

Data Insights: Personal Consumption Expenditures Price Index

Friday, July 28, 2023

Today's PCE 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	+2.97%	+2.53%	+1.95%		
Core	+4.83%	+3.35%	+2.00%		

Source: BEA, TrendMacro calculations

Today's PCE data: [what Fed chair Jerome Powell thinks you need to know](#)

"To assess what it will take to get inflation down, it is useful to break core inflation into three component categories: core goods inflation, housing services inflation, and inflation in core services other than housing."

	12-mo YOY	3-mo ann	1-mo ann	12 / 3 / 1-mo	12-mo YOY history
Core goods	+1.67%	+1.62%	-1.71%		
Shelter	+8.0%	+6.2%	+5.5%		
Core services x shelter	+4.12%	+3.31%	+2.68%		

Source: BEA, TrendMacro calculations

Today's PCE data: [what NY Fed president John Williams thinks you need to know](#)

"I will start to peel the 'inflation onion'... The outermost layer consists of prices of globally traded commodities... The middle layer of the inflation onion is made up of products – especially durable goods... the innermost layer: underlying inflation... Prices for services..."

Core commodities sourced from Producer Price Index

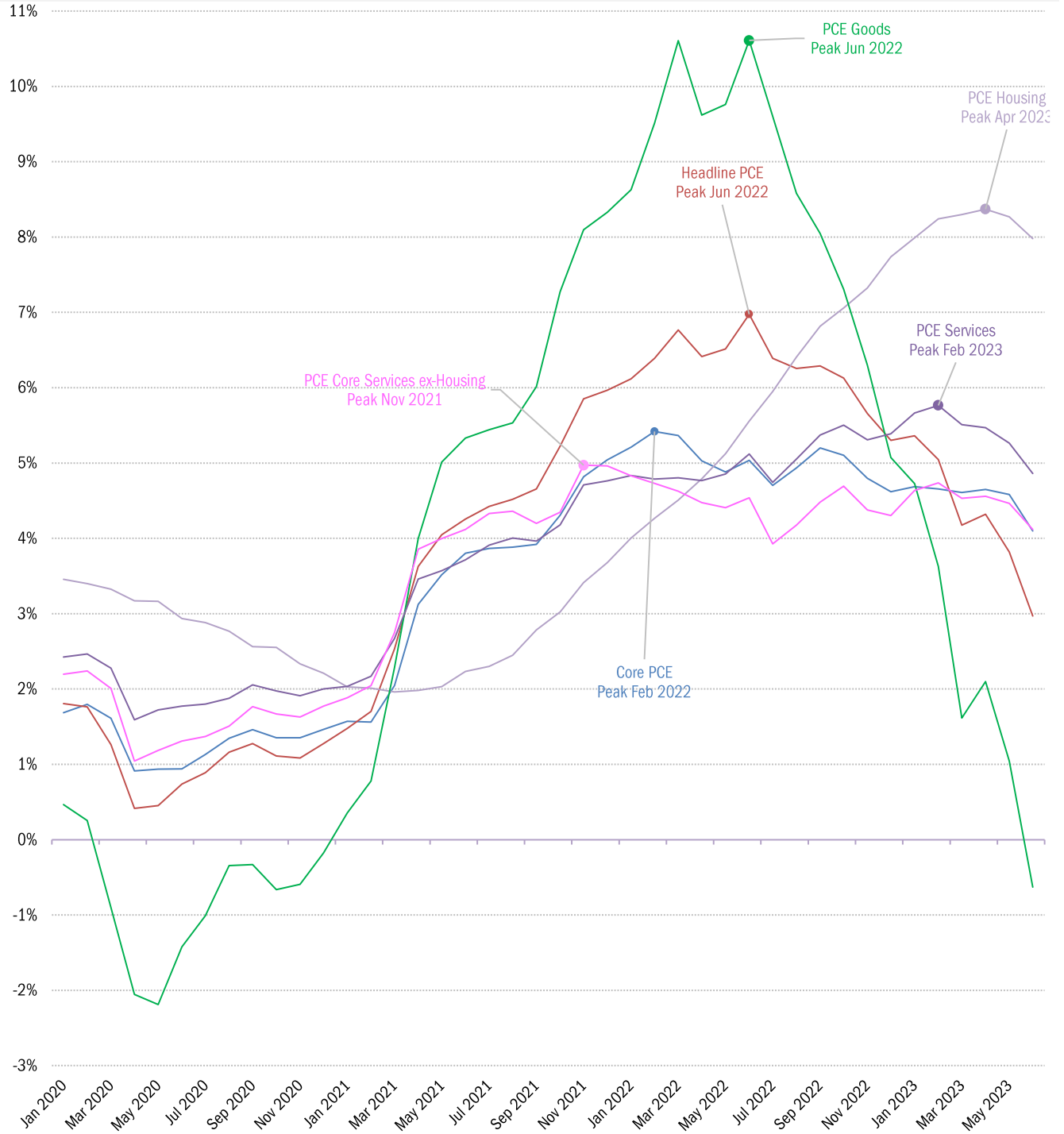
	12-mo YOY	3-mo ann	1-mo ann	12 / 3 / 1-mo	12-mo YOY history
Core commodities	-8.12%	-13.2%	-20.0%		
Durable goods	-0.36%	+0.53%	-3.64%		
Services	+4.9%	+3.6%	+3.4%		

Source: BEA, BLS, TrendMacro calculations

The rise (and fall) of PCE inflation

Year-on-year change

● Month of peak



Source: FRB, BLS, US Treasury, TrendMacro calculations

For more information contact us:

Donald Luskin: 214 550 2020 don@trendmacro.com
 Thomas Demas: 704 552 3625 tdemas@trendmacro.com