

# Macro Microscope

Times of Uncertainty



**Indrani De**

Head of Global Investment  
Research  
FTSE Russell, LSEG



**John Dioufas**

Director, Datastream and  
Macroeconomics  
LSEG




**LSEG**

# US Consumer Inflation Situation

Name ▼	Latest value ▼	Date of latest value ▼	Previous Value ▼	Date of previous value ▼	% from previous value ▼	% change over 1 year ▼
CPI - HOUSING	335.61	Aug 15, 2024	334.52	Jul 15, 2024	0.30	4.35
CPI - OTHER GOODS & SERVICES	561.42	Aug 15, 2024	560.55	Jul 15, 2024	0.20	3.94
CPI - MEDICAL CARE	563.65	Aug 15, 2024	564.31	Jul 15, 2024	0.10	2.98
CPI - FOOD & BEVERAGES	327.85	Aug 15, 2024	327.49	Jul 15, 2024	0.10	2.06
CPI - RECREATION	138.17	Aug 15, 2024	138.27	Jul 15, 2024	0.07	1.55
CPI - EDUCATION & COMMUNICATION	146.55	Aug 15, 2024	146.43	Jul 15, 2024	0.09	1.01
CPI - APPAREL	131.85	Aug 15, 2024	131.50	Jul 15, 2024	0.30	0.29
CPI - TRANSPORTATION	268.93	Aug 15, 2024	268.59	Jul 15, 2024	0.10	0.72

\* Data as of 16-September-2024

# US Federal Reserve Interest Rate Probabilities

INTEREST RATE PROBABILITIES					
	Central Bank	Target Rate	Next Meeting Date	Current Rate	Implied Rate
	Federal Reserve	Fed Funds Target	18-Sep-2024	+5.375	4.928
Most Probable Action	Change By	Probability (%)	Least Probable Action	Change By	Probability (%)
CUT	-0.50	61.0	CUT	-0.25	39.0

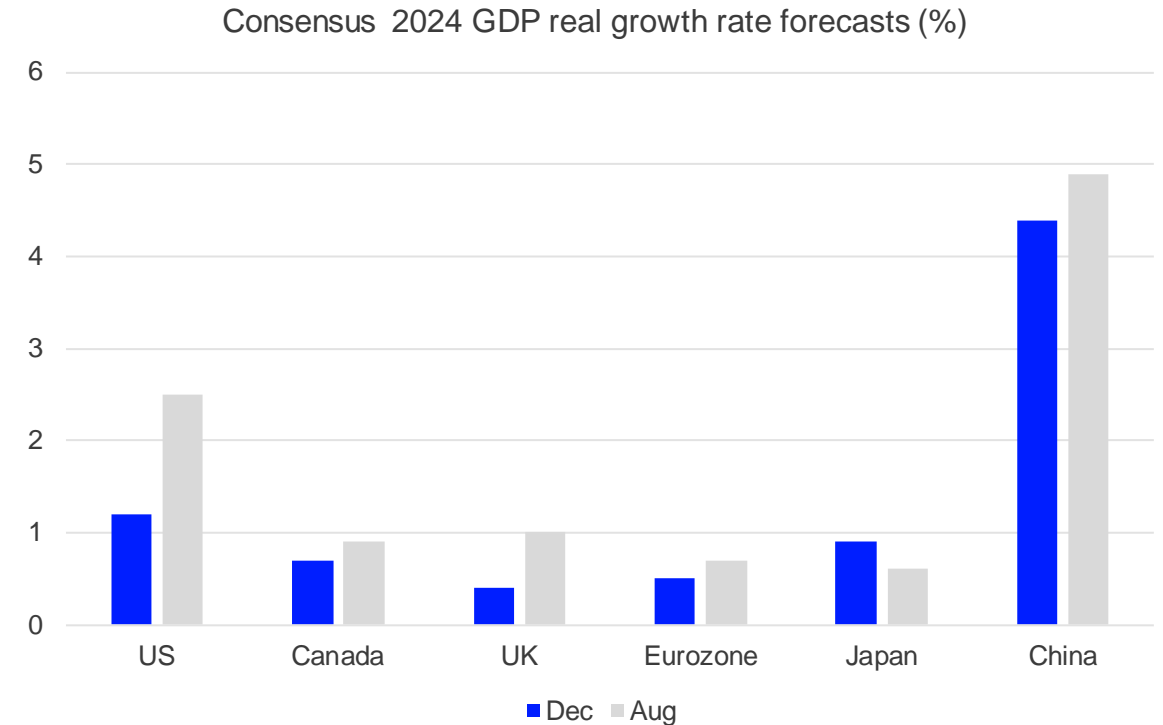
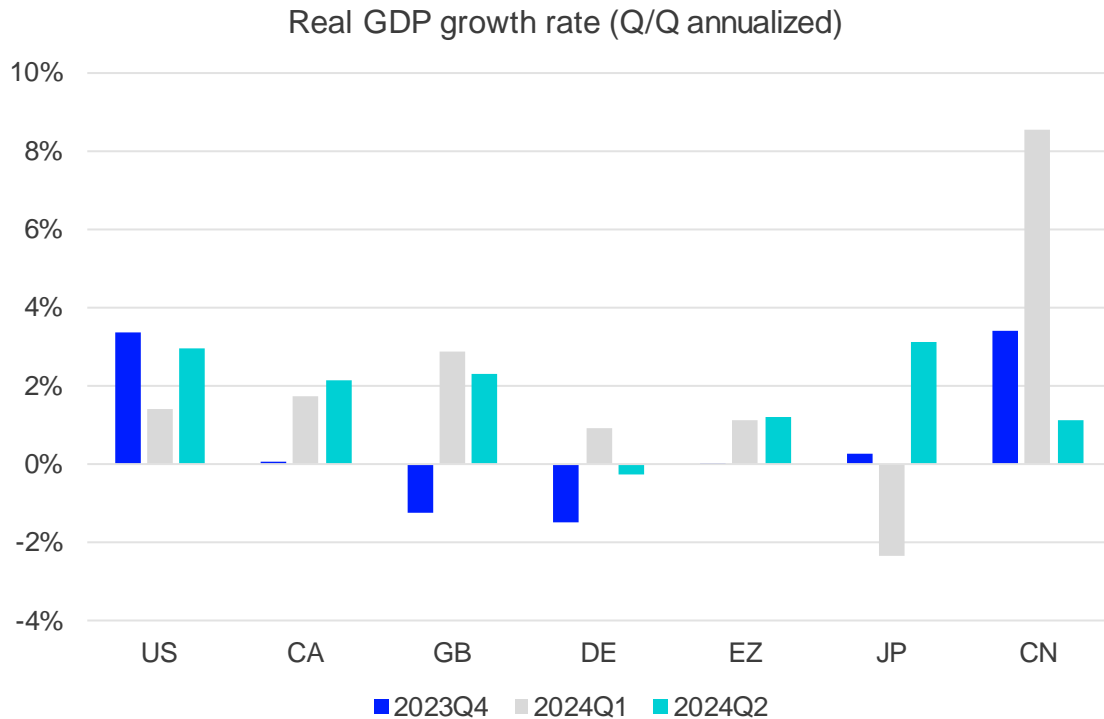
\* Data as of 16-September-2024

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# Macro: Growth expectations

Q2 growth has generally held up in the US and Europe, and growth expectations have generally improved



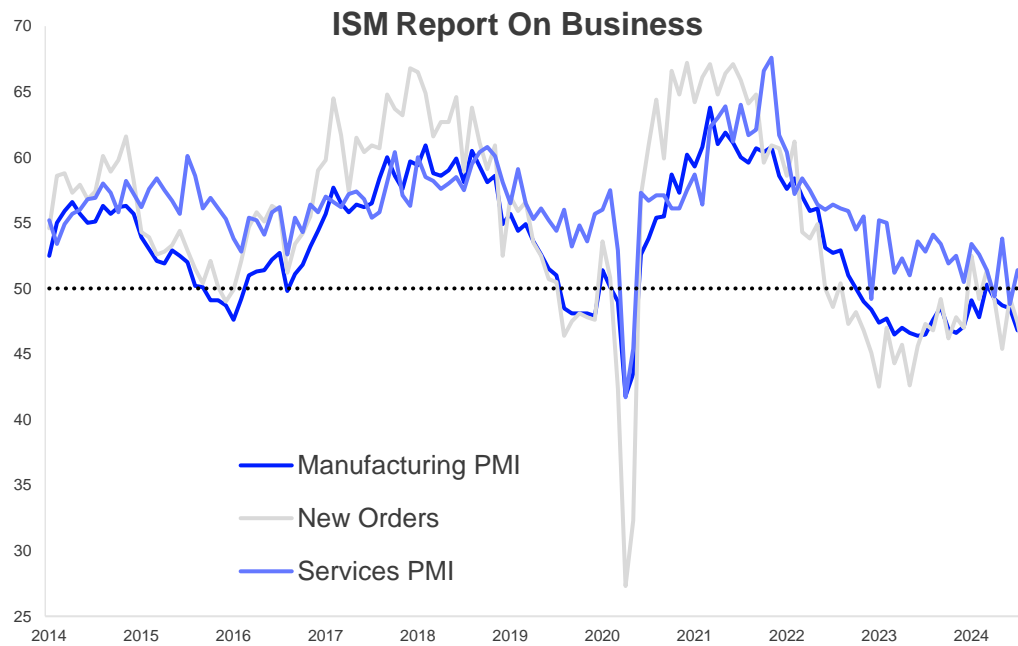
- ❖ US growth has been relatively good, and consensus has improved.
- ❖ From the growth side, less pressure on Fed to cut relative to Canada and Europe.
- ❖ **But realized growth is a backward-looking number...**

Source: FTSE Russell and LSEG. All data through August 31, 2024. Past performance is no guarantee of future results.

# Macro: Growth expectations (forward looking)

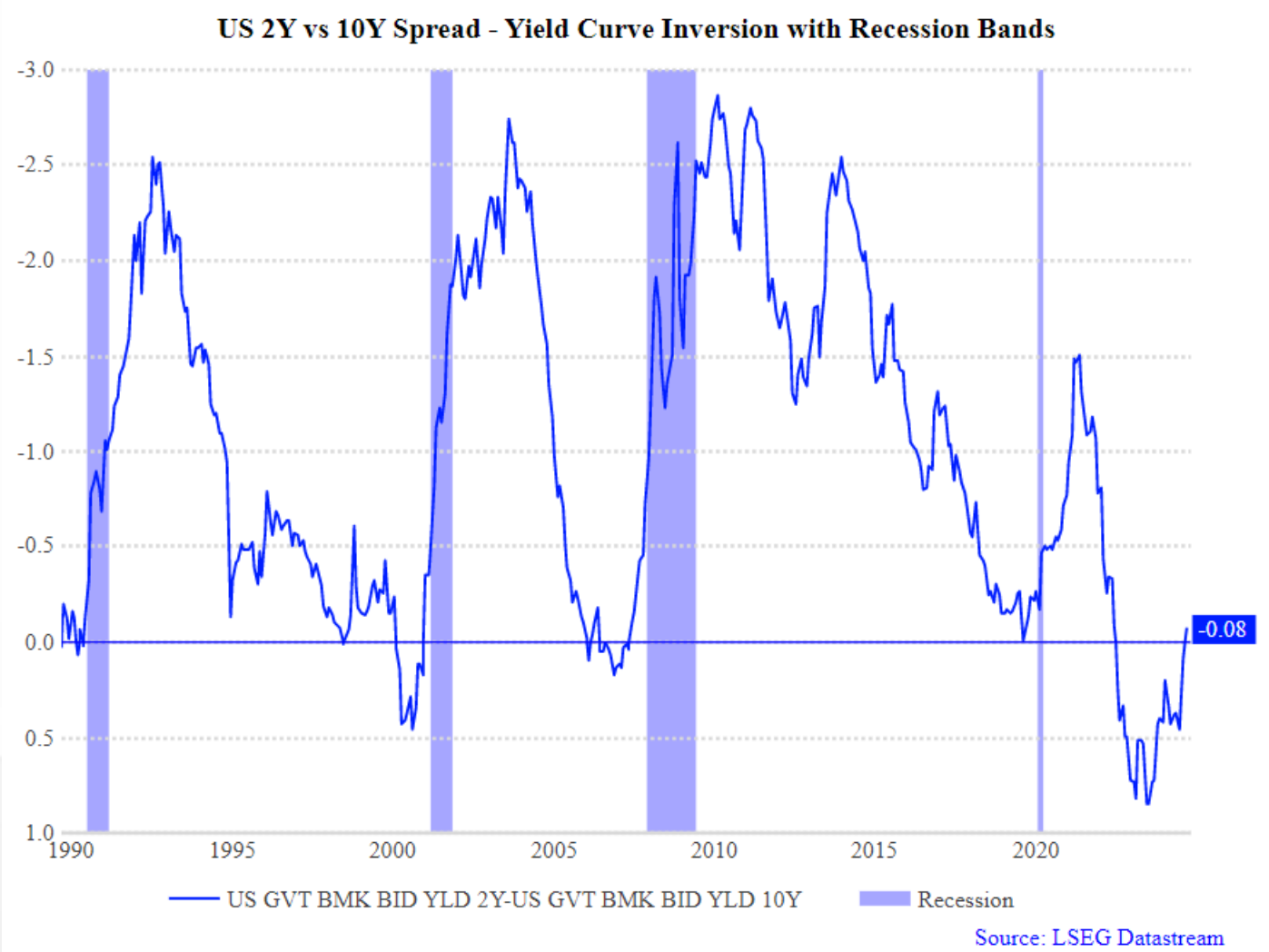
Indicators of slowing growth...Fed focus and market narrative shifts from Inflation to Growth concerns

## Inflection point?



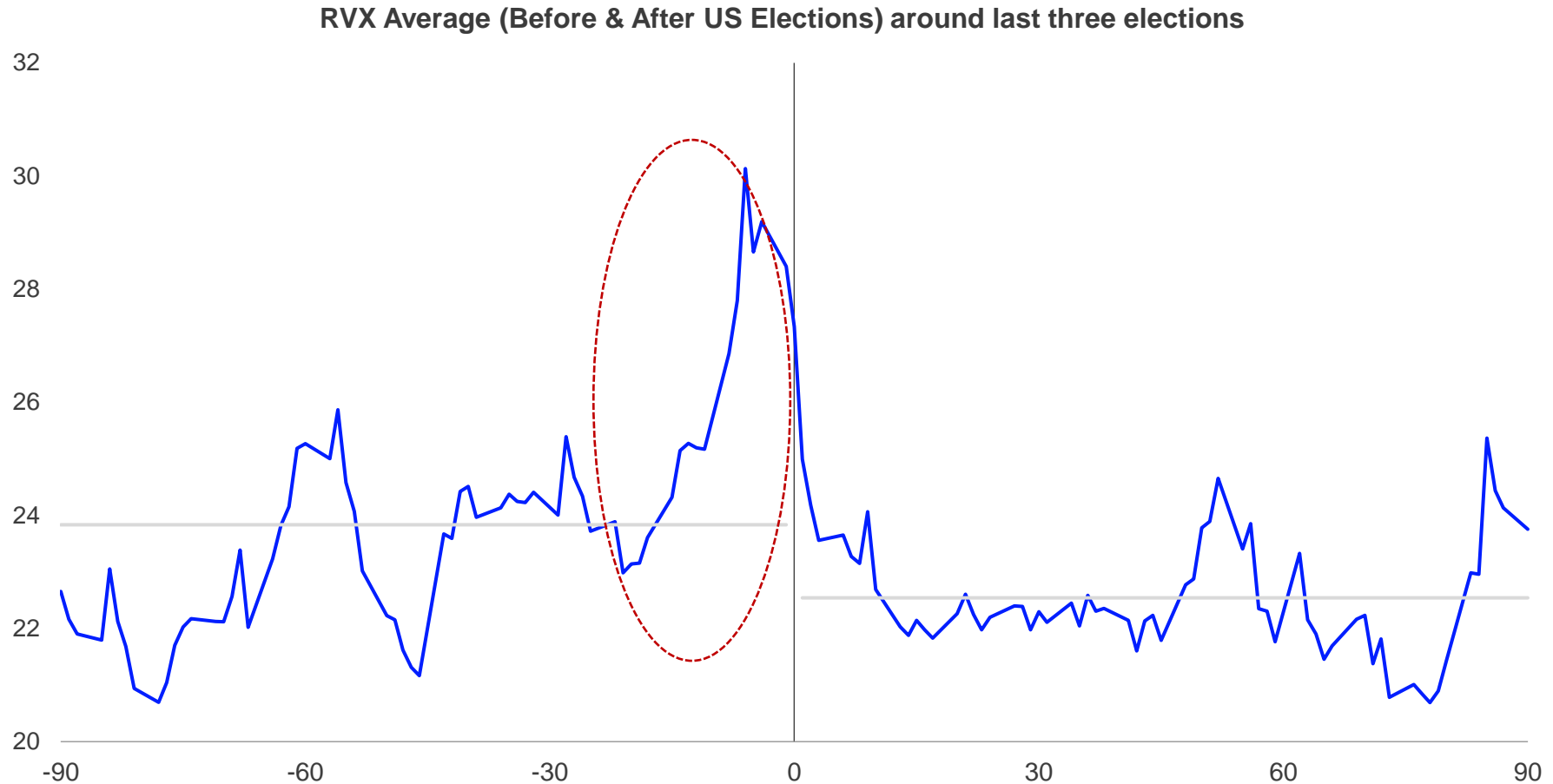
Source: FTSE Russell and LSEG. All data through August 31, 2024. Past performance is no guarantee of future results.

# US Yield Curve Reversion – Cyclical concern



\* Data as of 16-September-2024

# Concerns from Market Developments around US Elections



Source: FTSE Russell/LSEG. All data as of August 15, 2024



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