Data Taste Revealed

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Discussion: 3

Whether World's Battle against Inflation has Entered a New Phase?

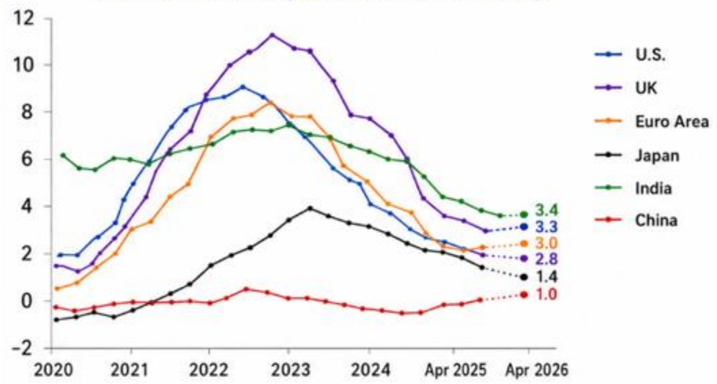
Data Source: Trading Economics.com

Reflections

- ✓ **Global inflation has fallen significantly from its post-pandemic peaks, but it remains structurally higher than pre-2020 norms in most advanced economies.**
  - ✓ **U.S. and Europe Face Renewed Inflation Concerns.**
  - ✓ UK and Japan Show Signs of Cooling
  - ✓ India Demonstrates Relative Stability
  - ✓ China Remains an Outlier

HIGHER INFLATION PERSISTENCE

CPI INFLATION (% YEAR-OVER-YEAR)



Inflation remains above central bank targets in most major economies.

Source: IMF, Trading Economics | Data as of May 20, 2026

CPI INFLATION (% YoY)

	2015–2019 Average	Apr 2025 (Actual)	Apr 2026 (Latest Available)
U.S.	1.6	2.3	3.3
UK	1.8	3.5	2.8
Euro Area	1.2	2.2	3.0
Japan*	0.6	3.5	1.4
India	4.6	3.16	3.4
China	2.1	-0.1	1.0

Inflation has re-accelerated in the U.S. and Euro Area in 2026, while the UK and Japan saw moderation. India's inflation remains stable, and China continues to see low inflation.

*Japan figures are Core CPI (Ex-Fresh Food).

Note: Apr 2026 data is latest available / flash estimate for most economies.

Key Takeaway:

Persistent inflation is not merely a price-stability issue—it signals a structural shift in the global economic landscape. The likely outcome is a "higher-for-longer" regime characterized by elevated interest rates, higher bond yields, tighter financial conditions, and greater market volatility.

For banks and investors, the challenge is no longer preparing for a return to the old low-rate world, but adapting to a new era where inflation remains more persistent and capital is no longer exceptionally cheap.

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