



Inflation Roundup

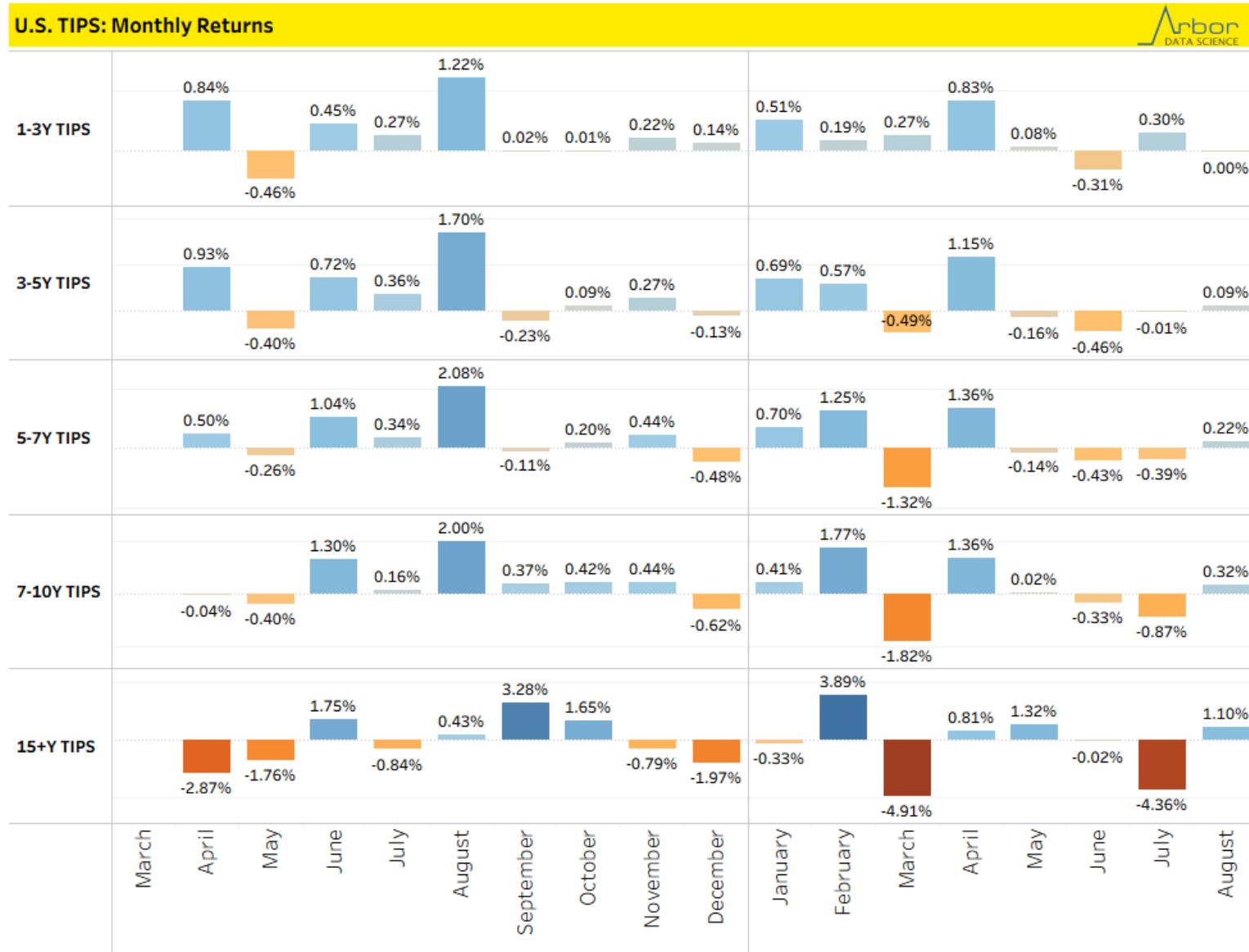
August 06, 2026

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

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TIPS TOTAL RETURNS:

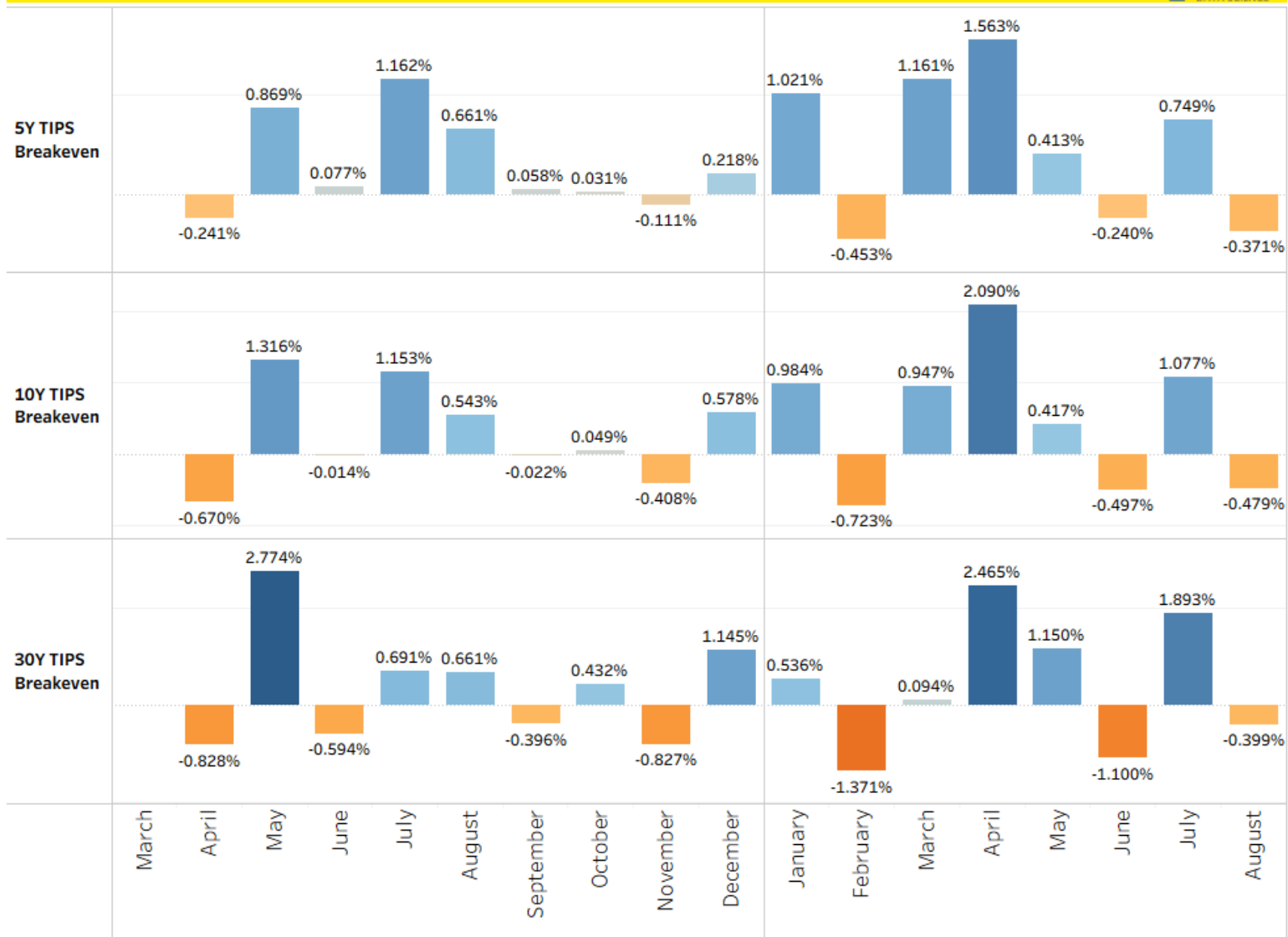


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TIPS BREAKEVENS TOTAL RETURNS:

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

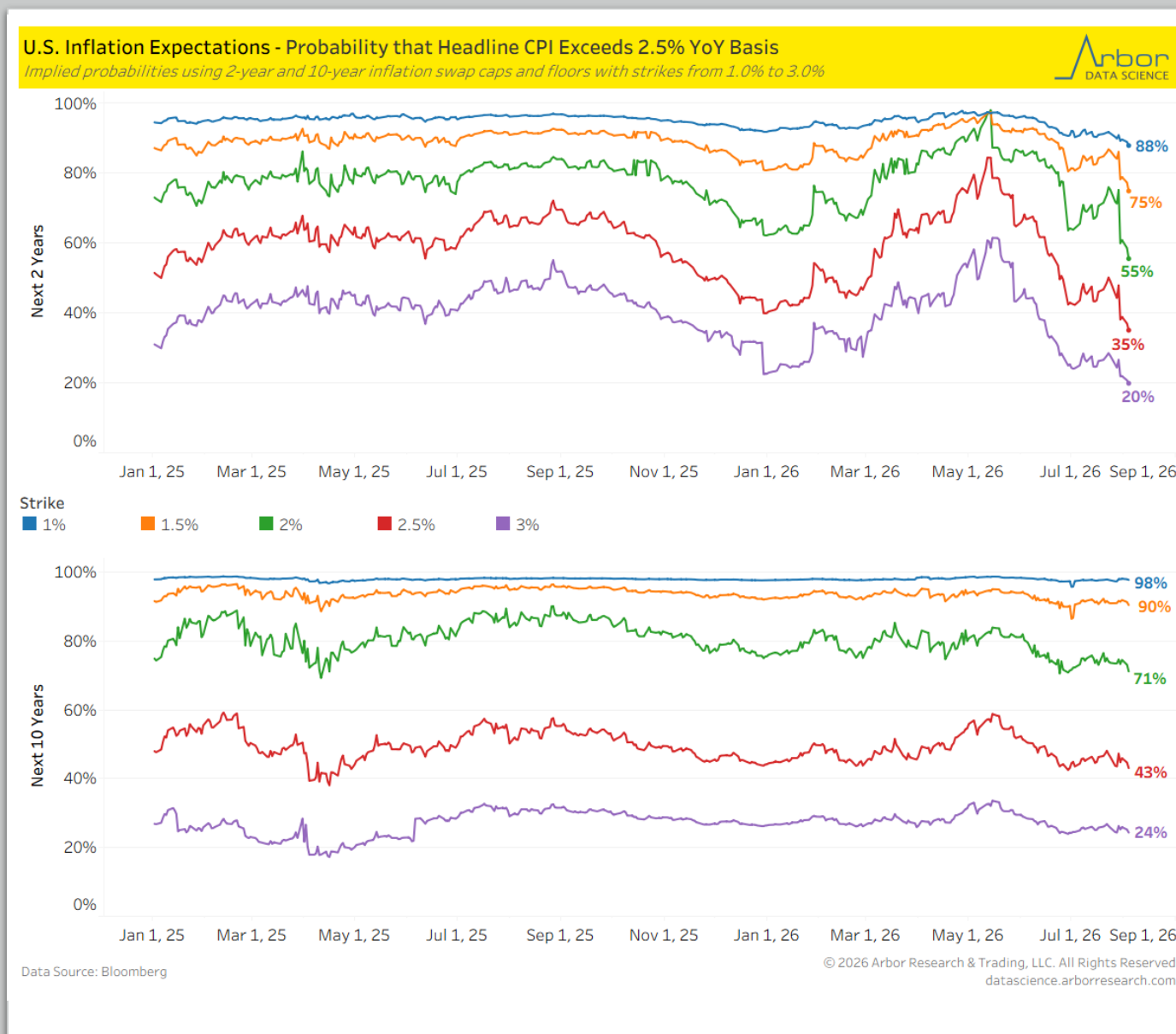


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U.S. Inflation Swap Caps and Floors

- Over the past week, inflation expectations for the next 2 years fell across the board.
- The probability of 2.5% headline inflation for the next 2 years decreased from the previous week to 35%.
- 10-year expectations were mixed.
- The 10-year probability of 2.5% headline inflation decreased from the previous week at 43%.

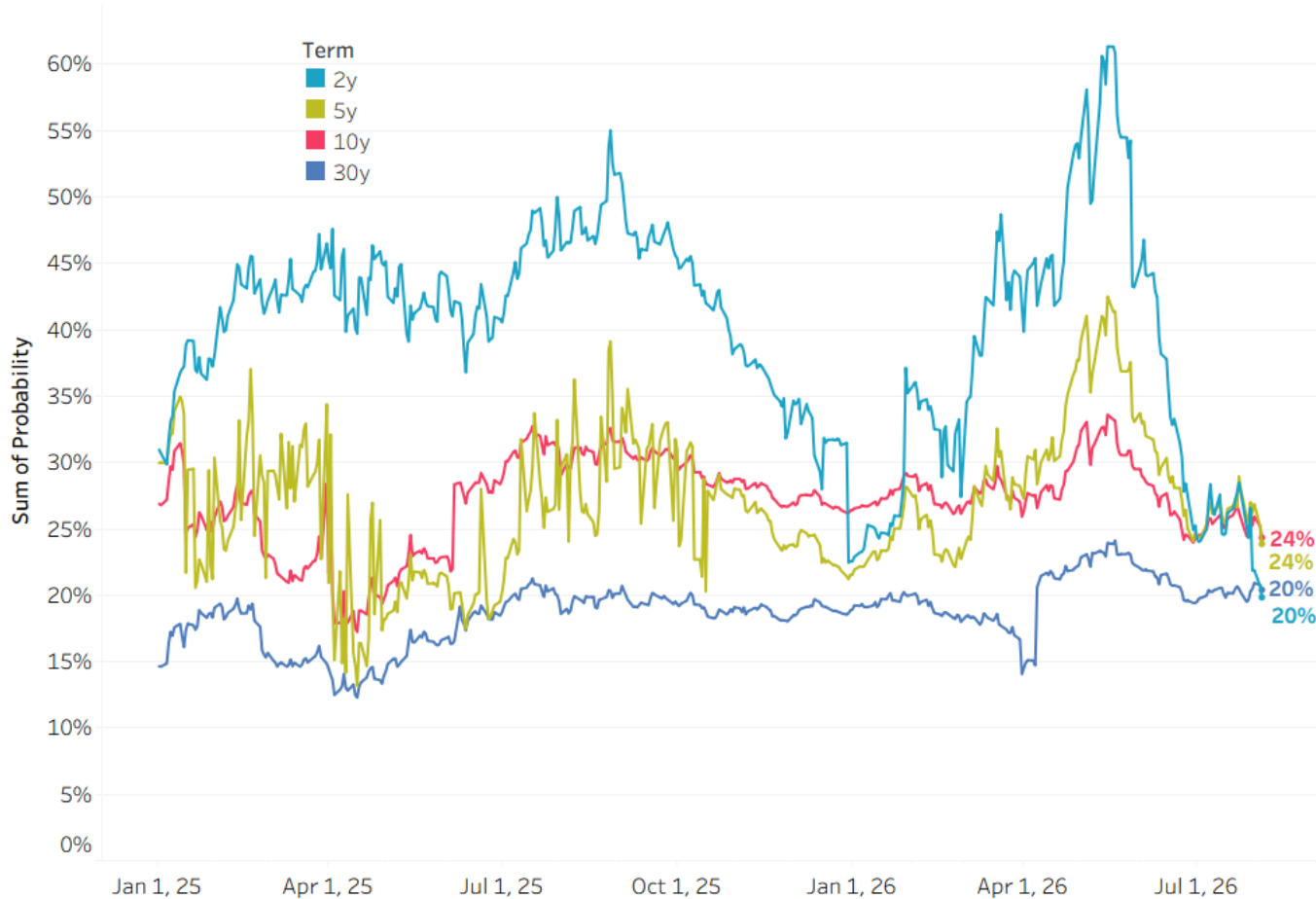


U.S. 3% Headline Expectations

- 3% inflation expectations decreased over the past week, except for the next 10 & 30 years, which were unchanged.
- Based on swap cap/floor probabilities for the next 2 years, the market gives this outcome a 20% probability.

Headline CPI $\geq 3.0\%$ YoY

Implied probabilities using infl swap caps/floors w/ strike at 3.0% YoY for headline CPI

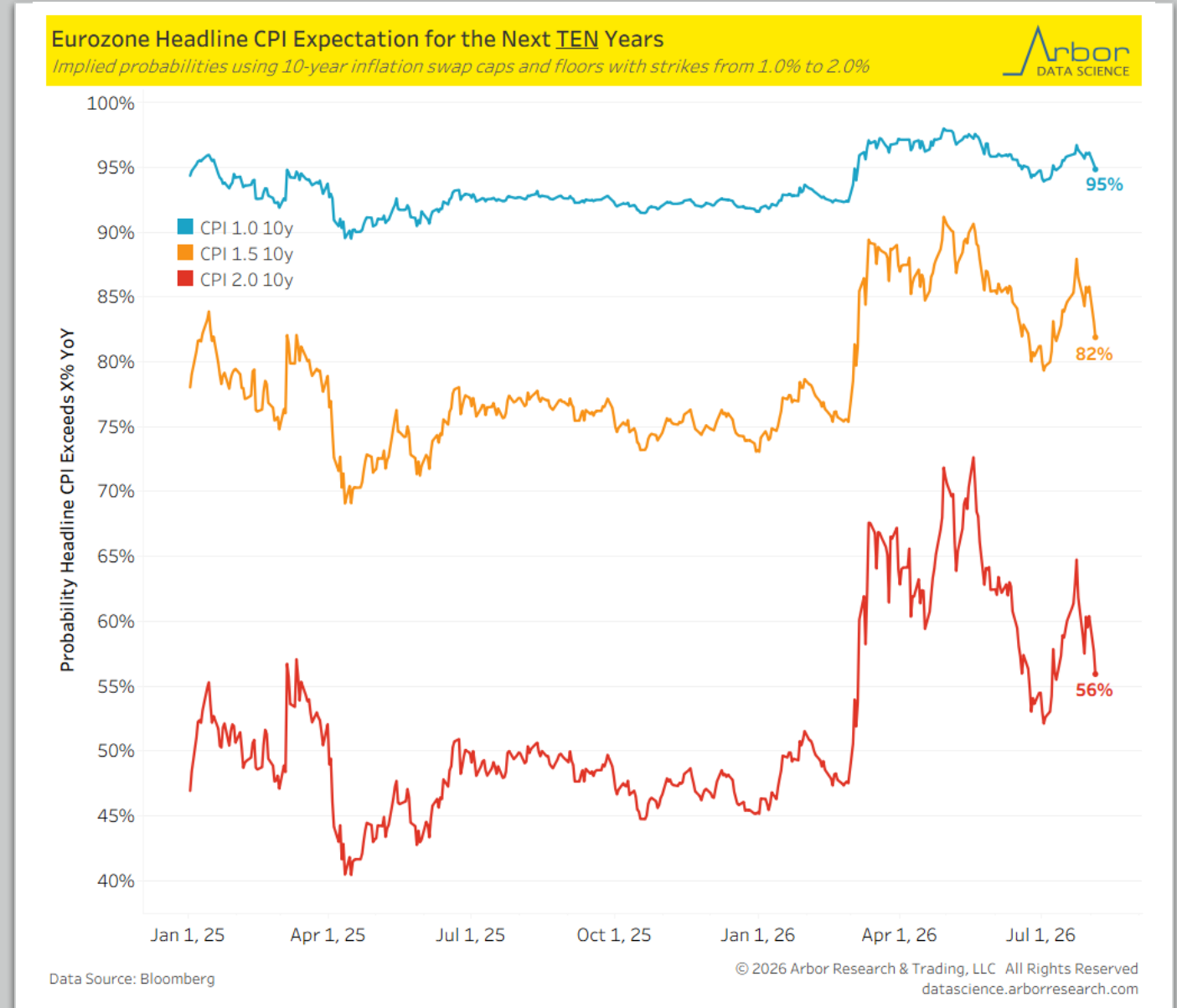


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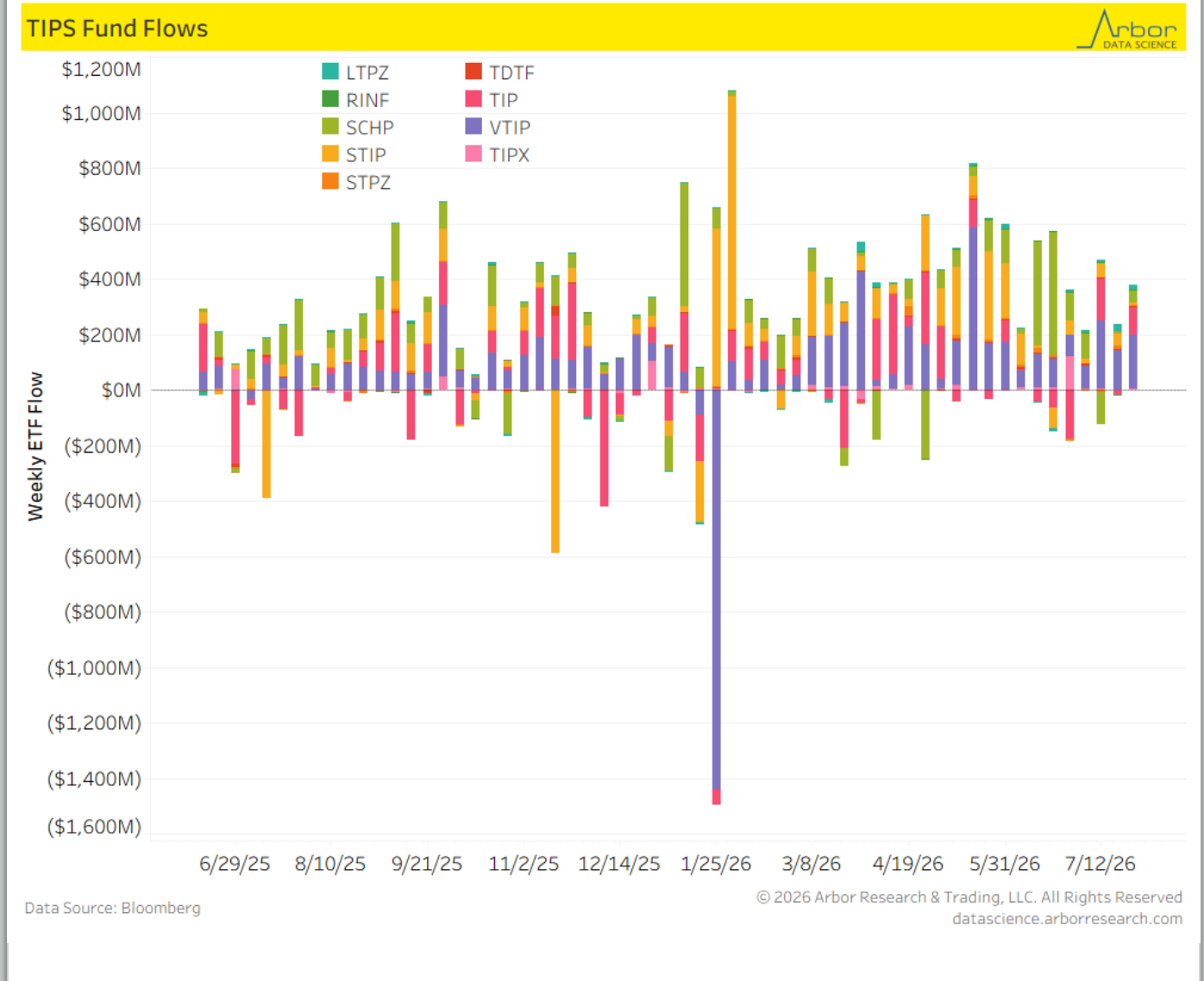
Eurozone Inflation Expectations

- 10-year Eurozone inflation expectations decreased.
- The probability of 2% headline inflation decreased to 56%.



TIPS Fund Flows

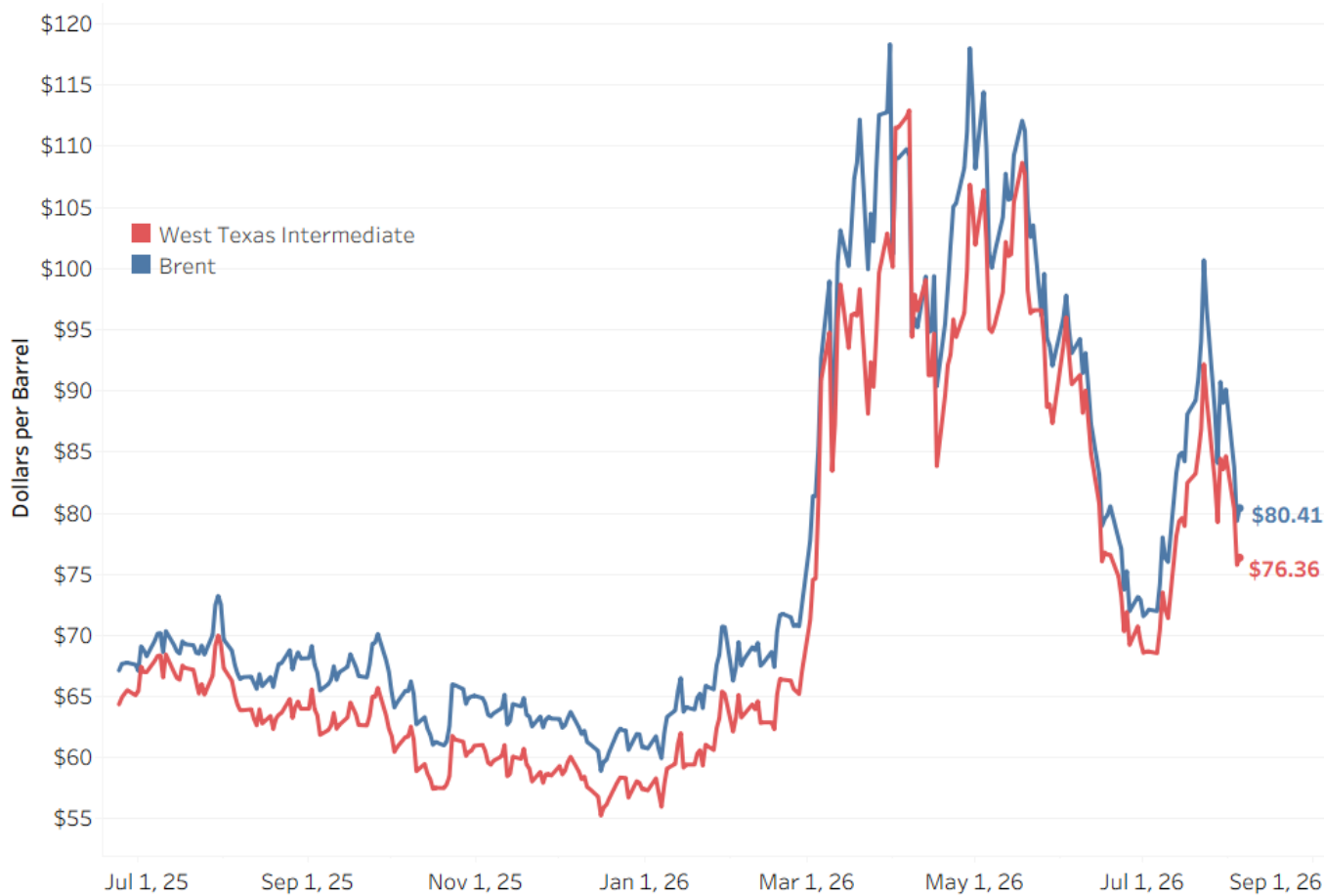
- Flows of funds were mostly positive last week, with inflows concentrated in one fund.
(rounded value)
 - Vanguard Short-Term TIPS ETF: \$198 Million Inflows
 - iShares TIPS Bond ETF: \$97 Million Inflows



Brent Crude was down
\$9.35 from last week to
\$80.41

Crude Oil Prices

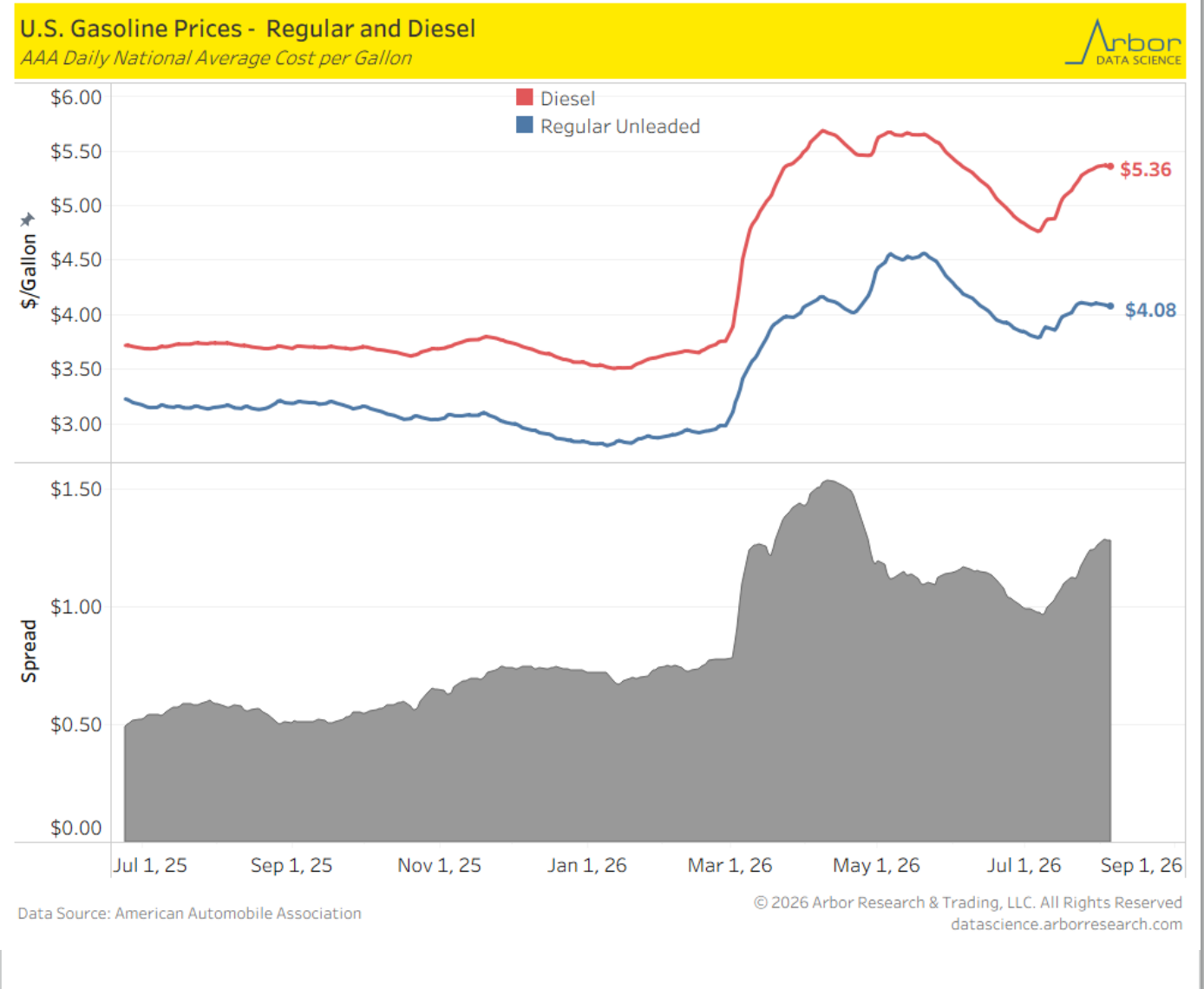
Generic Crude Indices



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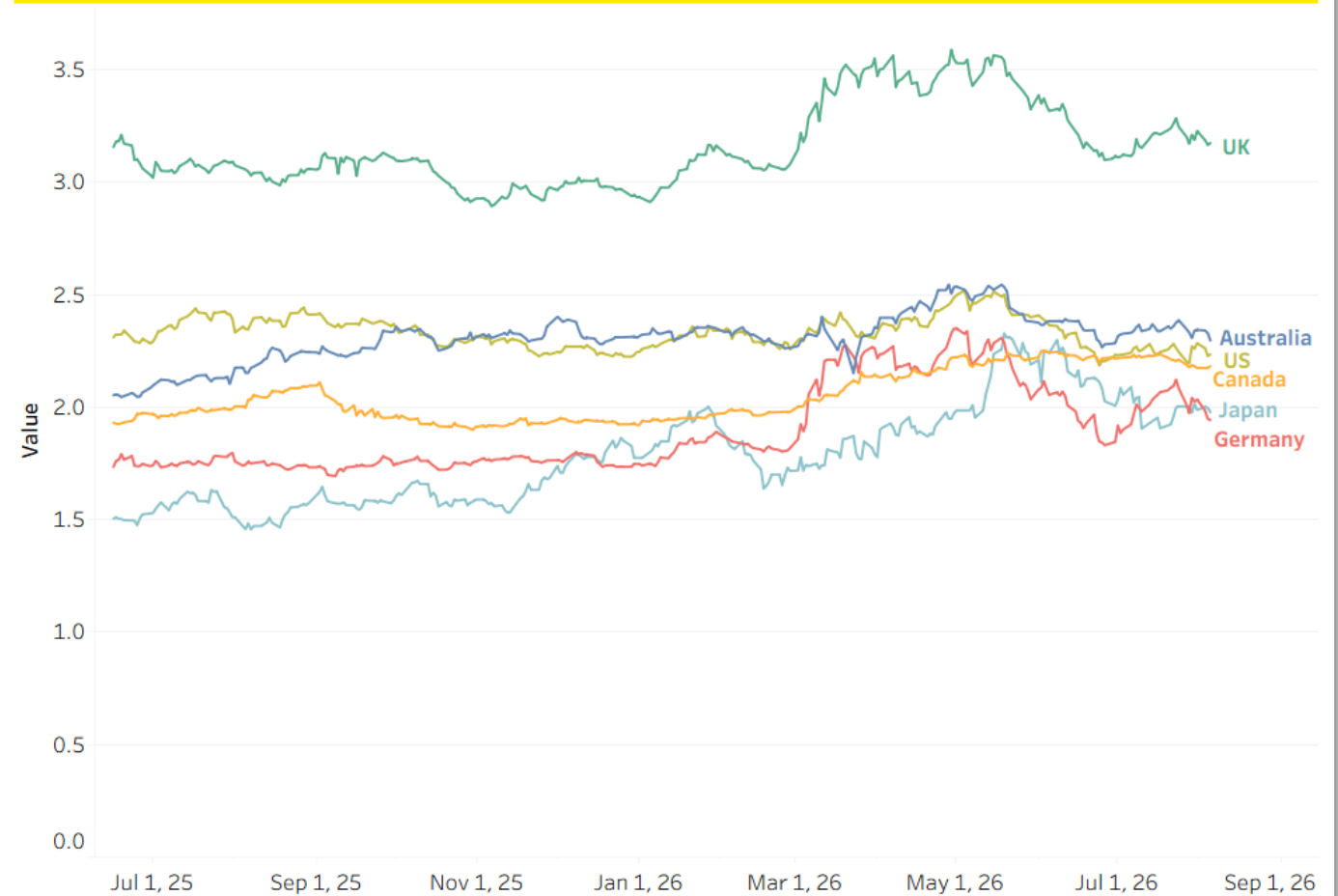
Average Diesel/Gas
Spread rose from the
previous week to \$1.28



10-Year Global Breakevens

10-Year Inflation Expectations Global Breakevens

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Contact Us

Give us a call for more information about our services and products.

Kristen Radosh

kristen.radosh@arborresearch.com

Max Konzelman

max.konzelman@arborresearch.com

Gus Handler

gus.handler@arborresearch.com

Sam Handler

sam.handler@arborresearch.com

Arbor Research & Trading, LLC

22333 Classic Court

Lake Barrington, IL 60010

1-800-606-1872

datascience.arborresearch.com



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