

U.S. CPI Preview: Apr 2026

MNI View: A Crude Shift Further From Target

Apr 8, 2026 – By Chris Harrison

SUMMARY

- Released Friday at 0830ET, headline CPI is expected to have surged in March with a 0.9-1.0% M/M increase due to a historically large energy price increase on the US-Israel-Iran war.
- Core CPI is seen increasing a more modest 0.27% M/M in March after 0.22% M/M, with much more limited initial spillover from the energy shock.
- Within core, expect transportation-related categories to be in focus plus broader indications of supply chain pressures which ticked up to a fresh high since early 2023 according to the NY Fed.
- Specifically within core services, fares are seen with a strong increase although one that is firmly within recent wide ranges and with further increases likely in the pipeline, whilst lodging could weigh against this.
- If accurate, headline CPI will accelerate a full percentage point to 3.4% Y/Y for its highest since Mar 2024 (still due to correct ~0.1pp higher in April as a government shutdown distortion drops out) whilst core CPI would increase 0.2pps to 2.7% Y/Y for its highest since an interpolated 2.8% in Oct 2025.
- Core PCE has seen a sizeable positive gap to core CPI in recent months, in part because it amplifies pass-through of tariff-sensitive goods inflation into PCE while limiting the effect of used-car deflation along with out-of-scope PCE categories such as imputed financial services.
- That was likely still the case in February (to be released Thursday) but the gap is expected to close in March, at least in tentative pre-CPI tracking and with most of those out-of-scope categories only to be revealed with the PPI report on Apr 14.
- The rates backdrop remains extremely fluid heading towards this release, with a sizeable rally Wednesday on the US and Iran coming to a two-week ceasefire before non-trivial paring as violations of the ceasefire and different peace plans are assessed. At typing, there are circa 10bp of Fed cuts priced to end-2026 building to 17bp of cuts with Jun 2027.

CONTENTS

[MNI Point of View](#) | [Analyst Tables and Views](#) | [Recent Inflation Developments](#) | [MNI Policy Team](#)

Headline CPI To Jump On Energy Surge, Core More Modest

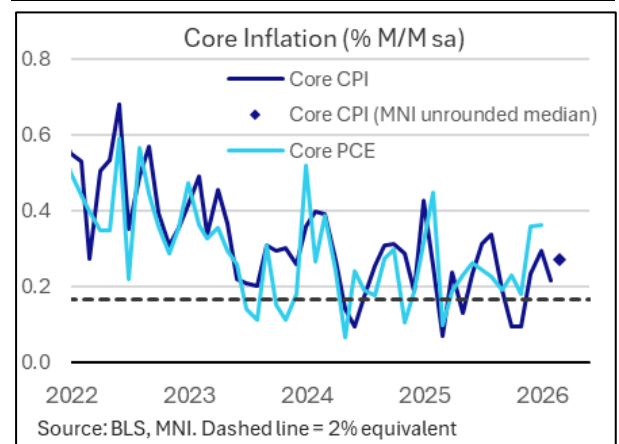
Headline CPI inflation is expected to have surged in March (broad Bloomberg consensus 1.0% M/M, MNI median 0.93% M/M) due to a historically large energy price increase stemming from Middle East fallout after US-Israel strikes on Iran on Feb 28. Core CPI is expected to see more mellow increases however, with Bloomberg consensus at 0.3% and the MNI median 0.27% M/M after 0.22% in February, with it being too soon to see spillover aside from perhaps initial impacts on transportation.

If accurate, this should see a 1pp increase jump in the headline Y/Y rate to 3.4% for its highest since Mar 2024 (remembering that it's due to correct another 0.1pp or so higher in April as a distortion from the late 2025 government shutdown's impact on data drops out) whilst core CPI would increase 0.2pps to 2.7% for its highest since an interpolated 2.8% in Oct 2025.

We see a tentative estimate for core PCE at 0.24% M/M in March (range 0.23-0.34) although we're still to get the February PCE report tomorrow (Thursday) which could see some revisions there before larger tracking adjustments after CPI. We see analysts on balance looking for a 'low' 0.4% M/M core PCE inflation in February, with a sizeable positive gap to core CPI in part due to heavier weights on non-used cars goods items and out-of-scope PCE components.

| | Feb | Mar |
|---------------------|--------|-----------------------|
| Core | 0.216% | Median 0.27% |
| Headline | 0.267% | Median 0.93% |
| Core Y/Y | 2.46% | Median 2.7%, Av 2.68% |
| Headline Y/Y | 2.41% | Median 3.4%, Av 3.38% |

(*M/M only from unrounded analyst estimates, Y/Y more broadly)



Analyst Expectations Of Key Sequential Drivers:

Non-core components are in the driving seat on the back of the surge in energy prices:

- **Energy** prices are expected to be a major upside driver this month, with an average expected seasonally adjusted increase of 10.4% M/M across analysts (range 9.4-11.3%) after 0.6% M/M in Feb. It's driven by gasoline prices seen increasing 21-23% M/M.
- **Food** inflation is expected to moderate somewhat with an average estimate of 0.24% M/M after a comfortably stronger than expected 0.4% M/M in February. There was some pretty wide dispersion in grocery prices in Feb with some categories seeing the lowest ever rates of inflation (lunch meats), and others the highest (sugar and sweets). Food at home will likely be watched for an early look at initial spillover over in transportation costs after an already robust 0.44% M/M in Feb, whilst food away from home will be watched for a services input to core PCE inflation after a solid 0.32% M/M in Feb.

The expected acceleration in core CPI M/M inflation is seen primarily coming from goods (0.21% vs 0.08%) rather than services (0.28% vs 0.27%) although there are notable two-sided drivers within each category.

- On the **core goods** side, used cars are expected to firm with an average 0.4% M/M after -0.4% M/M, which makes sense after a run of stronger months for wholesale prices. It's not a widely shared view though with a range of -0.6% to 1.1% M/M.
- Apparel on the other hand is expected to moderate to a still solid 0.4% M/M after a far stronger than expected 1.3% M/M in Feb.
- One of the sharper increases in **core services** is expected to come from airfares (~2.5% after 1.4% in Feb) with further increases in store judging by jet fuels. As always, this doesn't translate into core PCE.
- Lodging away from home should provide an offsetting moderation (~0.1% after 1.0% in Feb).
- As for slower-moving and heavily weighted components, OER is seen accelerating with an average 0.27% M/M (range 0.19-0.30) after 0.22% along with rents at 0.22% M/M (range 0.19-0.27) after 0.13%. A reminder that the southern region played a particular role in surprise weakness in February with technically first M/M declines since 2010/12 for OER/rents.

[A quick reminder that the below table shows median/mean figures across all estimates, hence the core CPI median of 0.29% M/M vs the 0.27% if only taking unrounded estimates per the separate table shown later.]

Summary of Detailed Analyst Mar 2026 Inflation Expectations

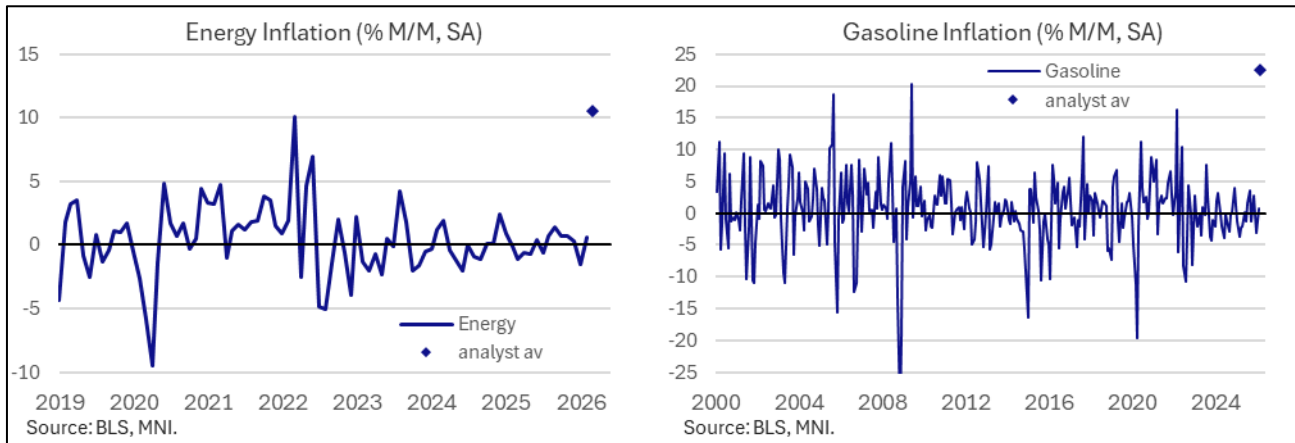
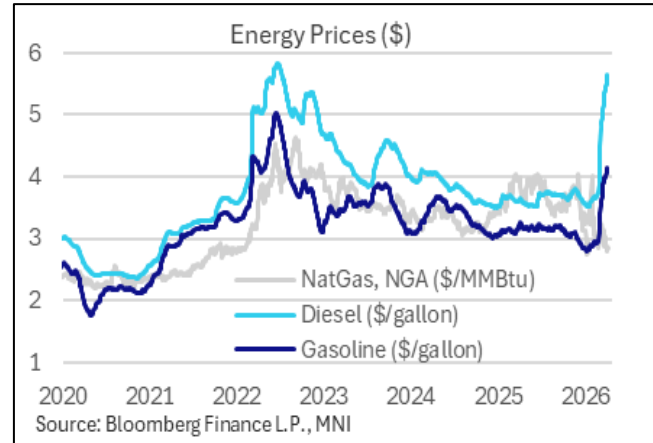
| mni | Headline | | | Core | | Supercore | Core goods | | | Core services | | | | | | Food | Energy | |
|----------------|-----------|---------|---------|--------|--------|-----------|------------|------|-----------|---------------|------|-------|---------|----------|-----------|------|--------|------|
| | NSA Index | NSA Y/Y | NSA Y/Y | SA M/M | SA M/M | | M/M | M/M | used cars | apparel | OER | rents | lodging | airfares | auto ins. | | M/M | M/M |
| February | 326.785 | 2.41 | 2.46 | 0.27 | 0.22 | 0.35 | 0.08 | -0.4 | 1.3 | 0.27 | 0.22 | 0.13 | 1.0 | 1.4 | -0.3 | 0.4 | 0.6 | 0.8 |
| Mar (median) | 330.592 | 3.40 | 2.7 | 0.96 | 0.29 | 0.33 | 0.20 | 0.2 | 0.4 | 0.29 | 0.28 | 0.21 | 0.2 | 2.6 | -0.1 | 0.3 | 10.4 | 22.8 |
| Mar (mean) | 330.589 | 3.38 | 2.68 | 0.94 | 0.28 | 0.30 | 0.21 | 0.4 | 0.4 | 0.28 | 0.27 | 0.22 | 0.1 | 2.5 | -0.1 | 0.2 | 10.4 | 22.4 |
| Bbg consensus | 330.535 | 3.4 | 2.7 | 1.0 | 0.3 | | | | | | | | | | | | | |
| Morgan Stanley | 330.337 | 3.30 | 2.6 | 0.84 | 0.19 | 0.20 | 0.0 | -0.2 | 0.0 | 0.23 | 0.27 | 0.23 | -0.1 | 1.3 | -0.2 | 0.3 | 10.1 | |
| CIBC | | | 2.6 | 0.8 | 0.2 | | | | | | | | | | | | | |
| HSBC | 330.570 | 3.37 | 2.6 | 1.0 | 0.22 | | | | | | | | | | | | | |
| Citi | 330.395 | 3.31 | 2.62 | 0.9 | 0.23 | | 0.27 | 1.8 | 0.0 | 0.21 | 0.19 | 0.21 | -0.7 | | | 0.3 | 9.9 | |
| Barclays | 330.428 | 3.32 | 2.7 | 0.89 | 0.26 | | 0.30 | 0.3 | 0.8 | 0.25 | 0.30 | 0.27 | -1.0 | 0.0 | -0.3 | 0.2 | 10.4 | 22.9 |
| JP Morgan | 330.613 | 3.38 | 2.7 | 0.96 | 0.26 | | | 1.1 | 0.3 | | 0.23 | 0.19 | 0.4 | | | 0.4 | 11.0 | |
| TD Securities | 330.396 | 3.31 | 2.7 | 0.90 | 0.27 | 0.33 | 0.17 | -0.5 | 1.0 | 0.30 | 0.29 | 0.20 | 0.6 | 3.4 | | 0.2 | 10.5 | |
| UBS | 330.385 | 3.31 | 2.66 | 0.89 | 0.27 | | 0.18 | -0.6 | 0.5 | 0.29 | 0.29 | 0.24 | -0.3 | 4.2 | | 0.1 | 10.3 | 21.0 |
| Goldman Sachs | | 3.28 | 2.69 | 0.87 | 0.28 | 0.33 | 0.22 | 1.0 | -0.2 | 0.30 | 0.30 | 0.20 | 0.5 | 4.0 | 0.1 | 0.3 | 9.4 | |
| Nomura | 330.715 | 3.41 | 2.69 | 0.97 | 0.29 | 0.34 | 0.30 | 0.1 | 0.5 | 0.28 | 0.25 | 0.21 | 1.0 | 1.8 | 0.0 | 0.3 | 10.9 | 22.8 |
| BofA | 330.780 | 3.43 | 2.7 | 0.9 | 0.3 | | | | | | | | | | | | | |
| ING | | 3.4 | 2.7 | 1.0 | 0.3 | | | | | | | | | | | | | |
| Jefferies | 330.970 | 3.49 | 2.7 | 1.1 | 0.3 | | | | | | | | | | | | | |
| RBC | | 3.4 | 2.7 | 1.0 | 0.3 | | | | | | | | | | | | | |
| Scotia | | 3.4 | 2.7 | 1.0 | 0.3 | | | | | | | | | | | | | |
| SocGen | | 3.50 | 2.7 | 1.1 | 0.3 | | | | | | | | | | | | | |
| Wells Fargo | 330.698 | 3.41 | 2.7 | 0.98 | 0.30 | | 0.16 | | | 0.34 | | | | | | 0.2 | 11.3 | 23.0 |
| Wrightson | | | 2.7 | 0.8 | 0.3 | | | | | | | | | | | | | |
| Deutsche Bank | | 3.4 | 2.7 | 0.95 | 0.33 | | | | | | | | | | | | | |
| BNP Paribas | 330.780 | 3.43 | 2.8 | 1.0 | 0.35 | | | | | | | | | | | | | |

Sorted on core CPI from smallest to largest M/M. Supercore is core services excluding primary rents and owner equivalent rents

Source: Analyst previews, Bloomberg Finance L.P., MNI

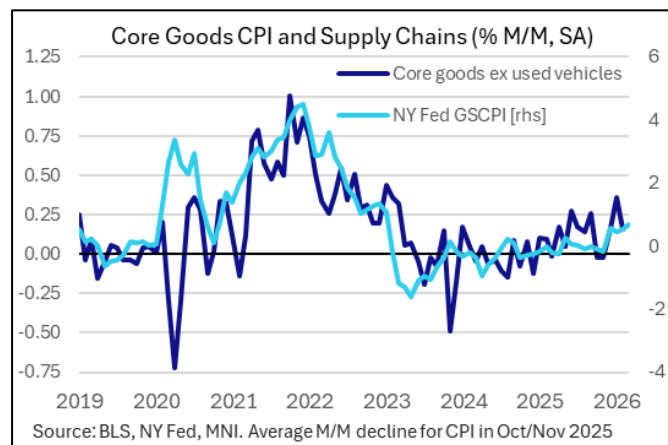
Gasoline Prices Set For Historically Sharp Increase

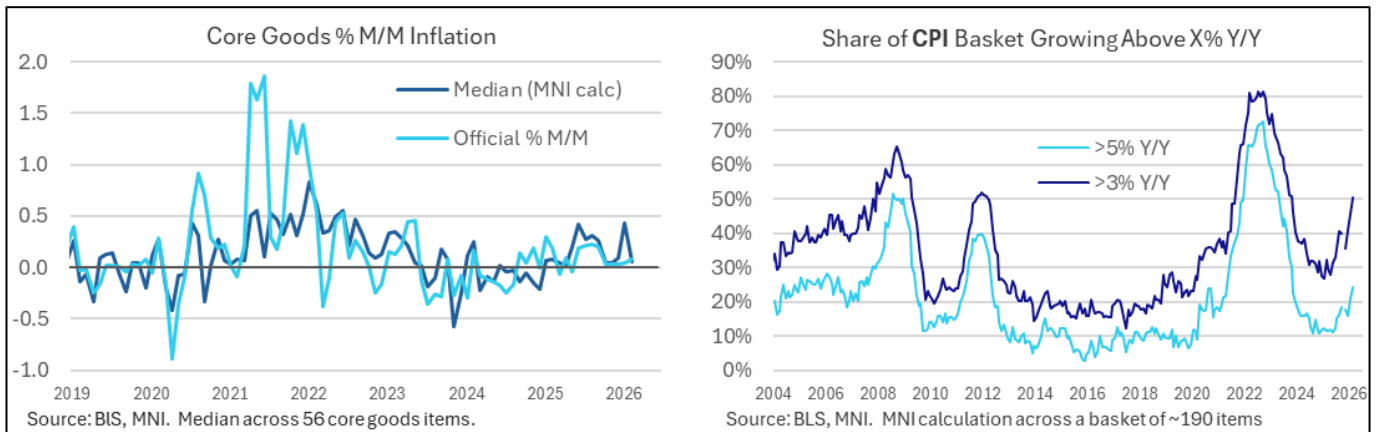
Gasoline pump prices increased a non-seasonally adjusted 27% M/M in daily AAA data on an average monthly basis. Analysts translate this to a 22-23% M/M seasonally adjusted increase for CPI gasoline prices in what would be the largest increase since the 1970s, surpassing the 20% in June 2009. There are potentially further strong increases in the pipeline judging by latest figures, with gasoline prices as of Apr 7 having climbed another 12% to \$4.16/gallon vs \$2.98 on Feb 27 before initial US-Israel strikes on Iran. Diesel prices have seen a more acute increase again, up an average 34% M/M in March and with prices currently another 15% higher, but it accounts for a much smaller share of spending with the gasoline relative importance of 2.8% vs 0.08% for other motor fuels. That said, these don't allow for what should be a marked pullback with WTI sliding from \$110/bbl noon ET Tuesday to ~\$95 Wednesday on the temporary ceasefire although that's still above the \$91 averaged through March. Energy services such as piped gas are expected to be little changed however in part judging by natural gas prices dipping -1% in the March average. Further focus will likely be on early signs of spillover to other areas such as airfares and other transportation.



Supply Chain Pressures Increasing

Away from immediate energy impacts, we watch for signs of broader supply chain pressure with the NY Fed's GSCPI ticking up to fresh high since early 2023 at 0.7 standard deviations above its historical average. Nomura write: "The impact of tariffs might be waning, but a series of supply shocks (e.g., semiconductor shortages, higher metal prices, and jet fuel prices) appear to be generating new inflationary pressures." Whilst the core goods ex used vehicles series gives a good sense of underlying goods pressures at 0.16% M/M in Feb after 0.36% in Jan, we'll again watch median inflation after our calculation slowed notably to 0.06% M/M in February after a particularly strong 0.44% M/M in January in a move that had matched the previous post-tariff peak of 0.43% M/M back in Jun 2025. Sticking with dispersion metrics, we calculate that 50% of the CPI basket increased by at least 3% Y/Y in February vs 40% in September before the government shutdown and 27% in Jan 2025 at the start of the second Trump administration.





Mixed Recent FedSpeak On Inflation Risks

Speaking on Tuesday, 7th April, NY Fed's Williams (permanent voter, leaning dove) didn't see a particularly different underlying inflation picture, noting that higher energy prices could add maybe 0.1-0.2pp to core inflation over the year. Chicago Fed's Goolsbee ('27, historically dovish but a hawkish dissenter in Dec 2025) on the other hand warned on some inflation similarities with the 2021/22 episode.

- *Williams*: "I think [the energy price shock] go directly into headline inflation. I expect that to be actually elevated in the middle of this year. Right now we are looking at inflation rate for the year as a whole of something like 2.75% but it of course depends on what happens with energy prices. [In the interim] Clearly we could get to above 3% inflation, markets expectations right now are for CPI to be something like 3-3.25% over the next year."
- "Personally I'm also very focused on what's happening with underlying inflation, core inflation, inflation expectations and other indicators as well. The story hasn't changed much. Clearly, higher energy prices does add a little bit to core inflation. You think about air fares, which is part of core inflation but it is influenced by fuel prices. So I expect that to add maybe a 10th or two to core inflation over the year, the energy price component, but we've seen tariff rates come down. We've seen some other, I think, more positive signs on underlying inflation. So overall, I'm kind of where I've been for a while, with core inflation around 2.5% this year."
- *Goolsbee*: "My concern at this immediate time is that we've got to get our heads around an oil shock, which is going to drive up prices in a stagflationary way, potentially before the other one [from tariffs] has gone away. So the prices spiked from tariffs and they were supposed to go away. And this is now hitting before that went away. And that's eerily reminiscent of that period where the Covid supply shock damage happened driving up inflation. And then the war breaks out in Ukraine before that's fixed itself. And it's another supply shock on top of it. So this is how persistent this is going to be I think is going to have a major impact on how you view the economy."
- On BofA's Moynihan projecting that we're going to be at 4% inflation at some point this year: "We've been above the 2% inflation target for five years consecutively now. We were making progress and then kind of stalled out and now it's been inching itself up the other way. We got down almost to 2%, now it's been 3% and if we're headed to 4% that's not stable. The longer you go and the higher you are above the 2% target, the more it just gets ingrained into cost plus contracts. So I hope they're not describing that. We're all still trying to work out what is the appropriate action."

For a less timely update but one that was still notable, Fed Chair Powell on Mar 26 largely repeated his March press conference in describing risks to both side of the dual mandate. It had been almost 2 weeks since that FOMC press conference - thus with 2 weeks more of the Middle East war having passed – so if Powell felt like there was a need to tweak communications in a more hawkish direction to help dampen/anchor inflation expectations, he would have done so. As such it sounded like not much had changed in Fed leadership's "wait and see" attitude, and implied slight easing bias, on the basis of his comments.

"I think a situation like the present situation where there's sort of downside risk to the labor market, which suggests keep rates low, but there's upside risk to inflation, which suggests maybe don't keep rates low, you've got tension between the two objectives. And I think to try to expect unanimity at a time like that, where it's really quite historically challenging, it would almost be misleading to be really confident in which way that should go. In fact, it's been said that confidence is what you feel before you really understand the problem."

- Asked if he's concerned about whether the "last mile" of getting inflation to 2% will prove difficult, Powell says "The FOMC is and will continue to be committed to getting inflation back to 2% on a sustained basis." He says that vs the previous period of high pandemic inflation, after which they achieved what he calls a "soft landing" by 2024, "we've had to face a much smaller source of inflation, which is the tariff inflation". Right now, "we feel like our policy is in a good place for us to wait and see how that turns out."
- Asked how the Fed should respond to the energy supply shock, Powell points firmly to inflation expectations: "a critical essential aspect of that is you have to have to carefully monitor inflation expectations, because you can have a series of these supply shocks, and that can lead, you know, the public, generally, businesses, price setters, households lead them to start expecting higher inflation over time... also in the current situation, you have to be mindful of the whole broader context. And the broader context is we've been coming down close to 2% post pandemic, but we've never, actually, gotten right and stayed at 2% so it's been a while, and we're very mindful of that fact. Inflation expectations do appear to be well anchored beyond the short term, but nonetheless, it's something as we will eventually maybe face the question of what to do here."

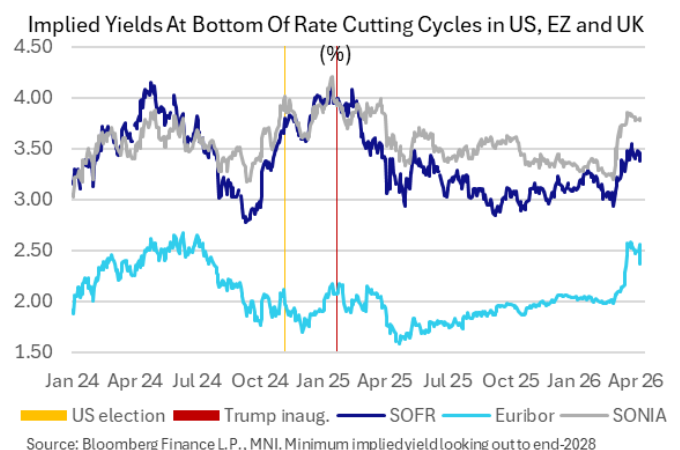
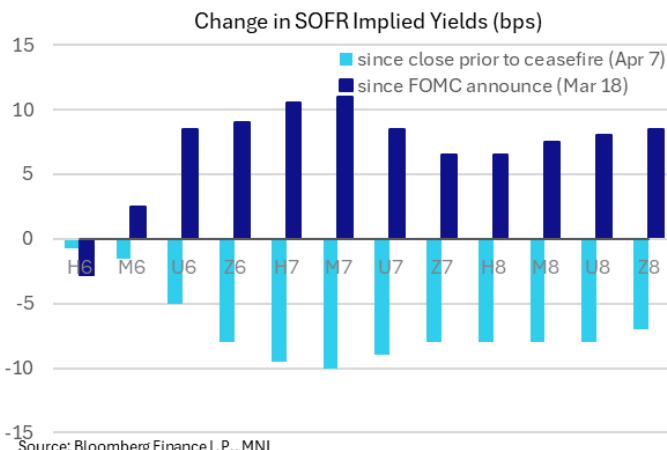
Highly Fluid Markets Backdrop, Back To Mild Fed Easing Bias After Two-Week Ceasefire

We head towards the CPI release with still highly fluid markets, most recently seeing a sizeable rally on the US and Iran coming to a two-week ceasefire late on Apr 7. Some of this rally has been reversed however as violations of the ceasefire and different peace plans are assessed. At typing, there are circa 10bp of Fed cuts priced to end-2026 building to 17bp of cuts with Jun 2027.

FOMC-dated Fed Funds futures implied rates

| Meeting | Latest | | | levels from Apr 7 afternoon | | | chgin rate bp | pre NFP (Apr 3) | | | chgin rate bp |
|-----------|--------|-----------|-----------|-----------------------------|-----------|-----------|------------------|-----------------|-----------|-----------|------------------|
| | % | step (bp) | cum. (bp) | % | step (bp) | cum. (bp) | | % | step (bp) | cum. (bp) | |
| Effective | 3.64 | | | 3.64 | | | | 3.64 | | | |
| Apr'26 | 3.64 | 0.2 | 0.2 | 3.65 | 1 | 0.8 | -0.6 | 3.64 | 0 | 0 | 0.0 |
| Jun'26 | 3.63 | -1.2 | -1.0 | 3.64 | -1 | -0.3 | -0.7 | 3.62 | -2 | -2 | 0.6 |
| Jul'26 | 3.62 | -1.2 | -2.2 | 3.64 | 0 | -0.2 | -2.0 | 3.62 | -1 | -2 | 0.0 |
| Sep'26 | 3.60 | -1.5 | -3.7 | 3.64 | 0 | 0.0 | -3.7 | 3.63 | 1 | -1 | -2.3 |
| Oct'26 | 3.59 | -1.5 | -5.2 | 3.65 | 1 | 0.8 | -6.0 | 3.63 | 0 | -1 | -4.0 |
| Dec'26 | 3.54 | -4.5 | -9.7 | 3.62 | -3 | -2.3 | -7.4 | 3.59 | -4 | -5 | -5.0 |
| Jan'27 | 3.53 | -1.3 | -11.0 | 3.61 | -1 | -3.2 | -7.8 | 3.58 | -1 | -6 | -5.2 |
| Mar'27 | 3.51 | -1.7 | -12.7 | 3.61 | 0 | -3.5 | -9.2 | 3.57 | -1 | -7 | -5.9 |
| Apr'27 | 3.51 | -0.8 | -13.5 | 3.60 | 0 | -4.0 | -9.5 | 3.57 | 0 | -7 | -6.5 |
| Jun'27 | 3.47 | -3.8 | -17.3 | 3.56 | -4 | -7.7 | -9.6 | 3.54 | -3 | -10 | -6.9 |

Source: Bloomberg Finance L.P., MNI. Assuming same EFRR-target lower bound spread from latest fix going ahead



Source: Bloomberg Finance L.P., MNI

Source: Bloomberg Finance L.P., MNI. Minimum implied yield looking out to end-2028

Summary Of Analyst Estimates

Overview Of Unrounded Core CPI Analyst Estimates

| mni | Headline | | Core | | Core PCE | | |
|----------------|-----------|---------|---------|--------|----------|----------------|------------|
| | NSA Index | NSA Y/Y | NSA Y/Y | SA M/M | SA M/M | SA M/M Feb | SA M/M Mar |
| February | 326.785 | 2.41 | 2.46 | 0.27 | 0.22 | Both estimates | |
| March (median) | 330.499 | 3.35 | 2.7 | 0.93 | 0.27 | 0.37 | 0.24 |
| Bbg consensus | 330.535 | 3.4 | 2.7 | 1.0 | 0.3 | | |
| Morgan Stanley | 330.337 | 3.30 | 2.6 | 0.84 | 0.19 | | 0.23 |
| HSBC | 330.570 | 3.37 | 2.6 | 1.0 | 0.22 | | |
| Citi | 330.395 | 3.31 | 2.62 | 0.90 | 0.23 | | 0.25 |
| Barclays | 330.428 | 3.32 | 2.7 | 0.89 | 0.26 | | 0.23 |
| JP Morgan | 330.613 | 3.38 | 2.7 | 0.96 | 0.26 | 0.37 | |
| UBS | 330.385 | 3.31 | 2.66 | 0.89 | 0.27 | 0.38 | 0.34 |
| TD Securities | 330.396 | 3.31 | 2.7 | 0.90 | 0.27 | | |
| Goldman Sachs | | 3.28 | 2.69 | 0.87 | 0.28 | 0.32 | 0.23 |
| Nomura | 330.715 | 3.41 | 2.69 | 0.97 | 0.29 | 0.37 | 0.26 |
| Wells Fargo | 330.698 | 3.41 | 2.7 | 0.98 | 0.30 | | |
| Deutsche Bank | | 3.4 | 2.7 | 0.95 | 0.33 | 0.39 | |
| BNP Paribas | 330.780 | 3.43 | 2.8 | 1.0 | 0.35 | | |

Source: Analyst previews, Bloomberg Finance L.P., MNI

Summary of Detailed Analyst Mar 2026 Inflation Expectations

| mni | Headline | | Core | | Supercore | Core goods | | | | Core services | | | | | | Food Energy | | |
|----------------|-----------|---------|---------|--------|-----------|------------|-----------|---------|------|---------------|---------|----------|-----------|------|--------|-------------|------|------|
| | NSA Index | NSA Y/Y | NSA Y/Y | SA M/M | | SA M/M | used cars | apparel | OER | rents | lodging | airfares | auto ins. | Food | Energy | gasoline | | |
| February | 326.785 | 2.41 | 2.46 | 0.27 | 0.22 | 0.35 | 0.08 | -0.4 | 1.3 | 0.27 | 0.22 | 0.13 | 1.0 | 1.4 | -0.3 | 0.4 | 0.6 | 0.8 |
| Mar (median) | 330.592 | 3.40 | 2.7 | 0.96 | 0.29 | 0.33 | 0.20 | 0.2 | 0.4 | 0.29 | 0.28 | 0.21 | 0.2 | 2.6 | -0.1 | 0.3 | 10.4 | 22.8 |
| Mar (mean) | 330.589 | 3.38 | 2.68 | 0.94 | 0.28 | 0.30 | 0.21 | 0.4 | 0.4 | 0.28 | 0.27 | 0.22 | 0.1 | 2.5 | -0.1 | 0.2 | 10.4 | 22.4 |
| Bbg consensus | 330.535 | 3.4 | 2.7 | 1.0 | 0.3 | | | | | | | | | | | | | |
| Morgan Stanley | 330.337 | 3.30 | 2.6 | 0.84 | 0.19 | 0.20 | 0.0 | -0.2 | 0.0 | 0.23 | 0.27 | 0.23 | -0.1 | 1.3 | -0.2 | 0.3 | 10.1 | |
| CIBC | | | 2.6 | 0.8 | 0.2 | | | | | | | | | | | | | |
| HSBC | 330.570 | 3.37 | 2.6 | 1.0 | 0.22 | | | | | | | | | | | | | |
| Citi | 330.395 | 3.31 | 2.62 | 0.9 | 0.23 | | 0.27 | 1.8 | 0.0 | 0.21 | 0.19 | 0.21 | -0.7 | | | 0.3 | 9.9 | |
| Barclays | 330.428 | 3.32 | 2.7 | 0.89 | 0.26 | | 0.30 | 0.3 | 0.8 | 0.25 | 0.30 | 0.27 | -1.0 | 0.0 | -0.3 | 0.2 | 10.4 | 22.9 |
| JP Morgan | 330.613 | 3.38 | 2.7 | 0.96 | 0.26 | | | 1.1 | 0.3 | | 0.23 | 0.19 | 0.4 | | | 0.4 | 11.0 | |
| TD Securities | 330.396 | 3.31 | 2.7 | 0.90 | 0.27 | 0.33 | 0.17 | -0.5 | 1.0 | 0.30 | 0.29 | 0.20 | 0.6 | 3.4 | | 0.2 | 10.5 | |
| UBS | 330.385 | 3.31 | 2.66 | 0.89 | 0.27 | | 0.18 | -0.6 | 0.5 | 0.29 | 0.29 | 0.24 | -0.3 | 4.2 | | 0.1 | 10.3 | 21.0 |
| Goldman Sachs | | 3.28 | 2.69 | 0.87 | 0.28 | 0.33 | 0.22 | 1.0 | -0.2 | 0.30 | 0.30 | 0.20 | 0.5 | 4.0 | 0.1 | 0.3 | 9.4 | |
| Nomura | 330.715 | 3.41 | 2.69 | 0.97 | 0.29 | 0.34 | 0.30 | 0.1 | 0.5 | 0.28 | 0.25 | 0.21 | 1.0 | 1.8 | 0.0 | 0.3 | 10.9 | 22.8 |
| BofA | 330.780 | 3.43 | 2.7 | 0.9 | 0.3 | | | | | | | | | | | | | |
| ING | | 3.4 | 2.7 | 1.0 | 0.3 | | | | | | | | | | | | | |
| Jefferies | 330.970 | 3.49 | 2.7 | 1.1 | 0.3 | | | | | | | | | | | | | |
| RBC | | 3.4 | 2.7 | 1.0 | 0.3 | | | | | | | | | | | | | |
| Scotia | | 3.4 | 2.7 | 1.0 | 0.3 | | | | | | | | | | | | | |
| SocGen | | 3.50 | 2.7 | 1.1 | 0.3 | | | | | | | | | | | | | |
| Wells Fargo | 330.698 | 3.41 | 2.7 | 0.98 | 0.30 | | 0.16 | | | 0.34 | | | | | | 0.2 | 11.3 | 23.0 |
| Wrightson | | | 2.7 | 0.8 | 0.3 | | | | | | | | | | | | | |
| Deutsche Bank | | 3.4 | 2.7 | 0.95 | 0.33 | | | | | | | | | | | | | |
| BNP Paribas | 330.780 | 3.43 | 2.8 | 1.0 | 0.35 | | | | | | | | | | | | | |

Sorted on core CPI from smallest to largest M/M. Supercore is core services excluding primary rents and owner equivalent rents

Source: Analyst previews, Bloomberg Finance L.P., MNI

Analyst Previews for CPI Report

(In order of weakest to strongest M/M core inflation forecasts, shown on SA basis for M/M and NSA basis for Y/Y unless stated otherwise):

Deutsche Bank: Core CPI seen at 0.33% M/M and 2.7% Y/Y in Mar, headline at 0.95% M/M and 3.4% Y/Y

- “The key highlight of this week’s data docket will be Friday’s March CPI where the impact of the largest energy supply shock since the 1970s will certainly be on full display.
- “Our expectations are for a roughly 25% increase in gasoline prices to yield a 0.95% monthly gain in headline CPI (vs. +0.27% in February), well above our forecast for the gains in core (+0.33% vs. +0.22%).”
- “In terms of the subcomponents, we will be looking for further signs of tariff-related price pressures on the goods side, particularly in apparel. Unlike prior months when declines in used car and truck prices helped to mask tariff-related increases in other core goods, this month should see lagged gains in wholesale used car prices feeding through and adding to CPI.”
- “On the services side, our focus will be on any potential bleed-through from higher gasoline prices into core, particularly from airline fares and delivery services.”

Wells Fargo: Core CPI seen at 0.30% M/M and 2.7% Y/Y in Mar, headline at 0.98% M/M and 3.4% Y/Y

- “Unsurprisingly, energy goods—largely gasoline—will account for the lion’s share (~70 bps) of March’s monthly increase as higher oil prices have quickly fed through to prices at the pump.”
- “Airline fares are expected to be another source of strength in March and drive public transportation prices up 7%, although we expect the recent surge in jet fuel to lead to an even larger rise in airfares in April.”
- “We do not expect to see the effects of the Middle East conflict immediately feeding into other categories of inflation, however. Despite higher prices for LNG exports, domestic natural gas prices have been little changed, which should limit near-term energy services inflation. Meantime, food at home is likely to moderate in March thanks to giveback in the volatile fruits & vegetable component.”
- “Within the core, we look for a modest strengthening in goods primarily due to a rebound in used auto prices. Core services is likely to match the 0.3% gain registered in February, as the expected jump in airline fares is largely offset by mean-reversion in medical care services and further softness in motor vehicle insurance.”
- “The recent oil shock is likely to dominate the view of inflation in March, but we expect the details to suggest that the modest downward trend in core CPI was already struggling to be maintained. [...]. Yet, the reduction in household purchasing power caused by higher gasoline prices is likely to limit the ability for some companies to pass on higher costs. We expect the year-over-year rate of core CPI to be stuck in the range of 2.7%–3.1% through the remainder of this year as a result.”

Nomura: Core CPI seen at 0.29% M/M and 2.69% Y/Y in Mar, headline at 0.97% M/M and 3.41% Y/Y

- “Strong consumer demand and semiconductor shortages likely boosted prices for consumer goods. Inflation of rent-related components likely rebounded in March from unexpected softness in February. Although we do not expect an acceleration in supercore CPI, there is an upside risk to travel-related service components.”
- “Beyond March, we revised up our near-term inflation forecast modestly, mostly in Q2. The impact of tariffs might be waning, but a series of supply shocks (e.g., semiconductor shortages, higher metal prices, and jet fuel prices) appear to be generating new inflationary pressures.”
- They currently estimate core PCE inflation at 0.26% M/M in March, corresponding to 3.1% Y/Y.
- “We now expect core PCE inflation to drift above 3.0% y-o-y throughout the year, although the 3m change rate will likely decelerate in H2 2026.”
- “FOMC participants appear to have discounted some strength in core PCE inflation in January and February because of positive residual seasonality at the beginning of the year as well as anticipated waning of tariff-induced price pressures. However, if our forecast materializes, the March CPI report would likely demonstrate some signs of newly emerging sources of price pressures, which is unlikely to help alleviate inflation risks among policymakers.”

Goldman Sachs: Core CPI seen at 0.28% M/M and 2.69% Y/Y in Mar, headline at 0.87% M/M and 3.28% Y/Y

- i) “we expect mixed autos inflation, reflecting a 1% increase in used car prices, unchanged new car prices, and a 0.1% increase in the car insurance category.”

- ii) “we forecast a benign 0.20% increase in the rent category, reflecting a continued slowdown in its underlying trend, but an acceleration to 0.30% in the OER category, reflecting upward pressure from the unwind of an unusually soft reading six months prior.”
- iii) “we expect increases in the travel services categories (airfares: +4%; hotels: +0.5%), reflecting the signals from alternative price data.”
- iv) “we expect upward pressure from tariffs on categories that are particularly exposed (such as recreation) worth +0.03pp.”
- Their forecast is consistent with core PCE inflation of 0.23% M/M in March.
- Looking ahead, “We expect tariffs to continue to modestly boost monthly inflation over the next few months. Higher oil prices will boost consumer energy prices and in turn boost headline and core inflation. We expect monthly core CPI inflation of 0.2-0.3% over the next couple of months, though risks are tilted to the upside if disruptions to oil markets and associated oil price increases prove more persistent than expected.”
- “Our inflation rules of thumb suggest that a sustained 10% increase in oil prices boosts headline CPI by 25-30bp and core CPI by 4bp.”

TD Securities: Core CPI seen at 0.27% M/M and 2.7% Y/Y in Mar, headline at 0.90% M/M and 3.3% Y/Y

- “We expect this week's CPI report to produce a pickup in the core segment, largely owing to rising momentum in goods prices as tariff pass-through lingers. Services inflation likely remained steady vs Feb. The focus will be on any signs of the anticipated sharp rise in the energy basket filtering to the core segment in March.”
- Core goods: “We look for goods prices to advance at a still subdued 0.17% m/m in March, which would still represent its fastest m/m pace in six months. As has been the case in recent reports, the core goods ex-vehicles segment should provide the bulk of the increase in prices, with strong gains in apparel, communications, and other goods also providing a boost. Another decline in used vehicle prices likely acted as an offset.”
- Core services: “The services segment is expected to rise modestly to 0.30% in March after slowing to 0.27% in the last report. Rebounds in OER/rents inflation should act as a key driver along with transportation and hospital services. We look for airfares to gain speed in March, while not yet reflecting the full impact from surging jet fuel prices.”
- “Following the impact from the gov't shutdown and incoming oil price shock we anticipate the core segment to peak at 3.1% in Q2—though the ongoing Iran conflict certainly provides upside risks to our view. We remain of the view that gradual disinflation will be the story in 26H2.”

UBS: Core CPI seen at 0.27% M/M and 2.66% Y/Y in Mar, headline at 0.89% M/M and 3.31% Y/Y

- “The driver of the outsized March headline CPI increase is a projected 21% seasonally-adjusted surge in prices for gasoline and other energy commodities (24% not-seasonally-adjusted).”
- “Note that the CPI increase is based on the average price during the month of February compared to the average price during the month of March. From the start to the end of the March the increase in gasoline prices was even larger than what the CPI will reflect: on a not-seasonally-adjusted basis the average price of a gallon of regular gasoline has risen from \$2.98 on the last day of February to \$4.06 on the last day of March according to AAA — a 36% increase. This means that April would see a solid increase in CPI energy commodities even if there is no further rise in daily gasoline prices.”
- “Other non-core prices are expected to show little impact from the surge in crude oil prices.”
- “We expect 12-month core CPI inflation jumped up from 2.46% through February to 2.66% through March. [...T]he 12-month inflation rate is downward biased from the government shutdown impact on housing rents, and we project core CPI inflation will rise further in April.”
- “We currently project core inflation to peak in the second quarter of this year with headline CPI inflation at 4.0% in May and core CPI inflation at 3.0%. However, this projection is heavily dependent on the impact of the conflict in Iran being largely temporary in line with the current Brent crude oil futures curve. [...A] more extended conflict could lead to much higher inflation over the course of the year. For example, Brent crude oil moving to around \$150 barrel for most of the remainder of this year could push our headline CPI inflation projection just above 5% for 2026 as a whole.”

Barclays: Core CPI seen at 0.26% M/M and 2.7% Y/Y in Mar, headline at 0.89% M/M and 3.3% Y/Y

- “We expect headline inflation to have accelerated 0.9% m/m (3.3% y/y) led by a surge in gasoline prices, which rose by \$1/gallon (~26% NSA) in March.”

- “We expect core CPI inflation to have accelerated 4bp to 0.26% m/m in March, led entirely by core goods. This is 6bp firmer than our preliminary estimate, and was in part driven by used car prices, which indicate a rebound in March, following three consecutive months of declines. We also expect slightly firmer inflation for apparel, household furnishings and “other” goods.”
- “On the services side, we expect many moving parts, but estimate core services inflation to have dipped modestly. Rents and OER inflation could look hotter, given this March/September cohort is a volatile one, but we expect some offset from lower hotel prices. Airline fares are expected to have remained flat, but we think increases are in train given the spike in jet fuel costs.”
- They currently estimate core PCE at 0.23% M/M and 3.2% Y/Y. “While we expect the translation to core goods PCE to once again be somewhat stronger than the CPI measure due to weight differences, we expect PCE financial services inflation, which is closely linked to financial market conditions, to have declined in March, providing an offset to core goods prices.”

JPMorgan: Core CPI seen at 0.26% M/M and 2.7% Y/Y in Mar, headline at 0.96% M/M and 3.4% Y/Y

- “Our forecast anticipates an 11% m/m spike in the energy CPI last month, due largely to a nearly 23% monthly skyrocketing of seasonally-adjusted gasoline prices; the national average price at the pump rose a similar percentage, averaging \$3.70/gal in March from \$2.93 in February. Diesel prices have swelled even more, up 33% over the past month.”
- “Food prices are expected to have been on the modestly firm side as well last month, with more pronounced increases likely in coming months if fuel and fertilizer shortages persist and prices remain elevated.”
- Within core, “Shelter prices, which constitute the largest single component within core CPI, have been on a gradual – if choppy – downward trend, which we expect to be interrupted in March after a cooler-than-expected set of readings in February.”
- “Lodging prices are expected to have continued to rise last month after a particularly firm February based on industry data. Airfares have also generally been firm to strong over the past three quarters, largely due to strong demand, but the surge in jet fuel is likely to push up costs but push down demand for March and subsequent months. We currently anticipate a nearly 4% monthly rise in public transportation prices last month based on industry data for airfares, similar to the increase observed in January.”
- “We generally forecast more moderate gains across the other main CPI components, with the exception of used vehicle prices. [...] Outside of vehicles, we look for medical CPI to have risen a more modest 0.3% in March after a 0.6% jump in February; prices have generally been firm in recent months as upside pressure in services has more than offset weakness in medical care goods. We expect tariffs to help deliver modestly firm increases in apparel and communication prices relative to their longer-run trends, although the former saw its largest one-month increase in over seven years in February while the latter may see additional upside pressure from AI-related cost pressure on memory chips and storage.”

Citi: Core CPI seen at 0.23% M/M and 2.6% Y/Y in Mar, headline at 0.90% M/M and 3.3% Y/Y

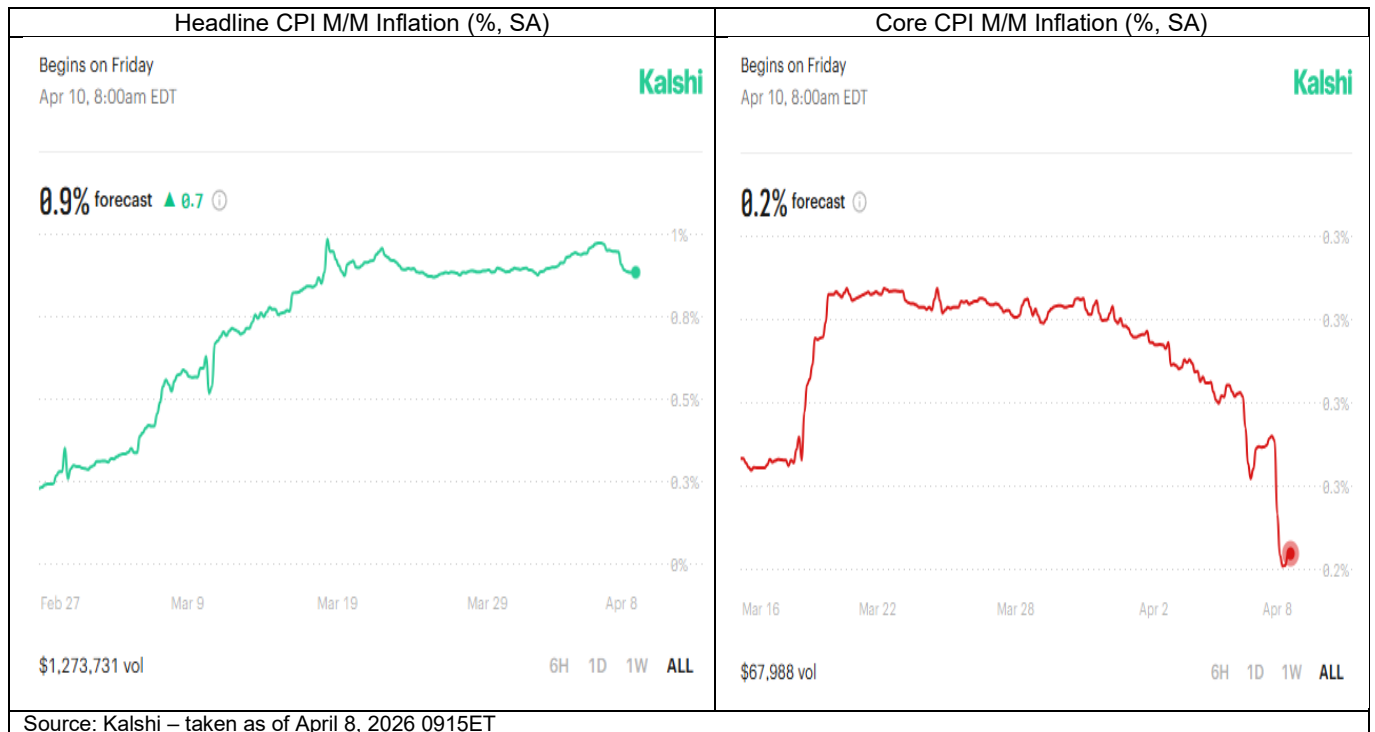
- “We expect headline inflation to have accelerated 0.9% m/m (3.3% y/y) led by a surge in gasoline prices, which rose by \$1/gallon (~26% NSA) in March.”
- “While inflationary pressures would typically start to slow in March after usual start-of-year strength, new upside risks have emerged from higher energy costs. Headline inflation will rise substantially, at least in March and April, but more attention will be on the path of core inflation and the possible pass-through effects from higher energy costs.”
- “We do not expect significant effects on core inflation as soon as March, with our forecast for a 0.227%MoM increase in core CPI.”
- “Details like shelter inflation should continue to slow. Core goods prices should be stronger than in recent months, but due to a rise in used car prices that we think would be unrelated to tariff cost pressures or higher energy and transportation costs. Services inflation would typically slow after January/February strength, and this could provide some offset to possibly stronger details like airfares.”
- They currently track core PCE inflation at 0.25% M/M in March. “After a few volatile months, we expect a clearer picture of slowing underlying inflation to emerge into the middle of the year, allowing Fed officials to resume rate cuts when the labor market data weakens further. But in the near term, market pricing for both cuts and the potential for rate hikes could be very sensitive to estimates of core PCE inflation.”

Morgan Stanley: Core CPI seen at 0.19% M/M and 2.6% Y/Y in Mar, headline at 0.84% M/M and 3.3% Y/Y

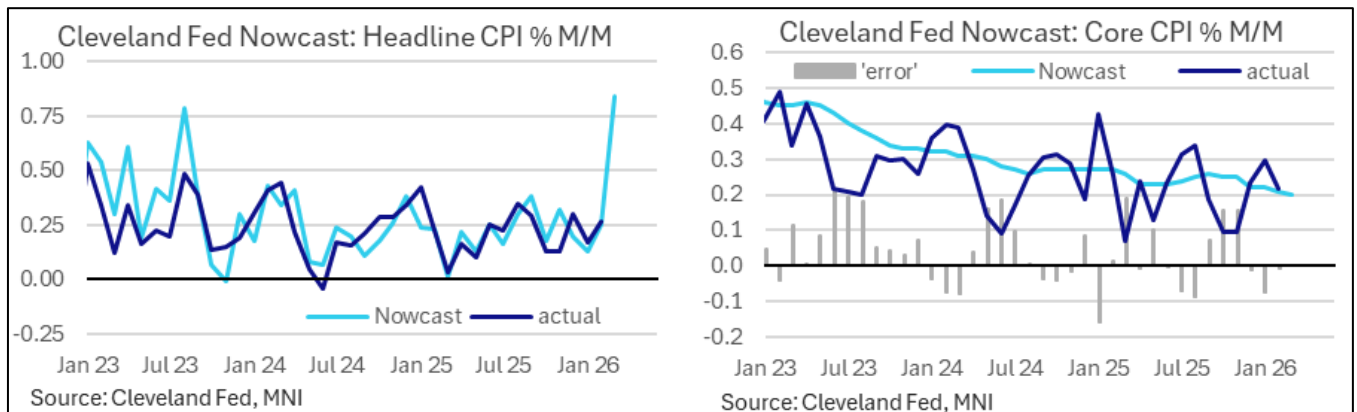
- “Core goods inflation should remain positive but close to zero. We believe tariff pass-through continued in March, although this is likely offset by soft car prices and deceleration in apparel following February’s strong reading.”
- “Core services inflation should decelerate on seasonal payback, despite some acceleration in rents and positive airfares inflation linked to higher oil prices.”
- The expected 0.84% M/M for headline “would mark the strongest headline print since the oil market disruptions associated with the Russia-Ukraine conflict in 2022.”
- “Our forecast is broadly in line with fixings as of April 2 (roughly 0.86% m/m headline and 0.21% m/m core SA, per our calculations), but below Bloomberg consensus (headline 1.0% m/m, core 0.3% m/m).”
- “We view risks as broadly balanced. Upside risks could stem from a stronger-than-expected rebound in OER and rent of primary residence and/or firmer airfares reflecting oil pass-through. Downside risks, in turn, could arise from weaker services ex-housing inflation, reflecting larger-than-expected payback from the strong January and February prints driven by residual seasonality.”

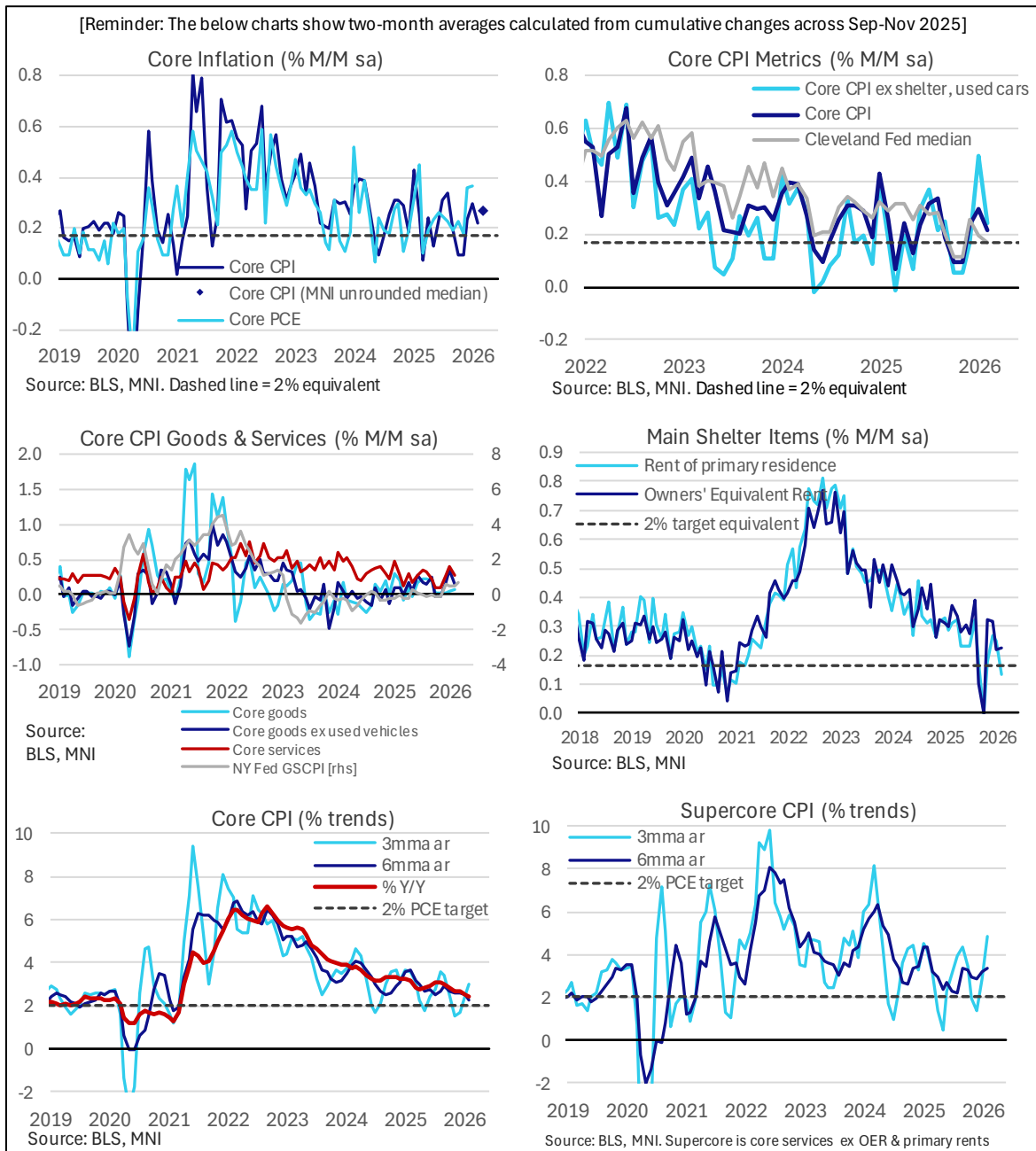
Recent Inflation Developments

Prediction markets: Kalshi betting has a forecast of 0.9% M/M for similar to the 0.93% median unrounded estimate we've seen whilst core CPI is seen a little softer with a 0.2% M/M estimate vs the median 0.27%. The market remains extremely thin market when it comes to core M/M estimates.

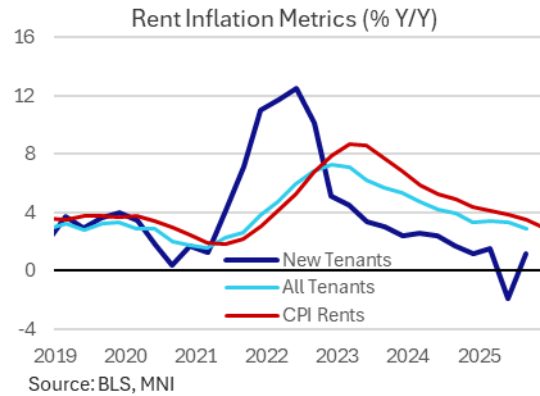
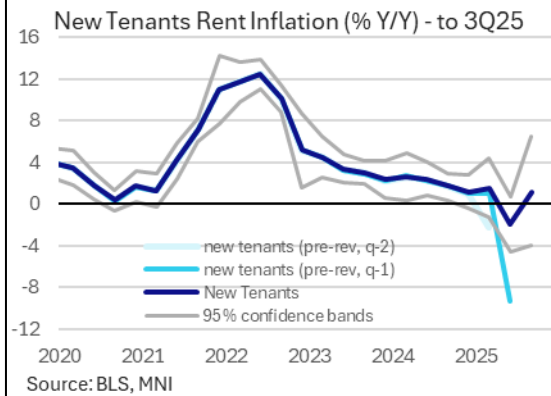
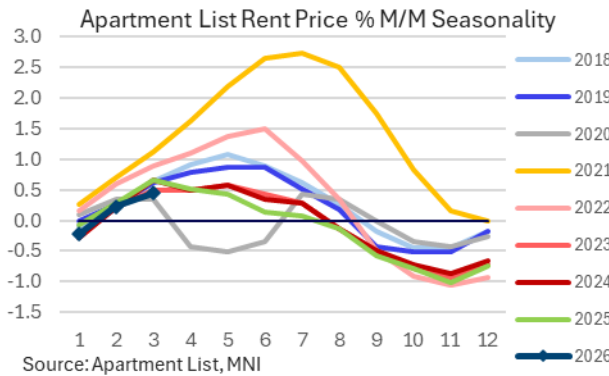
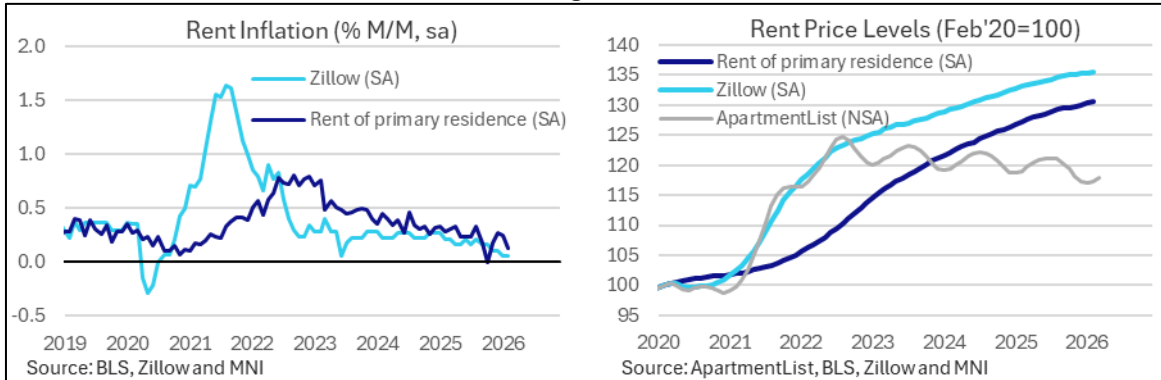


Nowcast: The Cleveland Fed nowcast has headline CPI at 0.84% M/M in March and core CPI at 0.20% M/M. The core CPI nowcast of 0.21% for February was very close to the 0.22% realized after some more mixed readings, with an 8bp undershoot in Jan, just a 1bp undershoot in Dec and then a large average overshoot of 0.16pps in Oct-Nov with a large shutdown distortion shaped caveat where all analysts were caught off guard.

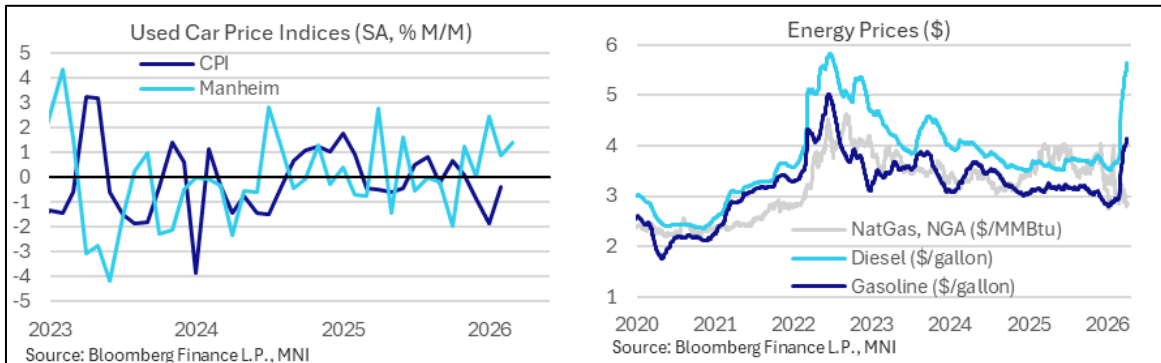




Housing Inflation



Notable Goods Prices



Full recap of the prior CPI report here, with our report titled "Mind The PCE Gap": https://media.marketnews.com/US Inflation Insight_Mar2026_f0ae423848.pdf

MNI Policy Team Insights

MNI INTERVIEW: Long Fed Pause Looms On Iran Shock - Sahn

By Pedro Nicolaci da Costa (Apr 7, 2026)

WASHINGTON - The Federal Reserve is likely to keep interest rates on hold for some time, even if Kevin Warsh takes the helm of the central bank mid-year, because the Iran shock has accentuated risks to both inflation and unemployment, former Fed Board economist Claudia Sahn told MNI.

Warsh had been expected to push for lower interest rates given his dovish rhetoric in advance of the nomination, but Sahn believes current conditions will preclude any abrupt shift in policy.

"I suspect that we will end up with more continuity at the Fed because the economic backdrop is so uncertain that nobody would come in and rock the boat at a moment like this," she said in an interview. "The Fed is very much in a waiting pattern. Warsh will understand that."

Sahn said the Iran war's hit to global energy supplies complicates the ability of the Fed to react because, despite a possible hit to economic growth down the line, the most immediate effect is at least a temporary spike in inflation.

RESTARTING CLOCK

"We are going to get, and have already gotten, a burst of inflation from this," she said. (See MNI INTERVIEW: Fed Will Hold Pat, Inflation To Spike-Benigno)

Before the war, the Fed appeared inclined to lower rates further later in the year, assuming that policymakers would be able to confirm that last year's tariff increases had indeed had only a temporary impact on inflation. Now, there's another new shock that needs to be waited out, one with a highly uncertain timeline and outcome.

"They want to get us past the crest in the core goods inflation, because then that's a sign that, yes, those tariffs, those were one off price effects. But they want to see it, and then they will respond to it," said Sahn.

"There's definitely a question as to whether we're just going to restart the clock with that same kind of thinking on the energy shock? We're going to want to see evidence that it doesn't have the second round effects. So in terms of cuts driven by inflation, it's going to take some time."

THIN BUFFER

Sahn thinks the economy was already softening before the war started.

"It's not just the energy shock itself, but also the backdrop that the consumer had already been under some pressure. While consumer spending has continued to grow, I think you could argue there had been some slowing in the pace as we went into this year," she said.

"We definitely see in the labor market wage growth has moderated. You might see some of this show through to slower consumer spending, bigger hits in disposable income."

Sahn -- also a former White House economist and inventor of the Sahn rule that is used to predict recessions based on the unemployment rate trend -- does not see a full-blown downturn on the horizon but rather a muddling through, with perhaps some redistribution of growth toward the energy sector.

If the economy were to falter, however, the Fed would not hesitate to support it, even if inflation were still fairly elevated, she added.

“Are you really going to take the U.S. economy down over a percentage point of inflation?” she said. “If the unemployment rate starts to rise, or a series of contractions in employment payrolls, I feel like they will backstop the labor market.”

MNI INTERVIEW: Fed In Extended Hold On Inflation Risk - Roberts

By Pedro Nicolaci da Costa (Apr 7, 2026)

LONDON - The Federal Reserve is likely to keep interest rates on hold for the foreseeable future, and may at some point have to consider a hike, as the Iran shock to energy markets and global supply chains raises the risk of both higher inflation and weaker economic growth, former New York Fed staffer Rick Roberts told MNI.

“As we get longer into this, the odds of a stagflation outcome increase. I would view the risks equally on both sides, higher inflation and slower growth,” said Roberts in an interview.

That leaves policymakers in wait-and-see mode as they gauge which side of the mandate is damaged more severely, said Roberts.

While interest rate cuts made some sense against what Roberts saw as a recent backdrop of weakening growth and employment, it would be hard for officials to lower borrowing costs now, because inflation could surge in the near-term.

“I could see inflation getting up towards 4% again,” said Roberts, who also spent many years at the Kansas City Fed and is now a professor at Monmouth University. (See MNI INTERVIEW: Prolonged Fed Hold On Stagflation Risk-Lavorgna)

HIKES ON TABLE

The Fed might instead have to consider interest rates increases at some point, he added.

“I would think that as we get into the upper threes [for inflation], with serious measures, ones that adjust for the housing lag story, I would think we’d be looking at a hike,” Roberts said.

Incoming Fed chair Kevin Warsh might be less inclined to raise rates than Jerome Powell might have been had he remained in office, concluded Roberts.

“I think he tilts the view towards a hold, whereas if Powell had continued we might be looking at a hike,” he said.

TARGET IN QUESTION

One key problem for the central bank is that after five years of overshooting its 2% inflation target, investors and the public could start to lose faith in the Fed’s commitment to actually hit it.

“We do have at some point get around to addressing this 2% target. If the Fed’s performance never approaches it, the benchmark has no credibility,” said Roberts. “If we don’t converge to that target, which it doesn’t look like we are, then that target isn’t anchoring anything, and that’s the danger.”

Nor is Roberts especially comforted by the economy’s performance, and he believes the state of the labor market is “so-so at best.”

He noted that despite a stronger-than-expected gain of 178,000 jobs last month, the trend was worrisome because of its general weakness and concentration.

"If you look at the trend on a three-month basis, the job growth is closer to stall speed," Roberts said.

"The war showed up on the laps of an economy that's pretty tired anyway, so that doesn't help. It seems like all the factors, the cushions that got us through the series of shocks post-Covid are all pretty much spent," he said, referring to fiscal relief for Americans and businesses as well as a large stock of excess savings. "Even investment in AI seems to be waning a bit."

MNI INTERVIEW: Iran Shock Bites Resilient Services Growth-ISM

By Evan Ryser (Apr 6, 2026)

WASHINGTON - Middle East supply disruptions dampened growth in the U.S. services sector in March, but the industry is proving resilient and its expansion looks set to continue, Institute for Supply Management services chair Steve Miller told MNI.

The Iran shock appeared instantly in the ISM services survey and will continue to show up in the monthly reports, Miller said in an interview. "We saw that flow through immediately on concern around employment and prices paid," he said about the March survey. "Overall, it was a strong report. Nine of 10 sub-indexes are still in expansion territory."

The ISM services index declined 2.1 percentage points in March to 54.0, somewhat below expectations but reversing the February jump and above the 12-month average of 52.3. The composition of the report was mixed.

"If we can't open the Strait of Hormuz, we're going to see numbers get close to 50. It'll trend toward 50. If we're able to open the Strait in the next month, by summertime we're going to see mid 50s again," Miller said of the headline PMI. "Right now, we're seeing the services economy maintain strength." (See: MNI INTERVIEW: Fed Will Hold Pat, Inflation To Spike-Benigno)

PRICES SURGE

The new orders index increased 2.0 ppts to 60.6, pointing to some amount of stockpiling to get ahead of any Middle East impacts, Miller said. The business activity index sank 6.0 ppts to 53.9 and the employment index fell 6.6 percentage points to 45.2, the first contraction in four months. Readings above 50 indicate expansion.

The prices paid measure surged by almost 8 points to 70.7 in March, the highest reading since 2022 and the largest one-month rise in over 13 years. There were 20 commodities reported up in price, 0 reported down in price, and 7 reported in short supply. The majority of the increase was due to the situation in Iran, Miller said.

"I expect to see employment come back," Miller said, suggesting it may be a one-month blip. "The number will be either at 50 or above 50 next month, but the prices index I'm expecting to go up several percentage points again," he said.

"Energy costs are up so much that I don't think we'll see the delay in the costs or prices paid flowing through like we did with tariffs," he added.

SUPPLY DISRUPTIONS

Miller said survey respondents continued to note tariff impacts in their commentary but Iran-related effects dominated, with some companies facing very specific supply disruptions and few alternative sourcing options.

"There were comments of concern over what might happen in the future," he said. "It was dominated by prices going up in energy, fuel or gas, diesel, and then a few other commodities."

Unauthorized disclosure, publication, redistribution or further dissemination of this information may result in criminal prosecution or other severe penalties. Any such authorization requires the prior written consent of Market News International. Redistribution of this information, even at the instruction of your employer, may result in personal liability or criminal action unless such redistribution is expressly authorized in writing by Market News International. Violators will be prosecuted. This information has been obtained or derived from sources believed to be reliable, but we make no representation or warranty as to its accuracy or completeness. This is not an offer or solicitation of an offer to buy/sell. Copyright © 2026 Market News International, Inc. All rights reserved.