

****Flash Report – June CPI Inflation falls below estimates****

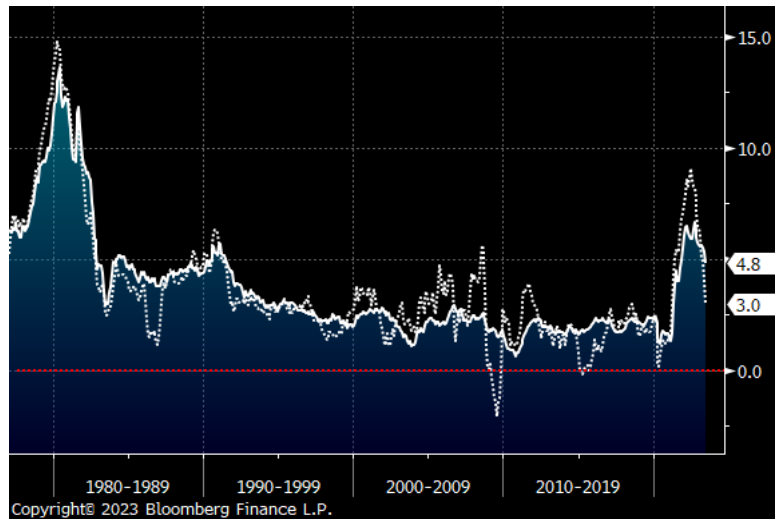
Takeaway:

Headline Consumer Price Index (CPI) has experienced a significant deceleration, now at 3% YoY, reaching its lowest level since March 2021. Core CPI, which excludes food and energy, has also decreased to 4.8%, the lowest since October 2021. **While we expect pressure to continue easing in the coming months due to the base effect, it is important to note that core CPI remains nearly double the Fed's target. As for the next FOMC meeting on July 25-26, this report provides no reason for the Fed to deviate from the market anticipated increase in interest rates.**

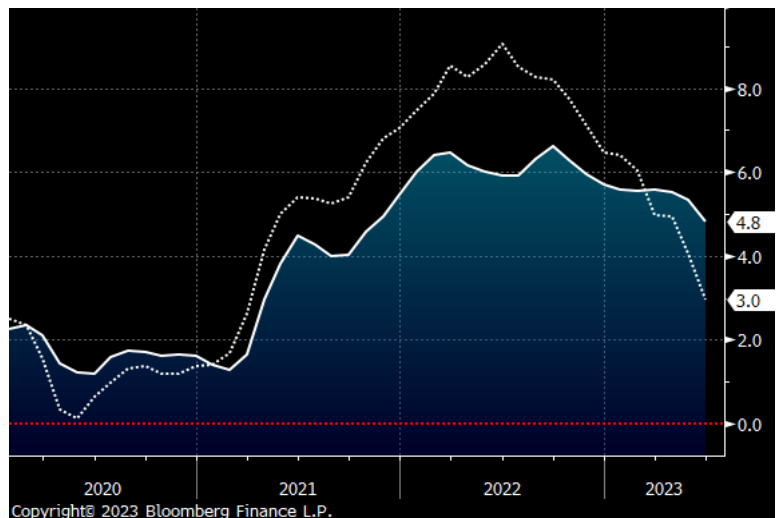
Notes:

- The spread between headline and core CPI has expanded to its largest negative gap since April 2015. This indicates that although there has been relief in the volatile headline figures (down 67% from the peak 12 months ago), additional disinflation is necessary before the Federal Open Market Committee (FOMC) considers cutting rates.
- In June, US headline consumer prices rose by 0.2% on a month-over-month basis, falling short of the expected 0.3% increase. The same was observed for core CPI, which also increased by 0.2% instead of the anticipated 0.3%.
- Core goods prices experienced a decrease of -0.1% (MoM) for the first time in three months, reversing a previously concerning trend.
- Core services prices showed the slowest monthly increase since September 2021, rising by 0.3%.

June Headline (dotted) and Core (solid) CPI



June Headline (dotted) and Core (solid) CPI



ARE YOU READY TO GAIN CERTAINTY IN YOUR METALS SUPPLY AND PRICE?

HOW IT WORKS

