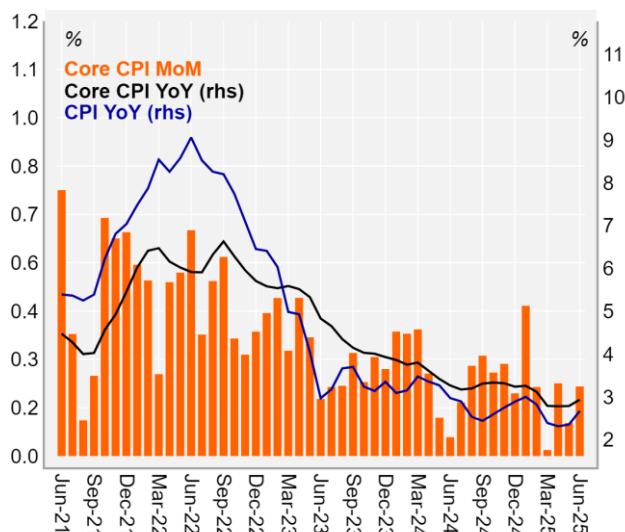


July 15, 2025

US: Core CPI at 0.23% m/m in June, in line with our call

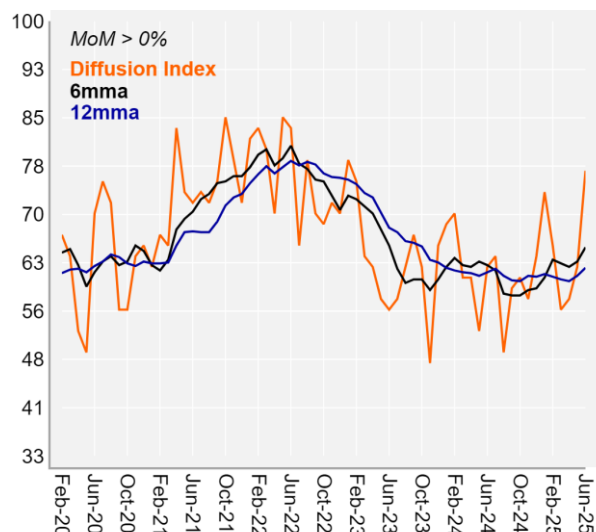
- ▶ US Core CPI came in at 0.23% m/m in June, in line with our call (0.25%) and below market consensus (0.3%). In 12 months, Core CPI inflation was 2.9%, versus 2.8% in May. Headline CPI came in at 0.29% m/m, above our call (0.24%) and close to market consensus (0.3%). The headline index rose 2.7% in annual terms, versus 2.4% in the previous month.
- ▶ **Breakdown (see table below):** Core Goods inflation increased compared to the previous month, led by Other Core Goods and Household Furnishings and Supplies. Used and New vehicles posted negative contributions, while Core Goods ex-cars were up and tempered Core Goods' pace, both as we expected. Core Services inflation increased in line with our forecast, with Shelter inflation contained, a downside surprise in Lodging away but driven up by medical care services. Additionally, "Supercore" inflation moved up to 0.21% (from 0.06% m/m). Notably, our diffusion index posted a sharp increase to 77% (from 62%), reaching a remarkably high level.
- ▶ **Our view:** The print was good and has not yet shown significant effects from tariffs, but the increase in our Diffusion index and a higher Core PCE estimate (preliminary at 0.33%) does not yet call for imminent rate cuts.

Headline and Core CPI



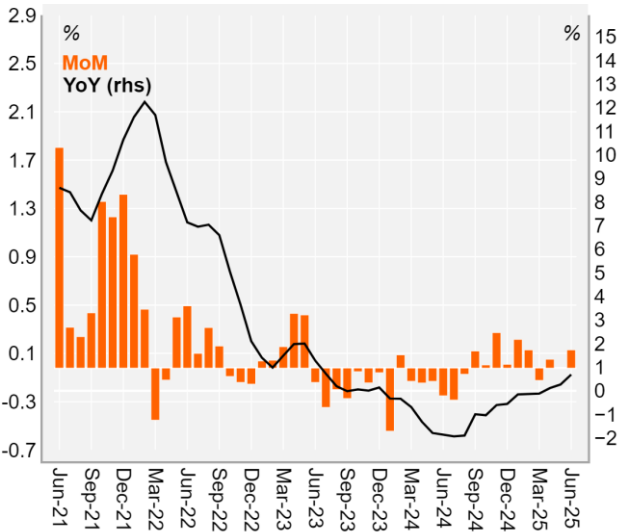
Source: BLS and Itaú

Diffusion



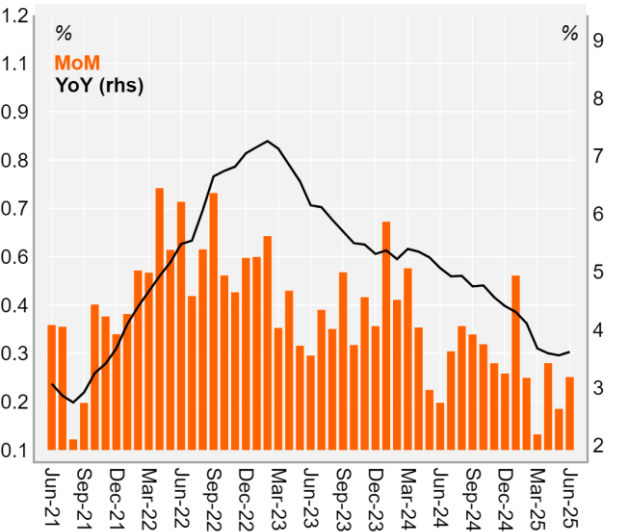
Source: BLS and Itaú

Core goods



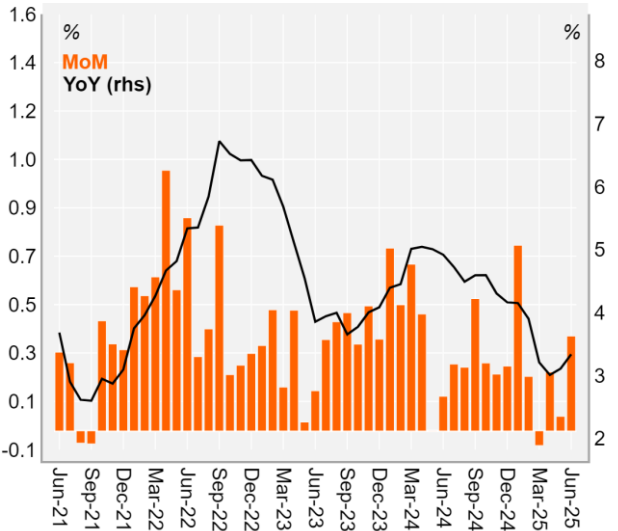
Source: BLS and Itaú

Core services



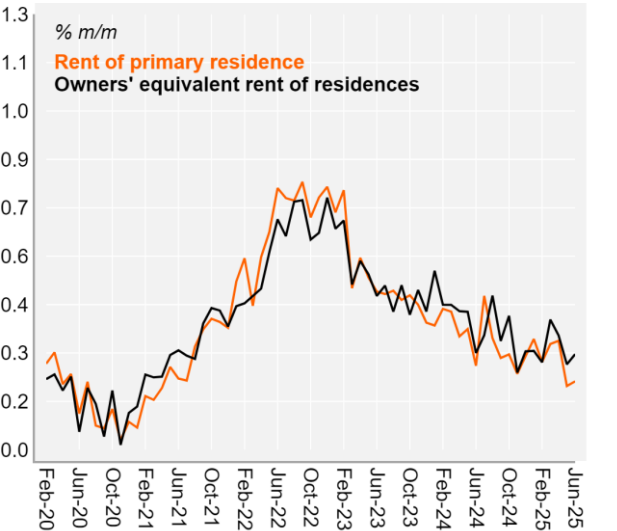
Source: BLS and Itaú

Itaú's core services ex-shelter



Source: BLS and Itaú

Shelter



Source: BLS and Itaú

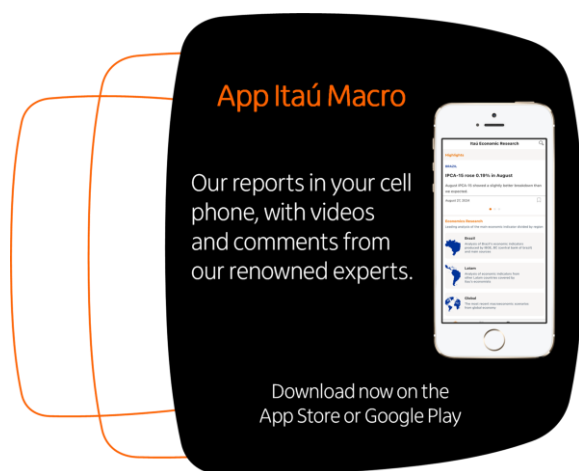
Component	Weight %	% MoM						% YoY		
		mar/25	abr/25	mai/25	jun/25	Fcst.	Surp (bps)	abr/25	mai/25	jun/25
CPI	100.0	-0.05	0.22	0.08	0.29	0.24	5	2.3	2.4	2.7
Food	13.6	0.44	-0.08	0.29	0.33	0.18	2	2.8	2.9	3.0
Energy	6.5	-2.39	0.67	-0.98	0.95	0.30	4	-3.7	-3.5	-0.8
CPI ex-food&energy	79.9	0.06	0.24	0.13	0.23	0.25	-2	2.8	2.8	2.9
Core Goods	19.3	-0.09	0.06	-0.04	0.20	0.26	-1	0.1	0.3	0.7
New Vehicles	4.3	0.10	-0.01	-0.29	-0.34	0.00	-1	0.3	0.4	0.2
Used Vehicles	2.4	-0.69	-0.53	-0.54	-0.67	-0.60	-0	1.5	1.8	2.8
Core Goods ex-Cars	12.6	-0.04	0.20	0.14	0.55	0.52	0	-0.1	0.0	0.5
Core Services	60.6	0.11	0.29	0.17	0.25	0.25	0	3.6	3.6	3.6
Shelter	35.4	0.22	0.33	0.25	0.18	0.28	-4	4.0	3.9	3.8
OER	26.2	0.40	0.36	0.27	0.30	0.29	0	4.3	4.2	4.2
Rent of Primary Res	7.4	0.33	0.34	0.21	0.23	0.30	-1	4.0	3.8	3.8
Lodging Away	1.4	-3.54	-0.10	-0.07	-2.89	0.20	-4	-1.4	-0.9	-2.5
Health Care	6.8	0.51	0.51	0.18	0.56	0.27	2	3.1	3.0	3.4
Transportation Svcs	6.3	-1.41	0.14	-0.20	0.16	-0.16	2	2.5	2.8	3.4
Airline Fare	0.9	-5.27	-2.83	-2.74	-0.11	-1.00	1	-7.9	-7.3	-3.5
Car and Truck Rental	0.1	-2.66	4.30	2.70	3.24	0.00	0	-2.1	1.3	3.8
Other Transp Svcs	5.3	-0.74	0.54	0.15	0.11	-0.03	1	4.1	4.2	4.2
Other Core Svcs	12.2	0.33	0.11	0.12	0.36	0.33	0	3.2	3.3	3.3
Alternative Cores										
Core Services ex-OER&RPR (Powell Supercore)	27.0	-0.24	0.21	0.06	0.21	0.19	1	2.7	2.9	3.0
Core Services ex-Shelter	25.2	-0.06	0.23	0.06	0.36	0.19	4	3.0	3.1	3.3
Core Svcs ex-Shelter & Health	18.4	-0.26	0.12	0.01	0.29	0.16	2	3.0	3.2	3.3

Source: BLS, Itaú

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