

Quick Note 27/03/2018

Spain • Inflation climbs less than anticipated

Data

- **CPI showed a YoY change of 1.2% in March** (1.1% in February).
- The MoM change was 0.1% (0.0% in March 2017).

Assessment

- Inflation was up 1 tenth in March to 1.2%, a smaller increase than anticipated by CaixaBank Research.
- Although the breakdown by components has not yet been released, the slight uptick in prices should largely be due to the Easter Week calendar effect. This year Easter falls entirely in March, while last year it came in April.
- Inflation is set to ease in April due to said Easter Week effect. As of May there should be a moderate increase driven by oil prices and a gradual recovery from core inflation.
- In the light of this figure, the **risks for the full-year 2018 inflation forecast of 1.5% look to be slightly on the downside.**

Flash CPI estimate for Mar-18

(%)

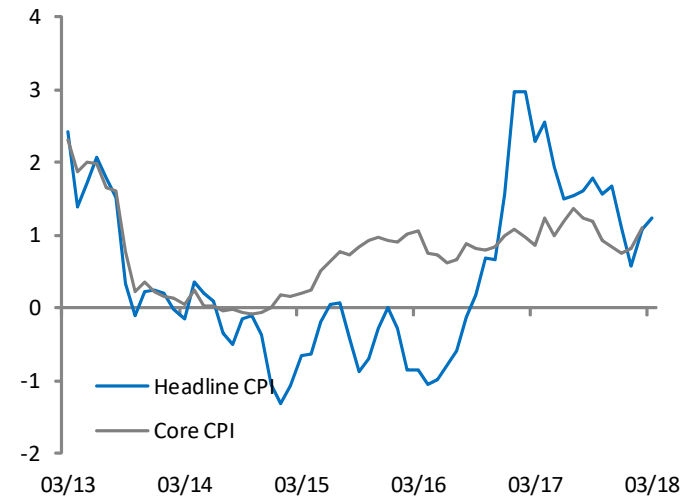
	Dec-17	Jan-18	Feb-18	Mar-18	
				Data	Forecast
Headline CPI (YoY)	1.1	0.6	1.1	1.2	1.5
	Average*	Average*	Mar-17	Mar-18	
	2004-2009	2010-2015		Data	Forecast
Headline CPI (QoQ)	0.7	0.6	0.0	0.1	0.4

*Nota: *March average.*

Source: CaixaBank Research, based on INE data.

CPI evolution

YoY change (%)



Source: CaixaBank Research, based on INE data.

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