

Quick Note 30/08/2017

Spain · Inflation rises in August

Fact

- The CPI recorded a year-on-year change of 1.6% in August (1.5% in July).
- Month-on-month variation was 0.2% (0.1% in August of 2016).

Assessment

- Inflation rose 1 tenth in August to 1.6%, an increase lower than that forecast by CaixaBank Research.
- In the absence of component details, the increase in inflation in August could be explained by the rise in the price of fuel.
- In the coming months, inflation is expected to moderate due to the deceleration of the price of oil, in year-on-year terms. Likewise, core CPI will remain stable, supported by the strength of private consumption.
- Following this data, **the risks of inflation forecast for the whole of 2017, of 1.9%, are slightly biased downwards.**

Flash CPI estimate for Aug-17

(%)

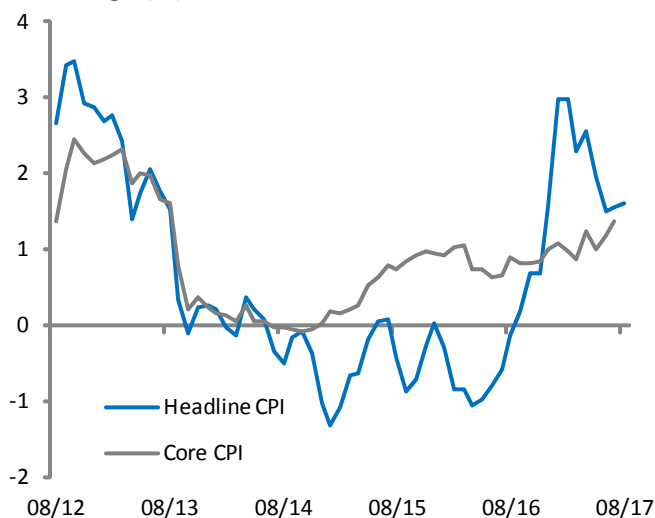
	May-17	Jun-17	Jul-17	Aug-17	
				Data	Forecast
Headline CPI (YoY)	1.9	1.5	1.5	1.6	1.9
	Average*	Average*	Aug-16	Aug-17	
	2004-2009	2010-2015		Data	Forecast
Headline CPI (QoQ)	0.2	0.2	0.1	0.2	0.5

Note: *August average.

Source: CaixaBank Research, based on INE data.

CPI evolution

YoY change (%)



Source: CaixaBank Research, based on INE data.

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