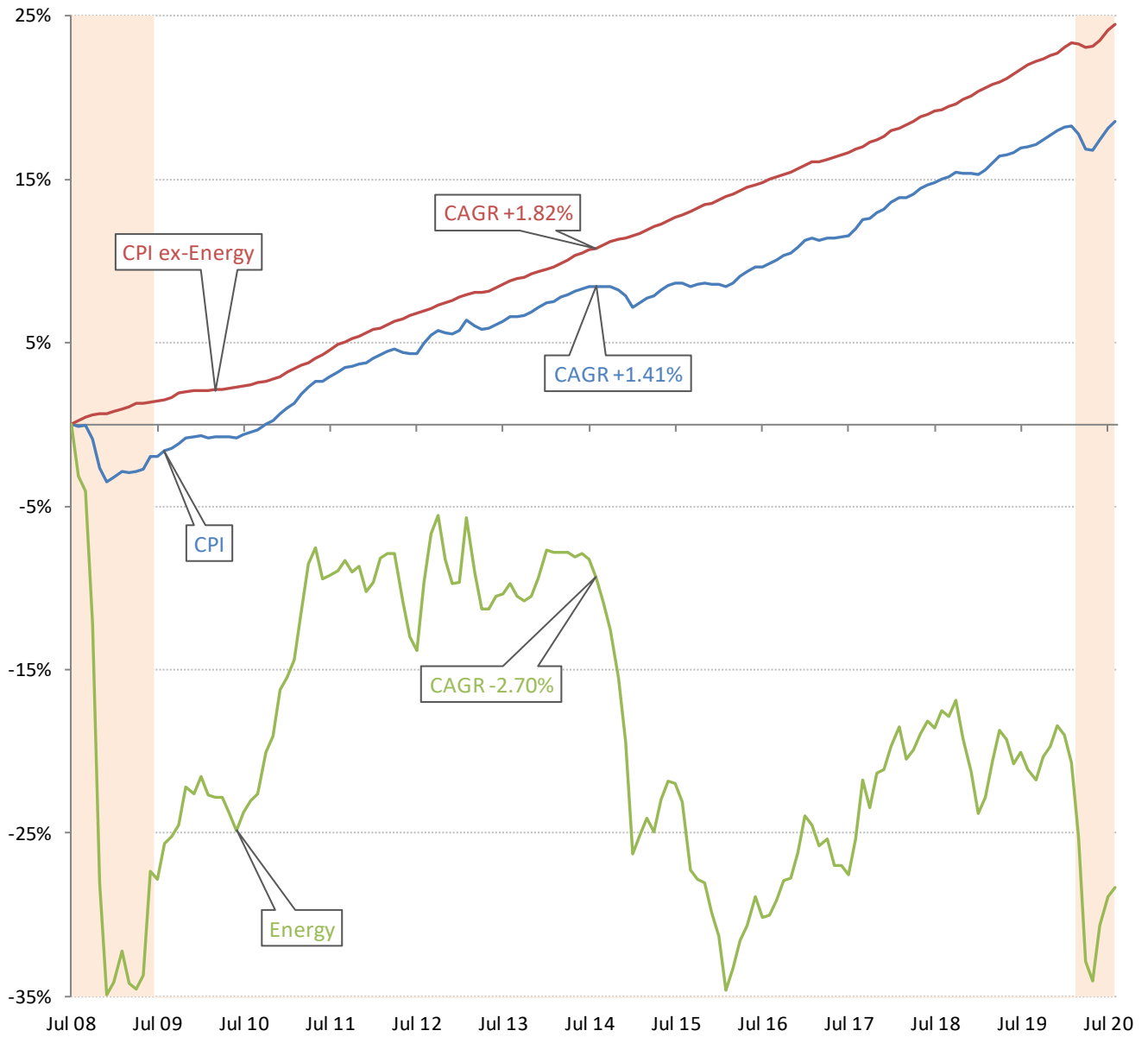
# The Fed-eye view of inflation (or lack thereof)

## Core PCE Price Index



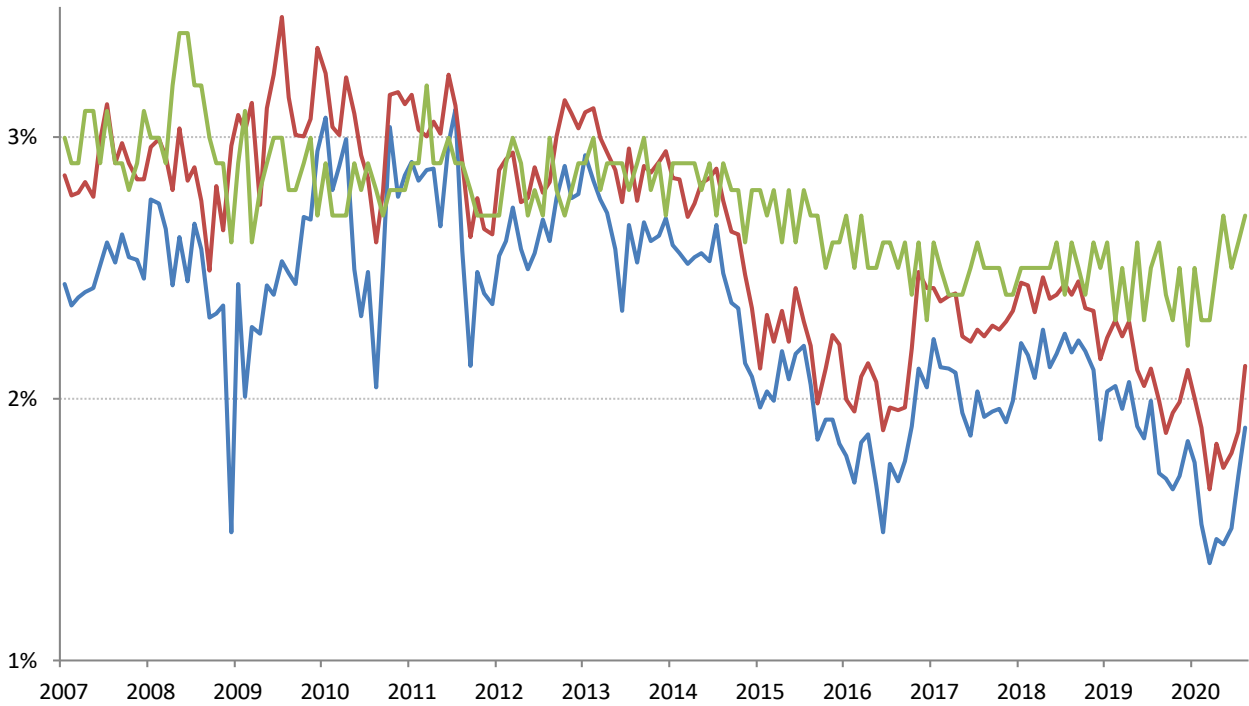
Source: Bureau of Economic Analysis, TrendMacro calculations

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



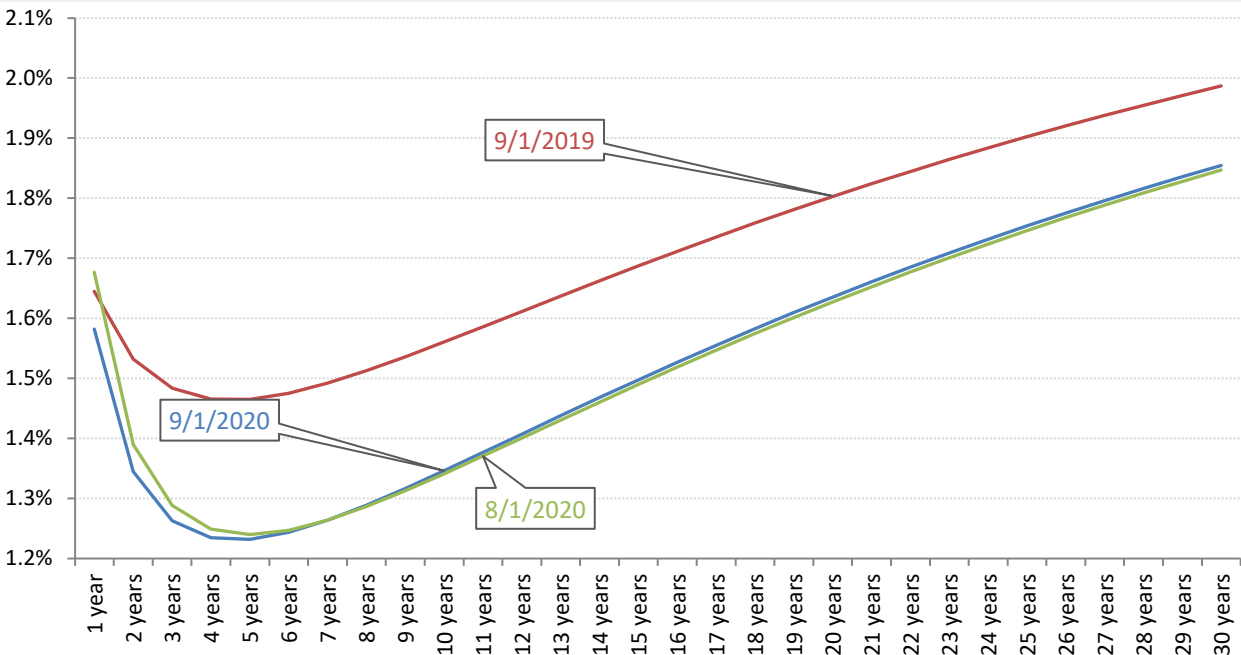
Source: Bloomberg, TrendMacro calculations

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



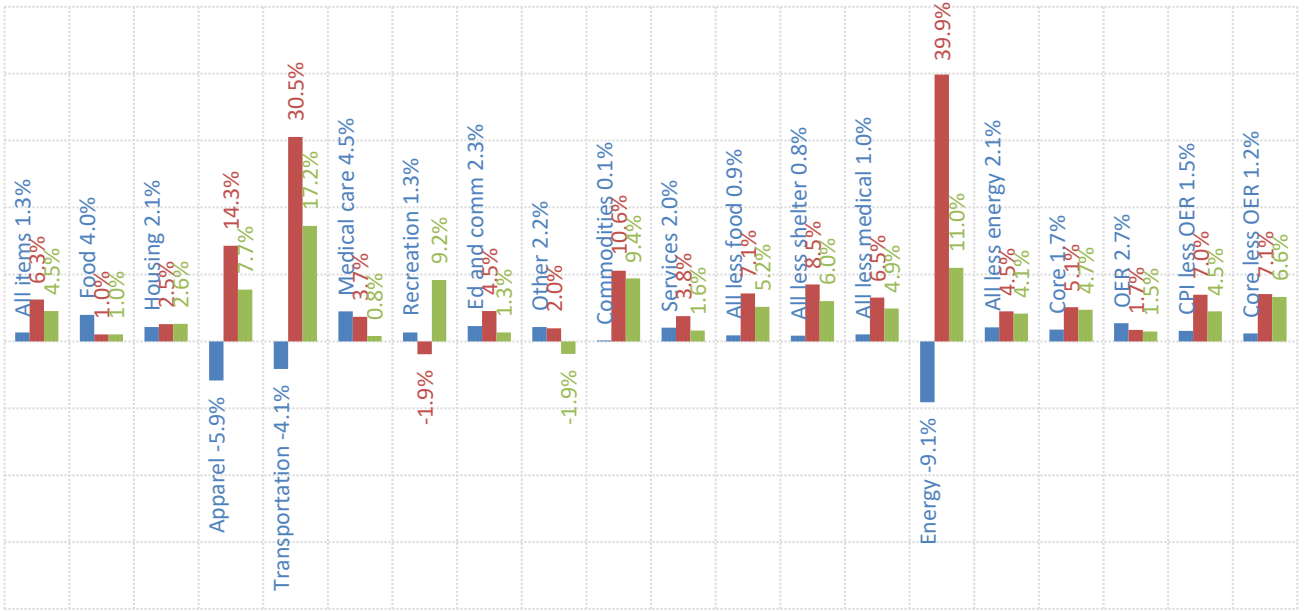
Source: Bloomberg, TrendMacro calculations

Swap-implied inflation yield curve, per annum



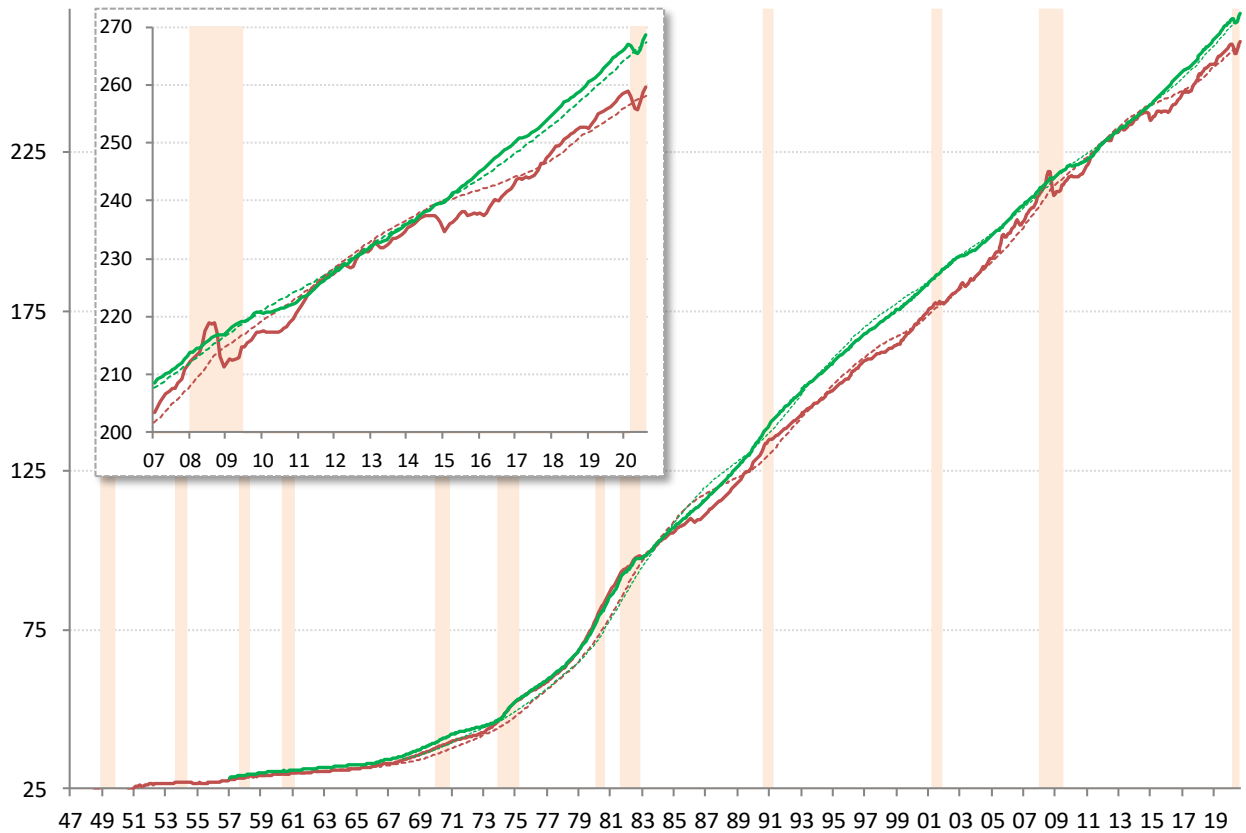
Source: Cleveland Fed, TrendMacro calculations

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



Source: BLS Consumer Price Index, TrendMacro calculations

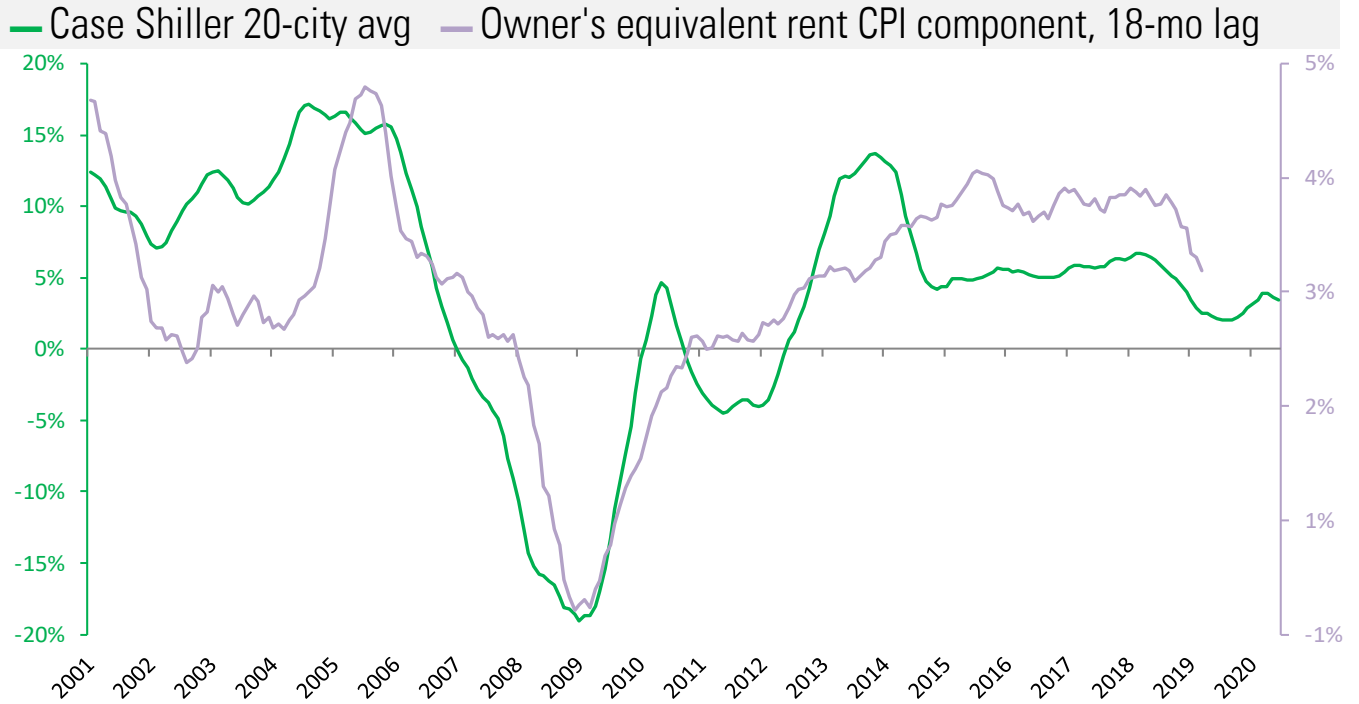
## US CPI Core — Level ... 20-year trend ■ Recession



Source: BLS Consumer Price Index, TrendMacro calculations

## Housing leads US CPI

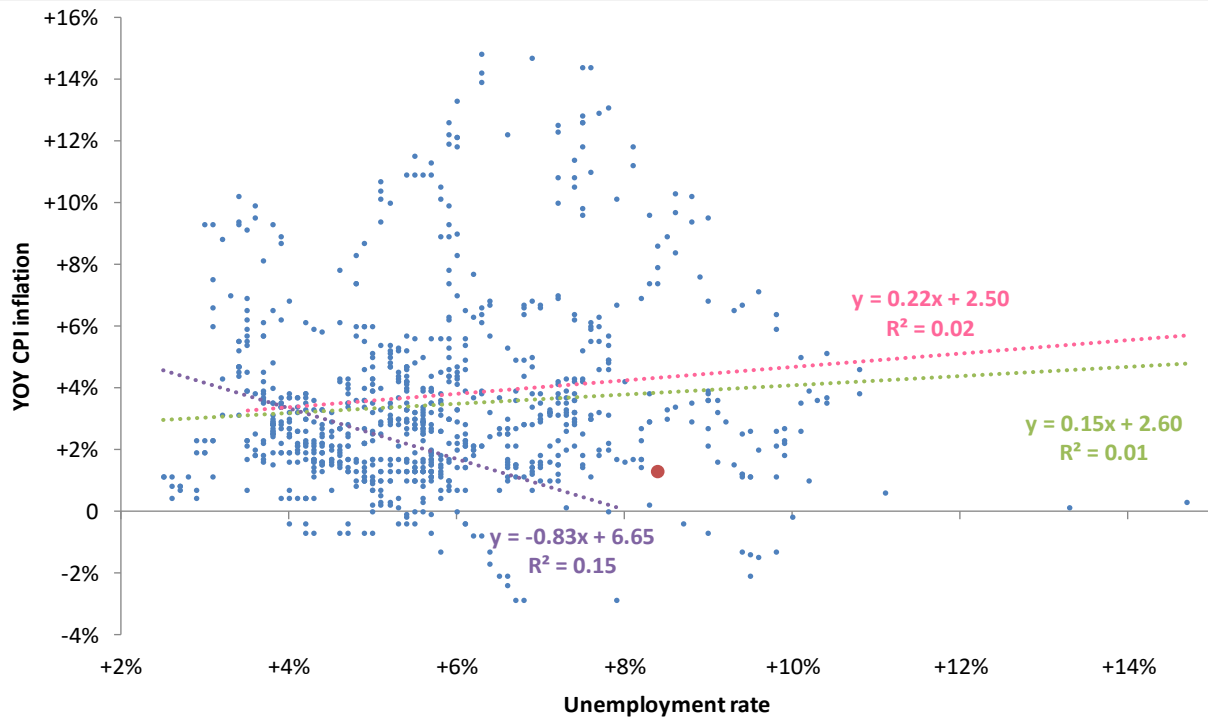
Year-over-year change



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

## The world is flat: the vanishing Phillips Curve

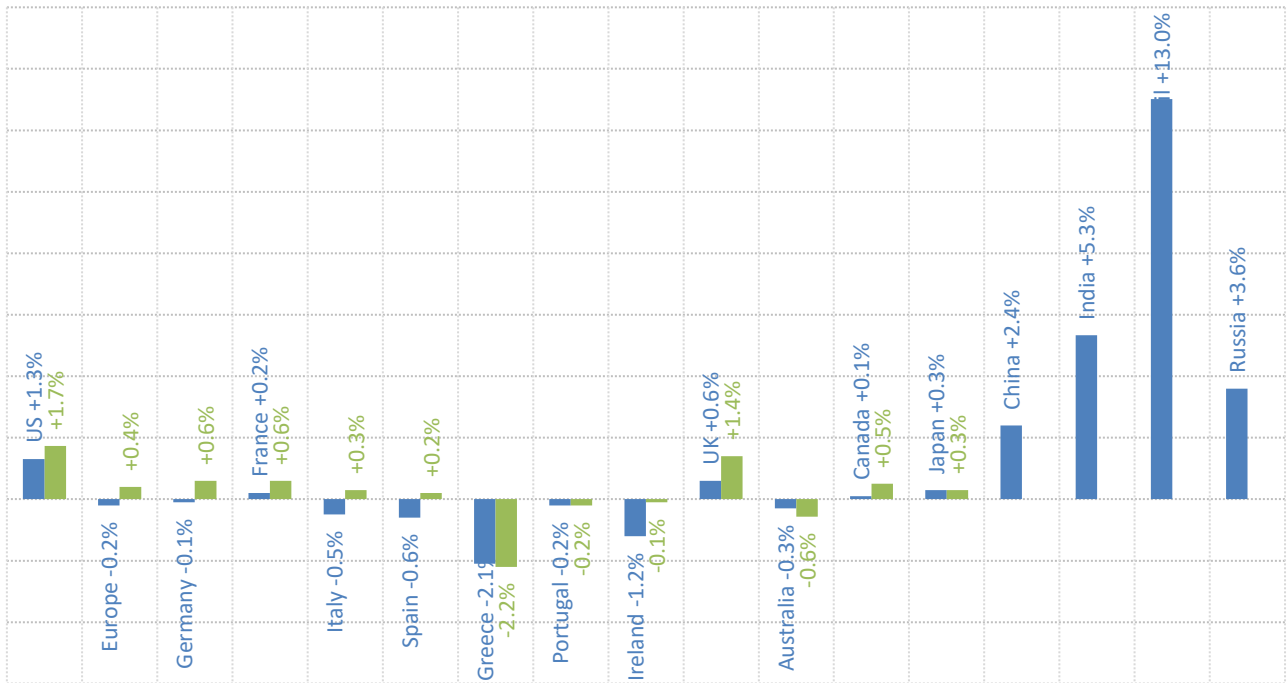
● Latest Linear trend: ● Pre-74 ● Post-74 ● All



Source: BLS Consumer Price Index, Current Population Survey

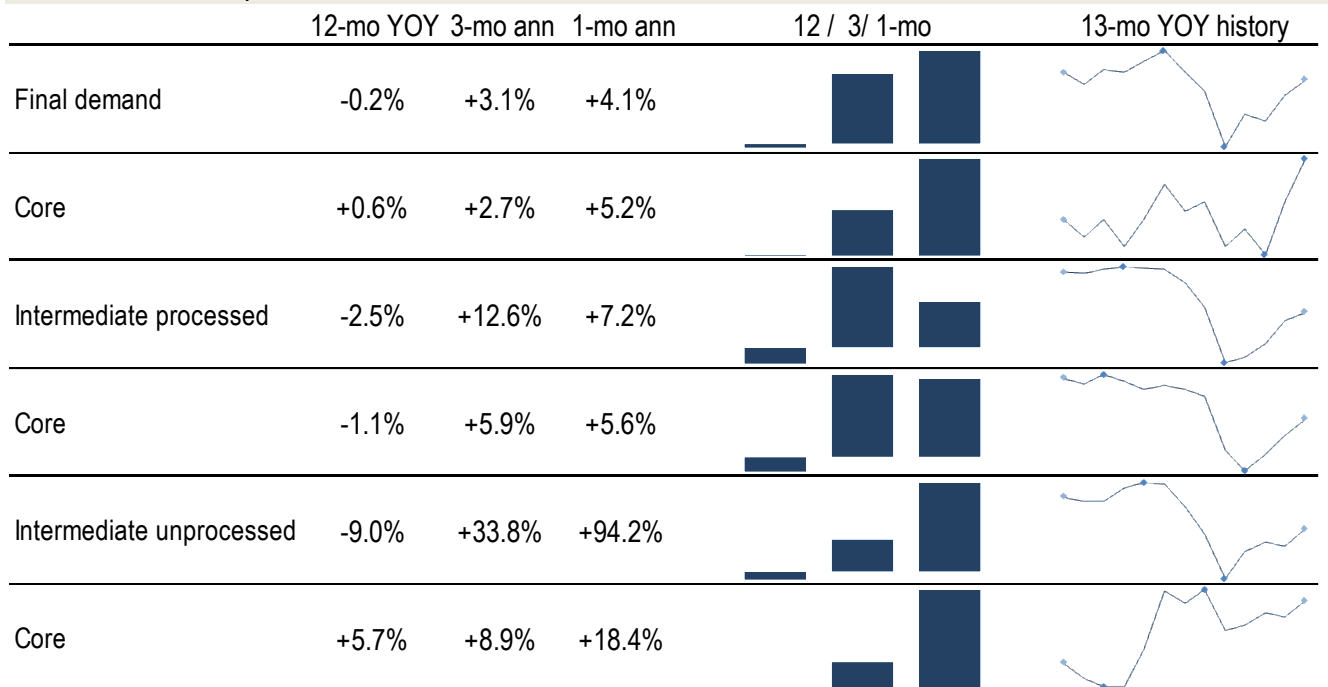
## Major economies CPI, year on year

■ Headline ■ Ex-food and energy



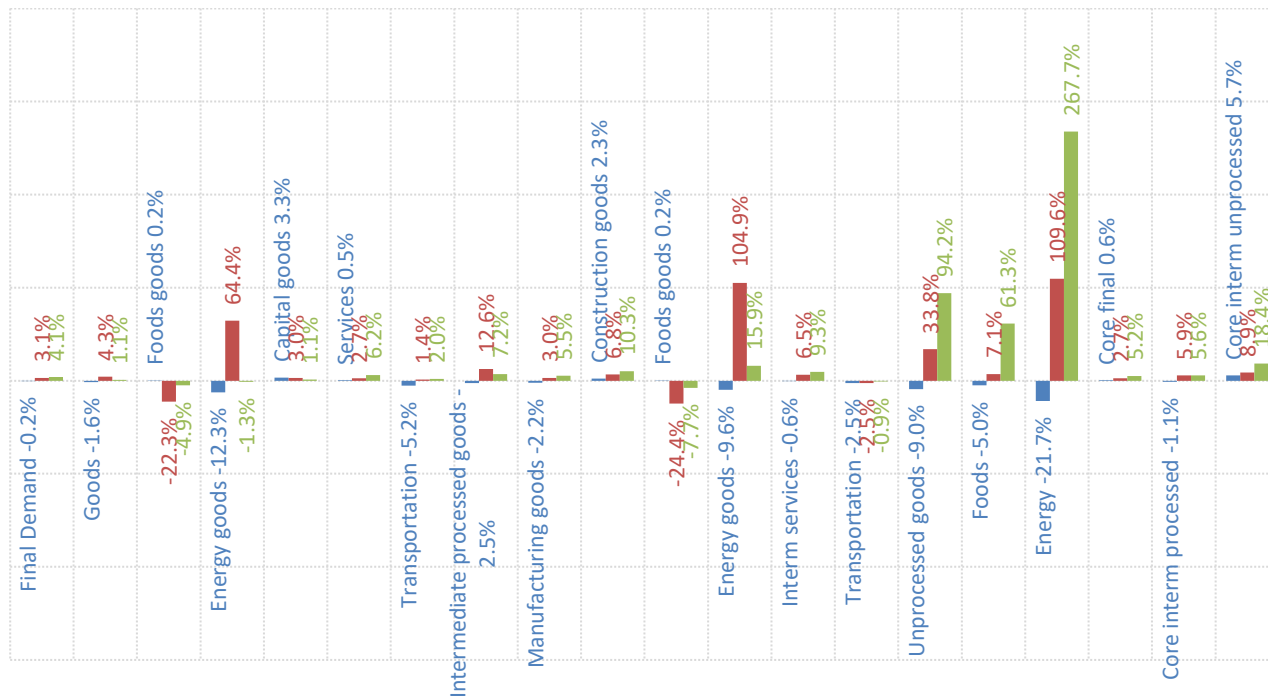
Source: Respective Statistical agencies, TrendMacro calculations

## PPI data: what you need to know



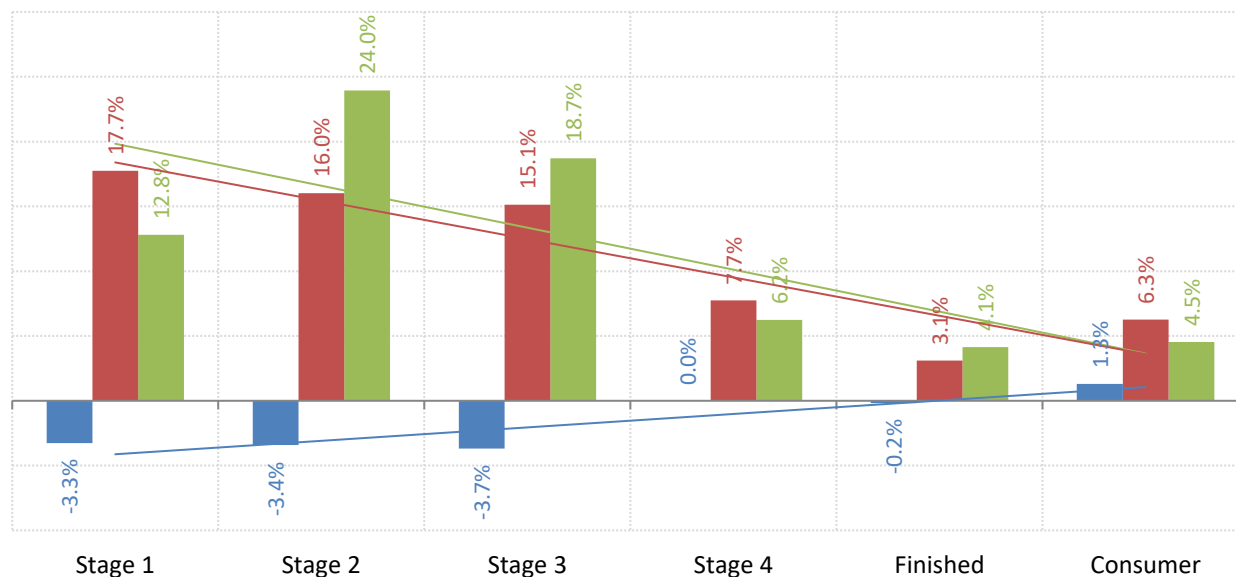
Source: BLS Producer Price Index, TrendMacro calculations

## 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