

Flash Note 30/10/2018

Spain · Inflation holds at 2.3%

Data

- **CPI showed a YoY change of 2.3% in October** (2.3% in September).
- The MoM change was 0.9% (0.9% in October 2017).

Assessment

- Inflation was unchanged at 2.3%, slightly higher than forecast by CaixaBank Research.
- While no breakdown by components is yet available, there was a standout change in prices of non-core components. Specifically, the National Statistics Institute pointed to a month-on-month decline in electricity prices, compared to an increase in October 2017, although this was offset by rising gas prices.
- Over the coming months inflation is set to be further driven up due to fuel prices.
- In the light of this data **the risks in terms of our full-year 2018 inflation forecast of 1.7% look balanced.**

Flash CPI estimate for Oct-18

(%)

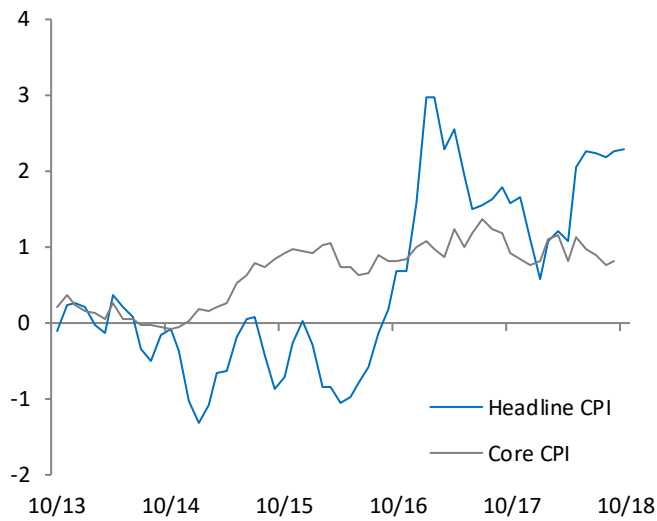
	Jul-18	Aug-18	Sep-18	Oct-18	
				Data	Forecast
Headline CPI (YoY)	2.2	2.2	2.3	2.3	2.0
	Average*	Average*	Oct-17	Oct-18	
	2004-2009	2010-2015		Data	Forecast
Headline CPI (QoQ)	0.8	0.7	0.9	0.9	0.7

Note: *October average.

Source: CaixaBank Research, based on INE data.

CPI evolution

YoY change (%)



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