Signs of Softening Growth and Moderating Inflation Continue

Scott McIntyre

This morning, both personal income and personal spending were reported up just +0.2% in October, matching expectations and pointing to a gradual moderation in spending for many tapped-out consumers.

At the same time, the Fed's preferred inflation series indicated prices continue to decelerate. The monthly PCE deflator was *unchanged* in October, which dragged the year-over-year headline pace down from +3.4% to +3.0%. The PCE *core* deflator retreated from +3.7% to +3.5% on an annual basis, and more importantly *has increased at just a +2.5% pace over the past six months.* Although still above the Fed's +2.0% annual goal, the trend is clearly downward.

Read the full article

Read more Economic Commentary

©2026 Hilltop Securities Inc. \ All rights reserved \ MEMBER: NYSE/FINRA/SIPC