

## The Day Ahead: Decent Start After PCE Comes in On-Target

The PCE price index may be a less timely report than CPI/PPI when it comes to measuring inflation in the U.S., but it's more thorough and has stronger implications for Fed policy. Traders were apparently braced for today's number to be a bit hotter. Bonds rallied moderately after core monthly PCE came in as-expected at 0.3%. Annual inflation is running at 4.1% at the headline level, and 3.4% at the core level (both in line with expectations. Bonds were a few bps higher in yield before the data and are now a few bps lower heading into the 9am hour.



**Steven Fishman**

President, Buckeye Lending Solutions, Inc.

[Buckeyelends.com](http://Buckeyelends.com)

**P:** (239) 980-7588

**M:** (440) 773-9941

9990 Coconut Rd # 257  
Bonita Springs Ohio / Florida  
34135

Company NMLS#1838265 LO  
NMLS#9362 OH LO.012547.001

