

U.S. INFLATION TAPERS OFF

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While inflation in the euro zone persists at a high level, the U.S. economy appears to have passed the peak. According to the [Bureau of Labor Statistics](#) (BLS), the U.S. government entity responsible for publishing inflation data, consumer prices increased by 8.3% year-to-year in August. This is down from 8.5% in July and 9.1% in June.

Year to date, i.e., from January through August, American consumer prices have increased by 5.34%. In July, the year-to-date inflation rate was 5.38% and in June 5.39%.

The BLS also reported that year-to-year inflation in producer prices for August was 15.3%. As with consumer prices, this is a decline in the inflation rate over the past two months: in July the producer-price inflation rate was 17.2%; the June figure was 23.4%.

Since January, producer prices had increased by 14.6% in June, but then dropped to 10.2% in July, and 9.2% in August.

Consumer-price inflation remains higher than in 2021, when the year-to-year inflation rate in August was 5.3%. However, inflation in producer prices has declined since August last year, when it stood at 20.1%.

The 8.3% consumer-price inflation for August is the highest for that month since 1981. As for producer prices, except for 2021, the last time they exceeded 15% for the month of August, was in 2008.

Despite the signs of subsiding inflation, at the current rate of decline, it will take until December before inflation for 2022 falls below its 2021 rate.