

US Consumer Prices Soared In June, Americans' Real Wages Fall For 15th Straight Month

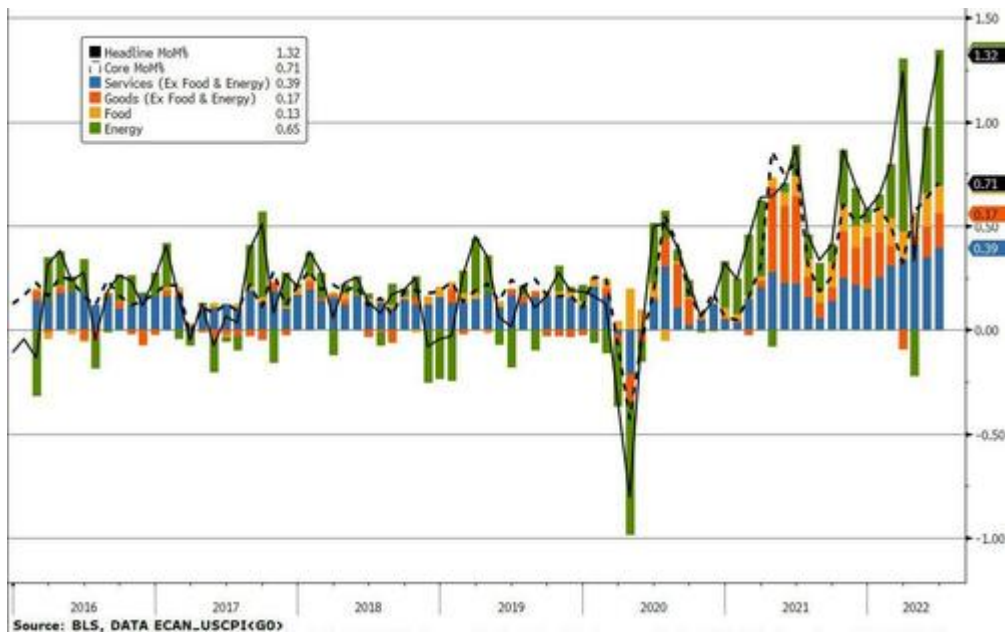
Description

USA: With The White House having desperately tried to front-run this morning's inflation print, analysts were expecting a jump higher led by food and energy costs. They were right in direction but it was way worse as the headline CPI soared 9.1% YoY (vs 8.8% exp and 8.6% prior)...



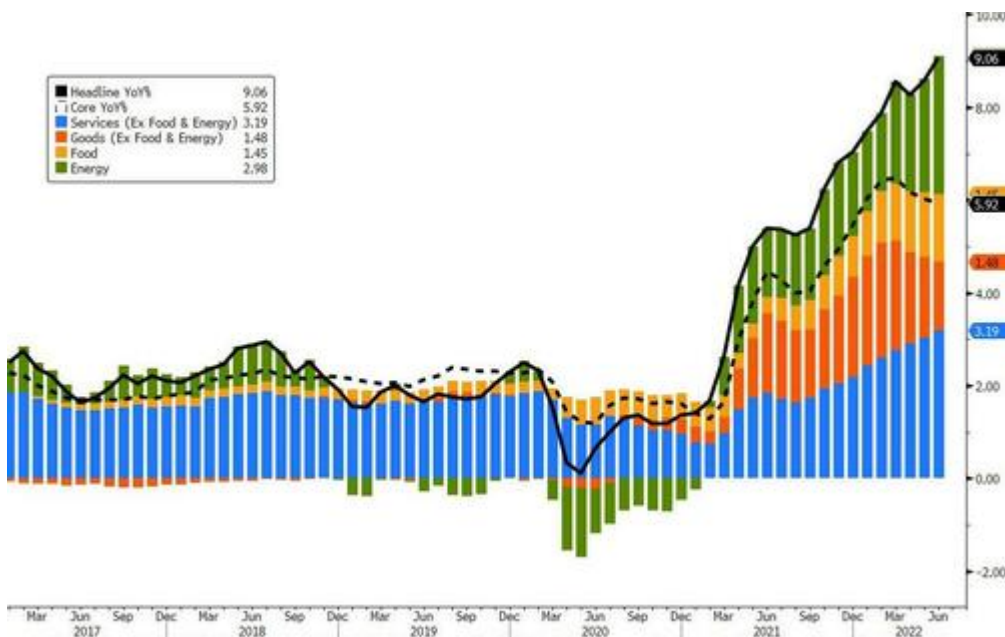
Source: Bloomberg

The 1.3% MoM rise is the hottest since 2005...



Source: Bloomberg

...and the 9.1% YoY is the hottest since 1981.



Source: Bloomberg

Goods inflation is slowing but services costs are soaring at their fastest since 1991...



Source: Bloomberg

Under the hood, **energy costs dominated** the rise, but the rent index rose 0.8 percent over the month, **the largest monthly increase since April 1986.**

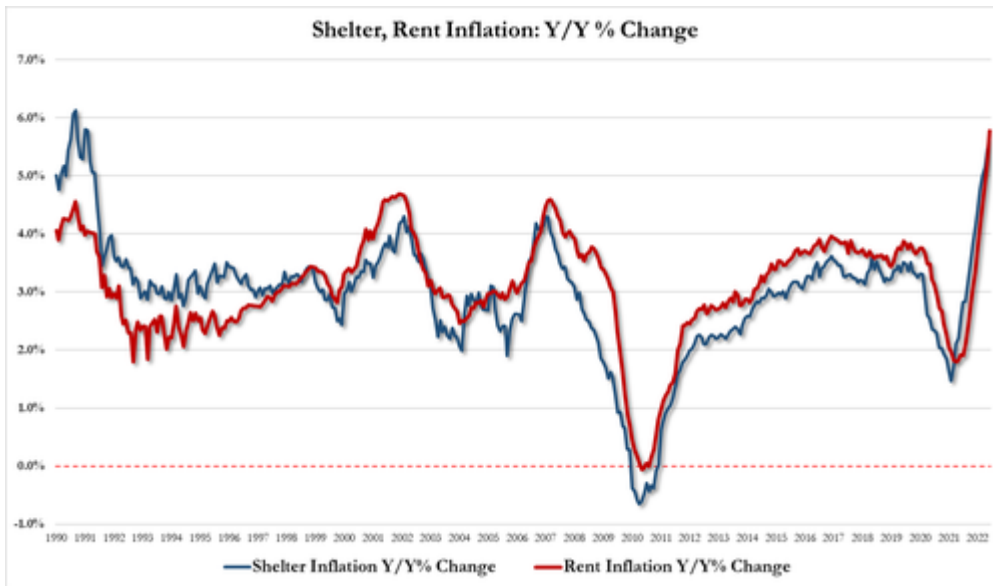
The **motor vehicle maintenance** and repair index increased 2.0 percent in June, its **largest increase since September 1974.**

The index for **dental services** increased 1.9 percent in June, the **largest monthly change ever recorded for that series, which dates to 1995.**

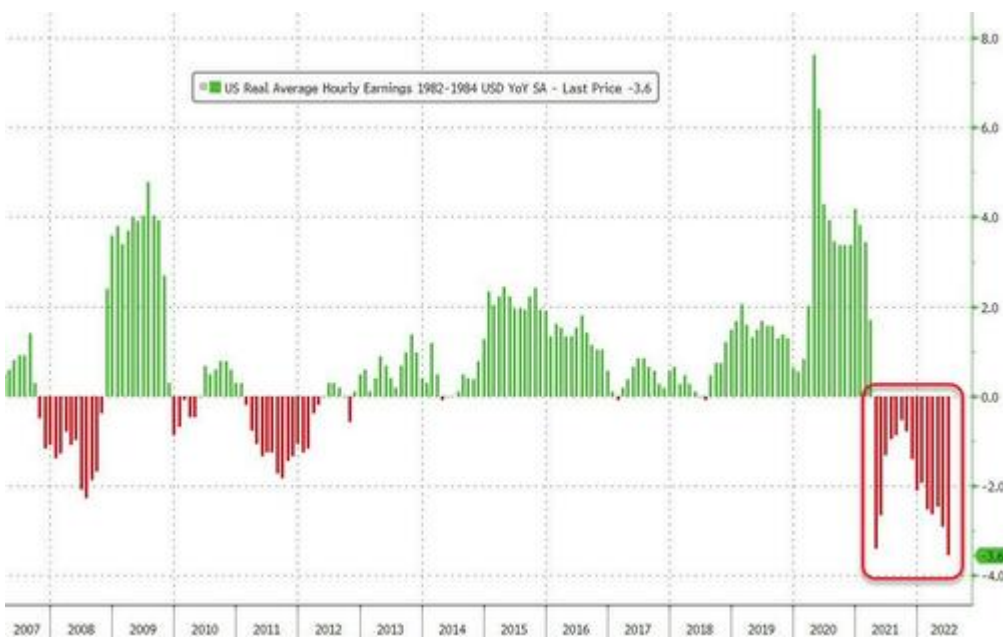
Table A. Percent changes in CPI for All Urban Consumers (CPI-U): U.S. city average

	Seasonally adjusted changes from preceding month							Un-adjusted 12-mos. ended Jun. 2022
	Dec. 2021	Jan. 2022	Feb. 2022	Mar. 2022	Apr. 2022	May 2022	Jun. 2022	
All items.....	0.6	0.6	0.8	1.2	0.3	1.0	1.3	9.1
Food.....	0.5	0.9	1.0	1.0	0.9	1.2	1.0	10.4
Food at home.....	0.4	1.0	1.4	1.5	1.0	1.4	1.0	12.2
Food away from home ¹	0.6	0.7	0.4	0.3	0.6	0.7	0.9	7.7
Energy.....	0.9	0.9	3.5	11.0	-2.7	3.9	7.5	41.6
Energy commodities.....	1.3	-0.6	6.7	18.1	-5.4	4.5	10.4	60.6
Gasoline (all types).....	1.3	-0.8	6.6	18.3	-6.1	4.1	11.2	59.9
Fuel oil ¹	-2.4	9.5	7.7	22.3	2.7	16.9	-1.2	98.5
Energy services.....	0.3	2.9	-0.4	1.8	1.3	3.0	3.5	19.4
Electricity.....	0.5	4.2	-1.1	2.2	0.7	1.3	1.7	13.7
Utility (piped) gas service.....	-0.3	-0.5	1.5	0.6	3.1	8.0	8.2	38.4
All items less food and energy.....	0.6	0.6	0.5	0.3	0.6	0.6	0.7	5.9
Commodities less food and energy commodities.....	1.2	1.0	0.4	-0.4	0.2	0.7	0.8	7.2
New vehicles.....	1.2	0.0	0.3	0.2	1.1	1.0	0.7	11.4
Used cars and trucks.....	3.3	1.5	-0.2	-3.8	-0.4	1.8	1.6	7.1
Apparel.....	1.1	1.1	0.7	0.6	-0.8	0.7	0.8	5.2
Medical care commodities ²	0.0	0.9	0.3	0.2	0.1	0.3	0.4	3.2
Services less energy services.....	0.3	0.4	0.5	0.6	0.7	0.6	0.7	5.5
Shelter.....	0.4	0.3	0.5	0.5	0.5	0.6	0.6	5.6
Transportation services.....	0.0	1.0	1.4	2.0	3.1	1.3	2.1	8.8
Medical care services.....	0.3	0.6	0.1	0.6	0.5	0.4	0.7	4.8

Focusing on the roof over your head factor, **shelter inflation +5.61%, up from 5.61%, highest since 1992, and rent inflation +5.78%, up from 5.22%, highest since 1986**

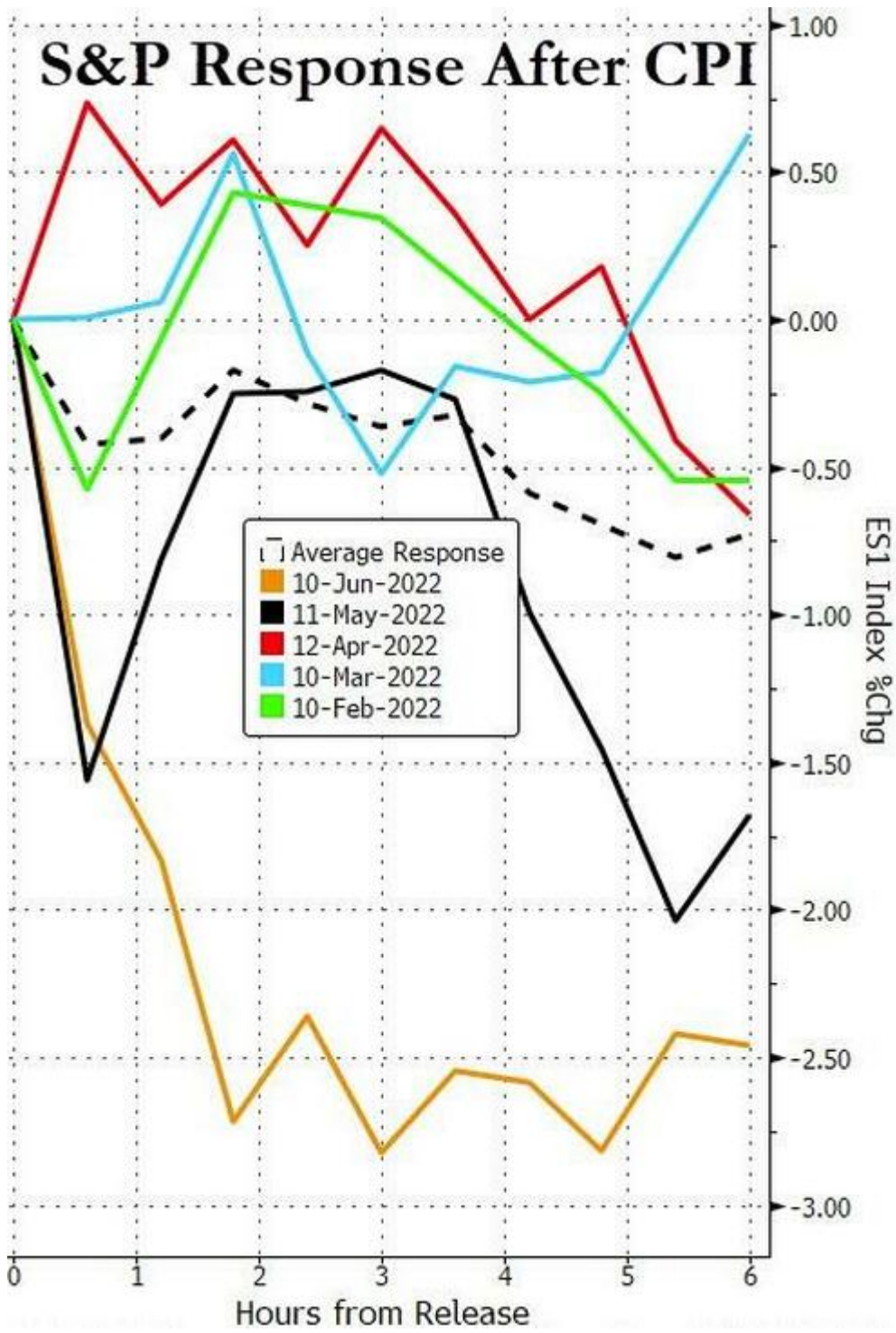


Real wages fell for the 15th month in a row... (Americans' purchasing power domestically fell by a record 3.6% YoY in June)

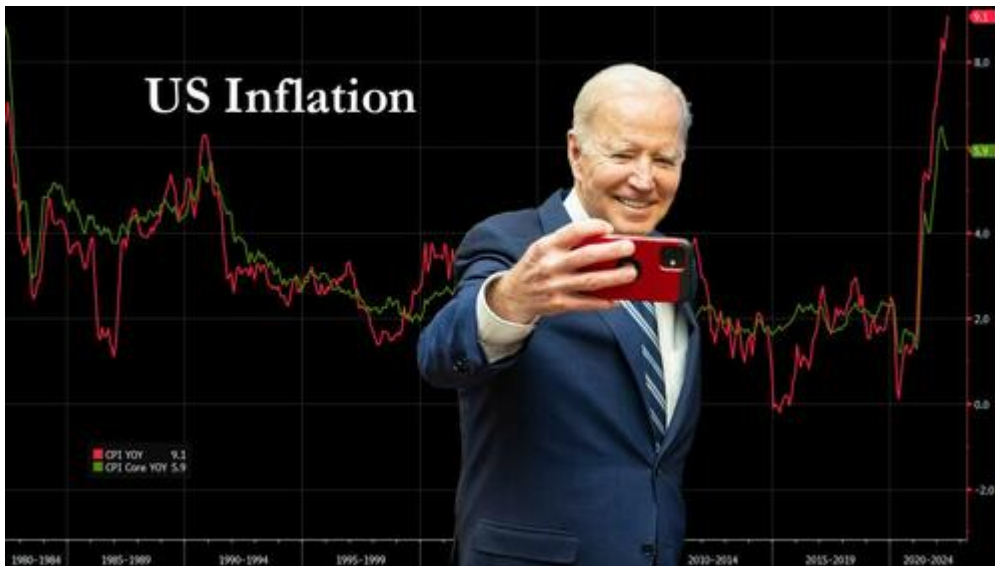


Developing...

Finally, the S&P has ended the day lower on 5 of the last 6 CPI days...



Trade accordingly.



by Tyler Durden

Category

1. Economy-Business-Fin/Invest
2. Main

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