



## Inflation Roundup

May 7, 2026

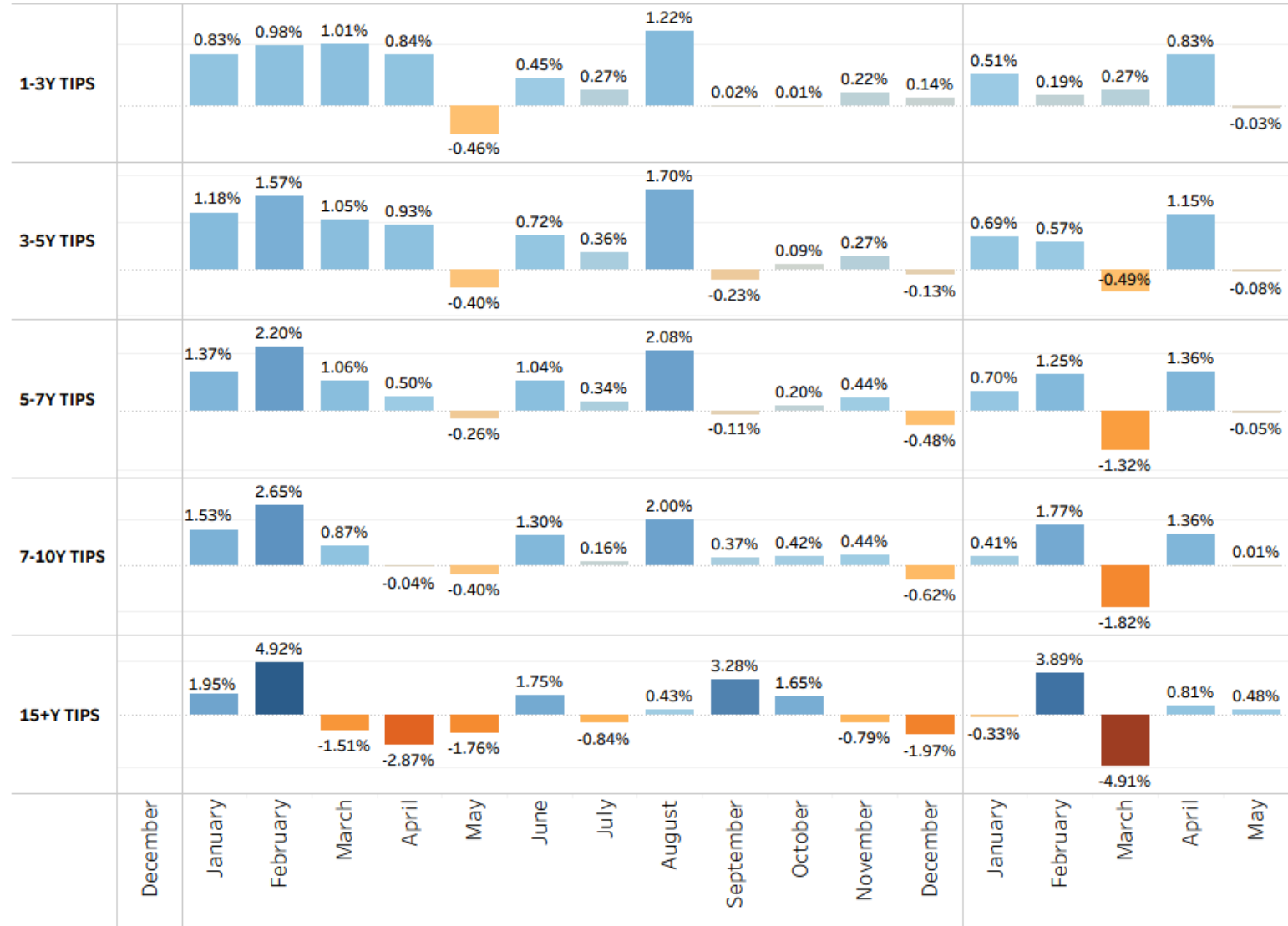
- Total Returns and Seasonality
- The State of Inflation
- Market-Based Expectations
- Energy and Commodities

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# TIPS TOTAL RETURNS:

## U.S. TIPS: Monthly Returns

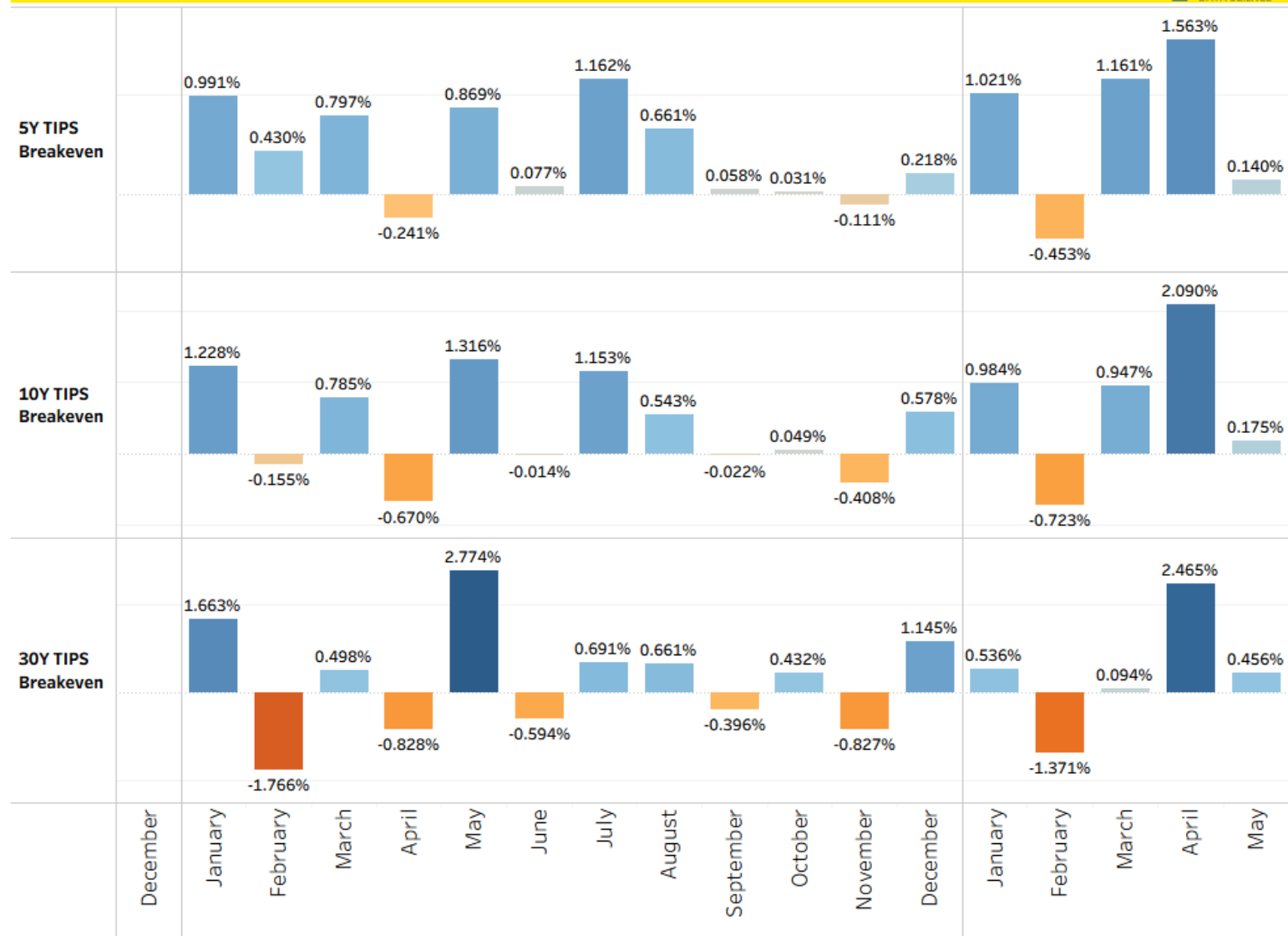


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# TIPS BREAKEVENS TOTAL RETURNS:

## U.S. Inflation Expectations (duration weighted): Monthly Returns

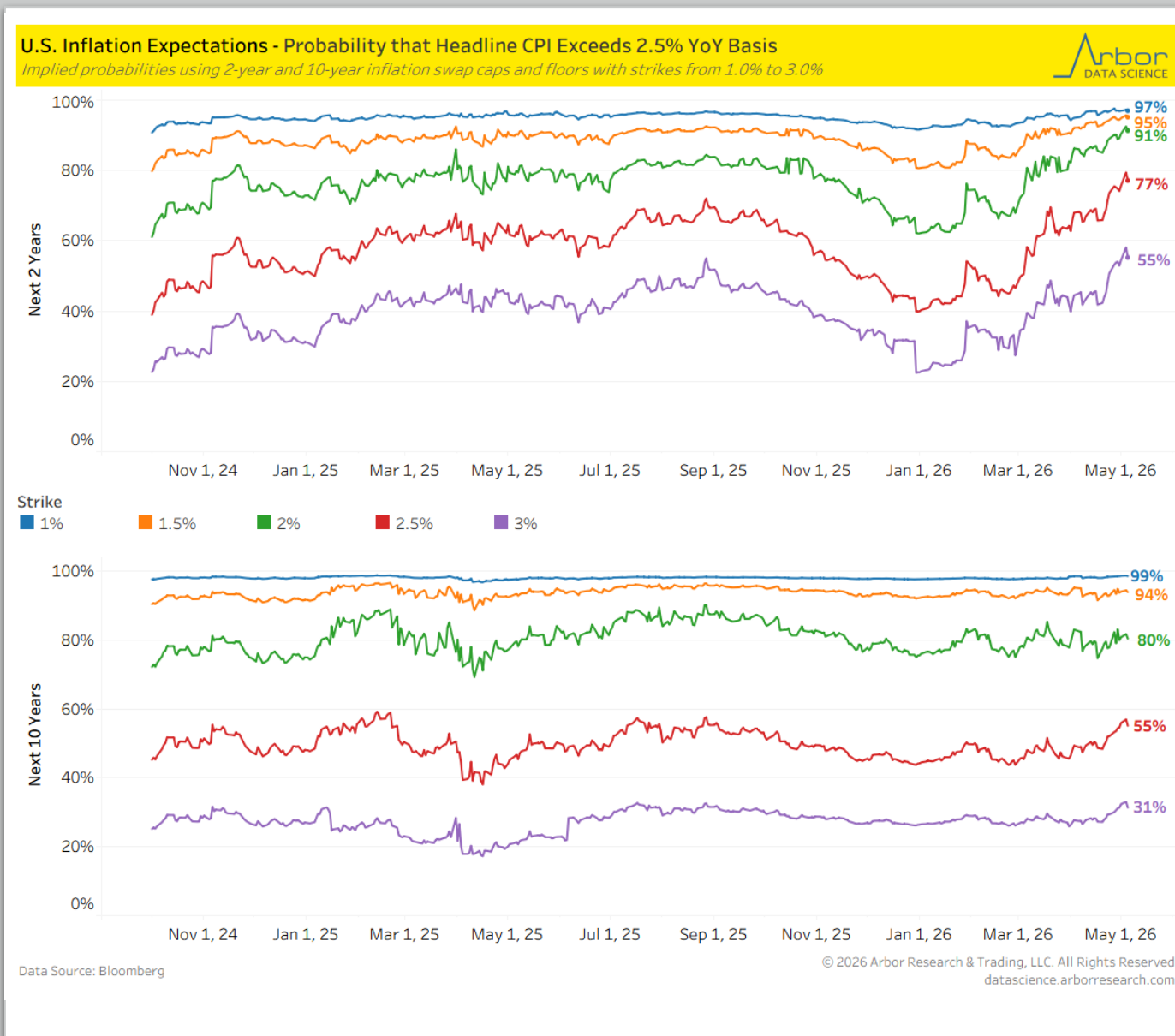


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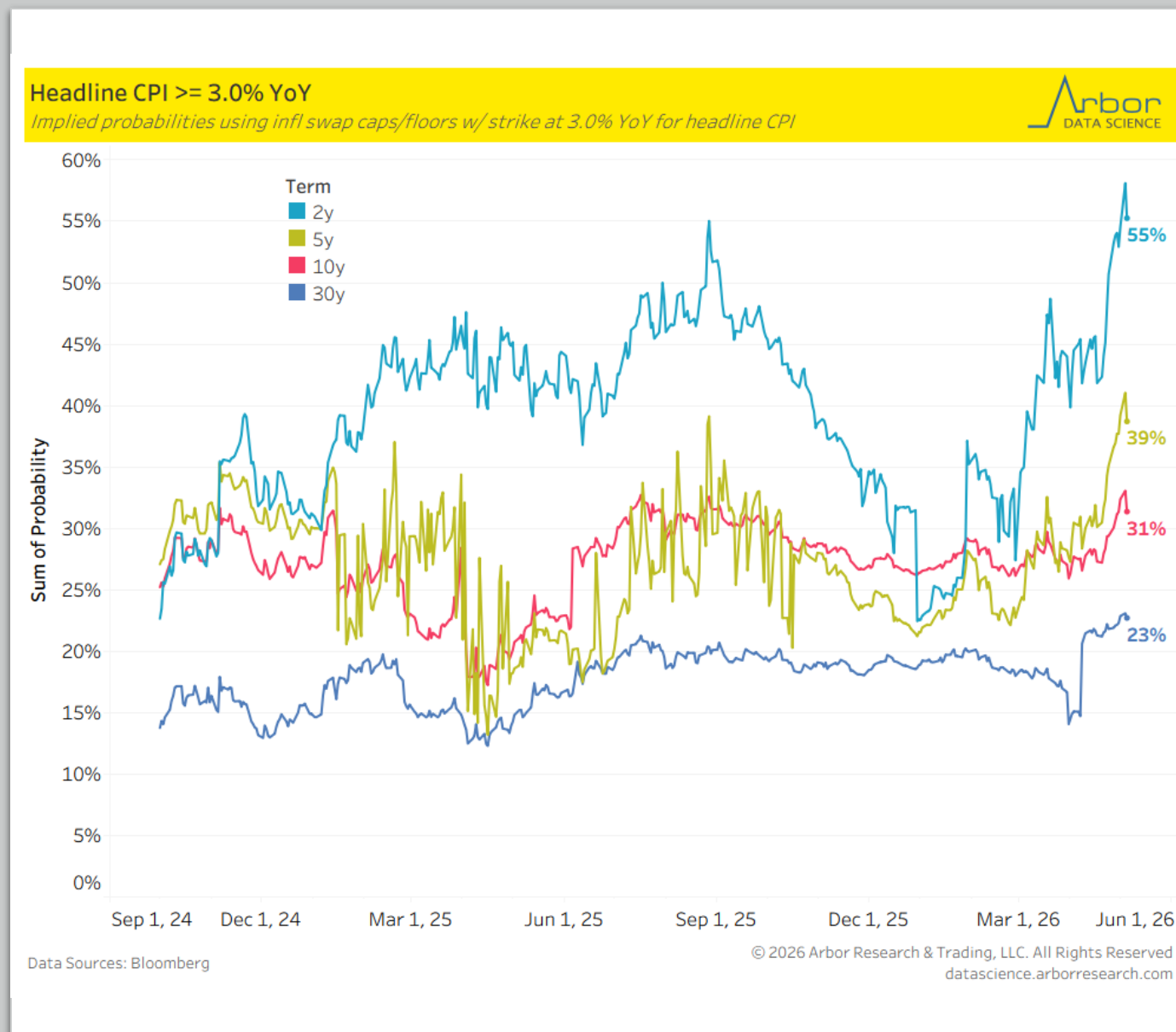
# U.S. Inflation Swap Caps and Floors

- Over the past week, inflation expectations for the next 2 years increased from the prior week, except 1% and 1.5%, which remained constant.
- The probability of 2.5% headline inflation for the next 2 years increased from the previous week to 77%.
- 10-year expectations increased from the prior week, except 3%, which remained constant.
- The 10-year probability of 2.5% headline inflation increased from the previous week to 55%.



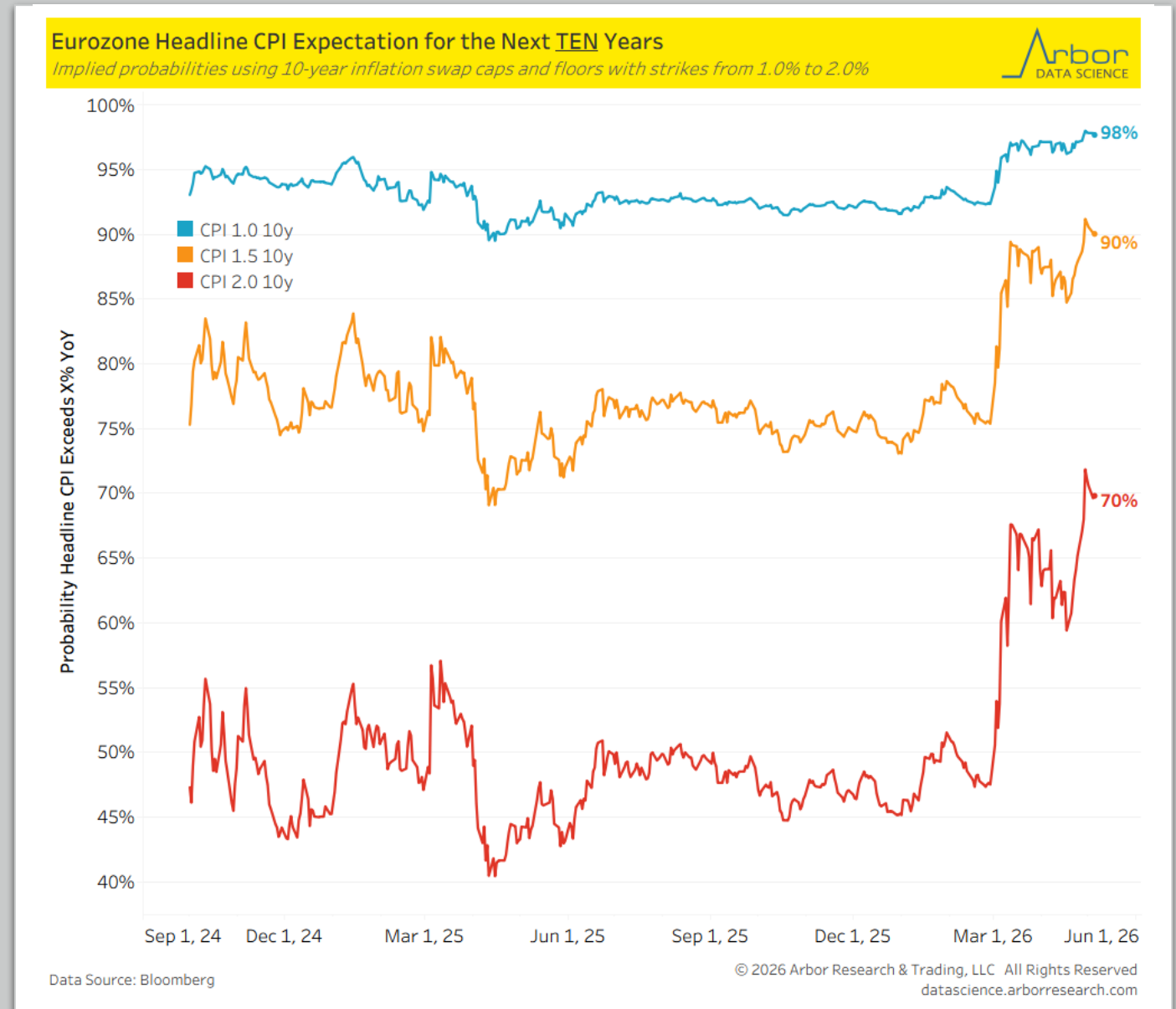
# U.S. 3% Headline Expectations

- 3% inflation expectations increased from the previous week, except 10 years, which remained constant.
- Based on swap cap/floor probabilities for the next 2 years, the market gives this outcome a 55% probability.



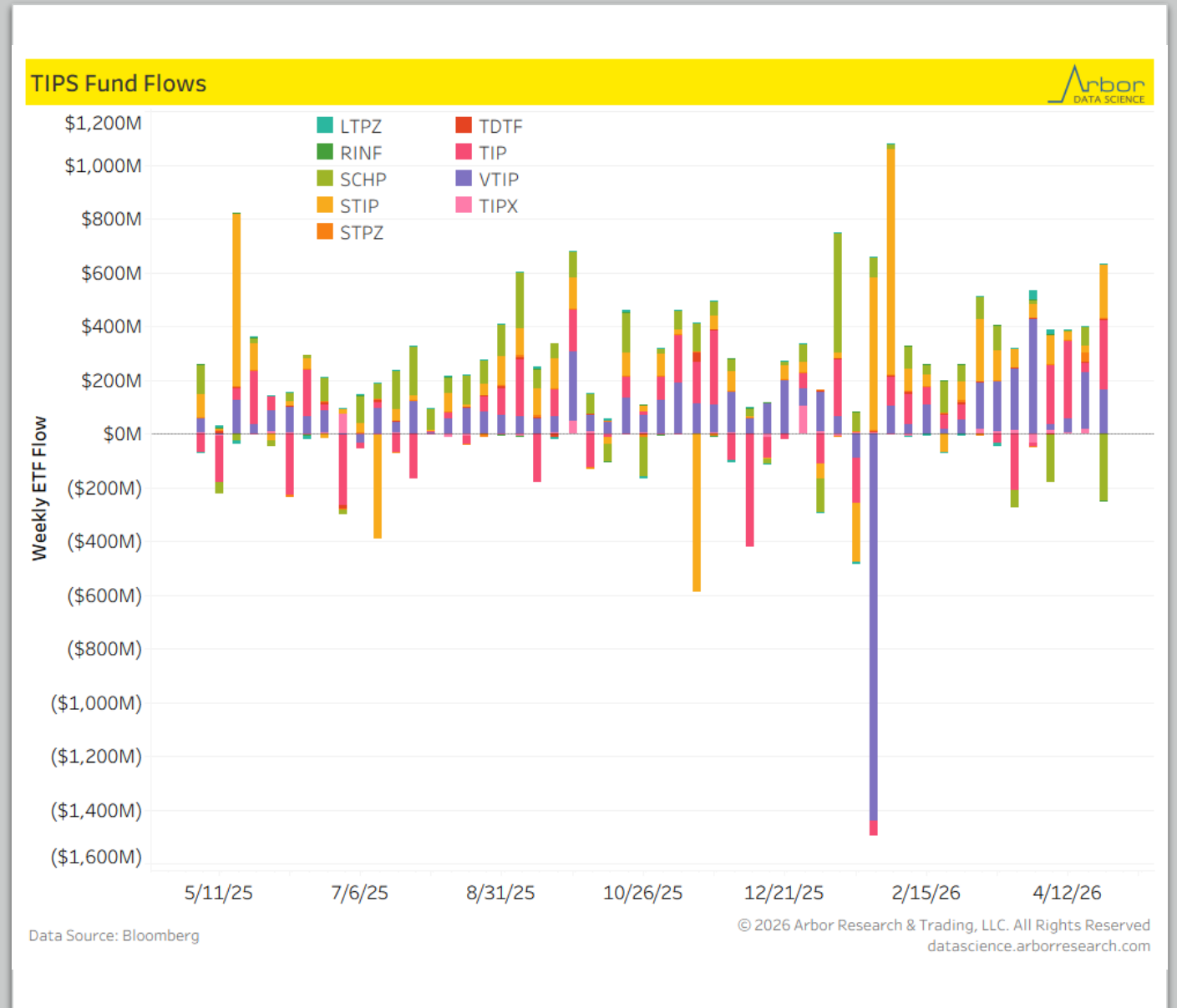
# Eurozone Inflation Expectations

- 10-year Eurozone inflation expectations increased from the previous week, except for 1.5%, which remained constant.
- The probability of 2% headline inflation increased to 70%.



# TIPS Fund Flows

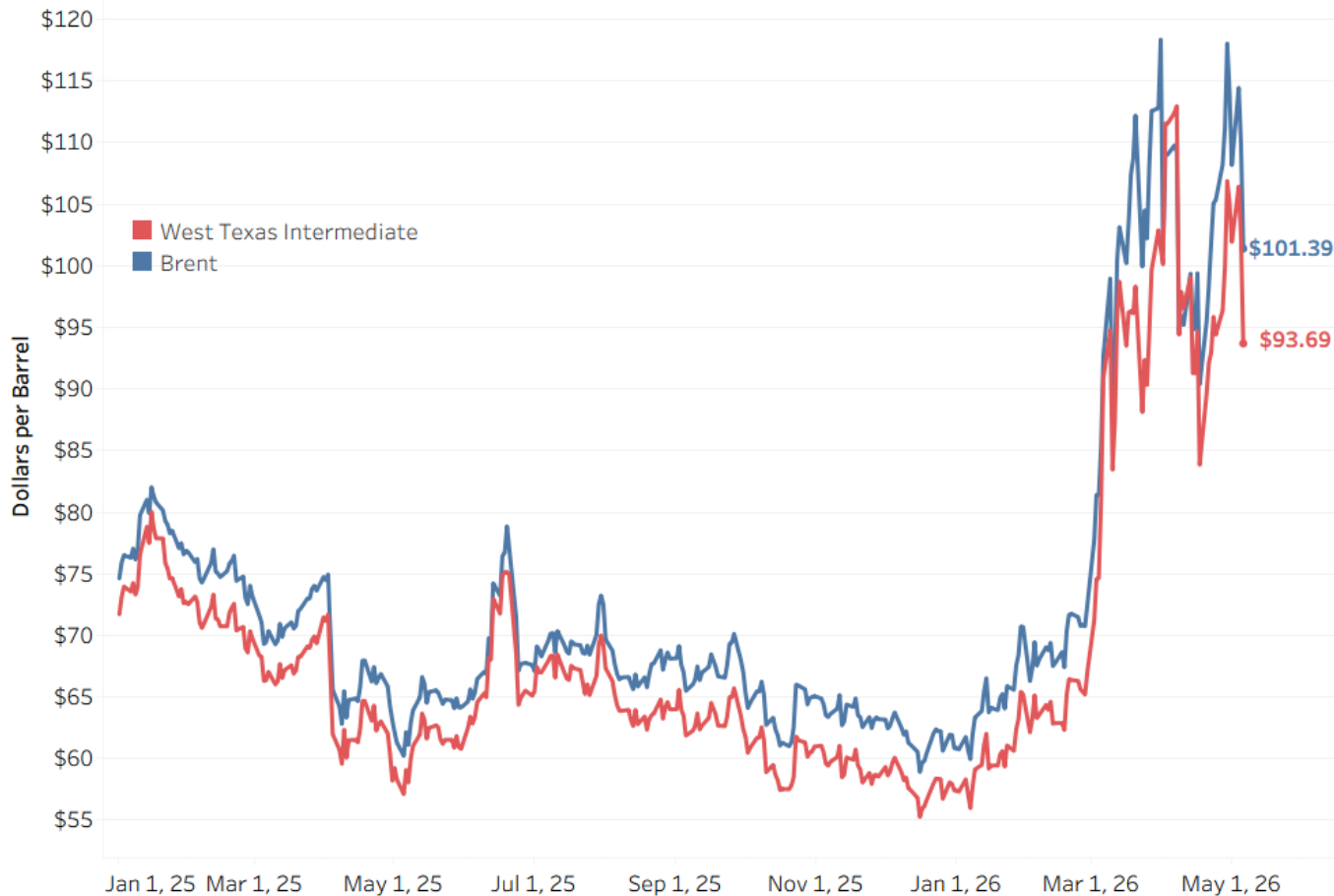
- Flows of funds were mostly positive last week, with inflows concentrated in three funds. (rounded value)
  - Vanguard Short-term Inflation-Protected Sec Index ETF: \$165 million inflows
  - iShares TIPS Bond ETF: \$257 million inflows
  - iShares 0-5 Year TIPS Bond ETF: \$202 million inflows



**Brent Crude was down  
\$13.04 from last week to  
\$101.39**

### Crude Oil Prices

Generic Crude Indices



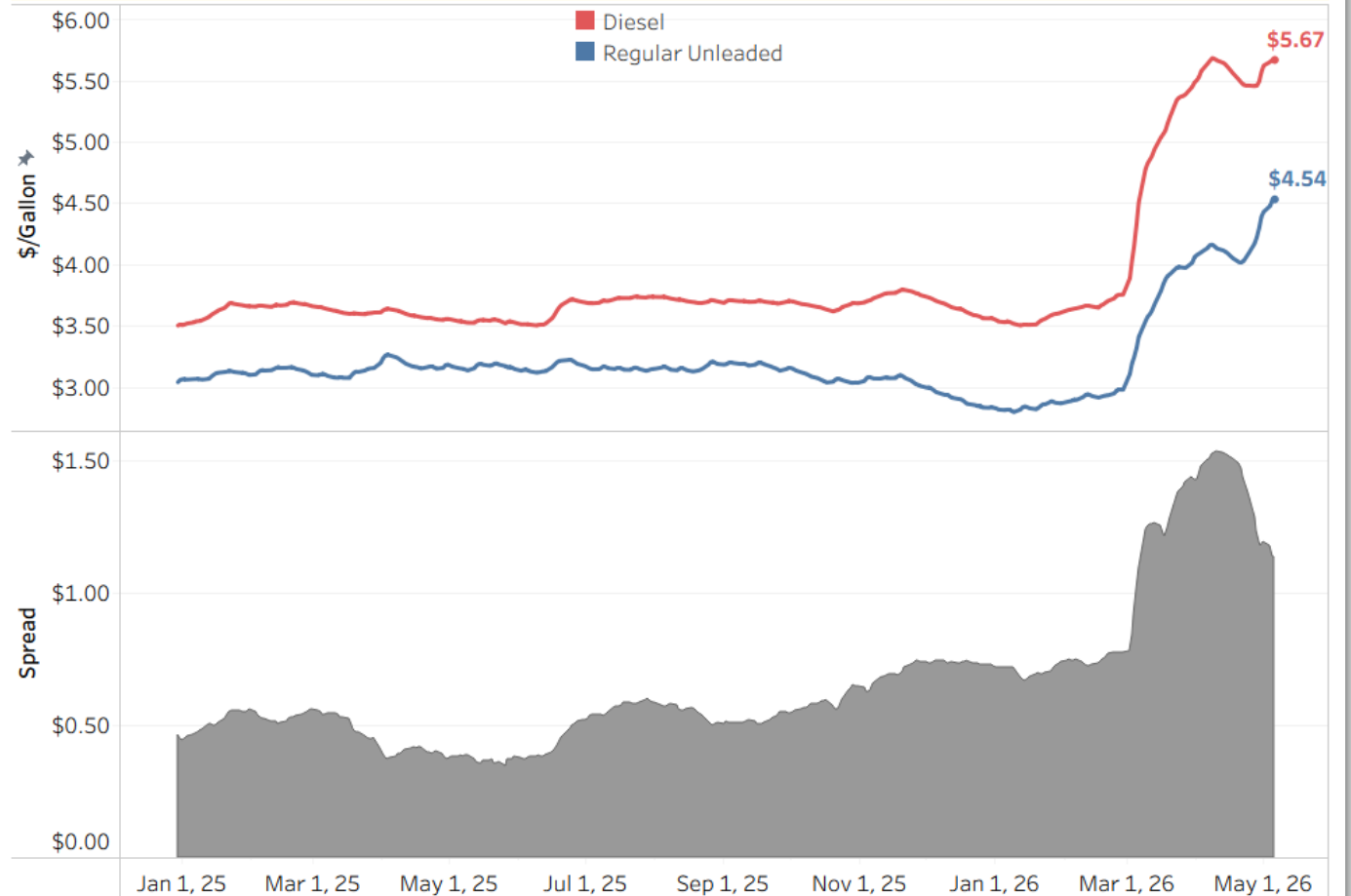
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Average Diesel/Gas Spread decreased to \$1.13 from \$1.23 the previous week

### U.S. Gasoline Prices - Regular and Diesel

AAA Daily National Average Cost per Gallon



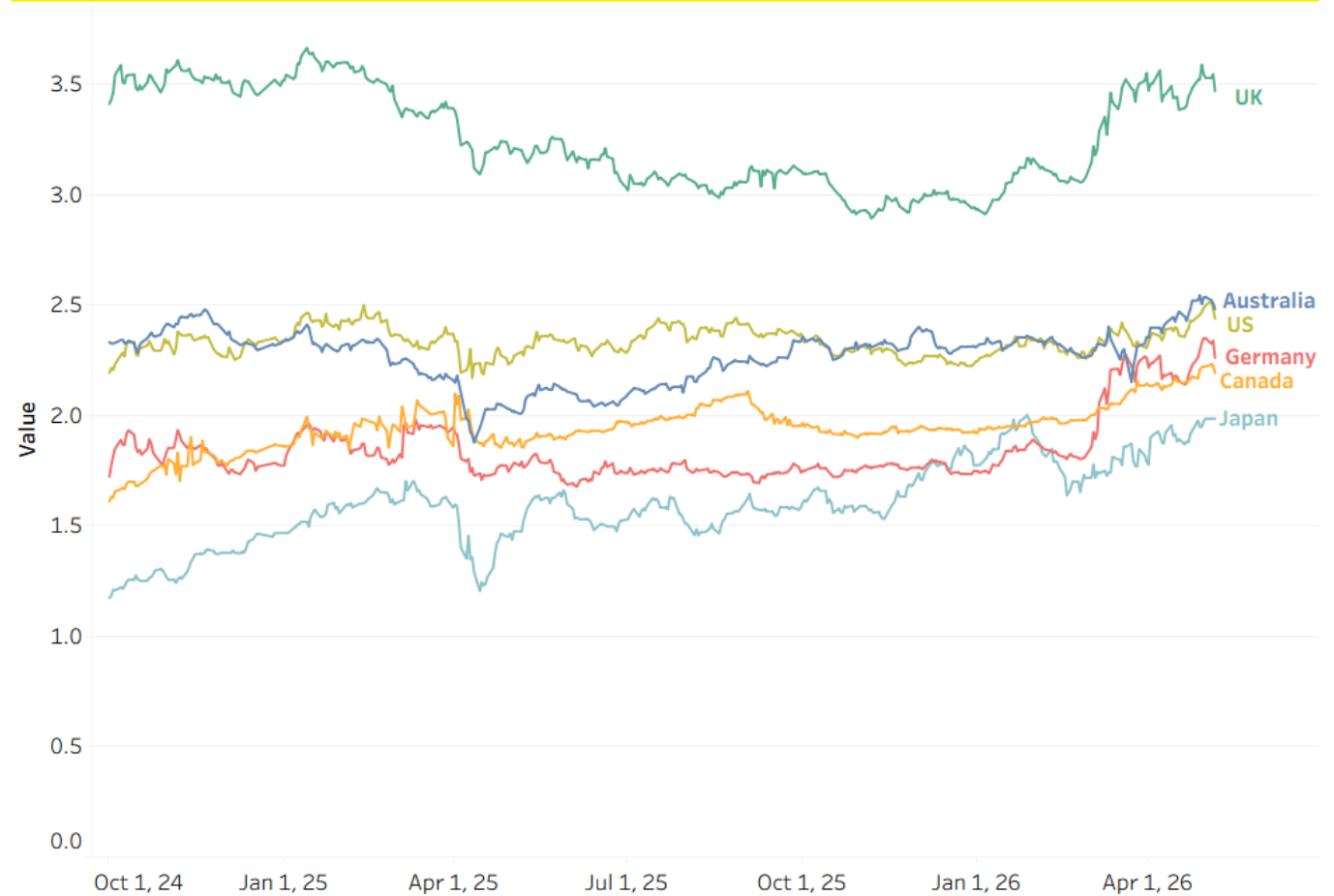
Data Source: American Automobile Association

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# 10-Year Global Breakevens

## 10-Year Inflation Expectations Global Breakevens



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