

# Economics Group

Sam Bullard, Senior Economist  
[sam.bullard@wellsfargo.com](mailto:sam.bullard@wellsfargo.com) • (704) 410-3280  
 Sarah House, Economist  
[sarah.house@wellsfargo.com](mailto:sarah.house@wellsfargo.com) • (704) 410-3282

## Import Prices Slip in September

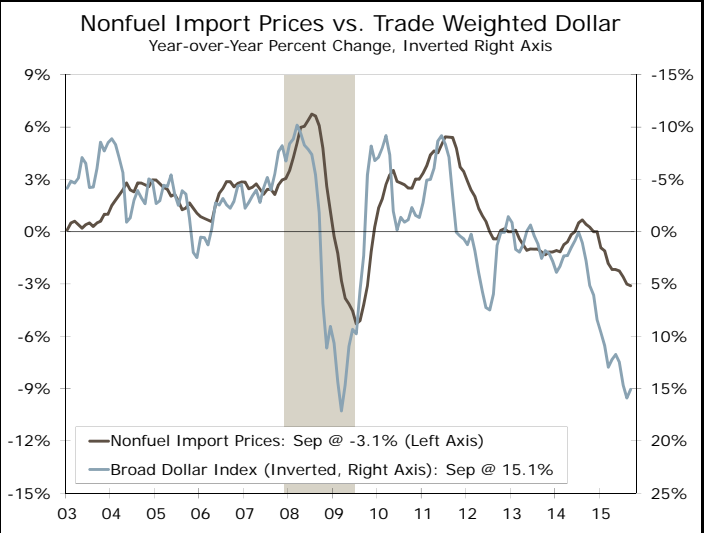
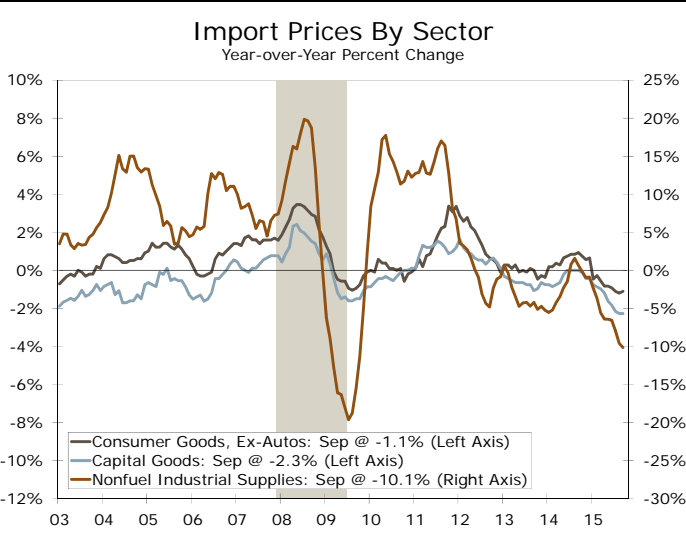
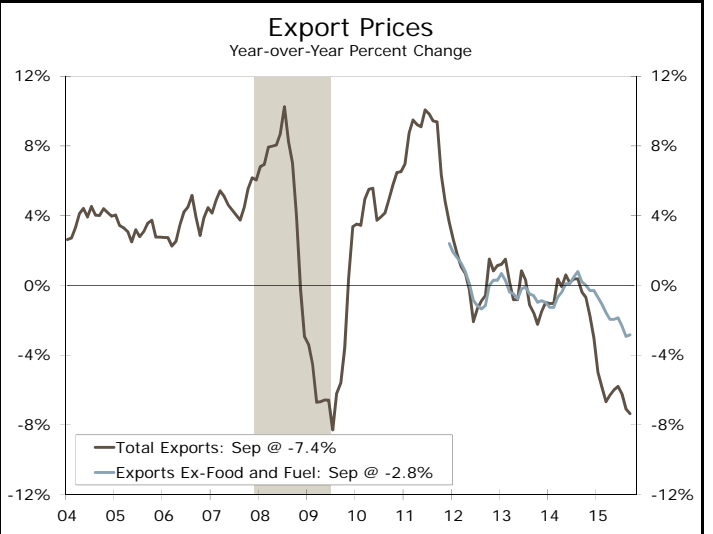
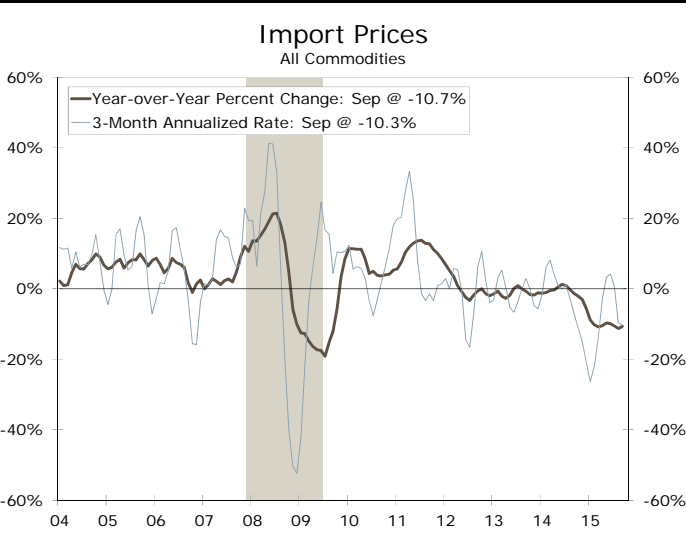
**Import prices dipped 0.1 percent in September. Led by a decline in nonfuel industrial supplies and capital goods, import prices illustrate the divide between the industrial and consumer segments of the economy.**

### Nonfuel Import Prices Lead Decline

- After falling 1.6 percent in August, import prices dipped 0.1 percent. The more modest drop came as petroleum prices bounced back slightly over the month, up 1.1 percent.
- Excluding fuel, import prices fell 0.3 percent. The decline was led by a drop in industrial supplies and capital goods. Reflecting the relative strength of the consumer versus the industrial sector, prices for consumer goods imports edged up.

### Weak Global Demand Keeps Export Prices Pressured

- Export prices fell for the fourth consecutive month as weakening growth overseas and the strong dollar have kept downward pressure on selling prices for U.S. businesses.
- With global growth set to remain sluggish next year and the Fed still expected to begin raising rates in the coming months, we anticipate further upward pressure on the dollar that will continue to weigh on import price inflation.



Source: U.S. Department of Labor, Federal Reserve Board and Wells Fargo Securities, LLC

## Wells Fargo Securities, LLC Economics Group

Diane Schumaker-Krieg	Global Head of Research, Economics & Strategy	(704) 410-1801 (212) 214-5070	diane.schumaker@wellsfargo.com
John E. Silvia, Ph.D.	Chief Economist	(704) 410-3275	john.silvia@wellsfargo.com
Mark Vitner	Senior Economist	(704) 410-3277	mark.vitner@wellsfargo.com
Jay H. Bryson, Ph.D.	Global Economist	(704) 410-3274	jay.bryson@wellsfargo.com
Sam Bullard	Senior Economist	(704) 410-3280	sam.bullard@wellsfargo.com
Nick Bennenbroek	Currency Strategist	(212) 214-5636	nicholas.bennenbroek@wellsfargo.com
Eugenio J. Alemán, Ph.D.	Senior Economist	(704) 410-3273	eugenio.j.aleman@wellsfargo.com
Anika R. Khan	Senior Economist	(704) 410-3271	anika.khan@wellsfargo.com
Azhar Iqbal	Econometrician	(704) 410-3270	azhar.iqbal@wellsfargo.com
Tim Quinlan	Economist	(704) 410-3283	tim.quinlan@wellsfargo.com
Eric Viloría, CFA	Currency Strategist	(212) 214-5637	eric.viloría@wellsfargo.com
Sarah House	Economist	(704) 410-3282	sarah.house@wellsfargo.com
Michael A. Brown	Economist	(704) 410-3278	michael.a.brown@wellsfargo.com
Erik Nelson	Economic Analyst	(704) 410-3267	erik.f.nelson@wellsfargo.com
Alex Moehring	Economic Analyst	(704) 410-3247	alex.v.moehring@wellsfargo.com
Misa Batcheller	Economic Analyst	(704) 410-3060	misa.n.batcheller@wellsfargo.com
Michael Pugliese	Economic Analyst	(704) 410-3156	michael.d.pugliese@wellsfargo.com
Donna LaFleur	Executive Assistant	(704) 410-3279	donna.lafleur@wellsfargo.com
Cyndi Burris	Senior Admin. Assistant	(704) 410-3272	cyndi.burris@wellsfargo.com

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