

Quick Note 30/05/2017

## Spain · Inflation eases in May

### Data

- **CPI showed a YoY change of 1.9% in May** (2.6% in April).
- The MoM change was -0.1% (0.5% in May 2016).

### Valuation

- Inflation eased 7 tenths in May to 1.9%, a figure short of the CaixaBank Research forecast.
- With no details of components available, the decline in inflation in May would be due to a dip in fuel prices, compared to an increase seen last year, and declining tourism package prices following a surge in Easter Week.
- Looking ahead to the coming months, inflation is expected to ease due to a slowdown from oil prices in YoY terms. Likewise, core CPI should show a smooth rising trend thanks to buoyant private consumption.
- In the light of this figure, **the risks for the full-year 2017 inflation forecast, of 2.2%, look to be slightly on the downside.**

#### Flash CPI estimate for May-17

(%)

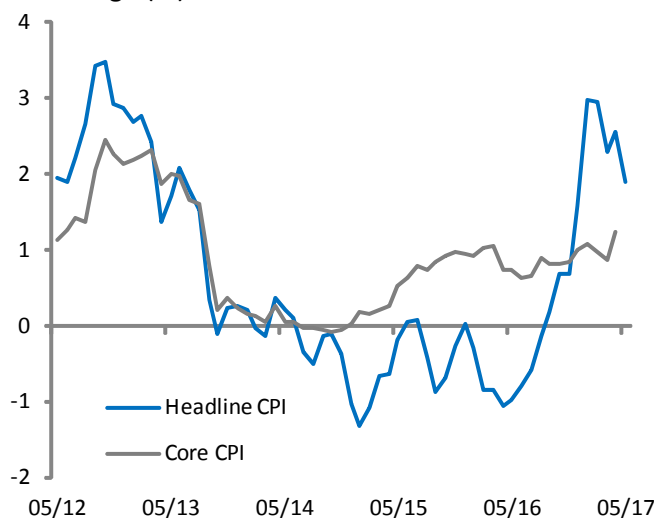
	Feb-17	Mar-17	Apr-17	May-17	
				Data	Forecast
Headline CPI (YoY)	3,0	2,3	2,6	1,9	2,4
	<b>Average*</b>	<b>Average*</b>	<b>May-16</b>	<b>May-17</b>	
	<b>2004-2009</b>	<b>2010-2015</b>		Data	Forecast
Headline CPI (QoQ)	0,3	0,1	0,5	-0,1	0,4

*Nota: \*May average.*

*Source: CaixaBank Research, based on INE data.*

### CPI evolution

YoY change (%)



Source: CaixaBank Research, based on INE data.

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