

Quick Note 30/05/2018

Spain · Inflation climbs due to rising energy prices

Data

- **CPI showed a YoY change of 2.0% in May** (1.1% in April).
- The MoM fluctuation was -0.9% (-0.1% in May 2017).

Assessment

- Inflation was up 9 tenths in May to 2.0%, slightly higher than the CaixaBank Research forecast.
- While the breakdown of components is not yet available, this uptick in inflation was likely driven by rising fuel prices in May, compared to a MoM decline last year, as well as climbing electricity prices.
- Over the coming months inflation is set to be further driven up due to fuel prices.
- In the light of this figure, **the risks for the full-year 2018 inflation forecast of 1.6% look to be slightly on the upside.**

Flash CPI estimate for May-18

(%)

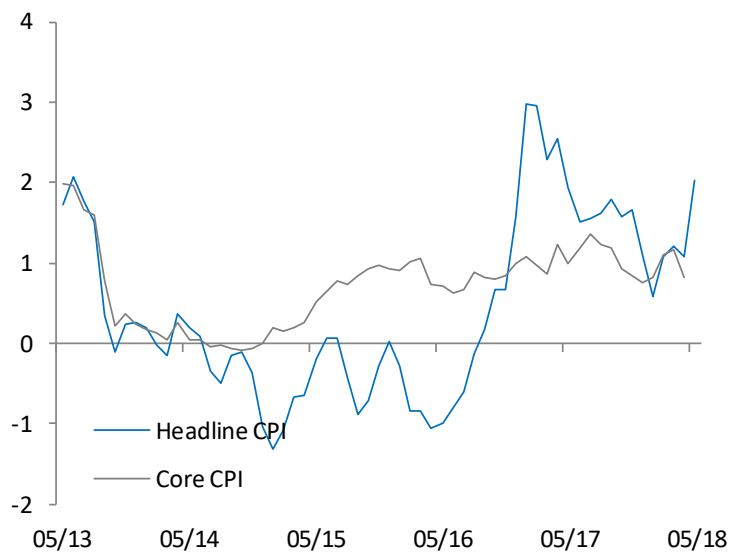
	Feb-18	Mar-18	Apr-18	May-18	
				Data	Forecast
Headline CPI (YoY)	1.1	1.2	1.1	2.0	1.7
	Average*	Average*	May-17	May-18	
	2004-2009	2010-2015		Data	Forecast
Headline CPI (QoQ)	0.3	0.1	-0.1	0.9	0.6

Note: *May 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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