

INFLATION

INFLATION TRACKER:

INFLATION CONTINUES TO RISE GLOBALLY, IN BOTH ADVANCED AND EMERGING ECONOMIES, AND REMAINS LARGELY DRIVEN BY ENERGY PRICES



BNP PARIBAS

The bank for a changing world

General dynamics of inflation:

Inflation continues to rise in the United States and the euro area, driven by energy prices, whilst temporary factors are causing it to fall slightly in the United Kingdom and Japan.

Inflation and survey data:

Indicators of price pressures continue to rise, with the increase being more pronounced on the input price side than on the output price side.

Inflation expectations (households, forecasters, markets):

Short-term inflation expectations continue to rise, whilst longer-term expectations remain stable.

Inflation-wage dynamics:

There are still no signs of a wage-price spiral taking hold.

Emerging economies:

The inflationary impact of the energy shock is spreading rapidly, though still moderately, across emerging economies.

Commodities:

Commodity prices remain high, but are stabilising.

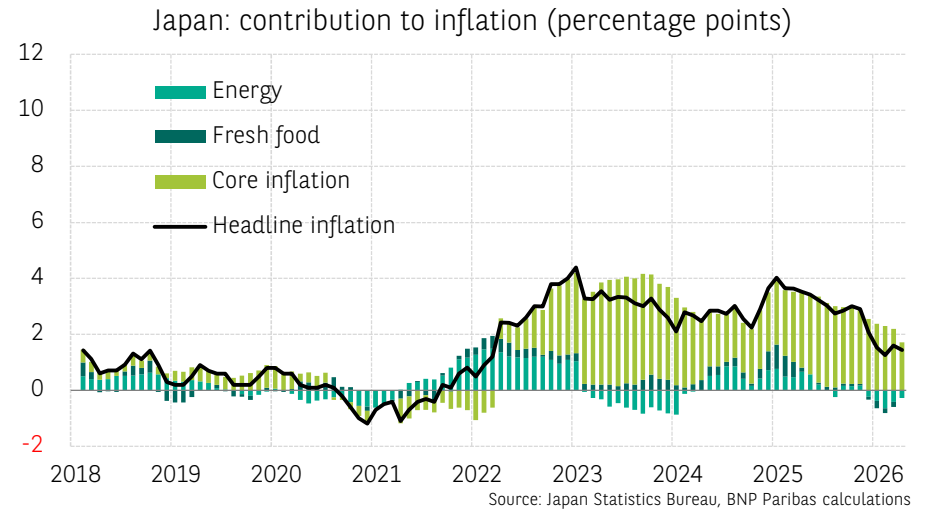
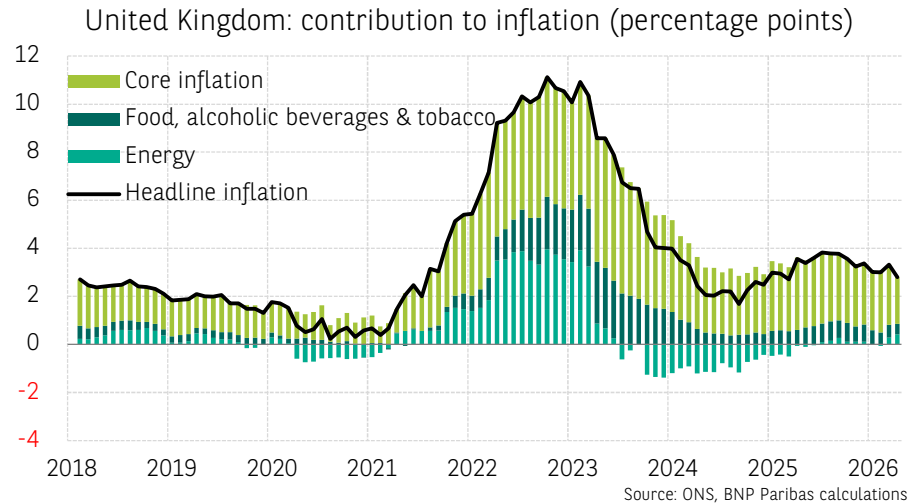
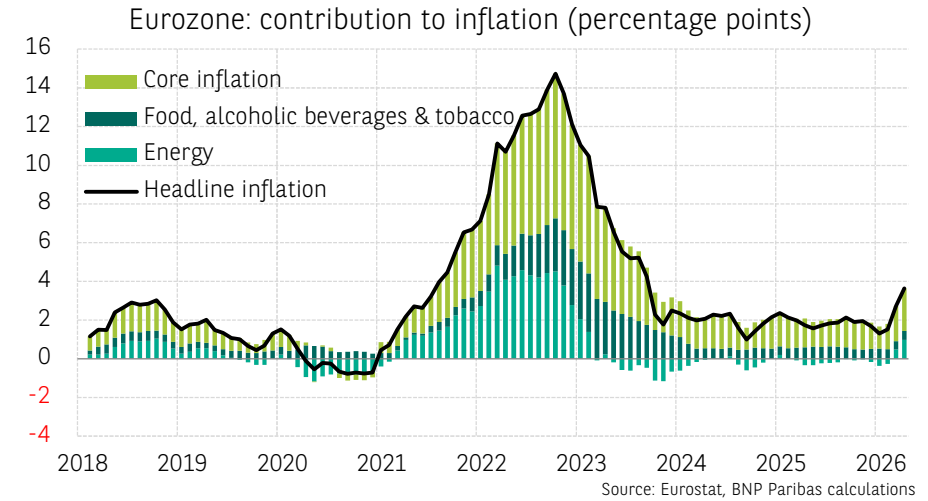
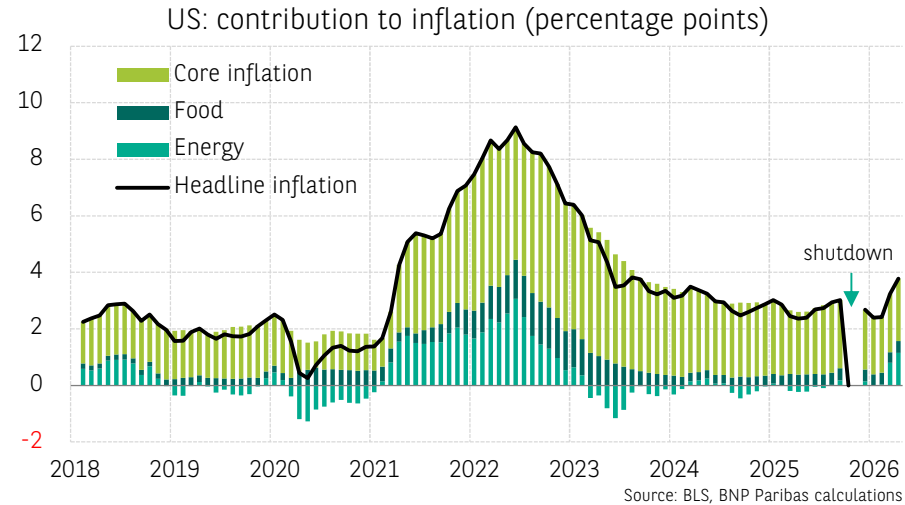


General dynamics of inflation:

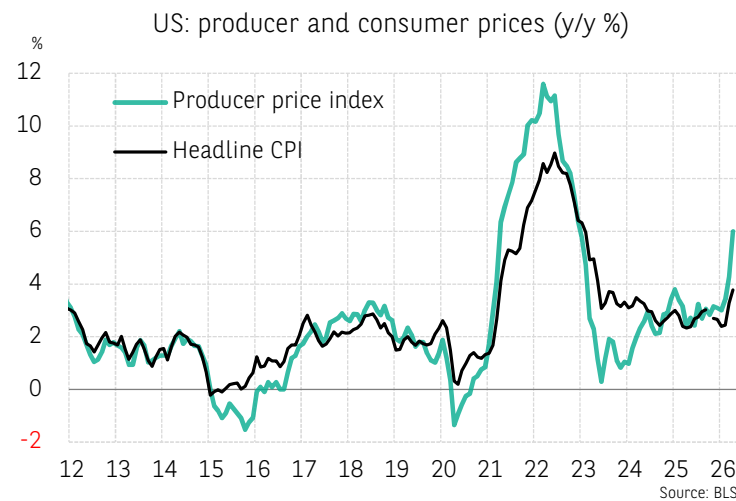
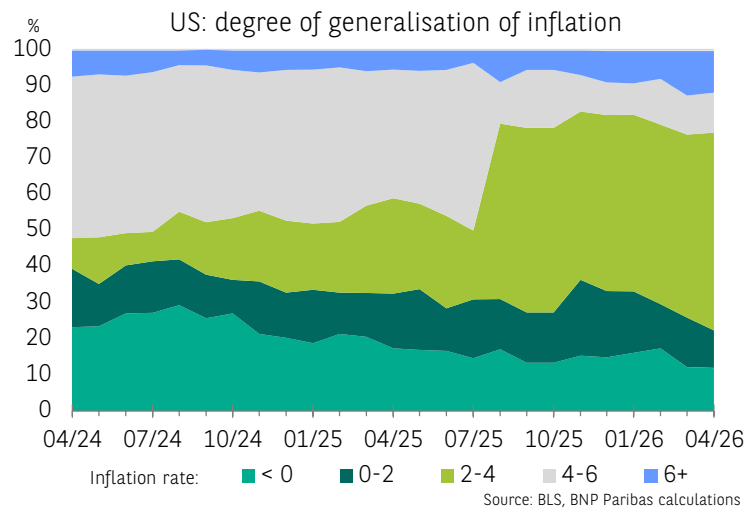
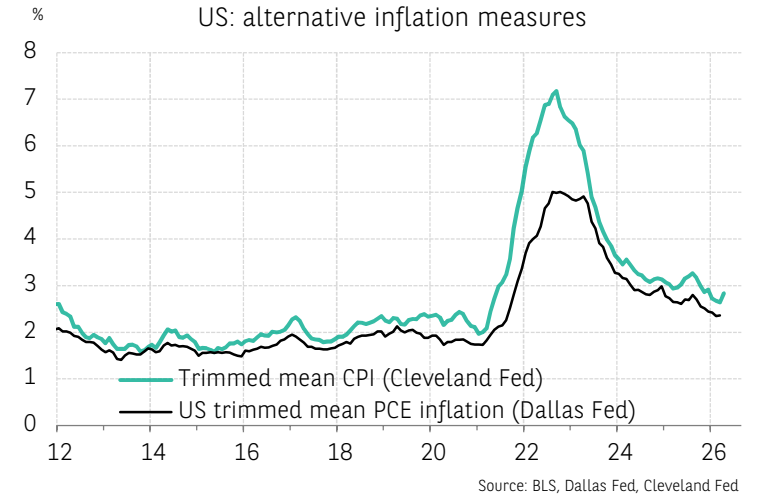
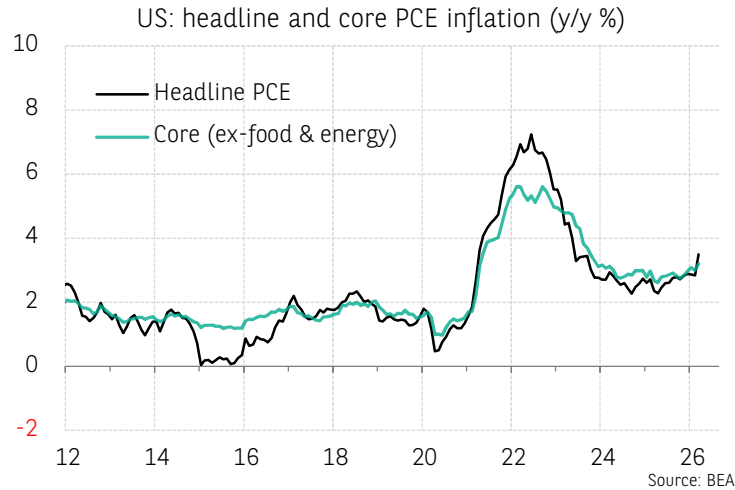
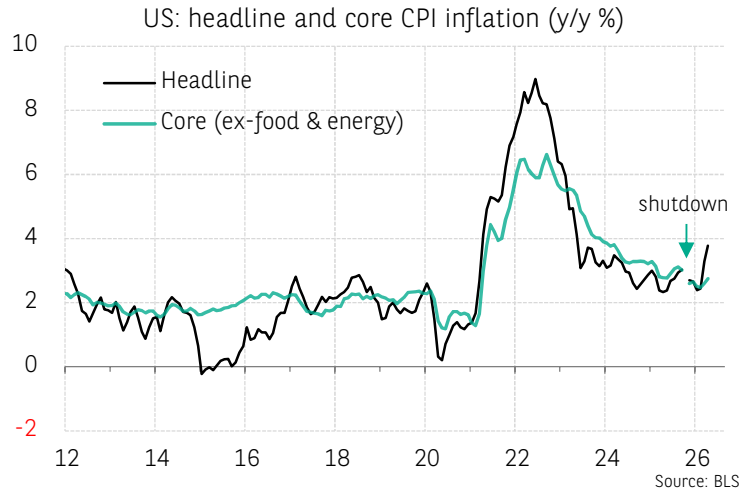
Inflation continues to rise in the United States and the euro area, driven by energy prices, whilst temporary factors are causing it to fall slightly in the United Kingdom and Japan.



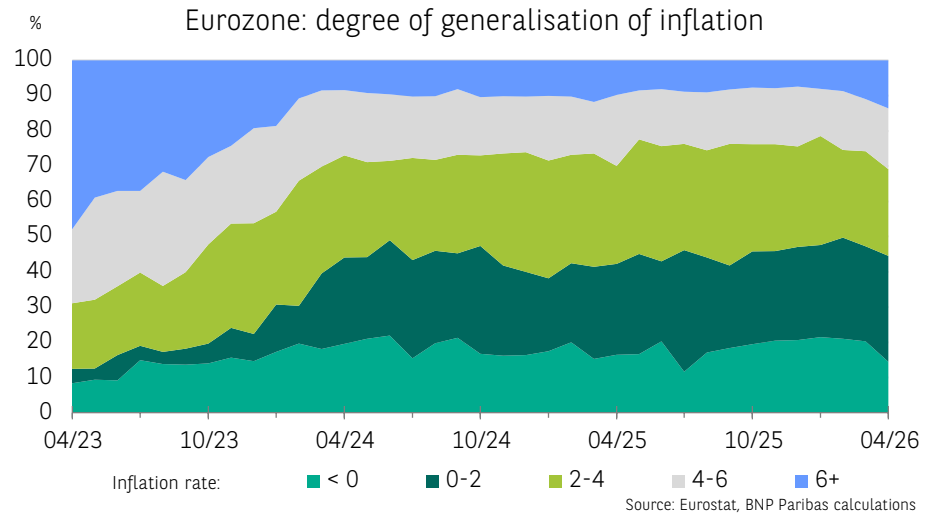
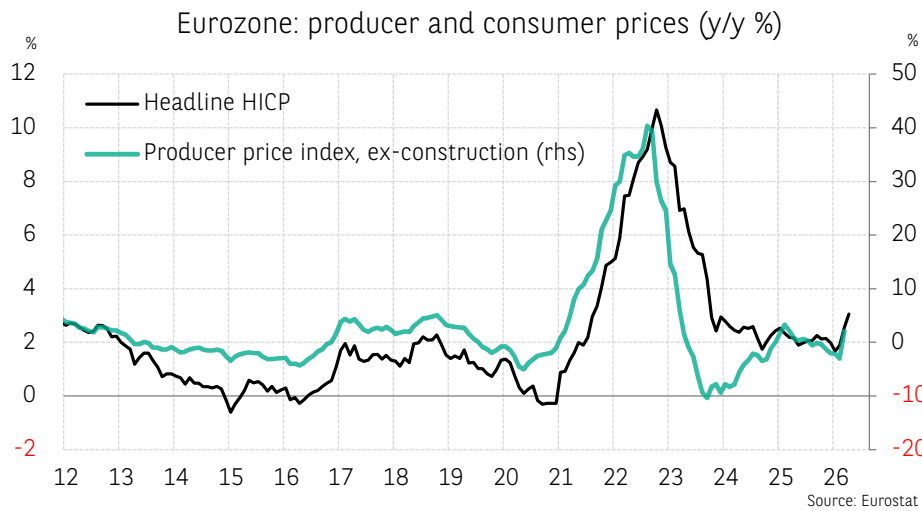
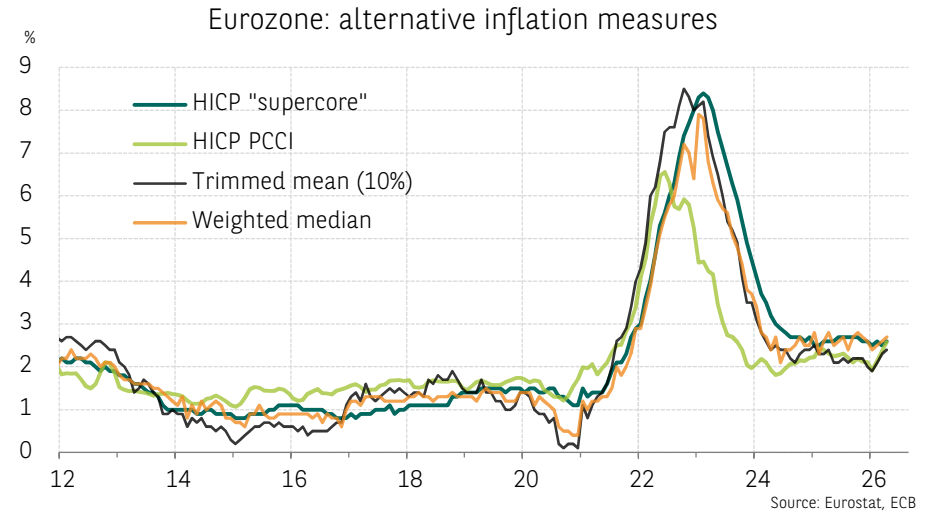
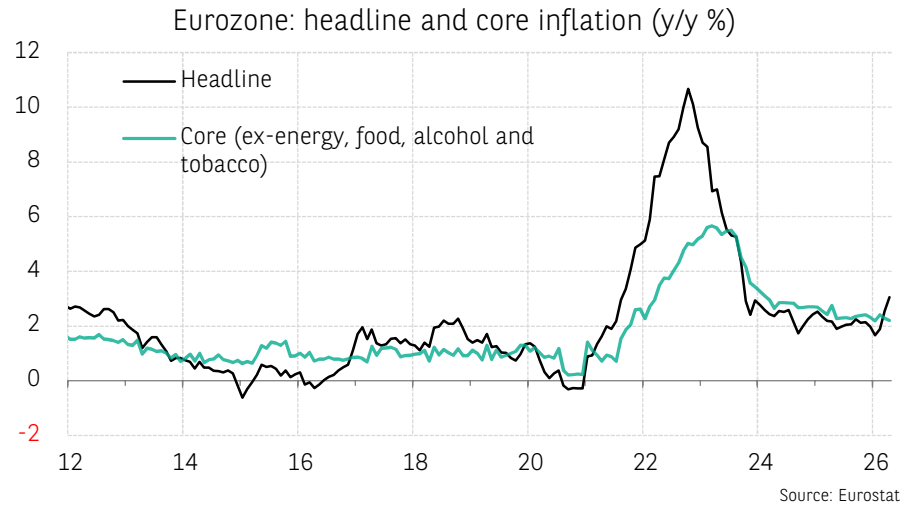
General dynamics of inflation: decomposition of inflation



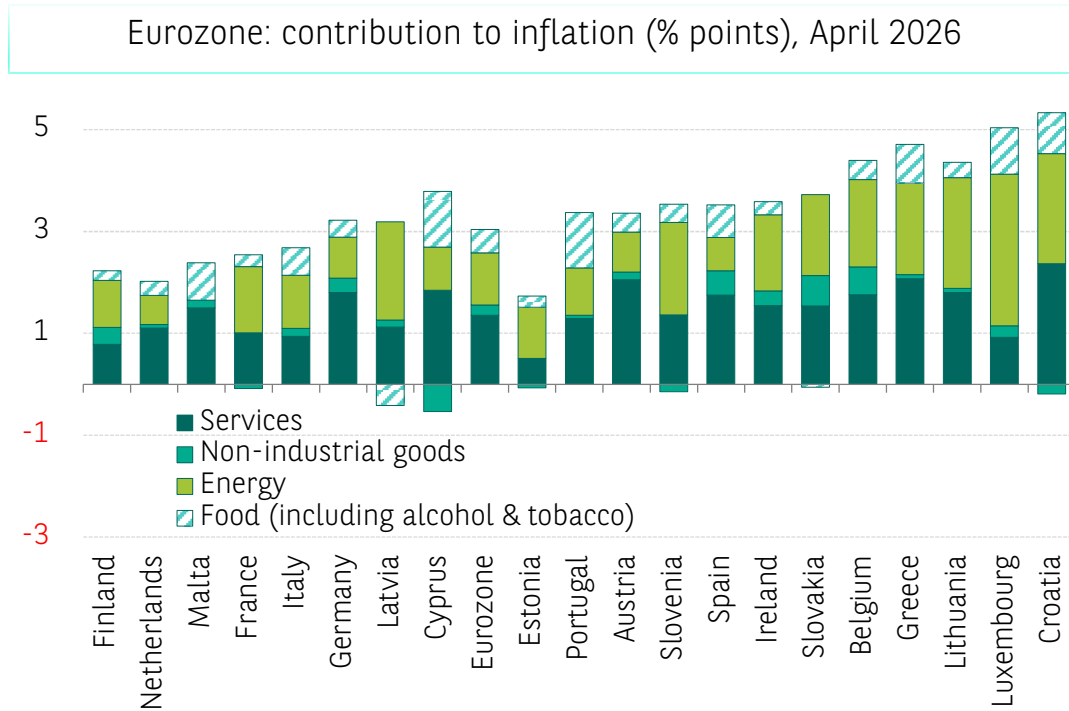
Inflation dynamics in the United States: different metrics and degree of generalisation



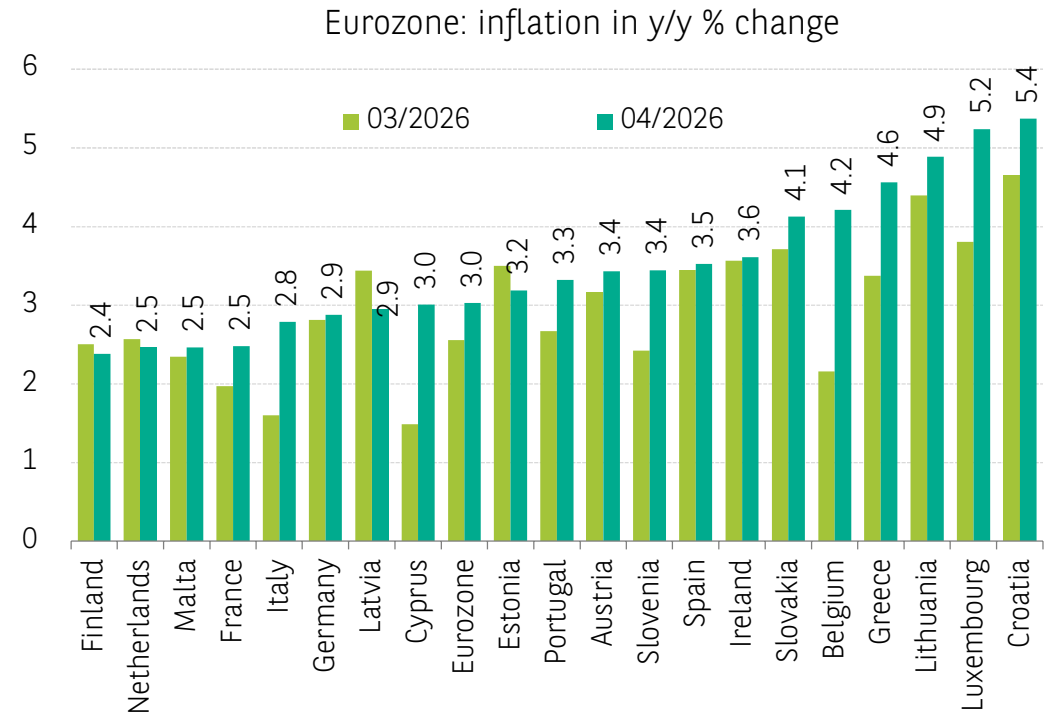
Inflation dynamics in the Eurozone: different metrics and degree of generalisation



Inflation dynamics in the Eurozone by country (1)



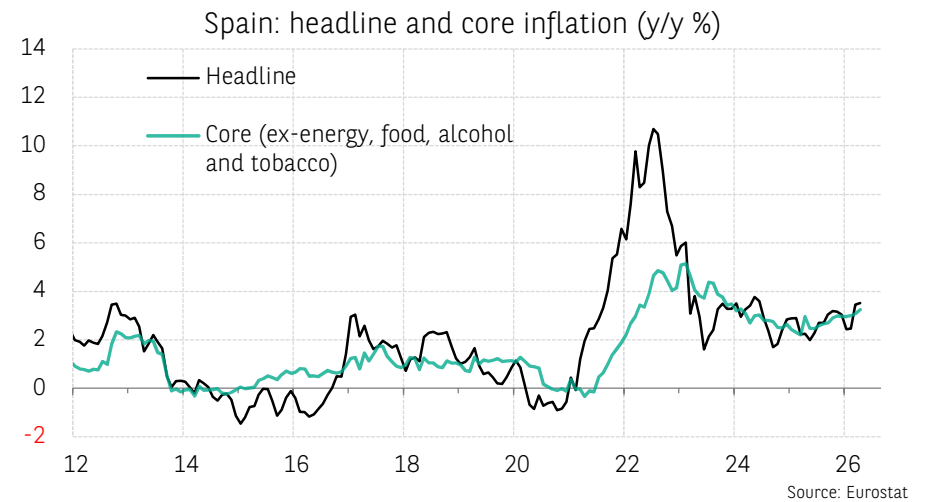
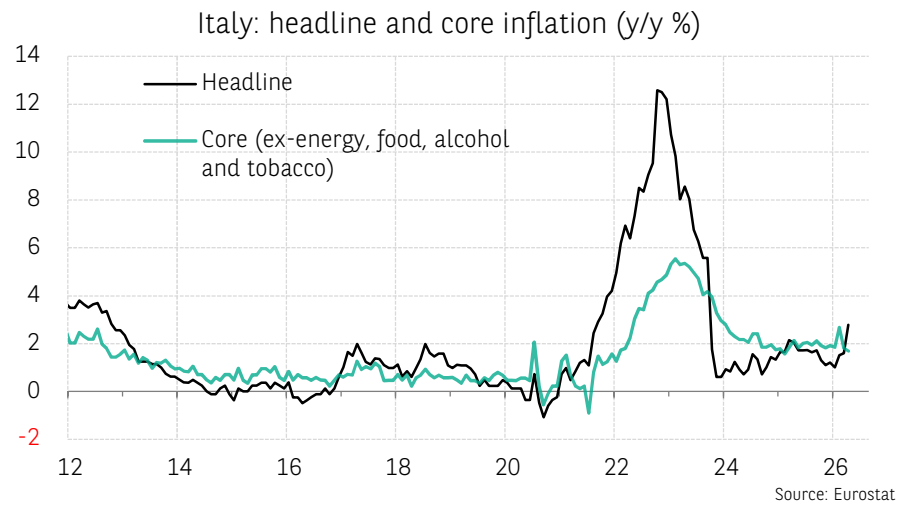
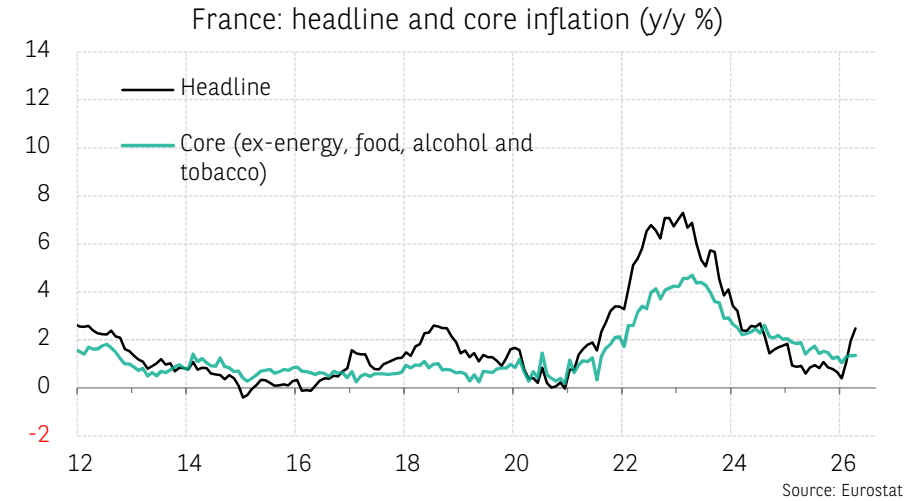
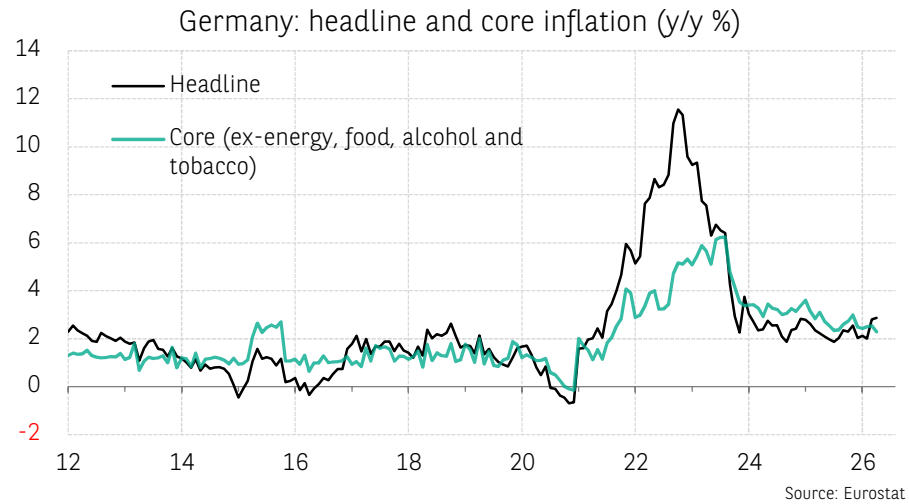
Source: Eurostat



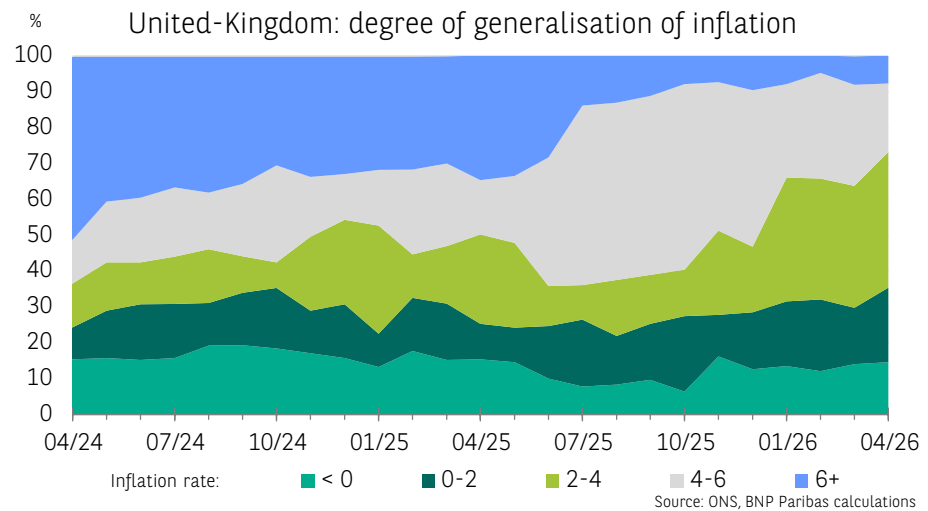
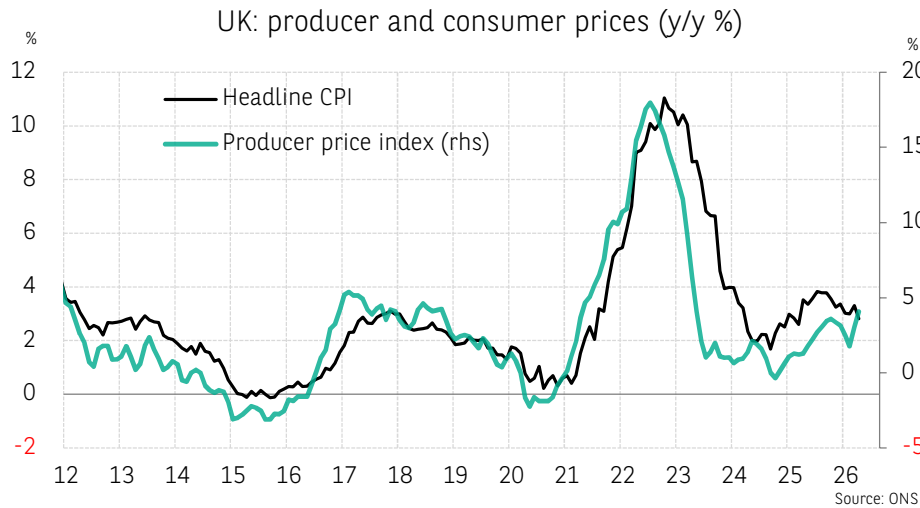
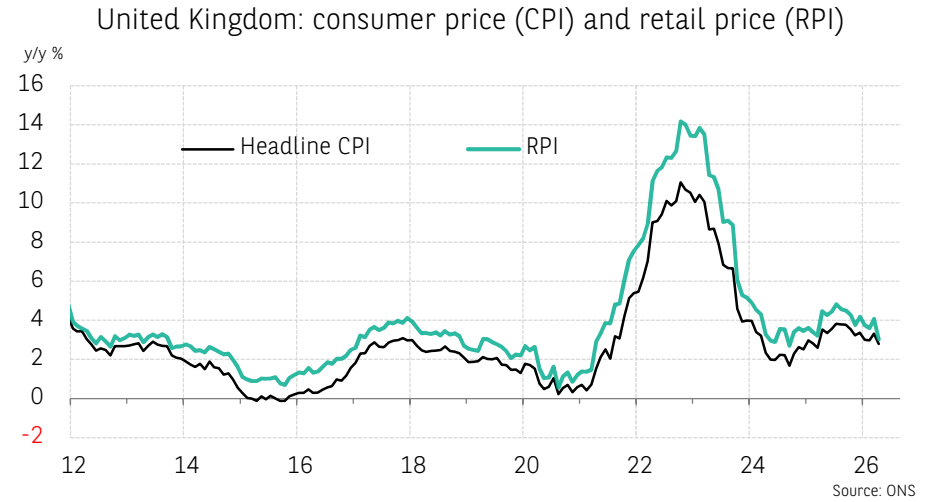
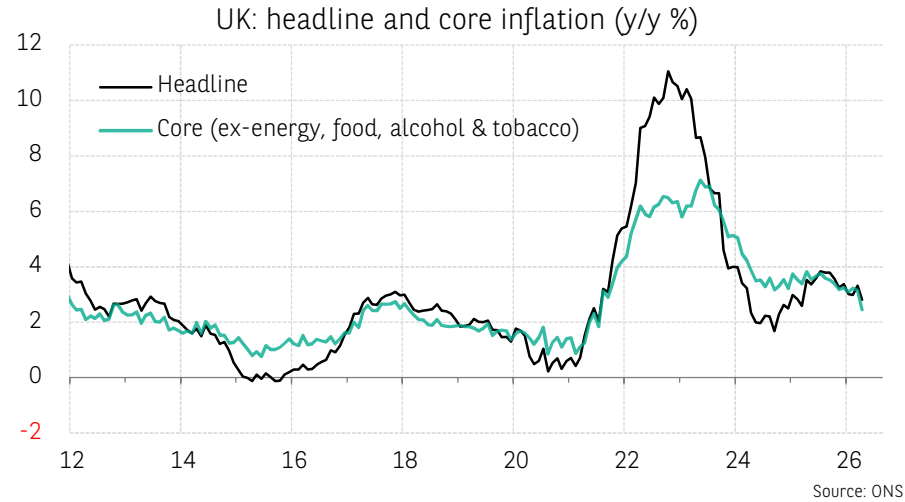
Source: Eurostat



Inflation dynamics in the Eurozone by country (2)

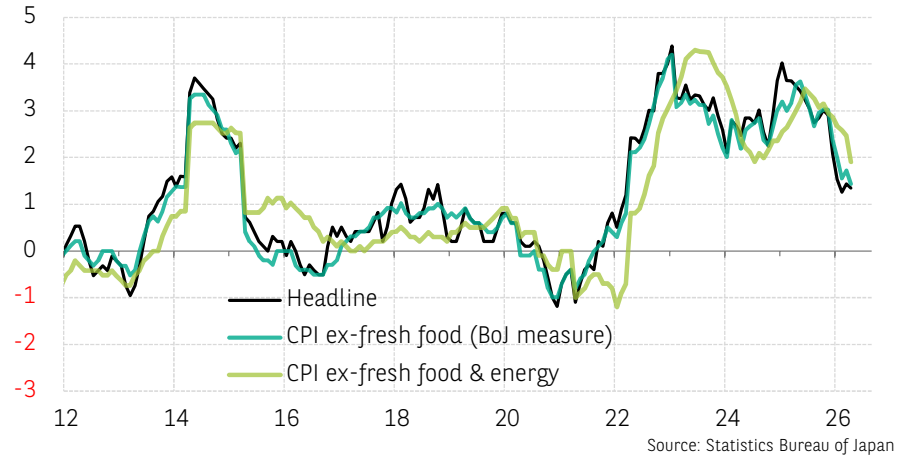


Inflation dynamics in the United Kingdom: different metrics and degree of generalisation

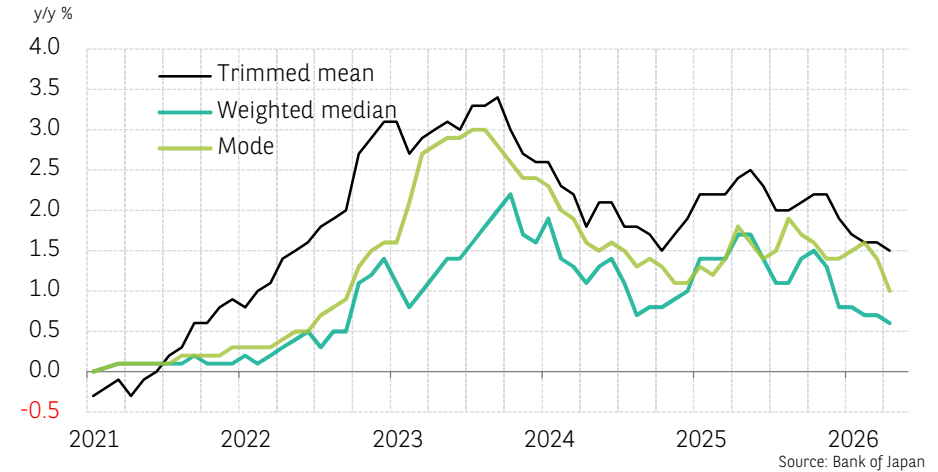


Inflation dynamics in Japan: different metrics and degree of generalisation

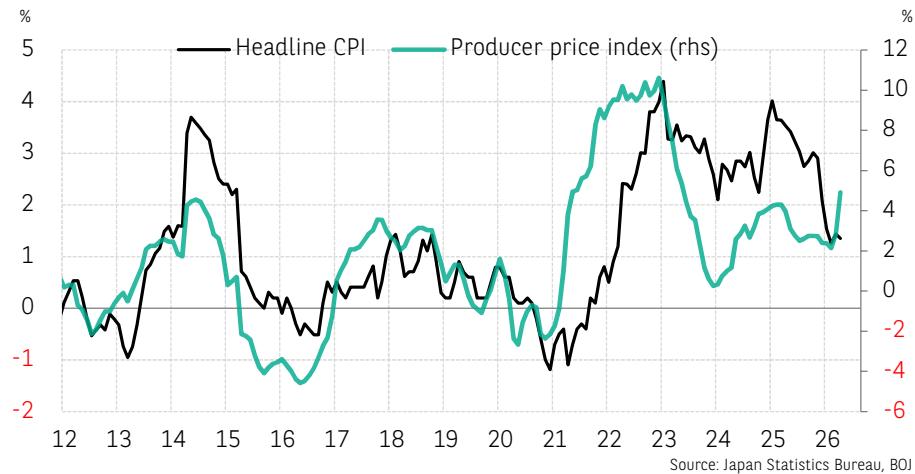
Japan: headline and core inflation (y/y %)



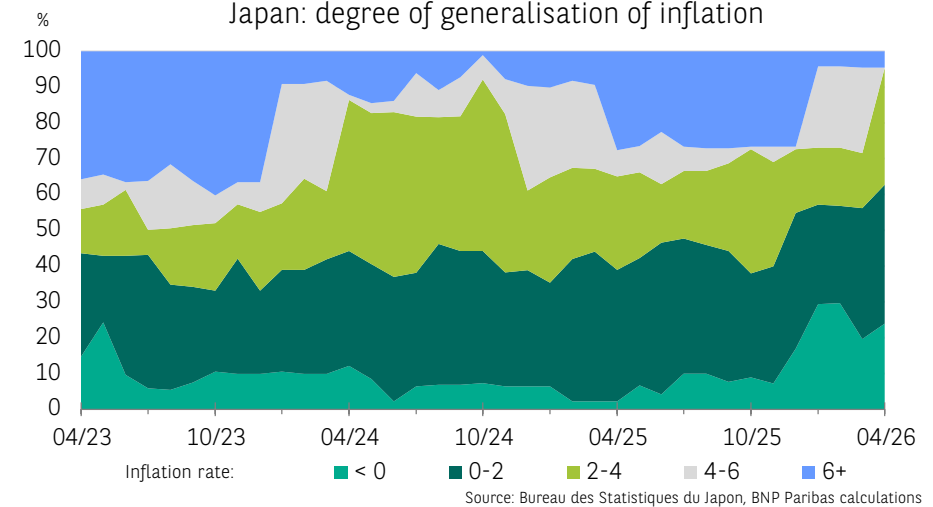
Japan: alternative inflation measures



Japan: producer and consumer prices (y/y %)



Japan: degree of generalisation of inflation

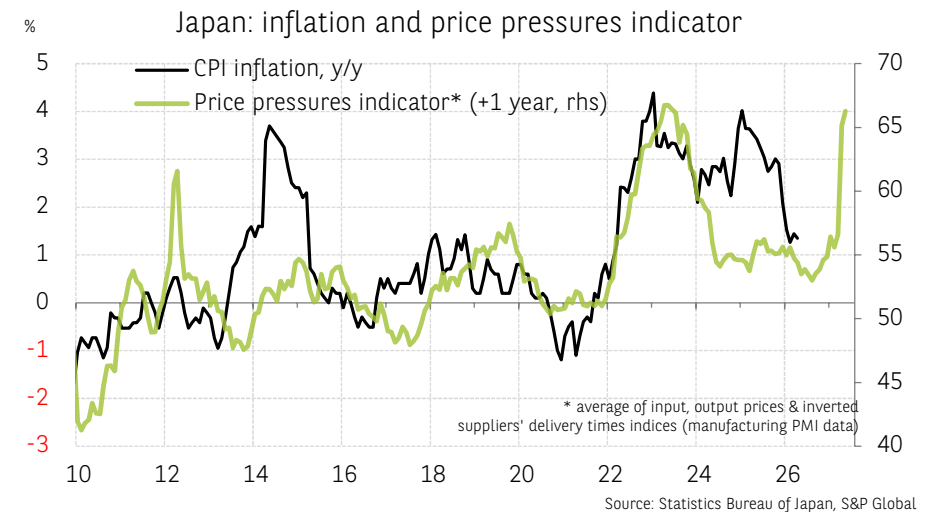
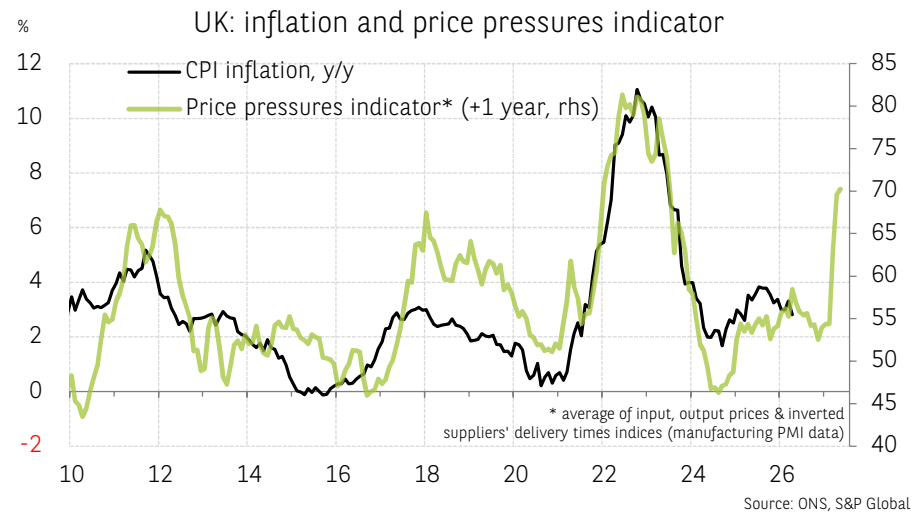
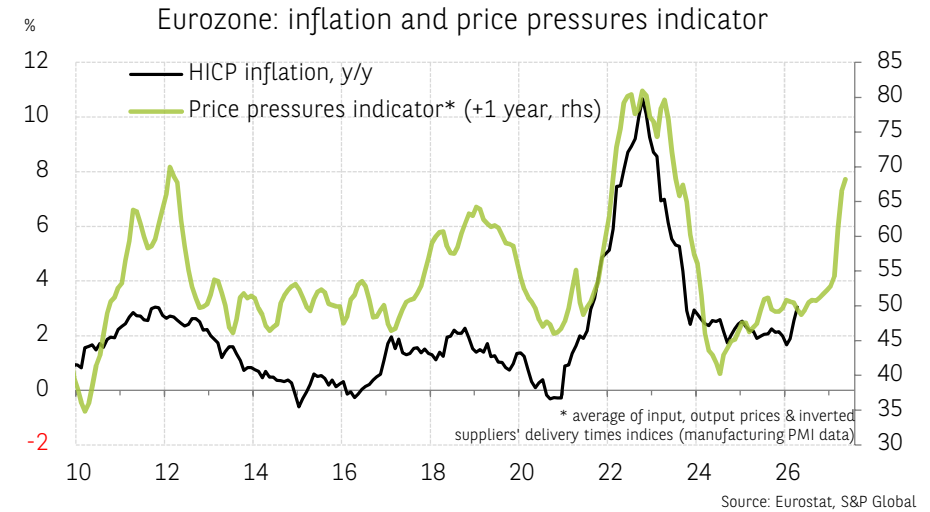
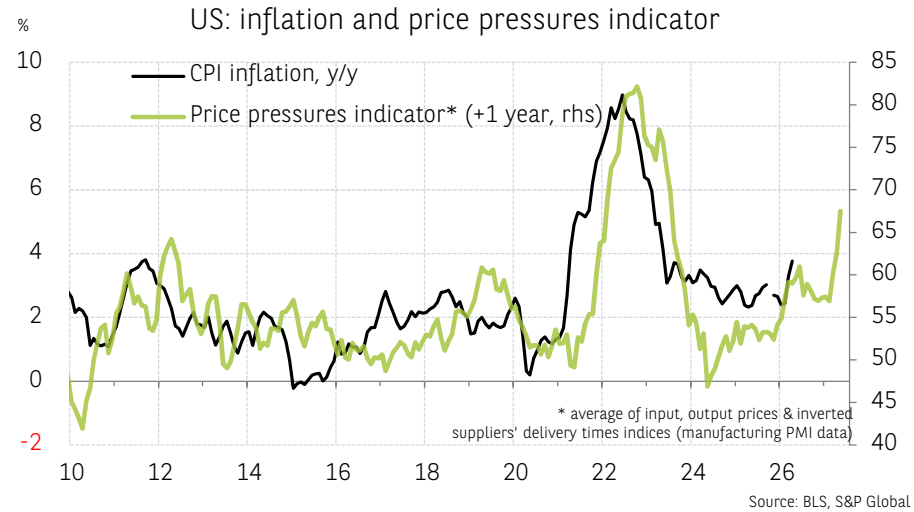


Inflation and survey data:

Indicators of price pressures continue to rise, with the increase being more pronounced on the input price side than on the output price side.



PMI surveys: an indication of inflationary pressures



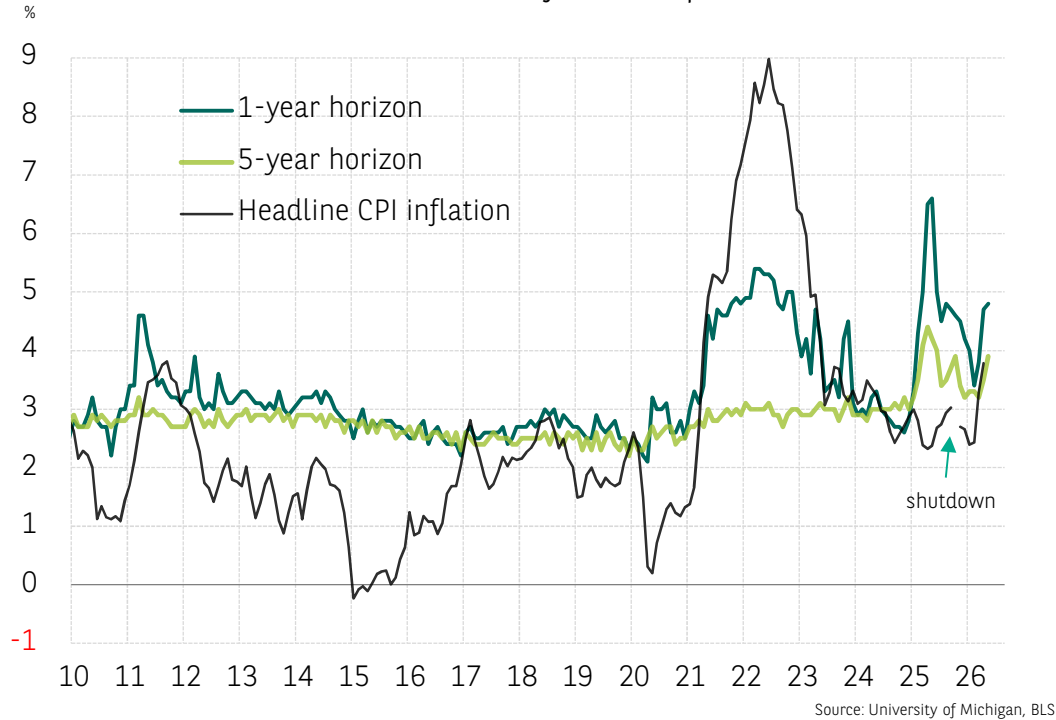
Inflation expectations (households, forecasters, markets):

Short-term inflation expectations continue to rise, whilst longer-term expectations remain stable.

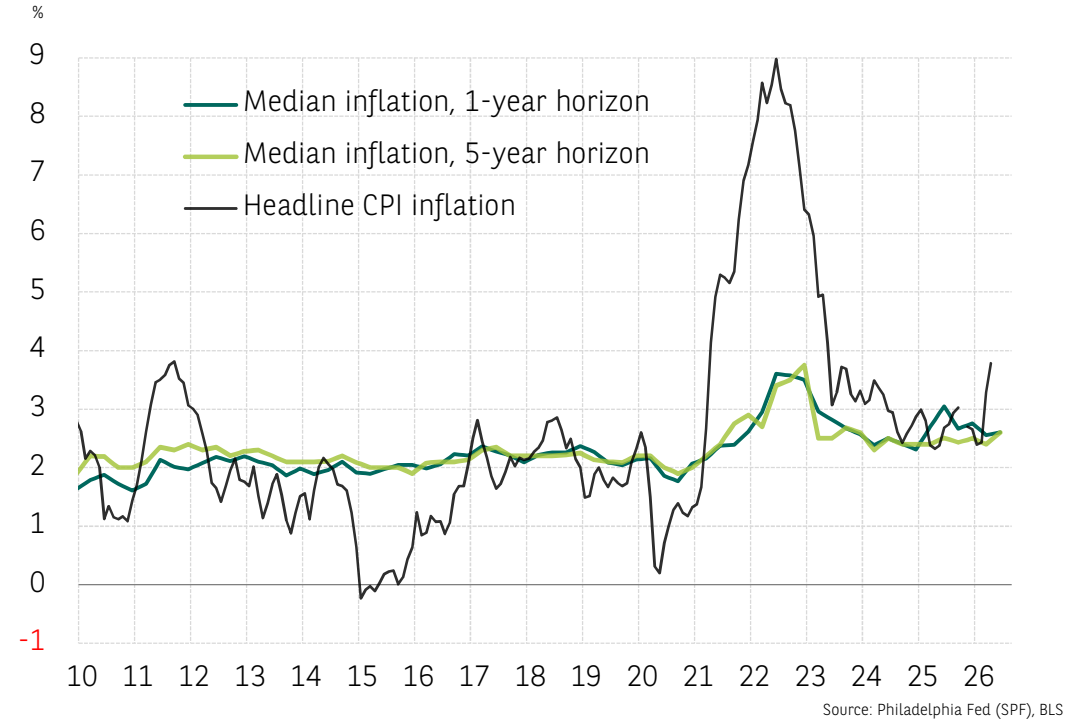


Inflation expectations in the United States

US: consumer inflation expectations

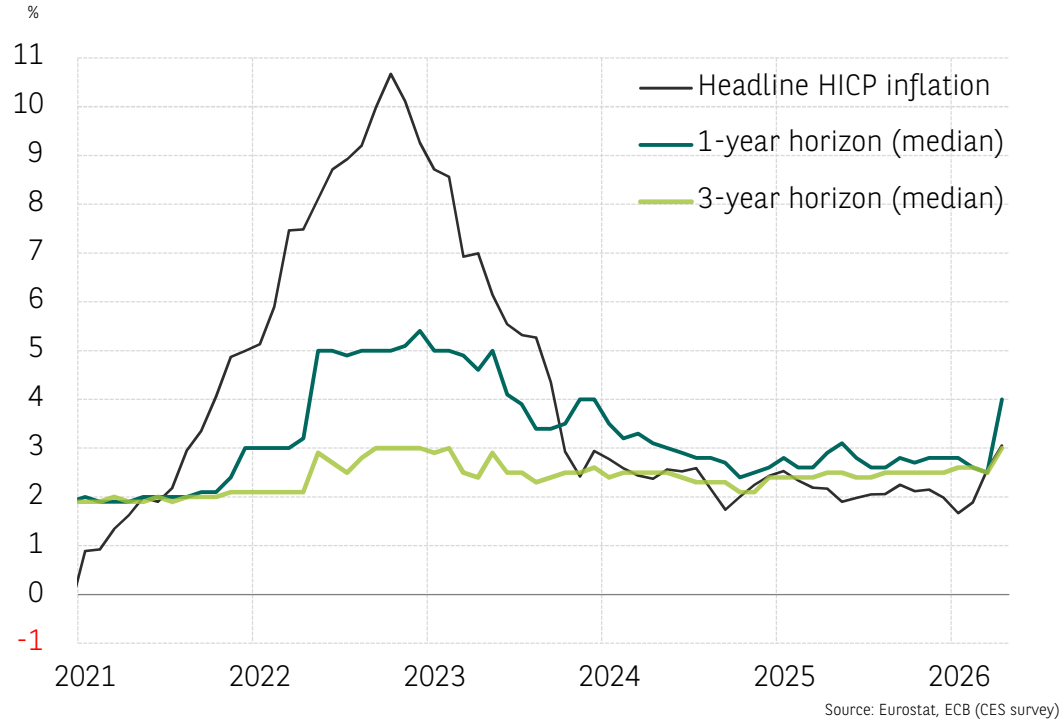


US: Survey of professional forecasters

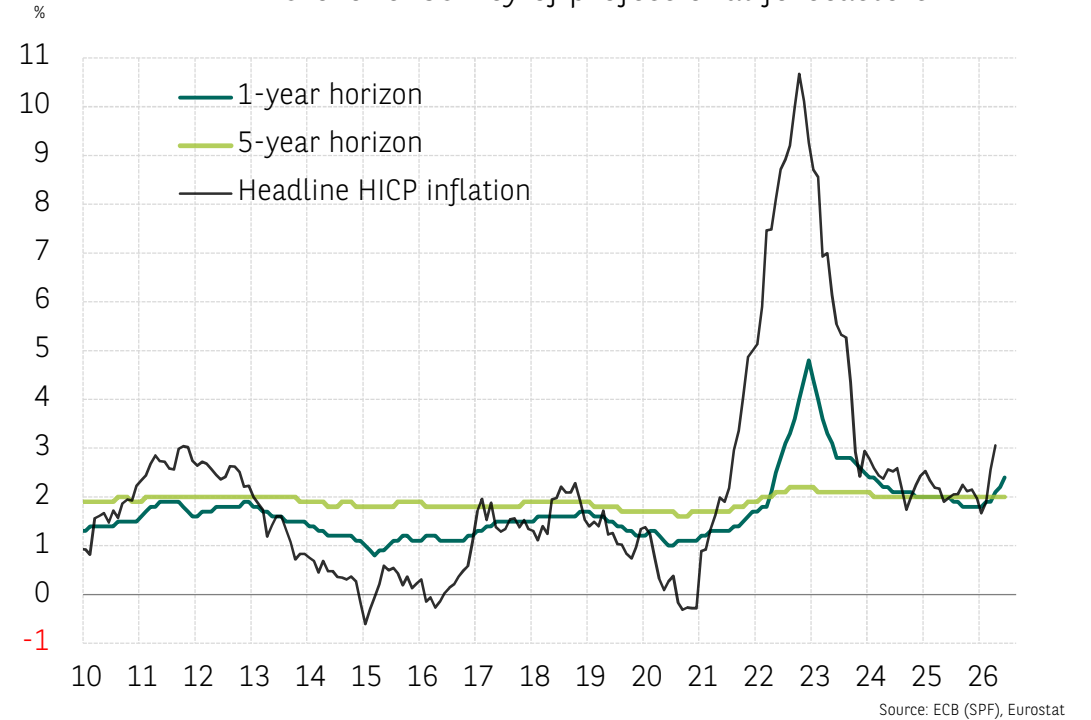


Inflation expectations in the Eurozone

Eurozone: consumer inflation expectations

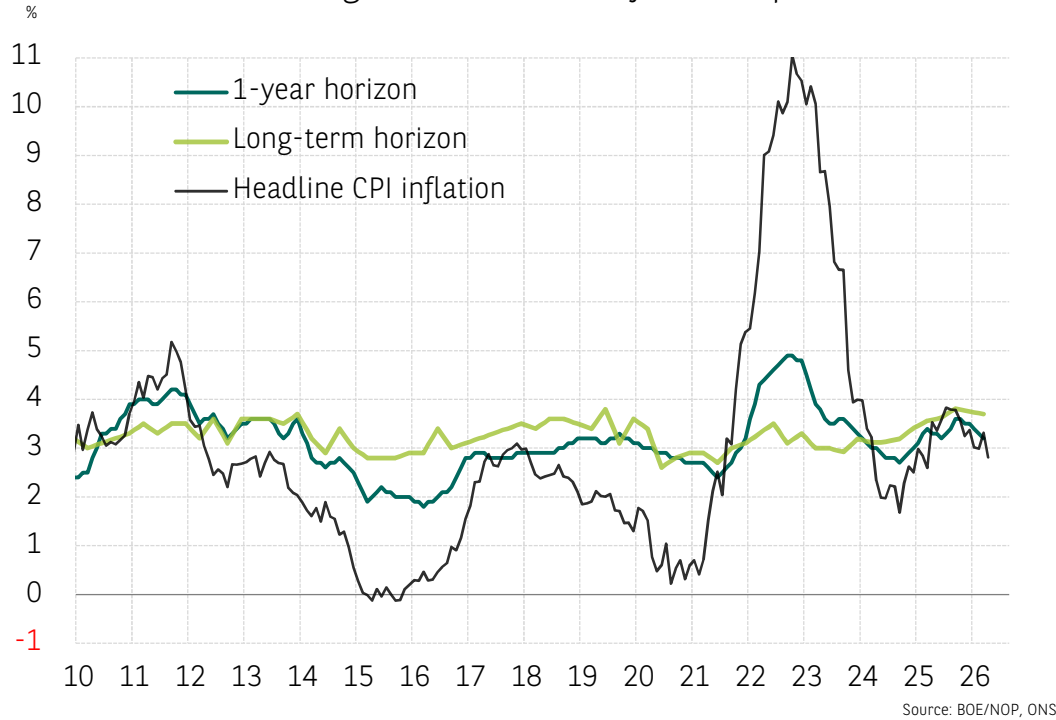


Eurozone: Survey of professional forecasters

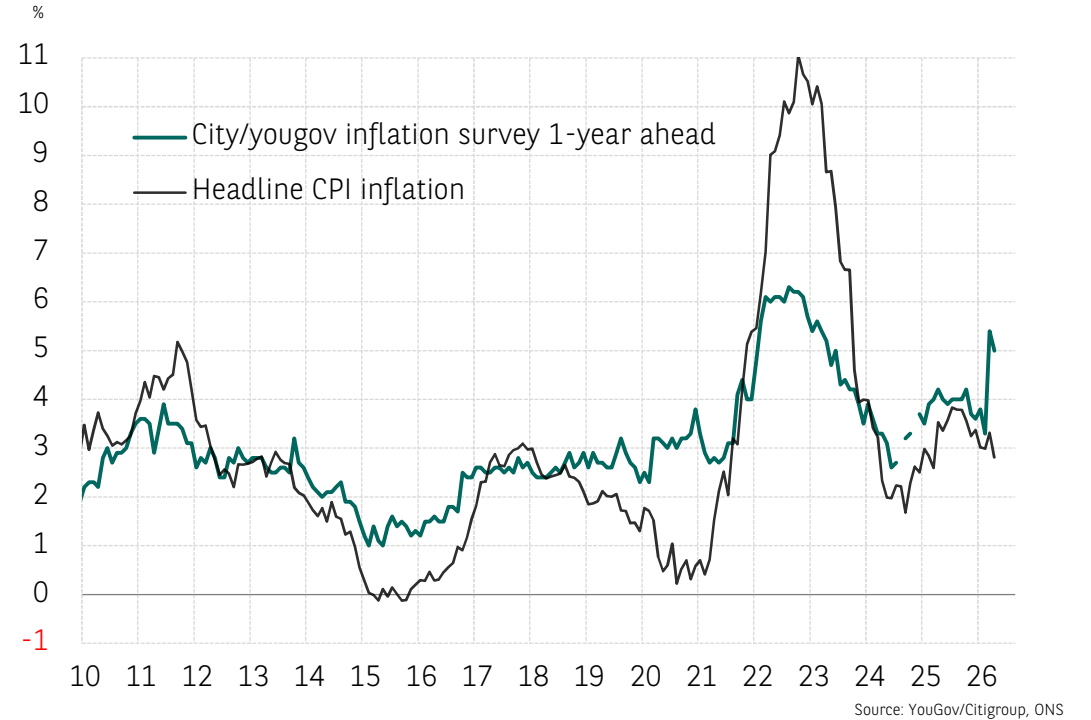


Inflation expectations in the United Kingdom

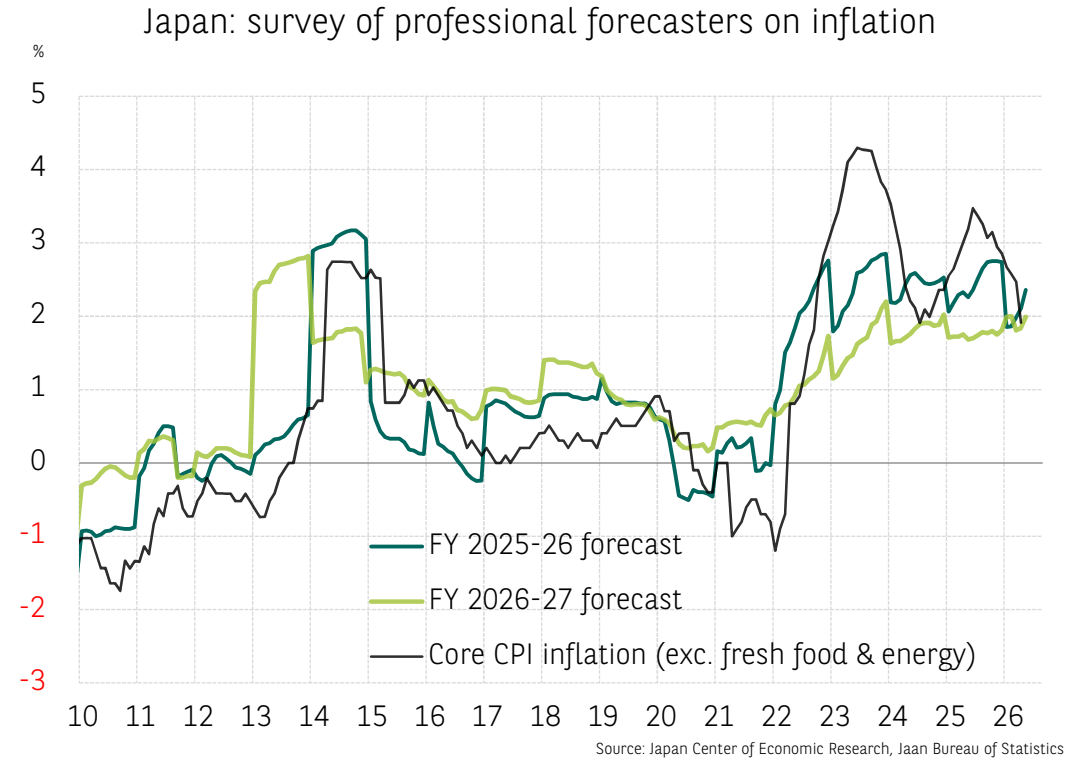
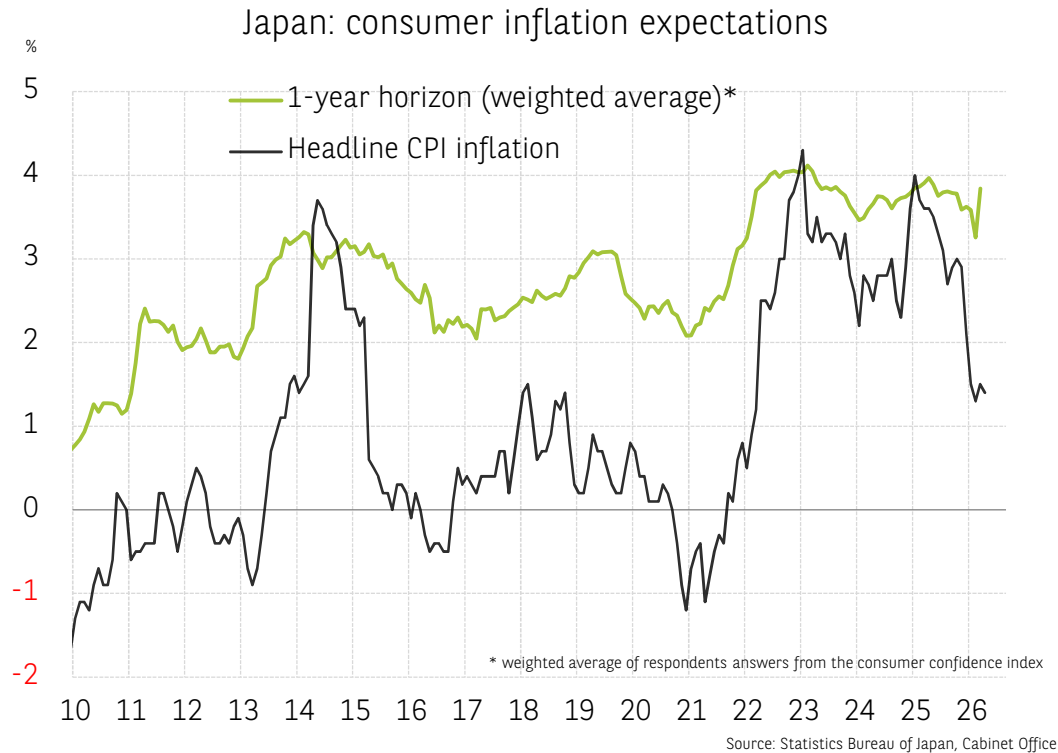
United Kingdom: consumer inflation expectations



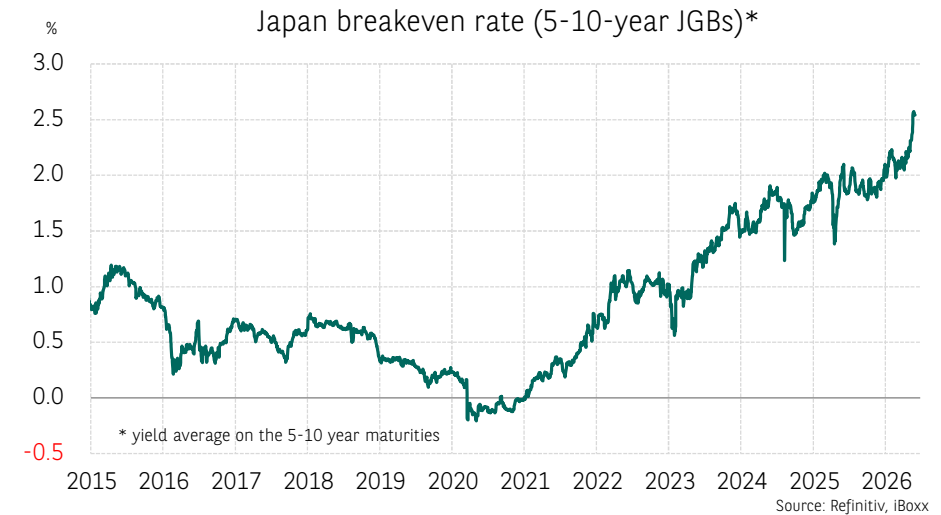
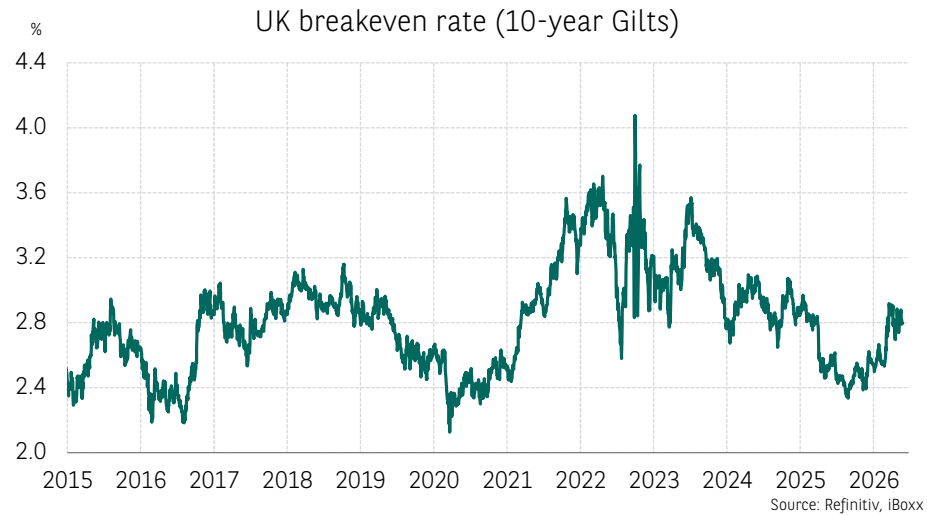
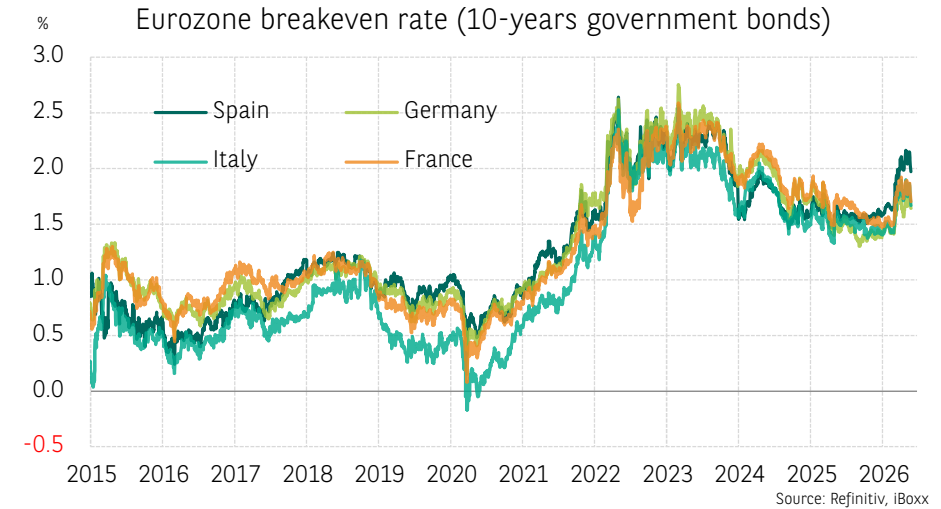
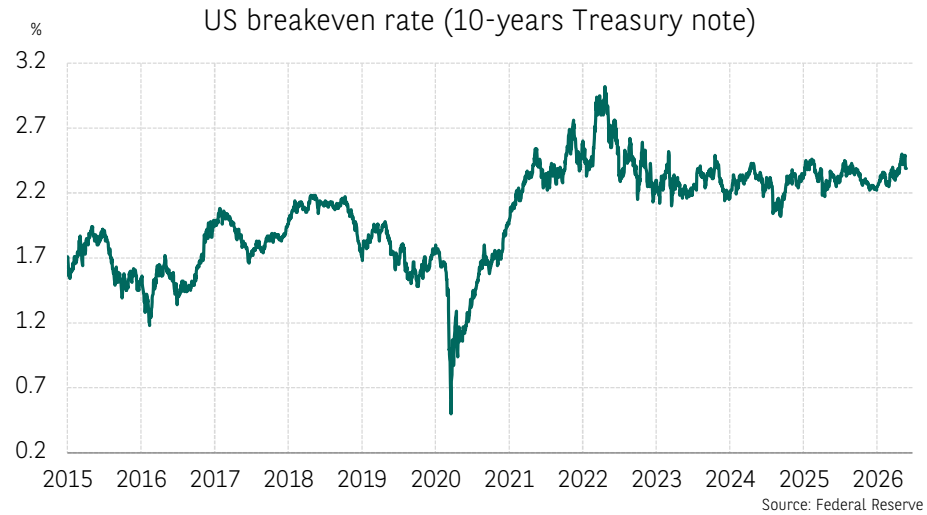
United Kingdom: inflation expectations



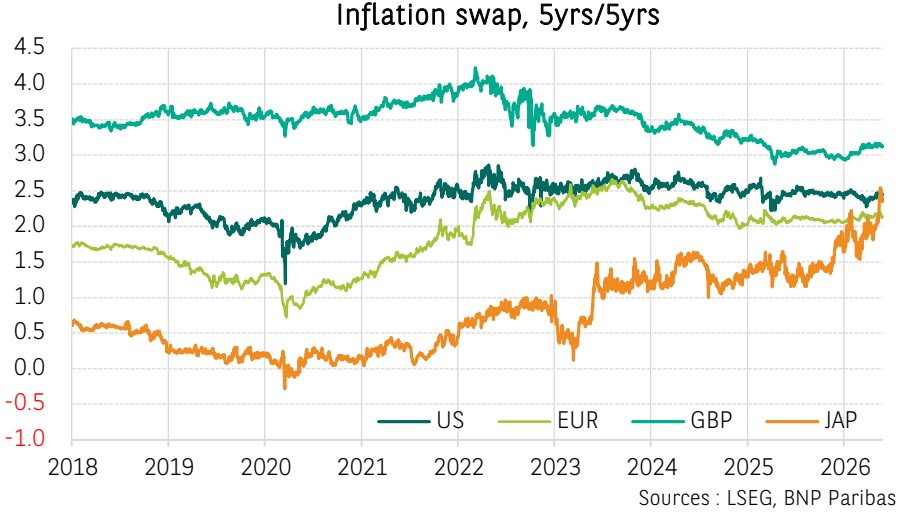
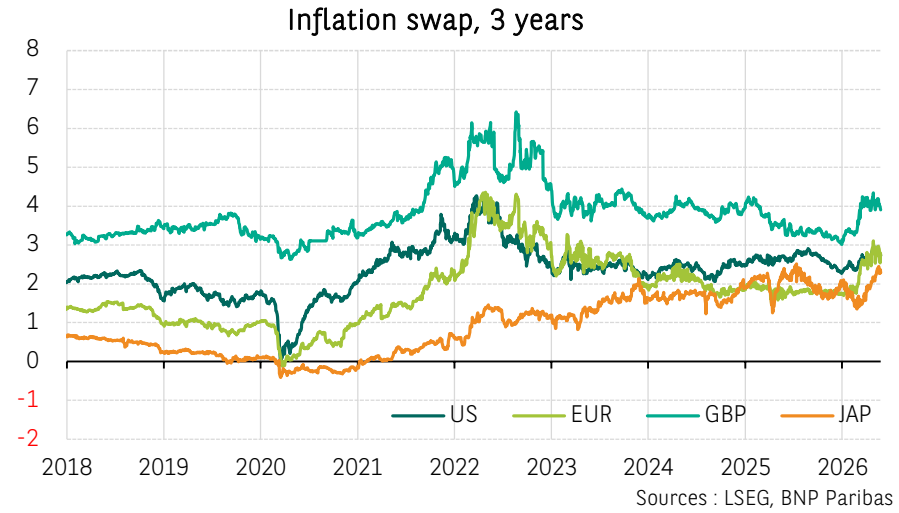
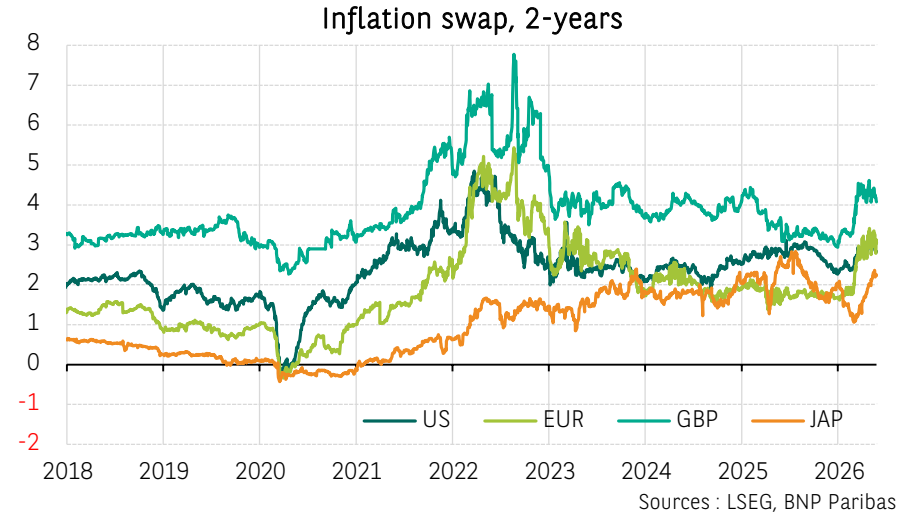
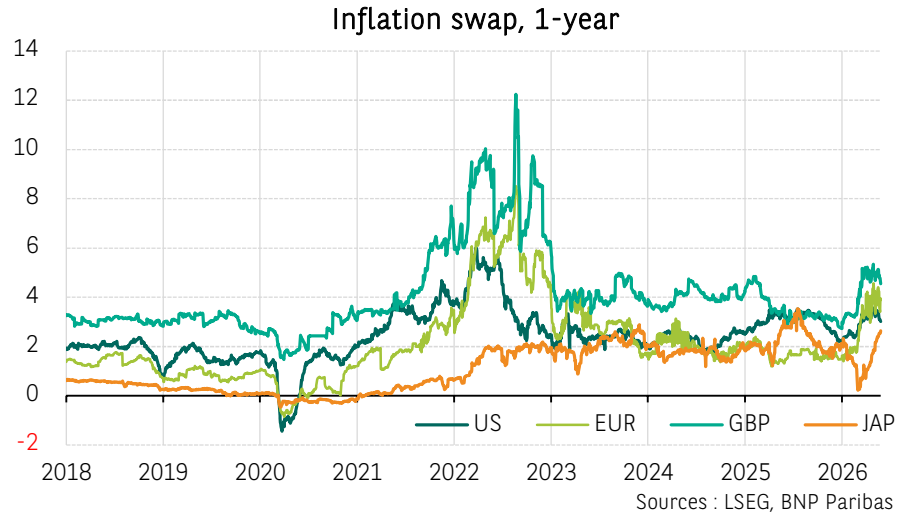
Inflation expectations in Japan



Market expectations: breakeven inflation rate



Market expectations: swap rate



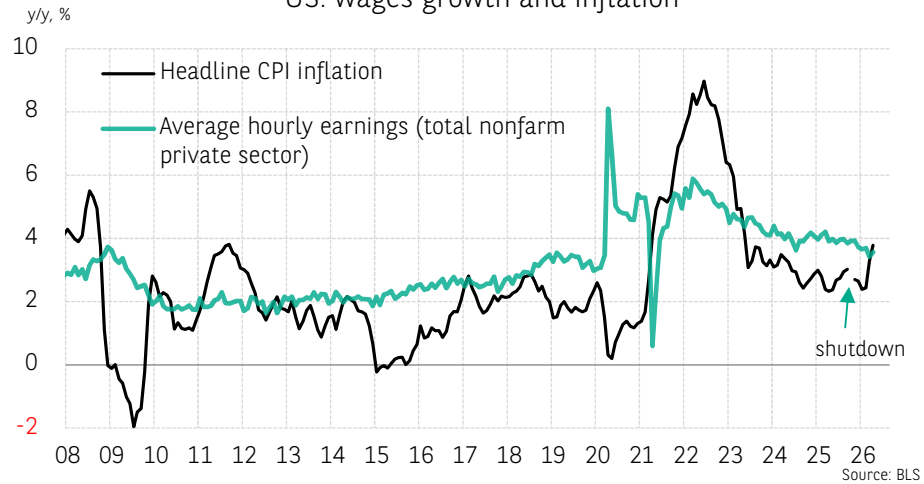
Inflation-wage dynamics:

There are still no signs of a wage-price spiral taking hold.

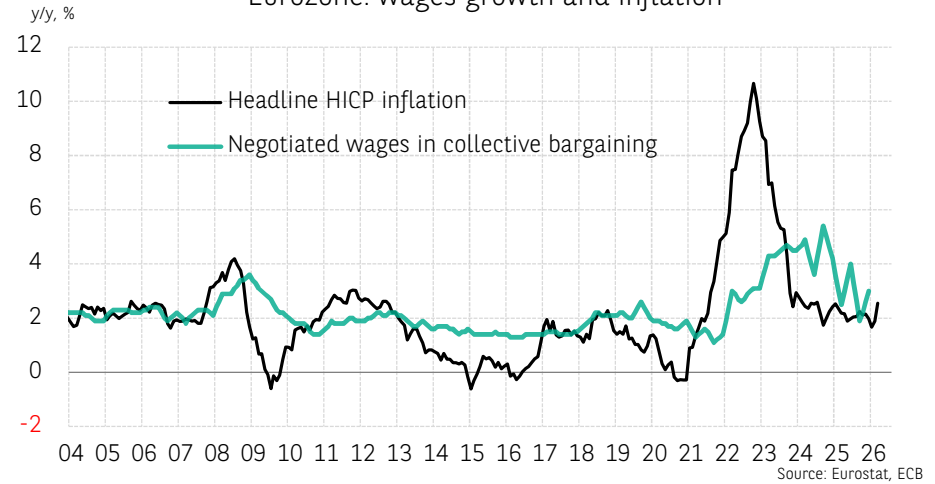


Inflation-wage dynamics

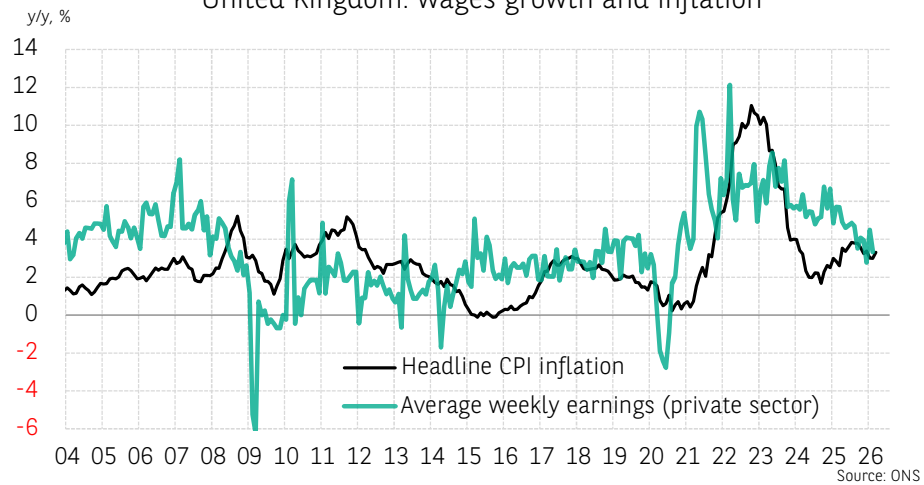
US: wages growth and inflation



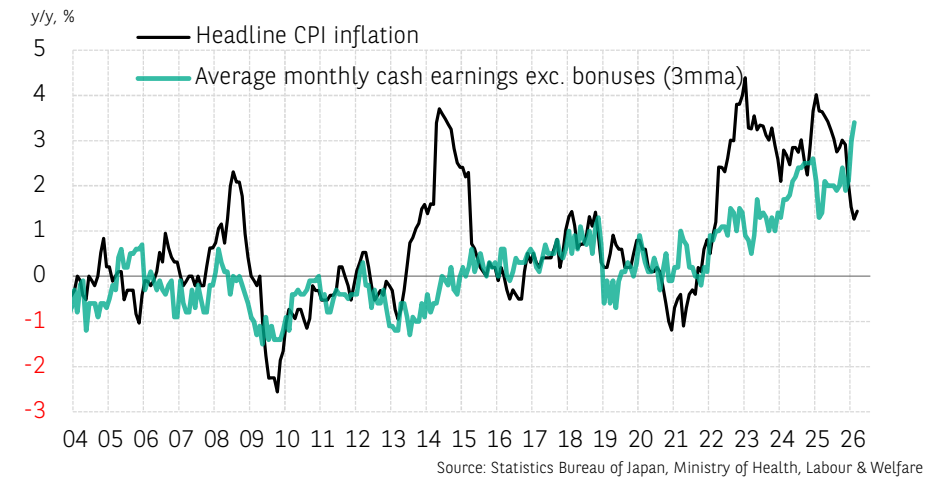
Eurozone: wages growth and inflation



United Kingdom: wages growth and inflation



Japan: wages growth and inflation



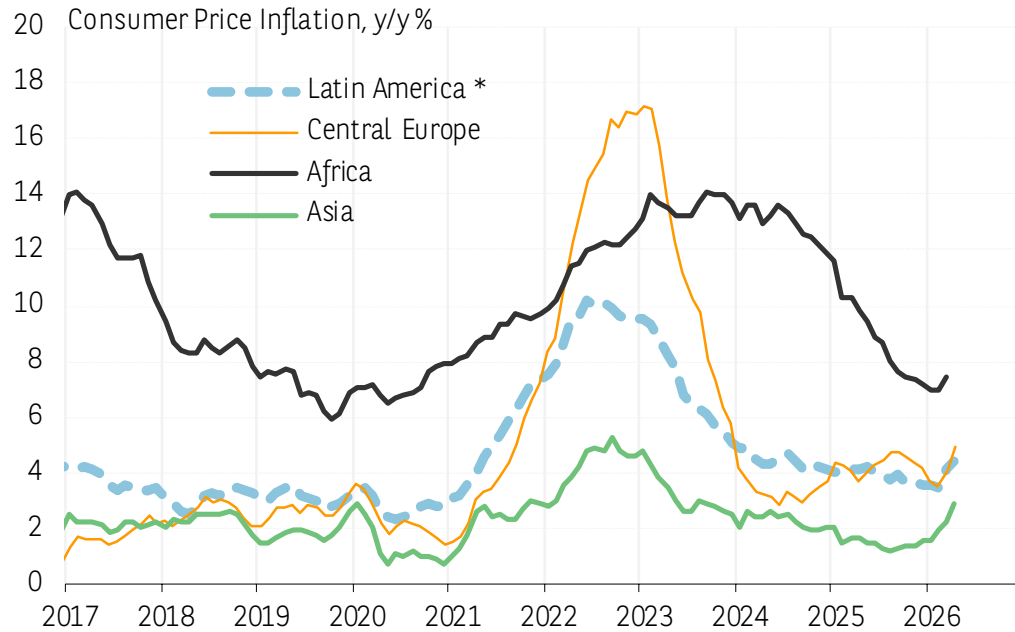
Emerging Economies:

The inflationary impact of the energy shock is spreading rapidly, though still moderately, across emerging economies.



Inflation dynamics in emerging economies: degree of generalisation

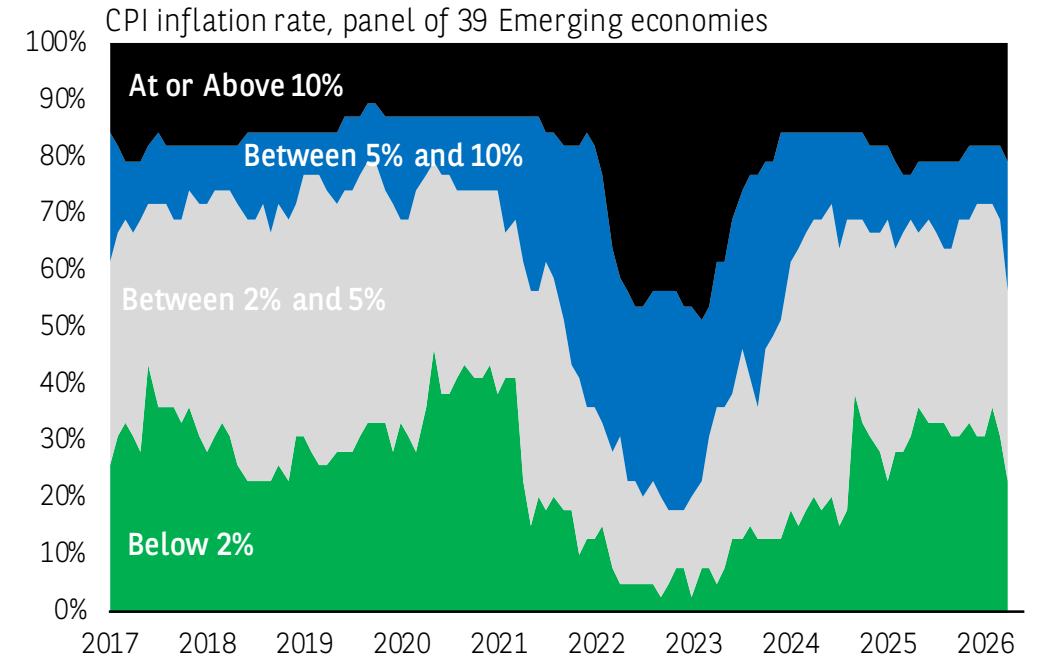
Emerging countries: Average inflation rates by region



Source: Central banks, Macrobond, BNP Paribas

* Latin America: Brazil, Chile, Colombia, Mexico, Peru.
 Central Europe: Bulgaria, Croatia, Czech Rep., Hungary, Poland, Romania, Slovakia.
 Afrique: Algeria, Angola, Egypt, Kenya, Morocco, Nigeria, South Africa, Tunisia.
 Asia: China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand, Vietnam.

Emerging countries: Widespread increase in inflation pressures

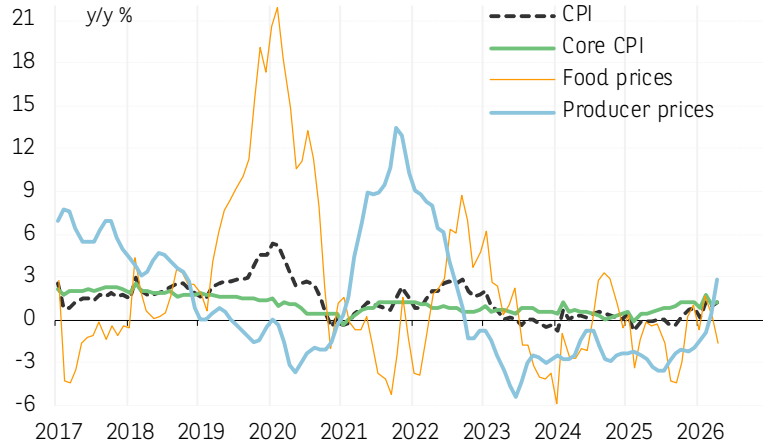


Source: Central banks, Macrobond, BNP Paribas

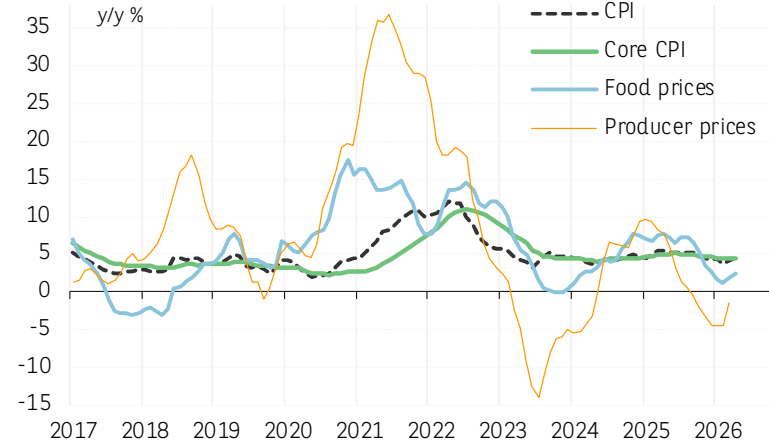


Dynamics and breakdown of inflation in six large emerging economies

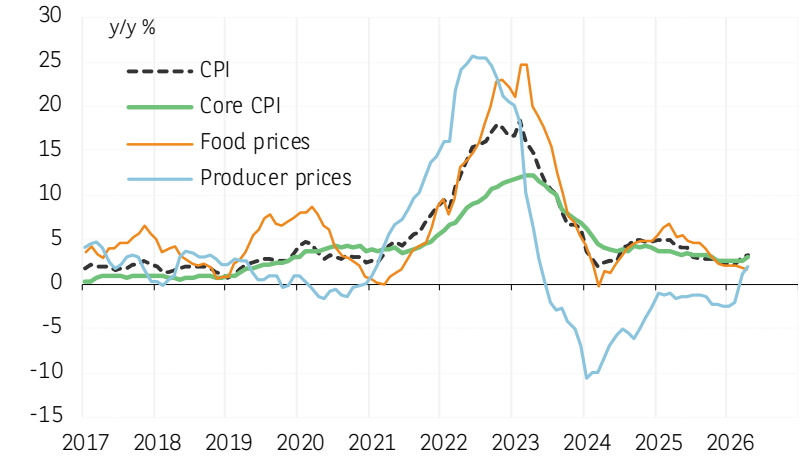
China



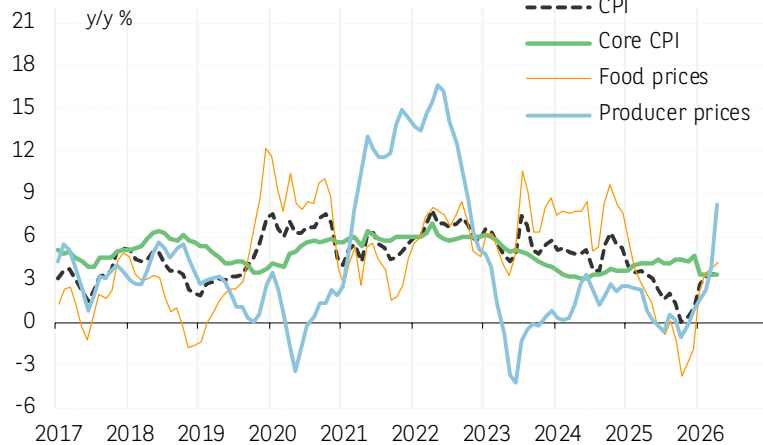
Brazil



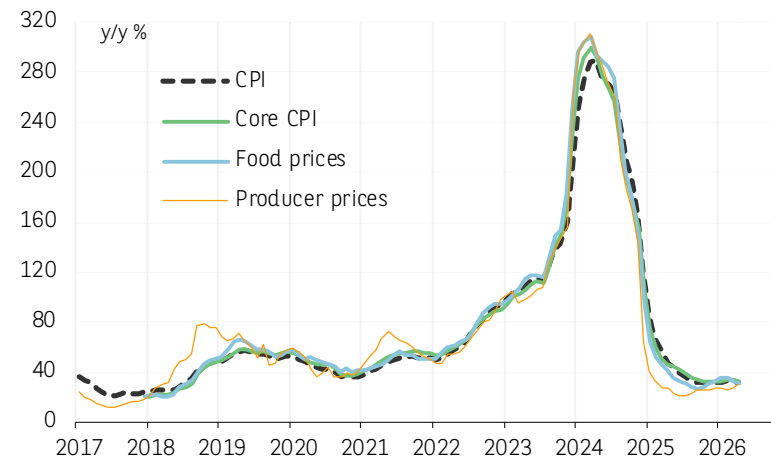
Poland



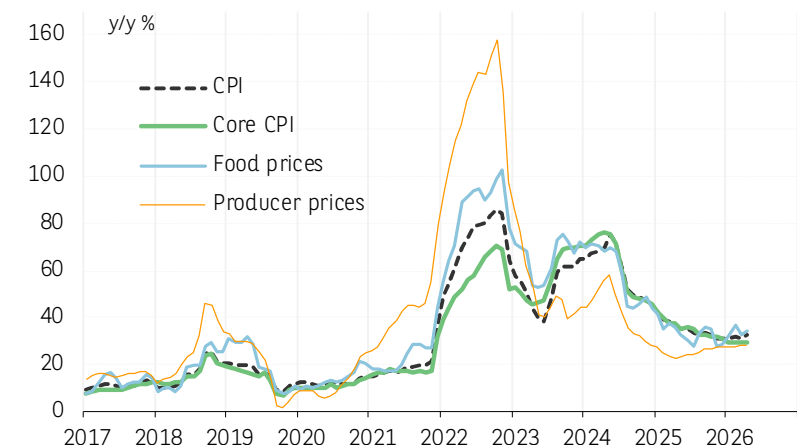
India



Argentina



Türkiye



Source: Central banks, Macrobond, BNP Paribas



Commodities:

Commodity prices remain high, but are stabilising.



Commodities

WTI crude oil price, USD/barrel



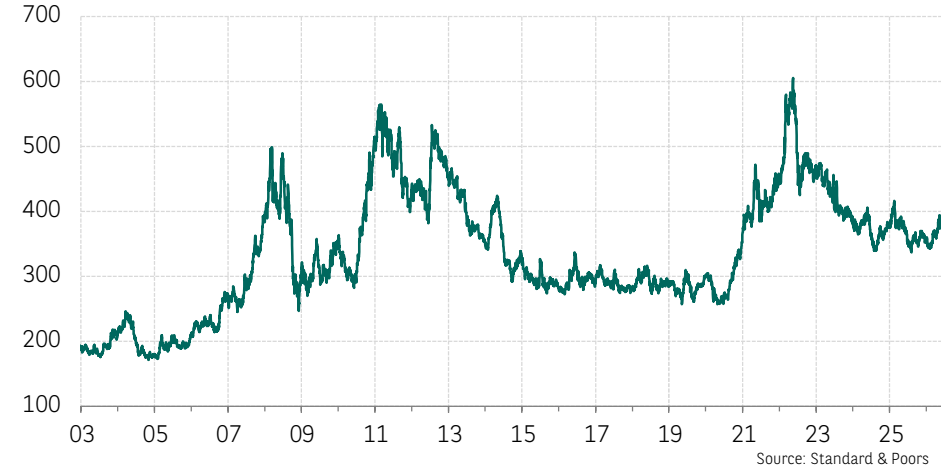
Natural gas price, USD/million BTU



S&P GSCI industrial metal spot price index



S&P GSCI agriculture spot price index



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