

What to Expect from the September IPCA

XP Macro & Macro Strategy

The September IPCA will be published on Friday, October 9th. We anticipate the headline index to increase by 0.75% MoM (4.50% YoY), slightly below the Bloomberg and Broadcast consensus (0.76% MoM; 4.51% YoY) and DAP market* (0.78%); forecasts range from 0.57% to 0.83% MoM.

According to the Broadcast+ survey, the market expects the average of the core inflation gauges to rise by 0.31% MoM (4.50% YoY) and underlying services by 0.27% MoM (4.81% YoY) - both in line with our projections. Should our forecast materialize, the three-month seasonally adjusted annualized rate (3M SAAR) for core inflation would rise to 4.6% from 4.1%, while the 3M SAAR for underlying services would advance from 4.9% to 5.7%. Thus, the core inflation averages and underlying services measures will interrupt the benign trend observed in recent readings and will accelerate once again. Meanwhile, for the labor-intensive services gauge, we anticipate a 0.56% increase, with its 3M SAAR remaining flat at 7.4%.

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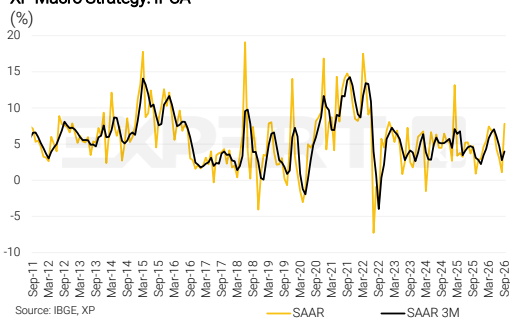
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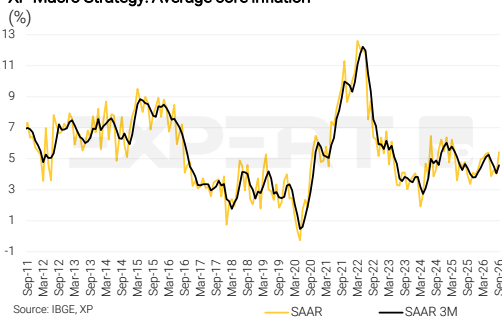
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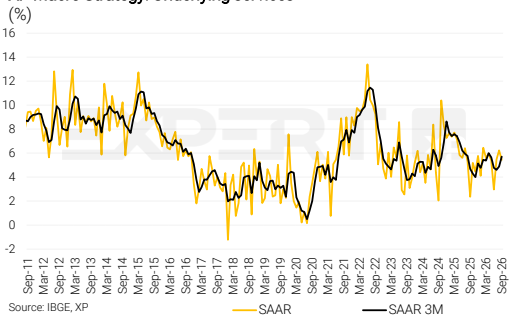
XP Macro Strategy: IPCA



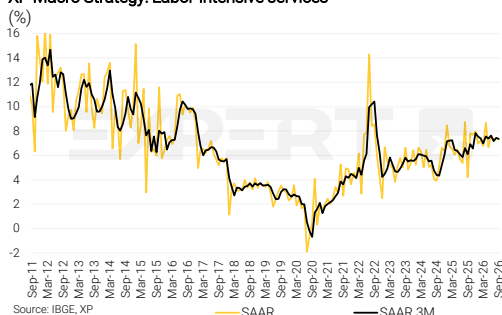
XP Macro Strategy: Average core inflation



XP Macro Strategy: Underlying services



XP Macro Strategy: Labor-intensive services



The upward impact from the end of the Itaipu Bonus credit on electricity bills, along with an increase in gasoline prices, will drive the reversal in **administered prices** — the main factor behind the acceleration in the IPCA headline. **Market-set prices** will also contribute to this uptick, with a significant rise in **food-at-home** prices, driven mainly by fresh food and meat. **Services** will increase due to higher transportation service costs: airline tickets, vehicle insurance, and ride-hailing apps. On the opposite side, highlights include a decline in cinema prices due to a week of promotional pricing and a return to stability in course fees. **Industrial goods** will ease as the cigarette price hike dissipates, despite an increase in ethanol prices.

In all, we see the risks for our IPCA headline forecast tilted to the upside, mainly due to food at home and fuel prices.

XP - Expectations on September IPCA (%)

Gauge	XP	Consensus [Median]
IPCA	0.75	0.76
Regulated Prices	1.30	1.40
Market-set prices	0.55	0.54
Food at home	1.17	1.15
Industrials	0.15	0.15
Services	0.54	0.54
Underlying services	0.27	0.27
Avg. Core measures	0.31	0.31

Sources: Bloomberg, Broadcast and XP

September IPCA		MoM		YoY	
IPCA inflation		Aug-26	Sep-26	Aug-26	Sep-26
Headline		-0.32	0.75	4.22	4.50
Food and beverages		-0.34	0.97	3.51	4.78
Food at home		-0.61	1.17	2.77	4.40
Food away from home		0.36	0.48	5.40	5.78
Housing		-1.87	2.14	4.91	4.06
Electricity		-7.63	7.38	4.97	2.18
Articles of residence		0.64	0.25	1.41	2.07
Clothing		0.12	0.28	3.26	2.90
Transports		-0.86	0.61	3.04	3.66
Gasoline		-0.59	0.26	5.12	4.61
Health and personal care		0.23	0.19	5.83	5.86
Personal expenses		1.30	0.11	6.17	5.75
Education		0.47	0.06	5.99	5.98
Communication		-0.09	0.59	1.95	2.73
Regulated Prices		-1.25	1.30	4.42	3.83
Market-set prices		0.02	0.55	4.13	4.72
Non-durable goods		-0.02	0.86	3.83	5.01
Semi-durable goods		0.13	0.24	2.24	2.06
Durable goods		-0.02	0.02	0.96	1.12
Services		0.03	0.54	5.47	5.90
Underlying Services		0.40	0.27	4.98	5.23
Labor-intensive Services		0.54	0.56	7.18	7.42
Industrials		0.43	0.15	2.95	3.04
Underlying industrials		0.10	0.16	3.66	3.72
Difusion		0.54	0.61	0.58	0.59
IPCA EX0		0.18	0.39	4.49	4.79
IPCA EX3		0.27	0.23	4.43	4.60
IPCA MS		0.29	0.29	3.61	3.77
IPCA DP		0.14	0.34	3.88	4.04
IPCA P55		0.27	0.30	4.61	4.55
Average core inflation*		0.23	0.31	4.37	4.50

* EX0, EX3, MS, DP e P55

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