

# U.S. Data Review

- CPI: moderate changes in September after sharp swings

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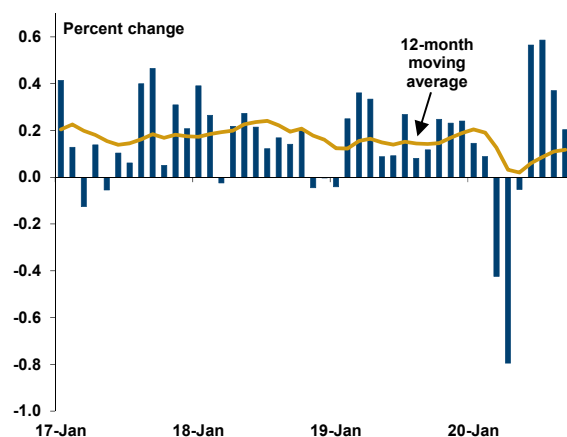
## Consumer Prices

The consumer price index matched expectations by registering increases of 0.2 percent in both the headline index and the core component (charts). The latest changes left the headline index up 1.4 percent on a year-over-year basis, while the core measure rose 1.7 percent in the past 12 months. Both measures were in the low portions of the ranges from the past few years.

The food component was subdued in September. Prices of food for home consumption fell for the third consecutive month to offset a portion of the upward pressure generated by frenetic buying in the early stages of the pandemic. Prices of food away from home offset this discounting with a jump of 0.5 percent, the third such increase in the past four months. Restaurants seem to be making an effort to stir revenue after several lean months. Energy prices jumped 0.8 percent. Gasoline prices were tame, but charges for electricity and natural gas rose noticeably.

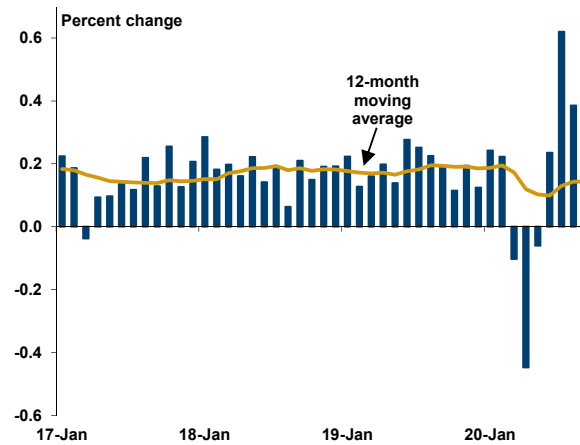
Although the core component registered a trend-like increase after sharp swings, an influence from the pandemic was still evident. On the high side, prices of used cars and trucks rose sharply for the third consecutive month. A shift from public transportation to individual driving has boosted demand for motor vehicles, with many buyers turning to the used market. Virus-related discounting reemerged in some areas that had raised prices in prior months to offset discounting in the early stages of the pandemic. Hotel fees, air fares, and apparel prices all fell after increases in the prior three months. College tuition fell for the second consecutive month, as some institutions apparently are offering concessions because of remote learning (although many parents of college students tell us that they have not seen any discounting).

### Headline CPI



Source: Bureau of Labor Statistics via Haver Analytics

### Core CPI



Source: Bureau of Labor Statistics via Haver Analytics

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