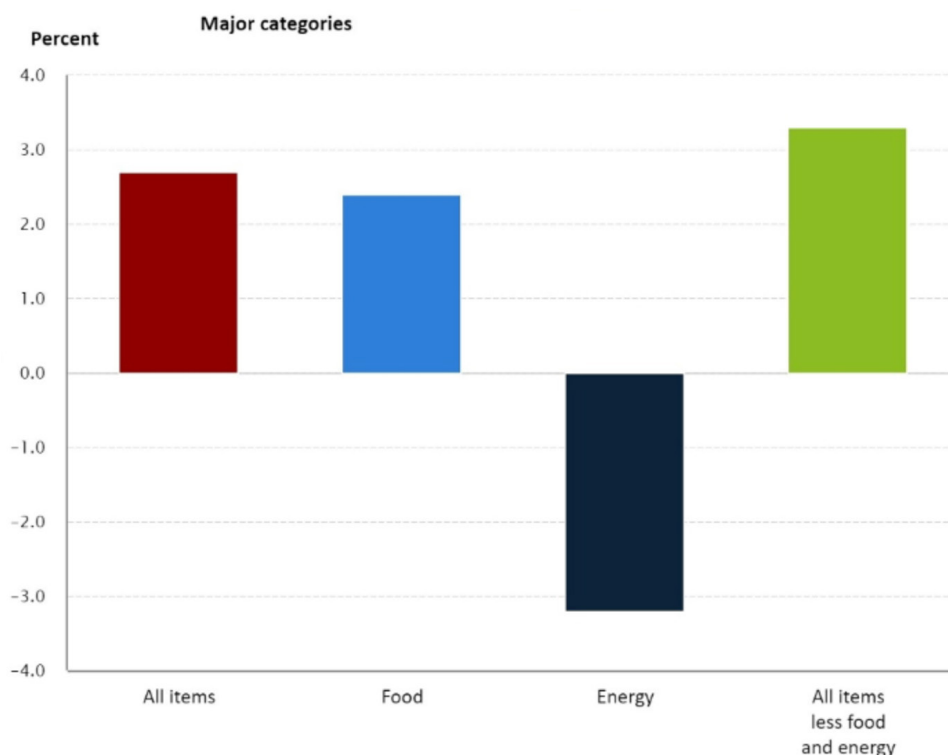


## CONSUMER PRICE INDEX UPDATE

DECEMBER 11, 2024

The Consumer Price Index (CPI), which measures changes in prices paid by consumers for goods and services, was released earlier today for the month of November and showed an increase of 0.3% m/m and +2.7% y/y. Compared to October that showed a m/m increase of 0.2% and a y/y change of +2.6%. The biggest takeaway from this release is from one of the largest components, Shelter, which appears to be at an inflection point as it posted the slowest y/y increase since February 2022.

12-month percentage change, Consumer Price Index, select categories, not seasonally adjusted



[CPI Home: U.S. Bureau of Labor Statistics \(bls.gov\)](#)

The table below shows m/m percentage changes in CPI indexes which include Core CPI, Food and Energy (Core CPI excludes Food and Energy).

	Percentage month over month change			12 month change
	Sep	Oct	Nov	Nov 2024
All Items	0.20%	0.20%	0.30%	2.70%
Food	0.40%	0.20%	0.40%	2.40%
Energy	-1.90%	0.00%	0.20%	-3.20%
All Items ex-Food and Energy	0.30%	0.30%	0.30%	4.60%

[Source: Consumer Price Index Summary \(bls.gov\)](#)

## CONSUMER PRICE INDEX UPDATE

DECEMBER 11, 2024

One of the two major focuses of the Federal Open Market Committee (FOMC) is price stability, which is still running above the target range of 2%. Per the Federal Reserve's November 7th news release, members reemphasized their commitment to using the tools at their disposal to try and return inflation to the target. The FOMC's next decision regarding fed fund rates will be announced on December, 17-18, 2024. The CPI summary for December is scheduled to be released on January 15, 2024.

While the headline CPI showed a y/y increase, we believe that the underlying constituents paint a clearer path forward for inflation to continue moderating. Shelter, which accounts for 36.2% of CPI, posted its lowest y/y increase since February 2022. Current odds for a 25 bps cut at next week's FOMC meeting have jumped to 99%<sup>1</sup> after CPI was released earlier this morning. Next week we will get the updated Summary of Economic Projections from the FOMC members, which should provide more clarity around their outlook for 2025 and beyond.

<sup>1</sup>[Source: CME Group](#)

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**Additional information is available upon request. Please contact your Financial Consultant with any questions.**

11-13-2024