

WSJ Print Edition

Wholesale Prices Surge

Prices charged by American producers continued to push higher in May, the Labor Department said Thursday, marking another month of elevated wholesale inflation.

The producer-price index rose by 1.1% last month, following an equal increase in April. Over the past 12 months, the PPI is up by 6.5%, the fastest wholesale inflation since 2022.

Energy prices explained a good deal of the elevated trend, rising by more than 10% in May alone. But even excluding food, energy and trade-services categories, wholesale prices were up by 0.8%, a rapid one-month increase.

Wednesday's consumer-inflation report showed that while the Iran conflict has continued to push prices higher, some underlying inflation trends moderated in May. Still, consumer inflation remains above the Federal Reserve's target.

Economists watch the PPI because a small portion of its data are combined with consumer-inflation numbers to calculate the price index of personal-consumption expenditures, the inflation metric that the Fed targets. The core version of the PCE inflation index, which excludes food and energy costs, increased 3.3% in the 12 months through April.

—Matt Grossman

The following is a digital replica of content from the print newspaper and is intended for the personal use of our members. For commercial reproduction or distribution of Dow Jones printed content, contact: Dow Jones Reprints & Licensing at (800) 843-0008 or visit djreprints.com.
