



Global Macro Flash

US Inflation Consumer Price Index (CPI)| December 19th, 2025

U.S. Inflation Softens in November as Core and Food Price Pressures Ease

Previous Data (Headline Inflation)

Period	MoM	YoY
Sep 2025	0.30%	3.00%
Aug 2025	0.40%	2.90%
Jul 2025	0.20%	2.70%

Source: US Bureau of Labor Statistics

Outlook/Projection

Years	IMF	World Bank	OECD
FY25F	2.40%	-	2.70%
FY26F	1.80%	-	3.00%

Source: Phintraco Sekuritas Research | IMF, World Bank, OECD

Headline Inflation by Component

Component	MoM	YoY
Food	-	2.60%
Energy	-	4.20%
All Item less Food&Energy	-	2.70%

Source: US Bureau of Labor Statistics

Inflation Expectation

Future Year Ahead	Aug 25	Sep 25	Nov 25
1 Year	3.20%	3.40%	3.20%
3 Year	3.00%	3.00%	3.00%
5 Year	2.90%	3.00%	3.00%

Source: Bank Federal Reserve New York

Future Inflation Probability

Inflation	1 Year Ahead	3 Year Ahead
<0%	19.20%	22.70%
0-2%	11.40%	13.20%
2-4%	25.00%	23.20%
>4%	44.40%	40.90%

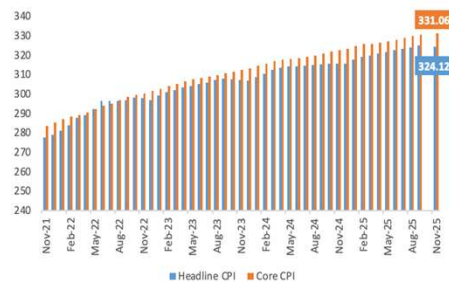
Source: Bank Federal Reserve New York as of November 2025

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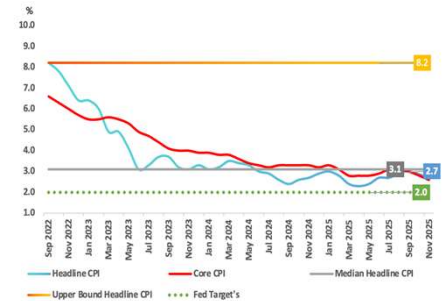
Period	Headline Inflation		Core Inflation	
November 2025	324.12 point	2.70% YoY	331.06 point	2.60% YoY

Figure 1. Headline & Core Price Index (CPI)



Source : Phintraco Sekuritas Research | Trading Economics

Figure 2. Inflation (YoY)



Source : Phintraco Sekuritas Research | US Bureau of Labor Statistics

The U.S. Consumer Price Index (CPI) declined to 324.12 points in November 2025 from 324.80 points in September 2025, while core CPI increased to 331.068 points from 330.542 points over the same period (**Figure 1**). This development reflects a broad easing of overall price pressures, driven mainly by declines in more volatile components such as food prices. In contrast, the rise in core CPI, which excludes food and energy, indicates that underlying inflationary pressures remain, particularly within non-energy services, including housing rent costs. It should be noted that the U.S. Bureau of Labor Statistics (BLS) did not collect survey data for October 2025 due to the federal government shutdown, resulting in the absence of CPI and inflation data for that month.

On an annual basis, headline U.S. inflation slowed to 2.70% YoY in November 2025 from 3.00% YoY in September, coming in below market expectations of 3.10%. The moderation was largely driven by a sharp deceleration in food inflation, which fell to 2.60% YoY from 3.10% YoY, marking the lowest level since February 2025. Meanwhile, energy inflation rose significantly to 4.20% YoY from 2.80% YoY, representing the highest increase since February 2023. At the same time, core inflation eased to 2.60% YoY from 3.00% YoY, undershooting market expectations of 3.00% and reaching its lowest level since March 2021 (**Figure 2**).

Overall, U.S. inflation remains well contained and below market expectations, supported by easing core inflation pressures stemming from declines in used-car and truck prices and moderating housing rent costs, alongside lower food prices for bread and cereals, poultry, and eggs, despite the notable increase in energy prices. The rise in energy costs—particularly electricity prices—has been driven by stronger demand associated with the expansion of AI-related infrastructure, including data center development by major technology companies. These dynamics are expected to encourage the Federal Reserve to adopt a more dovish stance going forward, with interest rate cuts in the end of 1Q26. According to CME FedWatch probabilities as of Thursday (December 18), the March 2026 FOMC meeting is expected to deliver a 25 bps rate cut to a range of 3.25%–3.75%, with an aggregate probability of 71.71% (**Figure 3**).

Figure 3. Aggregate Probability (as of 18-12-2025)

MEETING DATE	250-275	275-300	300-325	325-350	350-375
1/28/2026	0.00%	0.00%	0.00%	27.68%	72.32%
3/18/2026	0.00%	0.00%	0.00%	71.71%	28.29%
4/29/2026	0.00%	0.00%	0.68%	99.32%	0.00%
6/17/2026	0.00%	0.00%	50.68%	49.32%	0.00%
7/29/2026	0.00%	0.00%	81.68%	18.32%	0.00%
9/16/2026	0.00%	19.32%	80.68%	0.00%	0.00%
10/28/2026	0.00%	12.68%	87.32%	0.00%	0.00%
9/12/2026	0.00%	48.97%	51.03%	0.00%	0.00%
1/27/2027	0.00%	46.68%	53.32%	0.00%	0.00%

Source: Phintraco Sekuritas Research | CME FedWatch Tool