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Data Insights: Consumer Price Index, Producer Price Index

Wednesday, March 11, 2026

October 2025 data was not published, so it is interpolated between September and November.

Today's CPI data: what you need to know

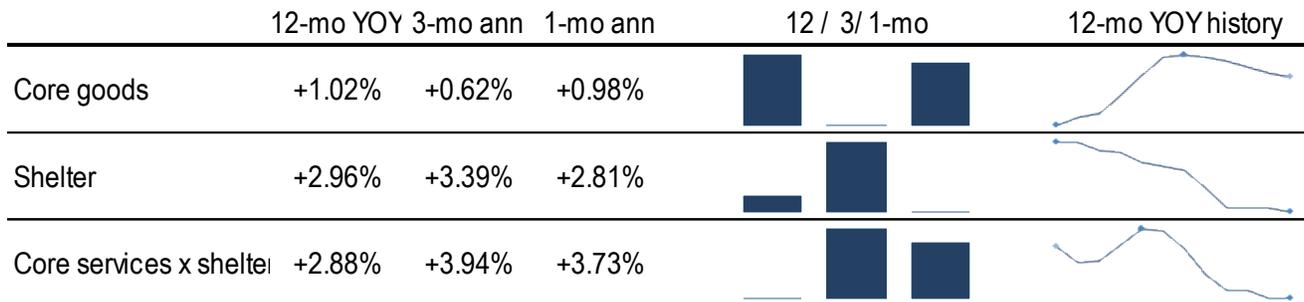|	12-mo YOY	3-mo ann	1-mo ann	12 / 3/ 1-mo	12-mo YOY history
All items	+2.41%	+2.98%	+3.25%		
Core	+2.46%	+3.02%	+2.62%		
OER	+3.18%	+3.06%	+2.16%		
All less OER	+2.53%	+3.38%	+4.09%		
Core less OER	+1.99%	+2.99%	+2.95%		
Energy	+0.40%	-1.99%	+7.89%		
All less energy	+2.57%	+3.31%	+2.94%		
Food	+3.05%	+4.80%	+4.59%		
All less food	+2.32%	+2.66%	+3.01%		
Health care	+3.36%	+4.56%	+6.16%		
All less health care	+2.35%	+2.84%	+2.99%		
Goods	+1.27%	+1.41%	+3.54%		
Services	+3.10%	+3.86%	+3.20%		

Source: BLS Consumer Price Index, TrendMacro calculations

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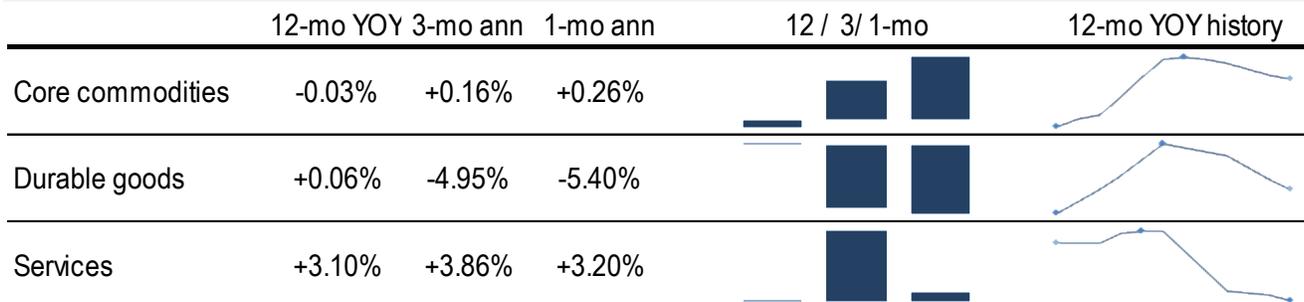## Today's CPI data: what Fed chair Jerome Powell thinks you need to know

"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."

CPI equivalent of the Fed's preferred Personal Consumption Expenditures inflation

	12-mo YOY	3-mo ann	1-mo ann	12 / 3/ 1-mo	12-mo YOY history
Core goods	+1.02%	+0.62%	+0.98%		
Shelter	+2.96%	+3.39%	+2.81%		
Core services x shelter	+2.88%	+3.94%	+3.73%		

Source: BLS Consumer Price Index, TrendMacro calculations

## Today's CPI 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…"

CPI equivalent of the Fed's preferred Personal Consumption Expenditures inflation

	12-mo YOY	3-mo ann	1-mo ann	12 / 3/ 1-mo	12-mo YOY history
Core commodities	-0.03%	+0.16%	+0.26%		
Durable goods	+0.06%	-4.95%	-5.40%		
Services	+3.10%	+3.86%	+3.20%		

Source: BLS Producer Price Index (may be lagged one month), Consumer Price Index, TrendMacro calculations

Today's CPI data: what Nobel laureate Milton Friedman thinks you need to know

"…inflation is always and everywhere a monetary phenomenon in the sense that it is and can be produced only by a more rapid increase in the quantity of money than in output. However, there are many different possible reasons for monetary growth, including gold discoveries, financing of government spending, and financing of private spending…"

	12-mo YOY	3-mo ann	1-mo ann	12 / 3/ 1-mo	12-mo YOY history
M2 money supply	+3.96%	+2.93%	unch		
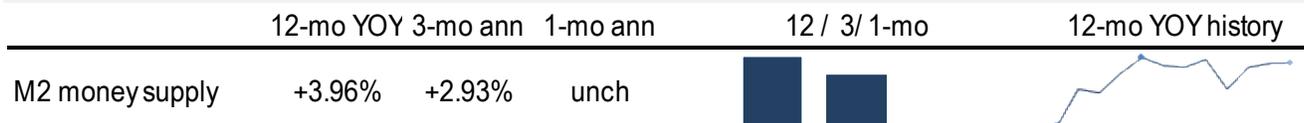
Source: Federal Reserve Board (lagged one month), TrendMacro calculations

Slow and steady wins the race
Year-on-year change ● Month of peak

CPI goods
Peak Mar 2022

Headline CPI
Peak Jun 2022

Headline CPI ex-OER
Peak Jun 2022

Core CPI ex-OER
Peak Feb 2022

OER Peak Apr
2023

CPI services
Peak Jan 2023

CPI core services ex-shelter
Peak Sep 2022

Core CPI
Peak Sep 2022

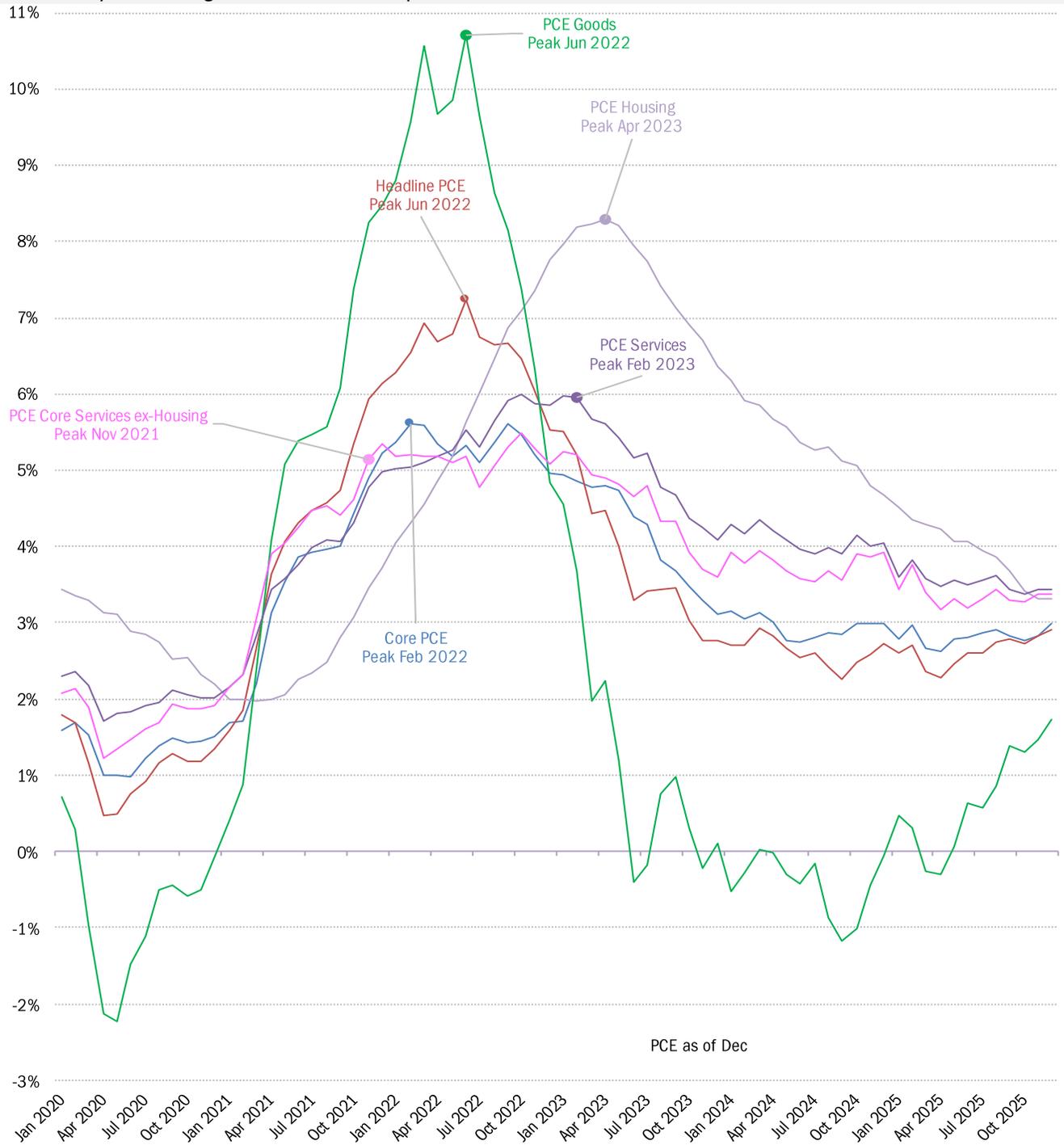CPI as of Feb
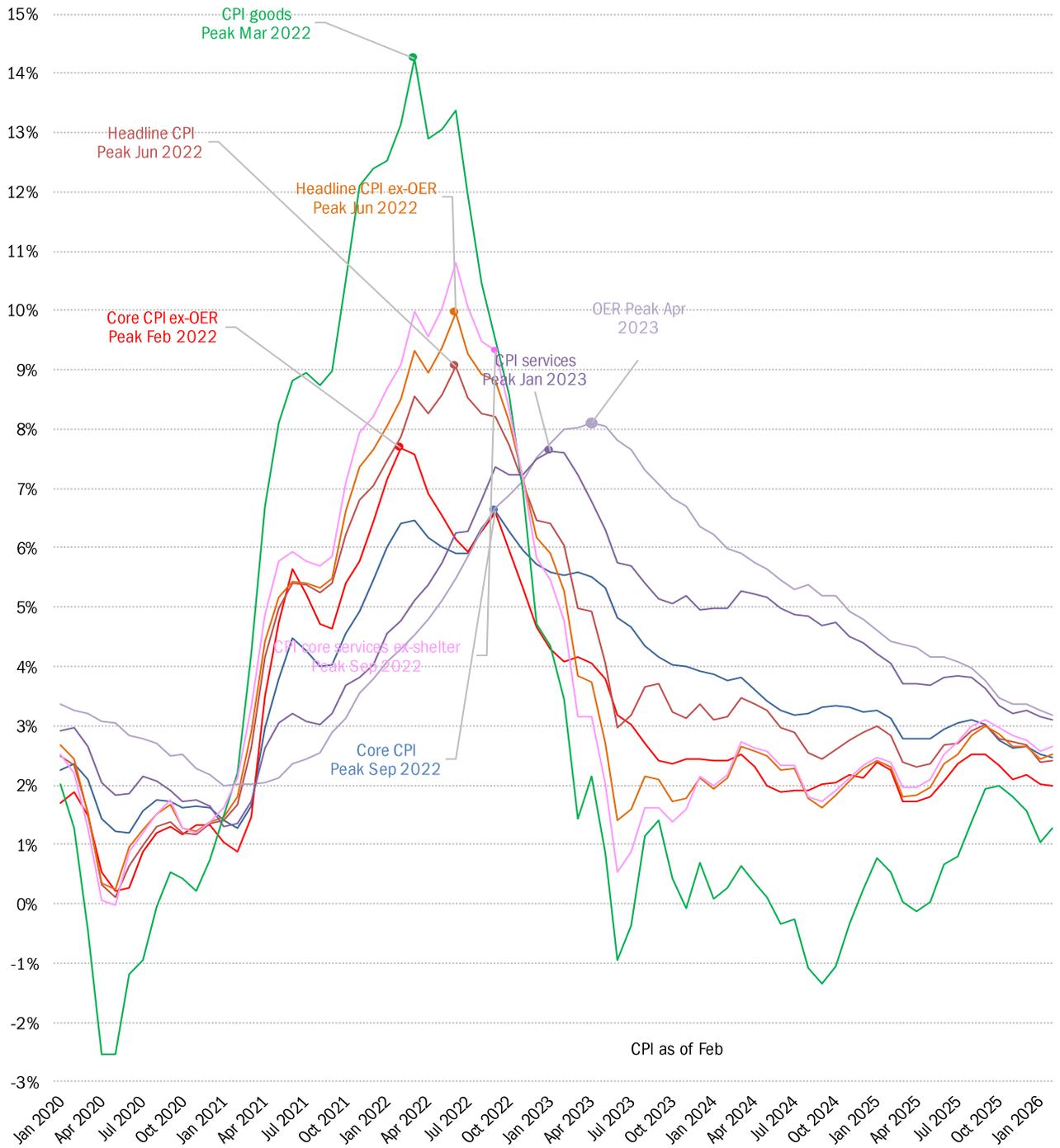
Source: FRB, BLS, US Treasury, TrendMacro calclations

PCE inflation – the Fed's preferred way of tracking inflation
Year-on-year change ● Month of peak

PCE Goods
Peak Jun 2022

PCE Housing
Peak Apr 2023

Headline PCE
Peak Jun 2022

PCE Services
Peak Feb 2023

PCE Core Services ex-Housing
Peak Nov 2021

Core PCE
Peak Feb 2022

PCE as of Dec

Relation M2 money supply and core CPI inflation rate (ex OER) and [TrendMacro's monetarist inflation prediction model](#)

Pre-peak estimate
Mar 22
6.9%

Core CPI exOER
Feb 22
7.7%

M2 lagged 11 months
Feb 22
26.7%

Post-peak estimate
Mar 22
7.1%

Post-peak estimate
Feb 26
3.5%

Post-peak estimate
Dec 26
3.7%

Full period estimate
Feb 26
2.1%

Core CPI exOER
Feb 26
2.0%

Full period estimate
Feb 27
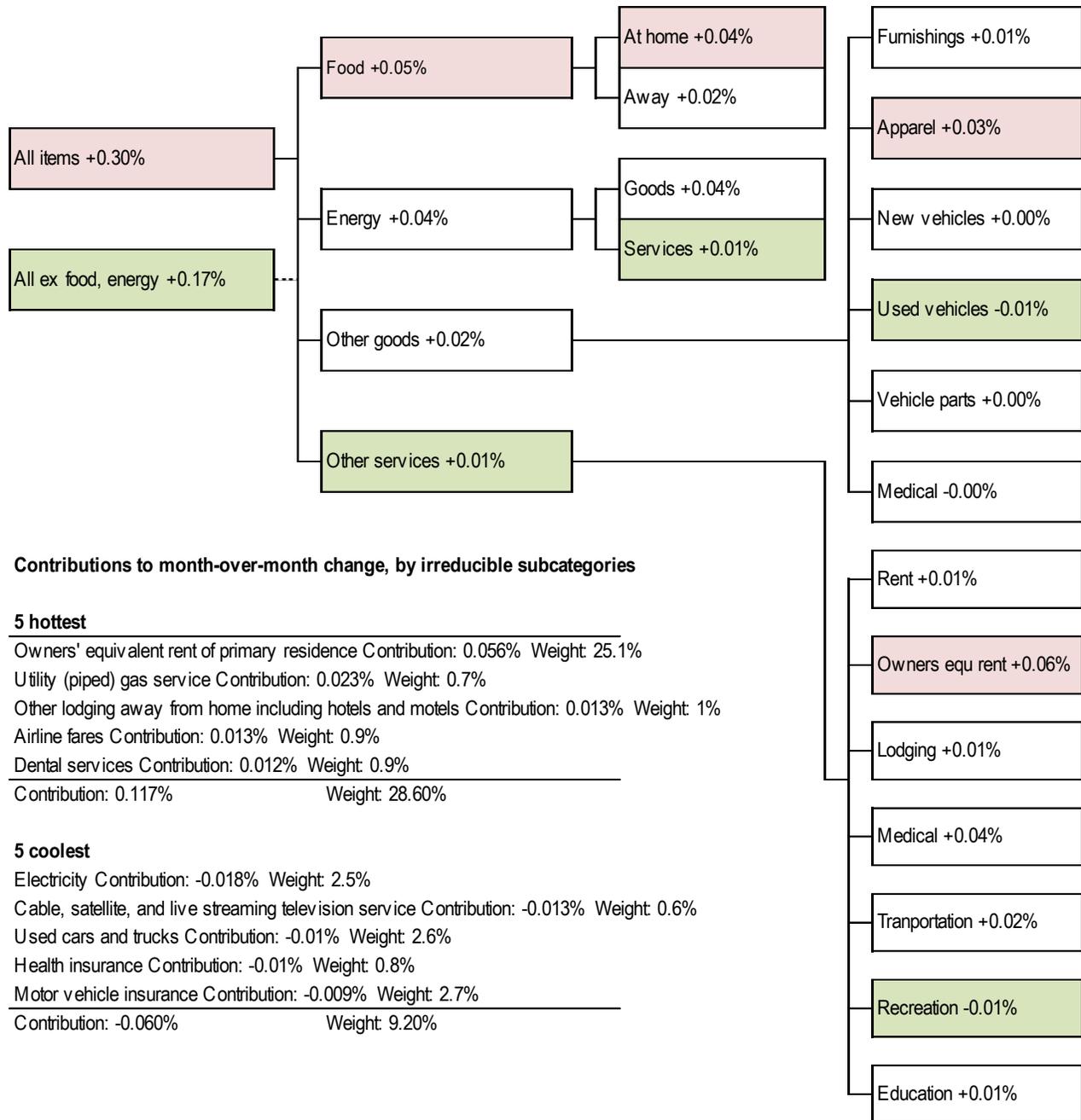2.2%

M2 lagged 11 months
Jan 27
4.3%

Source: FRB, BLS, US Treasury, TrendMacro calclations

Deconstructing today's CPI data: what explains this month's inflation?
Weighted contribution by subcategory
Biggest change per detail-level: 🟥 positive 🟩 negative

All items +0.30%

All ex food, energy +0.17%

Food +0.05%
- At home +0.04%
  - Furnishings +0.01%
  - Apparel +0.03%
  - New vehicles +0.00%
  - Used vehicles -0.01%
  - Vehicle parts +0.00%
  - Medical -0.00%
- Away +0.02%

Energy +0.04%
- Goods +0.04%
- Services +0.01%

Other goods +0.02%

Other services +0.01%
- Rent +0.01%
- Owners equ rent +0.06%
- Lodging +0.01%
- Medical +0.04%
- Tranportation +0.02%
- Recreation -0.01%
- Education +0.01%

Contributions to month-over-month change, by irreducible subcategories

5 hottest

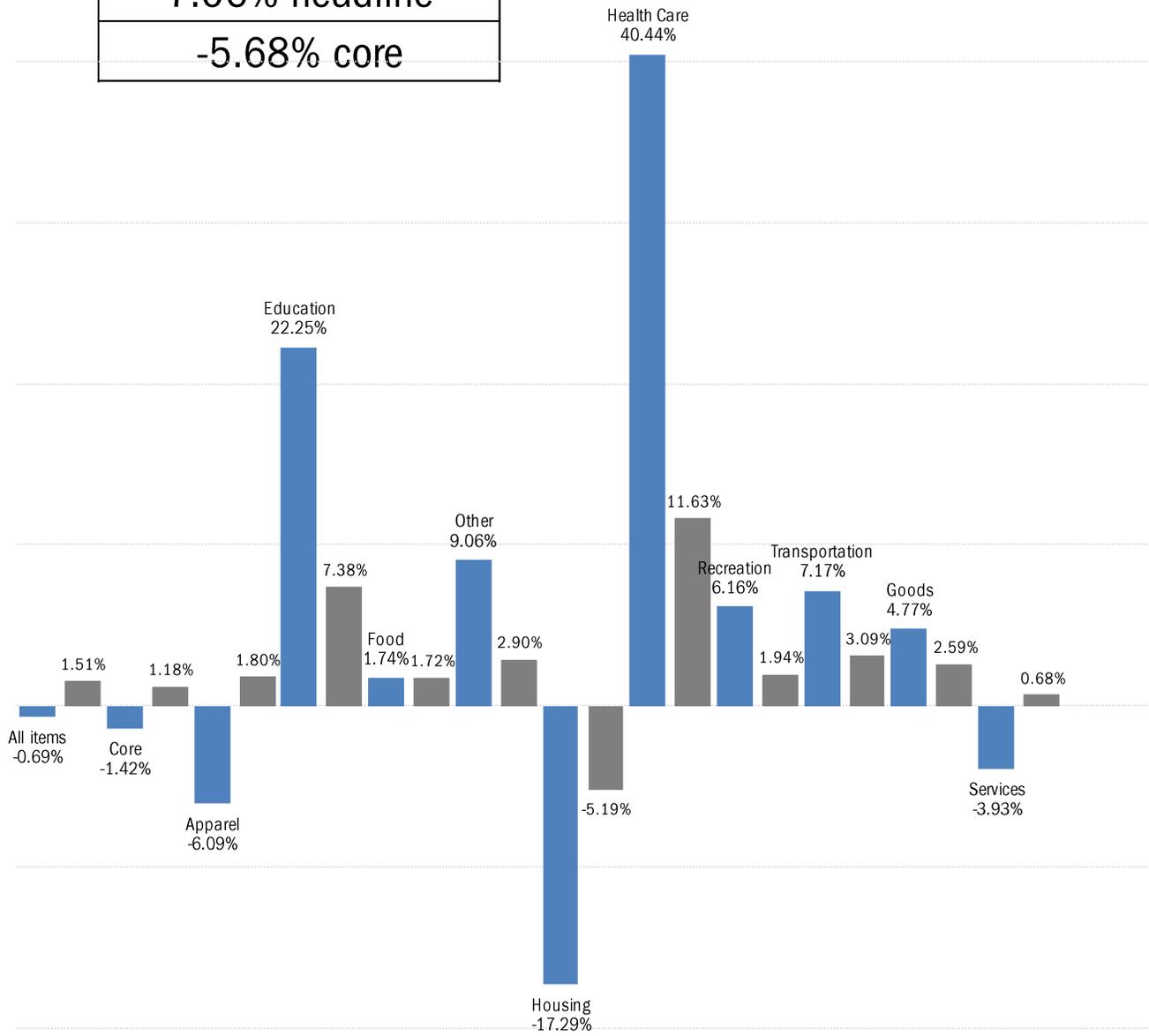|	
Owners' equivalent rent of primary residence Contribution: 0.056% Weight: 25.1%	
Utility (piped) gas service Contribution: 0.023% Weight: 0.7%	
Other lodging away from home including hotels and motels Contribution: 0.013% Weight: 1%	
Airline fares Contribution: 0.013% Weight: 0.9%	
Dental services Contribution: 0.012% Weight: 0.9%	
Contribution: 0.117%	Weight: 28.60%

5 coolest

Electricity Contribution: -0.018% Weight: 2.5%	
Cable, satellite, and live streaming television service Contribution: -0.013% Weight: 0.6%	
Used cars and trucks Contribution: -0.01% Weight: 2.6%	
Health insurance Contribution: -0.01% Weight: 0.8%	
Motor vehicle insurance Contribution: -0.009% Weight: 2.7%	
Contribution: -0.060%	Weight: 9.20%

Source: BLS Consumer Price Index, TrendMacro calculations

Inflation in real time, based on Truflation's daily telemetry
■ Trailing 31-day consumer price inflation, annual rate   ■ Trailing 365-day

March so far at an annual rate
7.06% headline
-5.68% core

Health Care
40.44%

Education
22.25%

11.63%

Other
9.06%

7.38%

Transportation
7.17%

Recreation
6.16%

Goods
4.77%

2.90%

3.09%

2.59%

1.51%

1.80%

1.72%

1.94%

1.18%

Food
1.74%

0.68%

All items
-0.69%

Core
-1.42%

-5.19%

Apparel
-6.09%

Services
-3.93%

Housing
-17.29%

Source: Truflation, TrendMacro calculations

"Transitory," "base-effect" or "optimal control"?
This month's data in context with the pre-pandemic and ideal 12-month trends

Headline CPI

2.43% YOY actual

8.65% YOY from target trend

Target trend 2.5%

Pre-pandemic trend 2.0%

11.26% YOY from pre-pandemic trend

Core CPI

2.47% YOY actual

7.49% YOY from target trend

Core target trend 2.5%

Pre-pandemic trend 2.1%

9.88% YOY from pre-pandemic trend
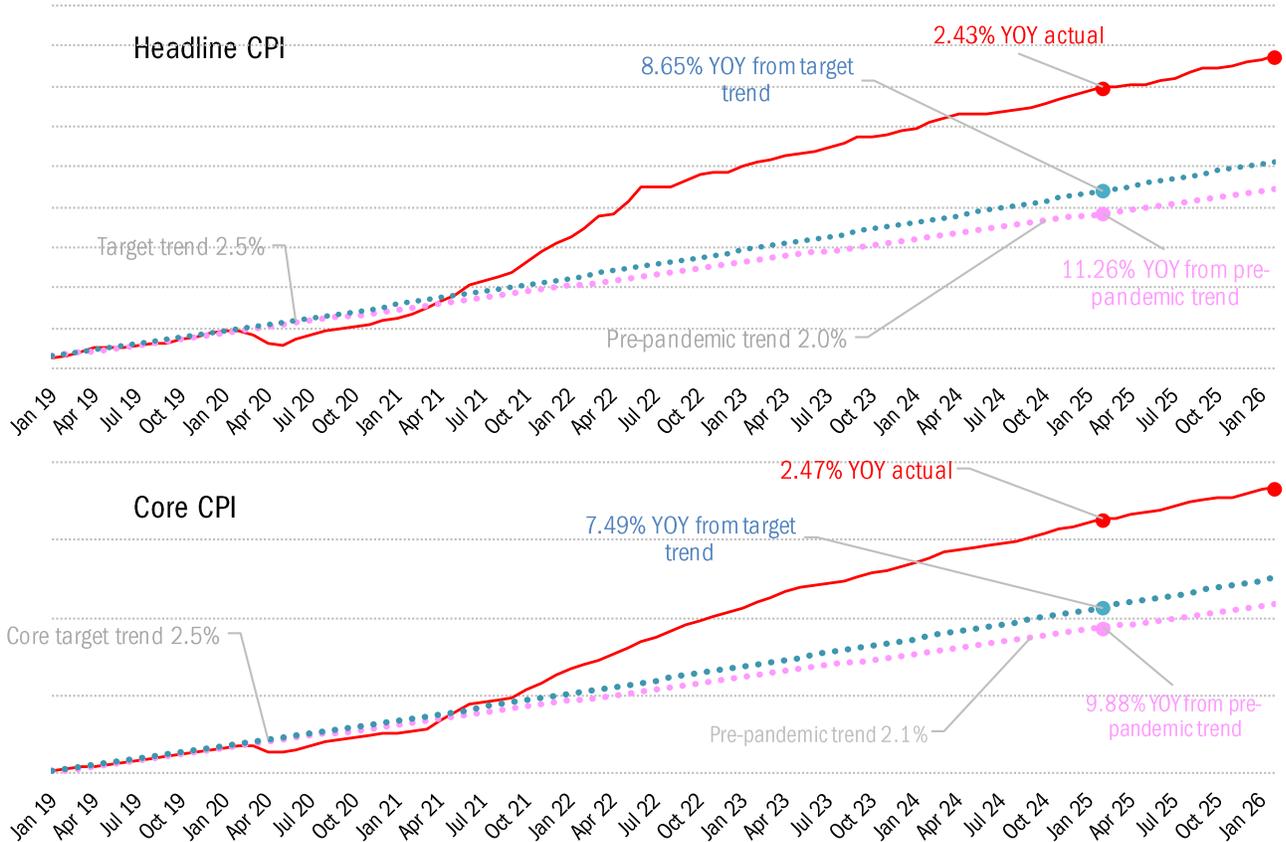
Source: Bureau of Labor Statistics, TrendMacro calclations

*Un*hinged? Or *too* hinged?
5-year 5-year-forward TIPS breakeven

Fed target in CPI terms 2.5%

5-yr average Mar 2026 2.27%

Apr 2022 2.67%

Post-GFC average 2.26%

As of Mar 11

Latest Mar 2026 2.20%
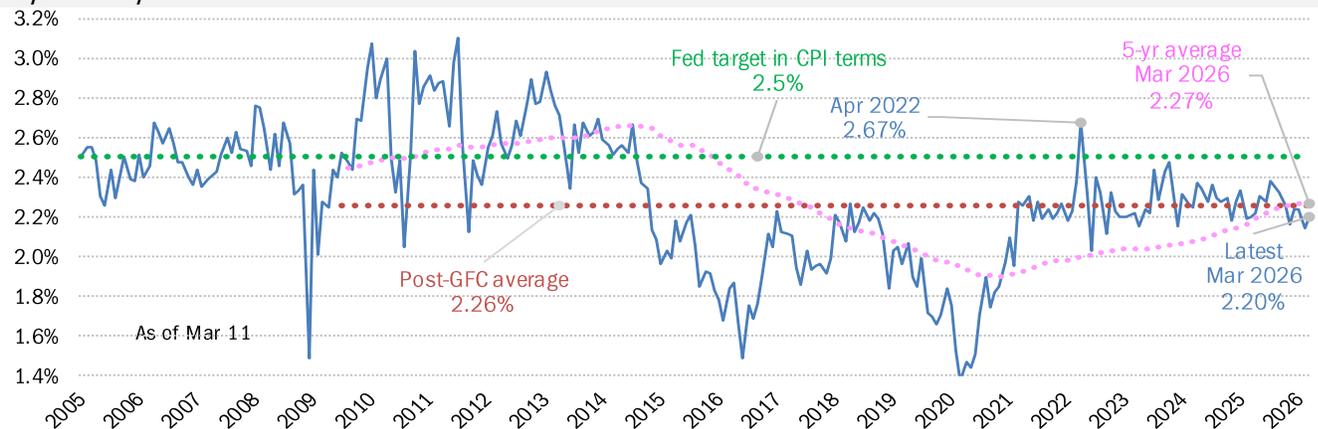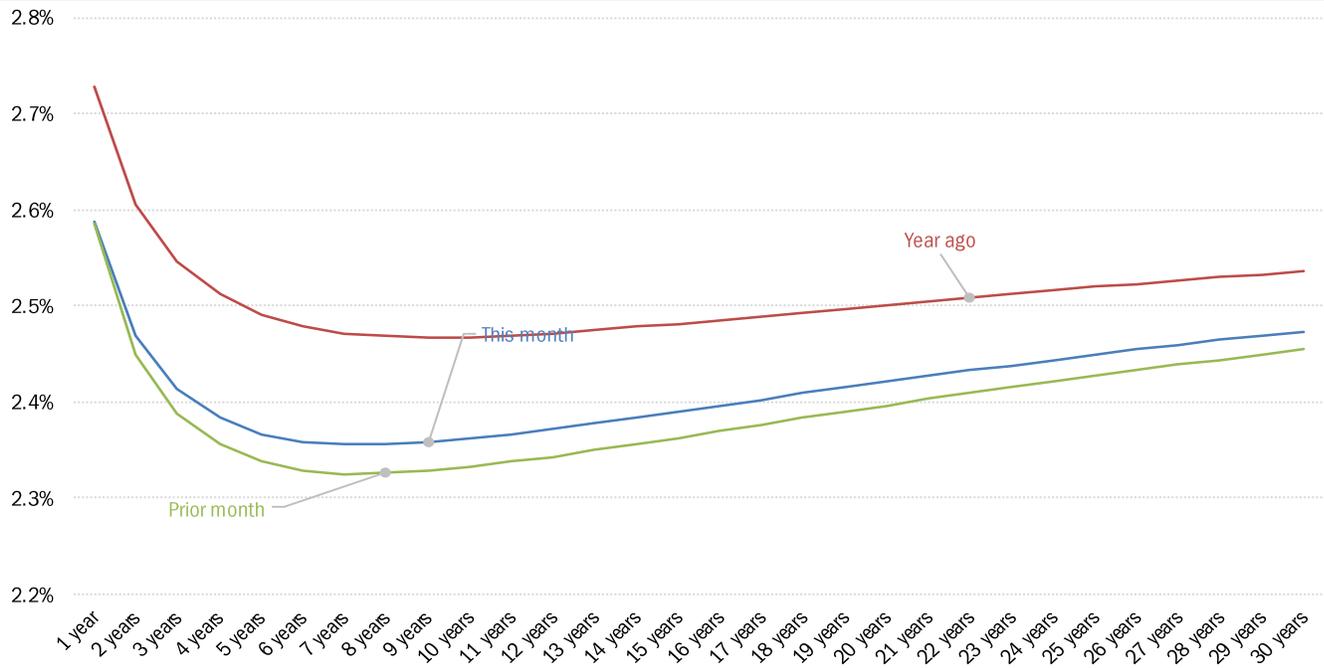
Source: Bloomberg, TrendMacro calclations

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

Modeled inflation yield curve, per annum   Based on swaps, forecasts and yields

The demography of inflation expectations

■ Current median   ■ 4-year range
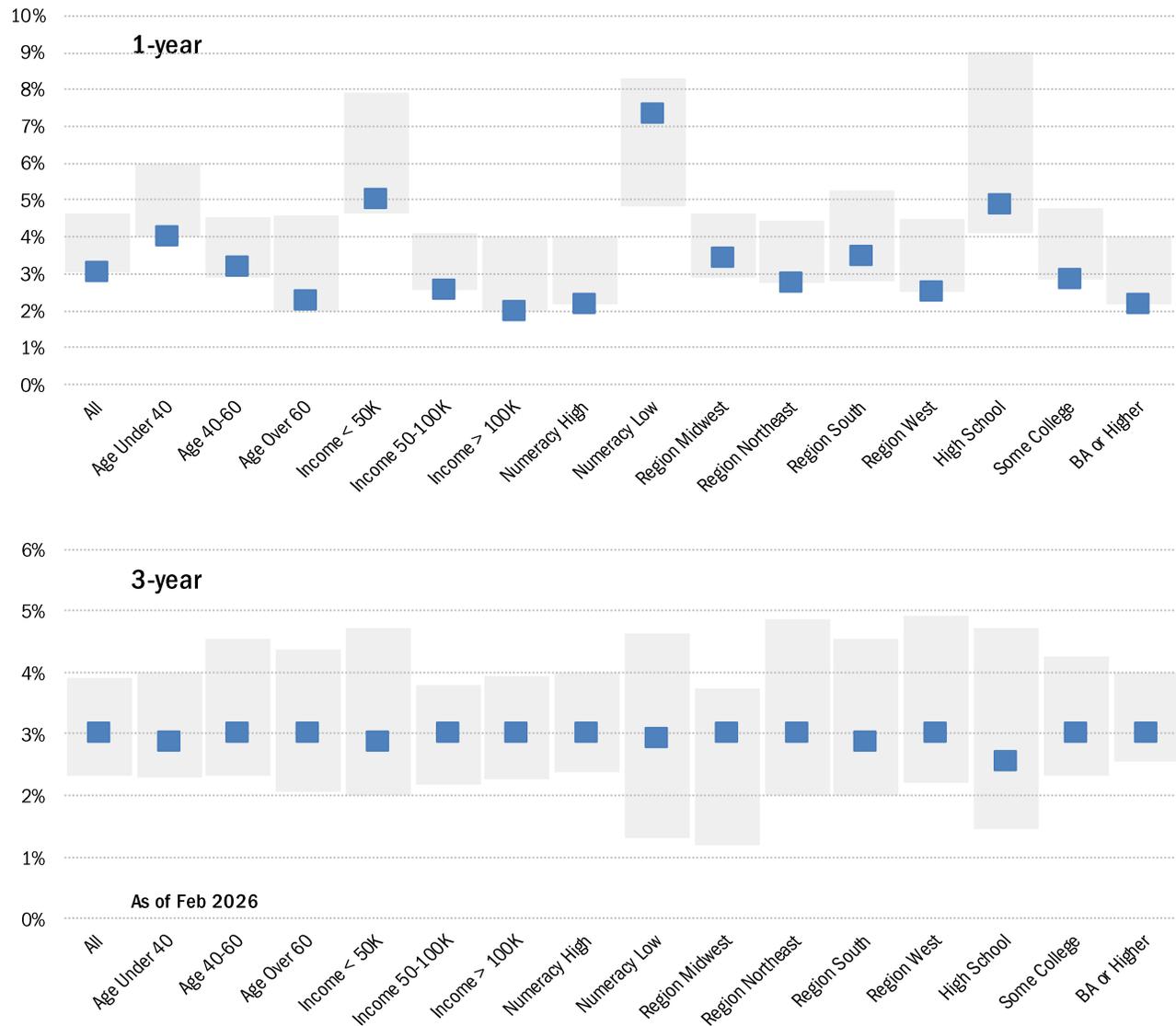
1-year

3-year

As of Feb 2026

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

- All items 2.4% / 3.0% / 3.3%
- Food 3.1% / 4.8% / 4.8%
- Housing 3.3% / 3.3% / 3.3%
- Apparel 2.5% / 7.9% / 7.9%
- Transportation -0.5% / -0.5% / 2.5%
- Medical care 3.4% / 4.6% / 4.6%
- Recreation 2.3% / 6.9% / 0.2%
- Ed and comm 0.1% / -2.9% / -2.9%
- Other 5.1% / 6.0%
- Commodities 1.3% / 1.4% / 1.4%
- Services 3.1% / 3.9% / 3.2%
- All less food 2.3% / 2.7%
- All less shelter 2.1% / 2.8% / 3.5%
- All less medical 2.4% / 2.8% / 2.8%
- Energy 0.4% / -2.0% / 7.9%
- All less energy 2.6% / 3.3% / 3.3%
- Core 2.5% / 3.0% / 2.6%
- OER 3.2% / 3.1% / 3.1%
- CPI less OER 2.5% / 3.4% / 4.1%
- Core less OER 2.0% / 2.5% / 3.0%
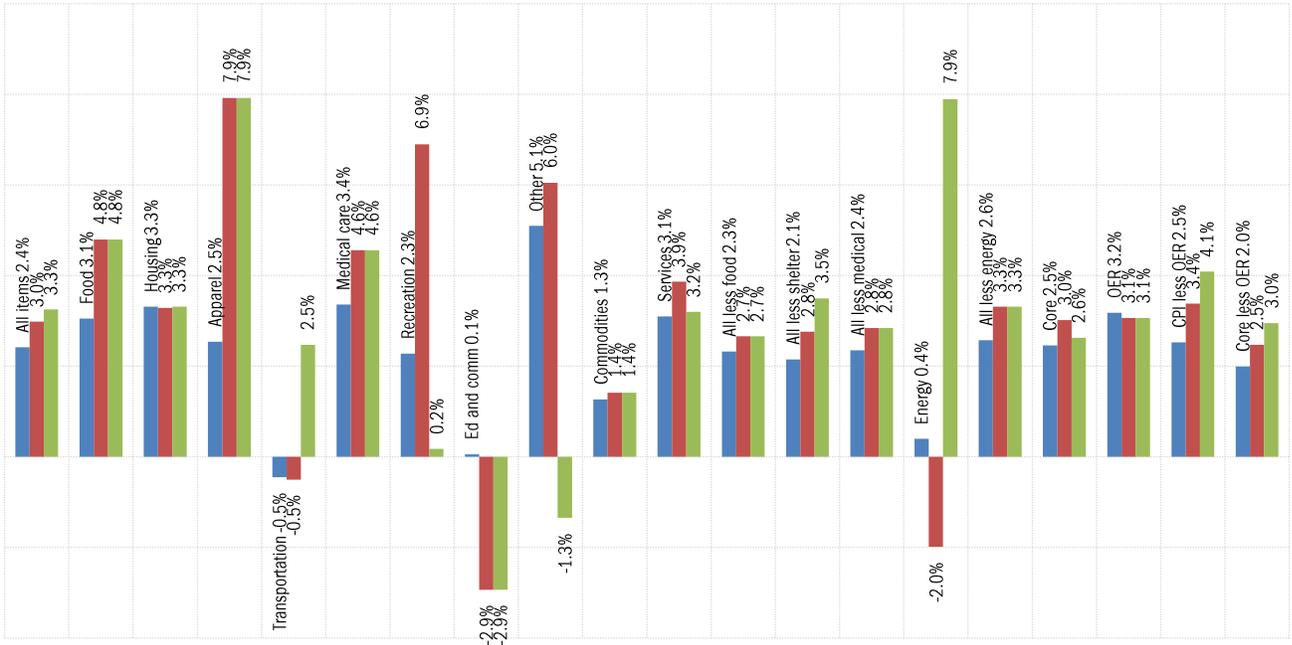
Source: BLS Consumer Price Index, TrendMacro calculations

US CPI Core — Level ••• 20-year trend ▨ Recession
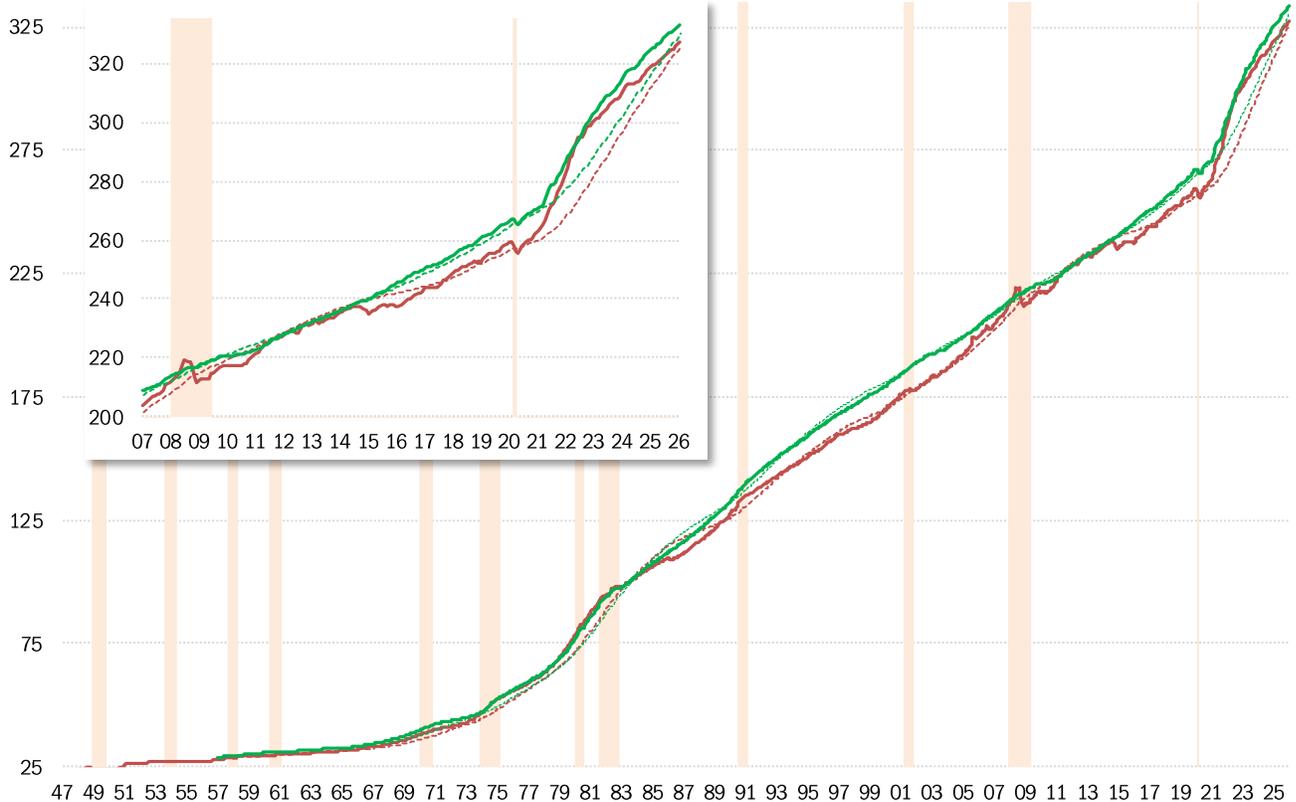
Source: BLS Consumer Price Index, TrendMacro calculations

Housing leads US CPI
YOY change — Case Shiller 20-city avg — Owner's equivalent rent CPI component

OER
Feb 2025
3.19%

CaseShiller
Dec 2024
1.4%

Best fit: OER 18-month lag
R-squared = 0.51
18 mo estimate: OER 4.7%
13 mo estimate: OER 3.0%
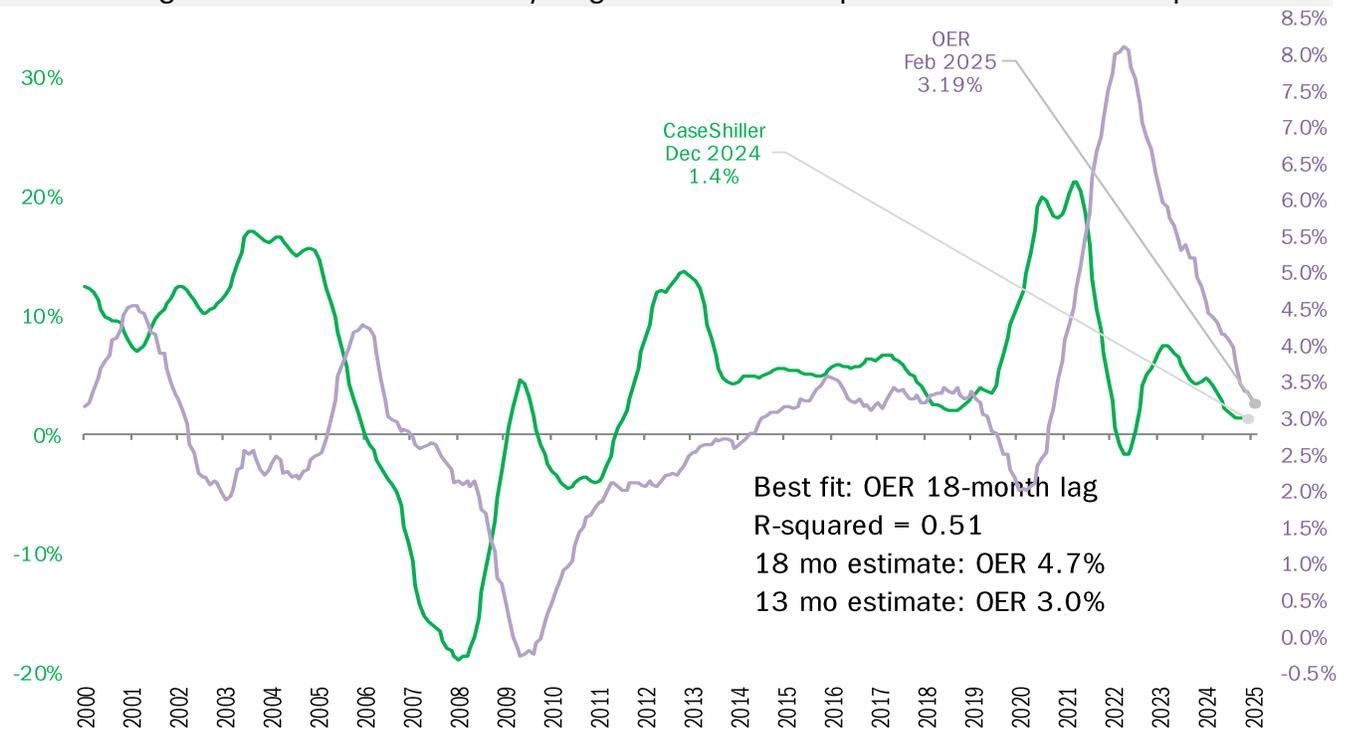
Speeding up the laggy OER calculation
Annualized monthly change in OER and Zillow data and quarterly Cleveland Fed data

New renters

All renters

Zillow all homes

CPI OER
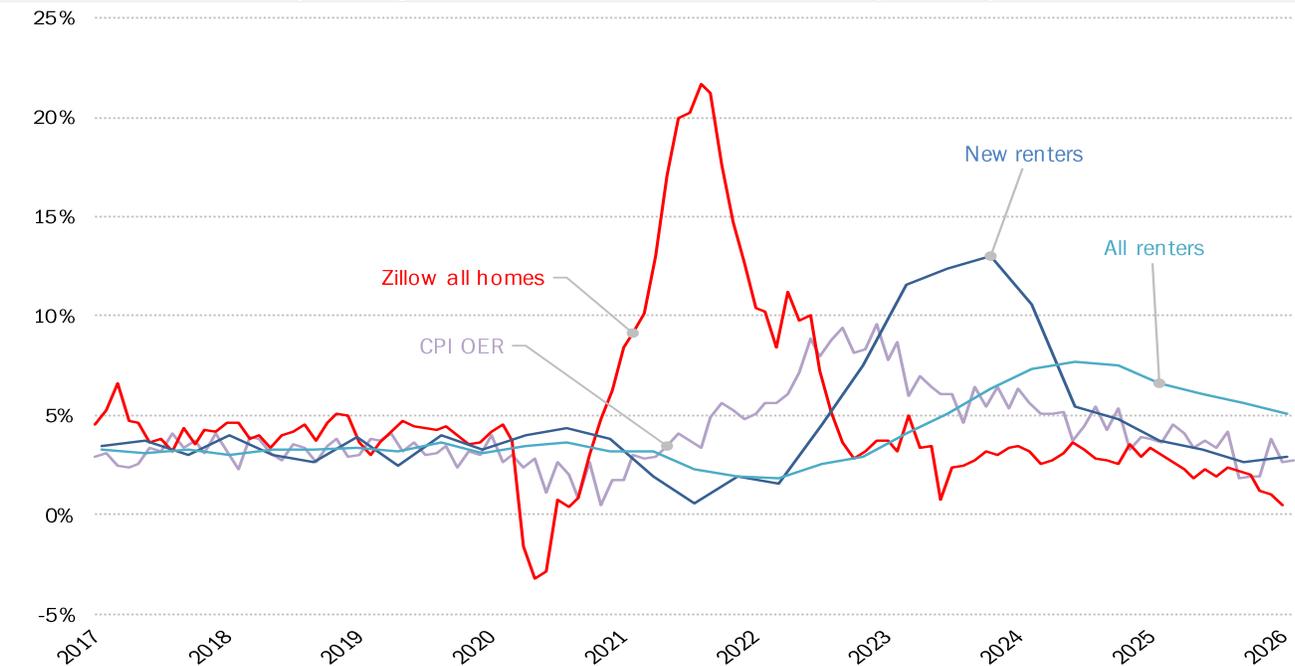
Going, going, gone: the vanishing Phillips Curve

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

Y0Y CPI inflation

R² = 0.01

R² = 0.00

R² = 0.15

Unemployment rate
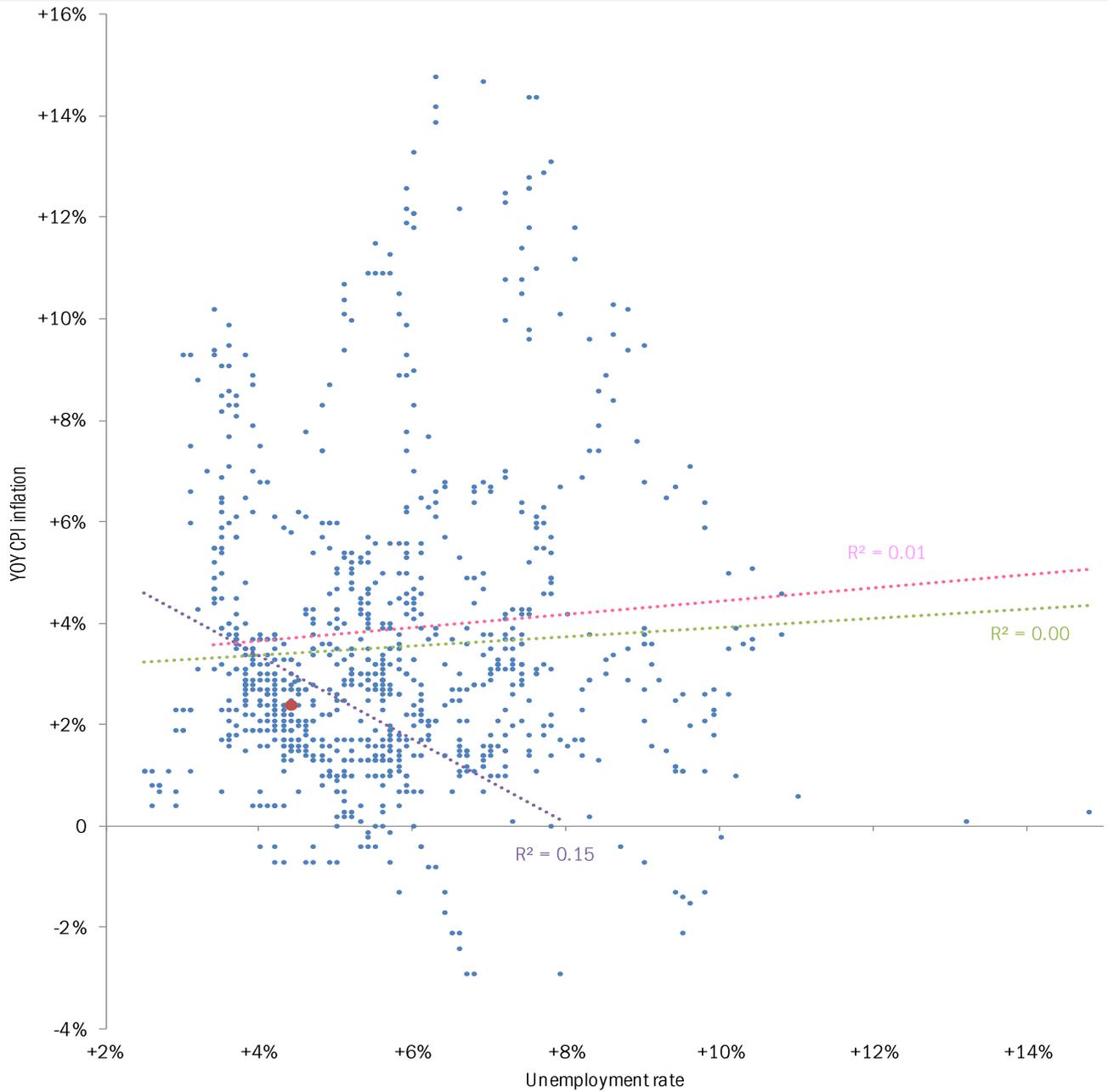
World CPI, headline, year-on-year

Country	Value
Venezuela	617.9%
Iran	37.4%
Argentina	32.4%
Türkiye	31.5%
Bolivia	17.4%
Nigeria	15.1%
Egypt	13.4%
Angola	13.4%
Kazakhstan	11.7%
Bangladesh	10.5%
Romania	9.6%
Ukraine	7.6%
Zambia	7.5%
Pakistan	7.0%
Myanmar	6.3%
Russia	6.0%
Belarus	5.6%
Colombia	5.3%
Iceland	5.2%
Moldova	5.1%
Dominican Republic	5.0%
Tunisia	5.0%
Indonesia	4.8%
Serbia	4.7%
Georgia	4.6%
Brazil	4.4%
Kenya	4.3%
Armenia	4.3%
Botswana	4.1%
Mexico	4.0%
Slovakia	4.0%
Jamaica	3.9%
Croatia	3.8%
Zimbabwe	3.7%
Lithuania	3.6%
Bosnia and Herzegovina	3.6%
Mauritius	3.5%
South Africa	3.5%
Honduras	3.5%
Vietnam	3.4%
Ghana	3.3%
Bulgaria	3.3%
Australia	3.2%
Nepal	3.2%
Tanzania	3.2%
Uruguay	3.1%
New Zealand	3.1%
Estonia	3.1%
Nicaragua	3.0%
United Kingdom	3.0%
Namibia	2.9%
Uganda	2.9%
Slovenia	2.9%
India	2.8%
Ireland	2.7%
Greece	2.7%
Ecuador	2.6%
Netherlands	2.4%
United States	2.4%
Philippines	2.4%
Chile	2.4%
Malta	2.3%
Canada	2.3%
Cape Verde	2.3%
Latvia	2.3%
Spain	2.3%
Paraguay	2.3%
Qatar	2.3%
Azerbaijan	2.2%
Peru	2.2%
Poland	2.2%
Austria	2.2%
Bahamas	2.2%
Portugal	2.1%
Kuwait	2.1%
South Korea	2.0%
Oman	2.0%
Germany	1.9%
United Arab Emirates	1.9%
Saudi Arabia	1.8%
Israel	1.8%
Taiwan	1.8%
Italy	1.6%
Malaysia	1.6%
Sri Lanka	1.6%
Guatemala	1.6%
Japan	1.5%
Belgium	1.5%
Singapore	1.4%
Czech Republic	1.4%
Hungary	1.4%
North Macedonia	1.4%
China	1.3%
Bahrain	1.3%
Cambodia	1.3%
Luxembourg	1.3%
El Salvador	1.2%
Hong Kong	1.1%
Barbados	1.1%
France	1.0%
Algeria	0.9%
Macao	0.5%
Sweden	0.5%
Kyrgyzstan	0.1%
Switzerland	0.1%
Cyprus	0.1%
Belize	0.1%
Trinidad and Tobago	-0.1%
Finland	-0.2%
Panama	-0.4%
Iraq	-0.5%
Fiji	-0.5%
Morocco	-0.8%
Thailand	-0.9%
Costa Rica	-2.7%

Major economies CPI, year on year ■ Headline ■ Ex-food and energy

Bar chart labels:
- US +2.4% +2.5%
- Europe +1.9% +2.4%
- Germany +2.0% +2.5%
- France +1.1% +1.4%
- Italy +1.6% +2.7%
- Spain +2.5% +3.0%
- Greece +3.0% +3.5%
- Portugal +2.1% +2.2%
- Ireland +2.4% +2.6%
- UK +3.0% +3.1%
- Australia +3.6% +3.3%
- Canada +2.3% +2.4%
- Japan +1.5% +1.3%
- China +1.3%
- India +2.8%
- Brazil +4.4%
- Russia +6.0%
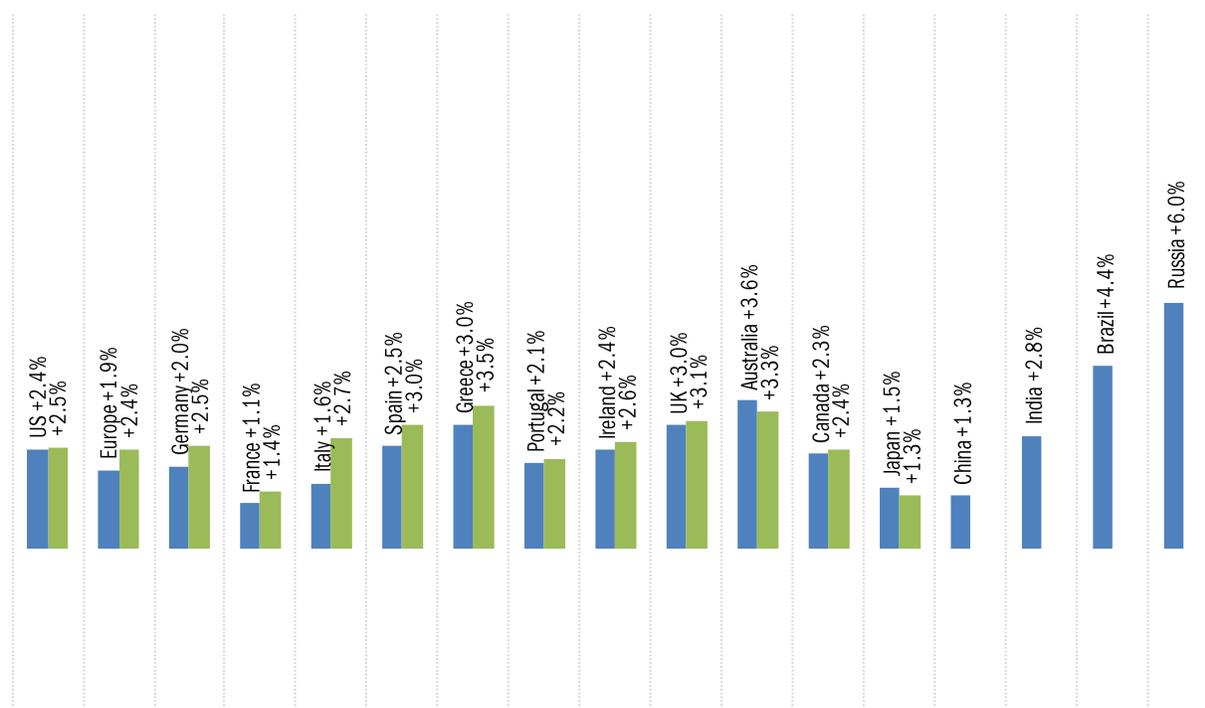
Source: Respective Statistical agencies, TrendMacro calculations

PPI data: what you need to know

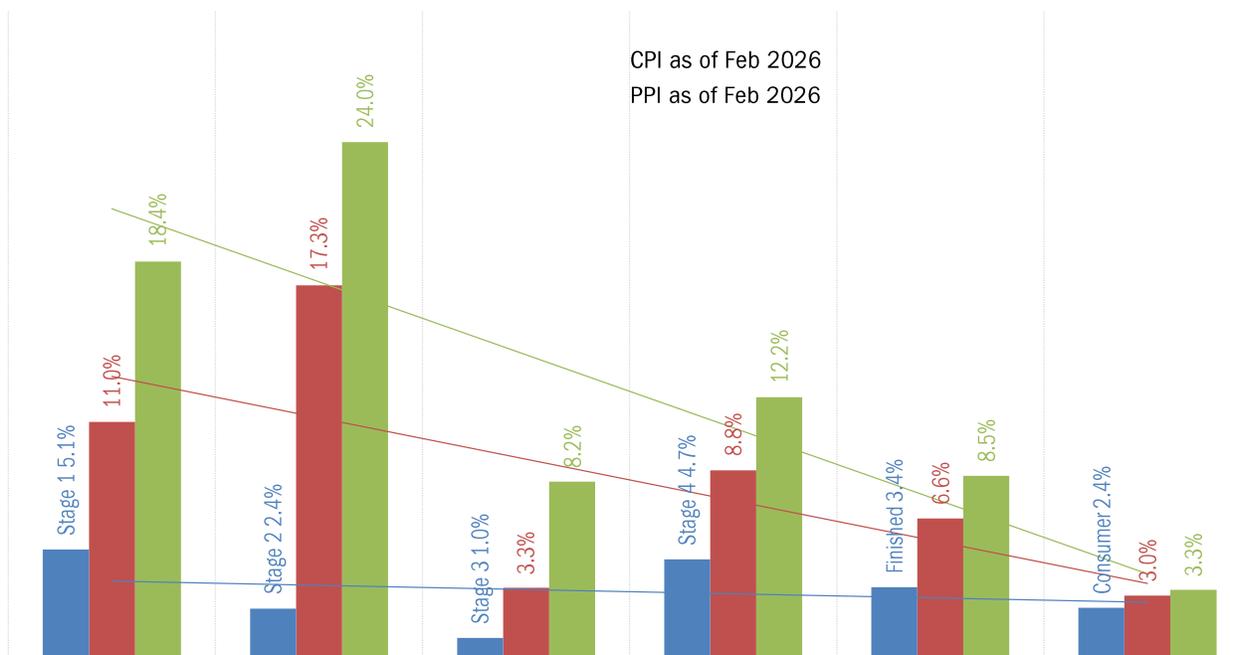| As of Feb 2026	12-mo YOY	3-mo ann	1-mo ann	12 / 3/ 1-mo	13-mo YOY history
Final demand	+3.37%	+6.55%	+8.52%		
Core	+3.86%	+7.60%	+6.05%		
Intermediate processed	+4.02%	+7.27%	+20.87%		
Core	+5.22%	+8.97%	+10.29%		
Intermediate unprocessed	-1.71%	+35.27%	+60.88%		
Core	+15.40%	+46.44%	+28.19%		

Source: BLS Producer Price Index, TrendMacro calculations

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

As of Feb 2026

Finished goods 1.6% / 1.0% / 12.2%
Consumer goods 0.8% / -0.2% / 16.4%
Cap equip 4.1% / 4.7% / 1.9%
Intermediate 4.0% / 7.3% / 20.9%
Manufacturing 5.3% / 8.8% / 14.5%
Construction 3.6% / 3.6% / 4.0%
Fuels 2.8% / 6.6% / 90.3%
Containers 3.6% / 1.6% / -4.6%
Supplies 3.5% / 5.7% / 7.3%
Crude materials -1.8% / 27.3% / 44.5%
Foodstuffs -10.7% / -12.0% / 31.9%
Non-food ex-fuel 0.1% / 25.2% / 34.0%
Fuel 20.9% / 327.8% / 155.4%
Core finished 3.4% / 3.5% / 4.0%
Core intermediate 5.2% / 9.0% / 10.3%
Core crude 15.6% / 29.2% / 13.4%

Source: BLS Producer Price Index, TrendMacro calculations

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

CPI as of Feb 2026
PPI as of Feb 2026

Stage 1 5.1% / 11.0% / 18.4%
Stage 2 2.4% / 17.3% / 24.0%
Stage 3 1.0% / 3.3% / 8.2%
Stage 4 4.7% / 8.8% / 12.2%
Finished 3.4% / 6.6% / 8.5%
Consumer 2.4% / 3.0% / 3.3%

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