

Quick Note 14/12/2017

## Spain · Core inflation eases 1 tenth in November

### Data

- CPI showed a YoY change of **1.7% in November** (1.6% in October).
- **Core inflation** stood at **0.8%** (0.9% in October).

### Assessment

- Inflation was up in November to 1.7%, 1 tenth higher than the October figure and the preliminary number published by the National Statistics Institute on 29 November. The **transport** group was the main driver of the inflation uptick during November, due to fuel prices accelerating 7.1% in YoY terms. On the other hand, general inflation eased somewhat for the **clothing and footwear** group, and, to a lesser degree, **hotels, cafés and restaurants**.
- **Core inflation** (the general index excluding non-prepared foods and energy products) **stood at 0.8%**, 1 tenth less than in October.
- In December and January general inflation is set to ease slightly against current figures, due chiefly to the underlying electricity price effect.
- In the light of this figure, **the risks for the full-year 2017 inflation forecast (2.0%) look balanced**.

#### CPI components (November-17) YoY

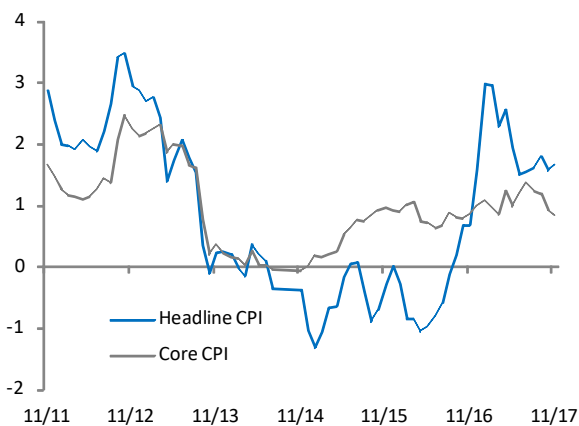
Year-on-Year change (%)

	Weight	CaixaBank Research forecast	Real data	Prediction error	Cont d
<b>Headline CPI</b>	<b>100</b>	<b>1.6</b>	<b>1.7</b>	<b>0,1</b>	
Energy	11	5.5	5.9	0.4	
Unprocessed food	8	5.4	4.3	-1.1	
<b>Core CPI</b>	<b>81</b>	<b>0.9</b>	<b>0.8</b>	<b>0.0</b>	
Services	41	1.5	1.5	0.0	
Industrial goods	25	-0.2	-0.3	-0.1	
Processed food	15	1.2	1.2	0.0	

Source: CaixaBank Research, based on INE data.

### CPI evolution

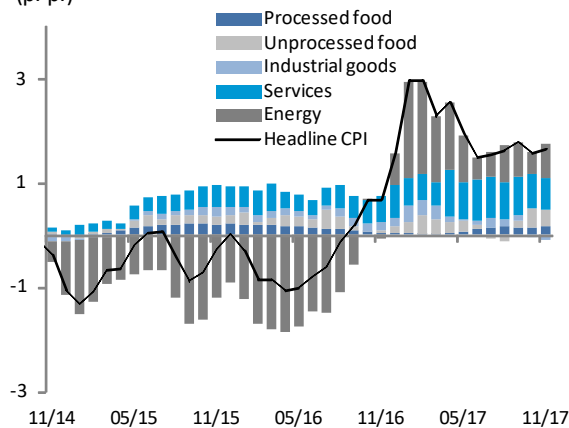
YoY change (%)



Source: CaixaBank Research, based on INE data.

### Contribution to inflation by component

(p. p.)



Note: \* YoY change.

Source: CaixaBank Research, based on INE data.

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