

Quick Note 27/04/2018

Spain · Inflation eases due to the Easter Week effect

Data

- **CPI showed a YoY change of 1.1% in April** (1.2% in March).
- The MoM change was 0.8% (1.0% in April 2017).

Assessment

- Inflation was down 1 tenth in April to 1.1%, in line with figures anticipated by CaixaBank Research.
- Although the breakdown by components has not yet been released, the easing in inflation should largely be due to the Easter Week calendar effect. This year Easter fell in March, while last year it came in April. Thus, there was a sharp dip in tour package prices compared to an increase in April 2017.
- Inflation will be up in May due to rising oil prices and a slight recovery from core inflation.
- In the light of this data **the risks in terms of our full-year 2018 inflation forecast of 1.6% look balanced.**

Flash CPI estimate for Apr-18

(%)

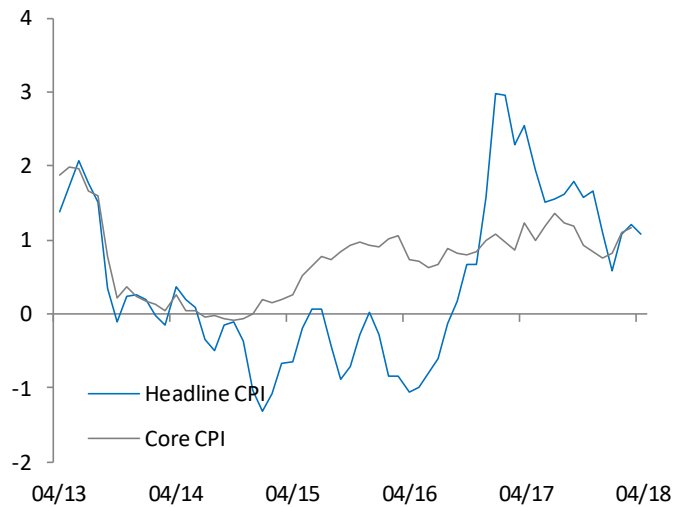
	Jan-18	Feb-18	Mar-18	Apr-18	
				Data	Forecast
Headline CPI (YoY)	0.6	1.1	1.2	1.1	1.1
	Average*	Average*	Apr-17	Apr-18	
	2004-2009	2010-2015		Data	Forecast
Headline CPI (QoQ)	1.3	1.0	1.0	0.8	0.9

*Nota: *April average.*

Source: CaixaBank Research, based on INE data.

CPI performance

YoY change (%)



Source: CaixaBank Research, based on National Statistics Institute data

Jordi Singla, Economist, CaixaBank Research, e-mail: research@caixabank.com

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