



# EUR

## Core CPI ?



The Core Consumer Price Index measures changes in the prices of goods and services excluding food and energy. Higher numbers indicate that inflation is getting deeper into the economy.

A higher than expected value is considered positive/bullish for the currency, while a lower value is considered negative/bearish for the currency.

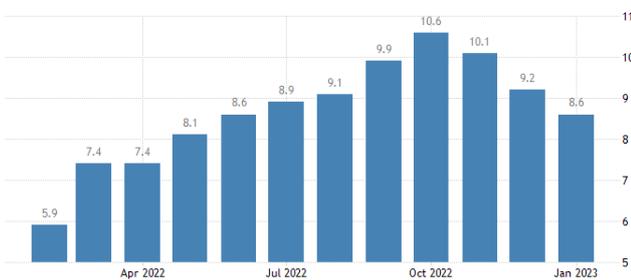
## The Fundamental view

At the end of the week, we focused our attention on the CPI in the euro area, which showed a **lighter decline** than the market had expected. This suggests that the ECB's more aggressive actions are starting to work.

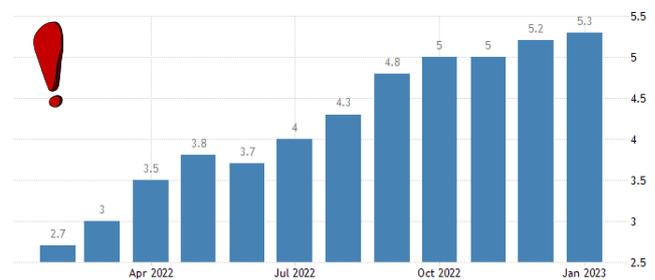
But the question is what the ECB will focus on at its next meetings, as YoY **Core CPI has risen to new highs**. This is not a good phenomenon and will most likely put pressure on the central bank as it is evident that price pressures are getting deeper into the economy.

News	Actual	Forecast	Previous
<b>CPI (YoY)</b>	<b>8.6%</b>	<b>8.6%</b>	<b>9.2%</b>
<b>Core CPI (YoY)</b>	<b>5.3%</b>	<b>5.2%</b>	<b>5.2%</b>
<b>CPI (MoM)</b>	<b>-0.2%</b>	<b>-0.2%</b>	<b>-0.4%</b>

The euro did not react extremely to the data, only falling slightly against some currencies. In the longer term, however, we assess this news as bullish for the euro, just for the reasons listed above regarding higher Core CPI.



YoY CPI



Core CPI

