

Quick Note 27/02/2018

Spain · Inflation climbs due to electricity prices

Data

- **CPI showed a YoY change of 1.1% in February** (0.6% in January).
- The MoM change was 0.1% (-0.4% in February 2017).

Assessment

- Inflation was up by 5 tenths in February to 1.1%, a slightly sharper increase than anticipated by CaixaBank Research.
- Although the breakdown by components is not yet available, this acceleration in the pace of price growth was due to rising electricity prices, compared to a sharp decline seen a year ago.
- Inflation is set to climb moderately over the coming months, driven by rising oil prices.
- In the light of this figure, **the risks for the full-year 2018 inflation forecast of 1.5% look to be slightly on the upside.**

Flash CPI estimate for Feb-18

(%)

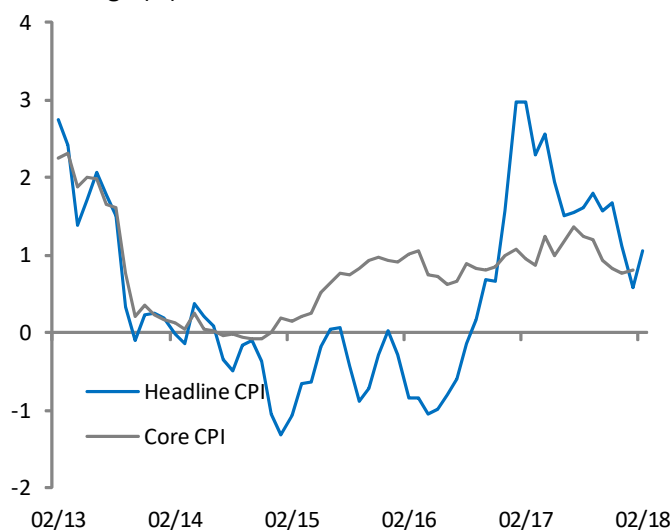
	Nov-17	Dec-17	Jan-18	Feb-18	
				Data	Forecast
Headline CPI (YoY)	1.7	1.1	0.6	1.1	1.0
	Average*	Average*	Feb-17	Feb-18	
	2004-2009	2010-2015		Data	Forecast
Headline CPI (QoQ)	0.1	0.1	-0.4	0.1	0.0

*Nota: *February average.*

Source: CaixaBank Research, based on INE data.

CPI evolution

YoY change (%)



Source: CaixaBank Research, based on National Statistics Institute data

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