

BANKING/ FINANCE

Inflation Quickens to 8.5%, Ratcheting Up Pressure on Fed



SHUTTERSTOCK

The March consumer price index reading represents what many economists expect to be the peak of the current inflationary period, capturing the impact of soaring food and energy prices after Russia's invasion of Ukraine.

by Olivia Rockeman

U.S. consumer prices rose in March by the most since late 1981, evidence of a painfully high cost of living and reinforcing pressure on the Federal Reserve to raise interest rates even more aggressively.

The consumer price index increased 8.5% from a year earlier following a 7.9% annual gain in February, Labor Department data showed Tuesday. The widely followed inflation gauge rose 1.2% from a month earlier, the biggest gain since 2005. Gasoline costs drove half of the monthly increase, and food was also a large contributor.

Economists in a Bloomberg survey called for the overall CPI to increase 8.4% from a year ago and 1.2% from February.

The March CPI reading represents what many economists expect to be the peak of the current inflationary period, capturing the impact of soaring food and energy prices after Russia's invasion of Ukraine.

While the Fed has opened the door for a half-percentage point increase in interest rates, inflation isn't likely to recede to the central bank's 2% goal anytime soon, especially given the war, COVID-19 lockdowns in China and greater demand for services such as travel.

President Joe Biden has come under fire for failing to rein in prices as Americans pay up for fuel and groceries. Inflation more broadly will complicate Democrats' efforts to maintain their tight congressional margins in midterm elections later this year.

At the same time, risks that inflation will tip the economy into recession are building. A growing chorus of economists predict that activity will contract either because consumer spending declines in response to higher prices, or the Fed will over-correct in its effort to catch up. However, the majority still expects the economy to grow.

Excluding volatile food and energy components, so-called core prices increased 0.3% from a month earlier and 6.5% from a year ago, both less than projected and due in large part to the biggest drop in used vehicle prices since 1969.

The figures are "a welcome respite from the sustained heated core increases of late, and fuel costs look to ease in response to the recent pullback in oil prices," Sal Guatieri, senior economist at BMO Capital Markets, said in a note.

"However, food, rent, and a few other items look to remain troublesome and act to slow the expected retreat in inflation in the year ahead."

Treasuries rose after the data showed core inflation rose less than forecast in March, while the dollar erased an early advance to weaken in early Tuesday trading.

The report showed goods inflation stayed elevated, while services continued to advance. On a year-over-year basis, goods inflation excluding food, energy and used vehicles rose 8.1% in March, the most since 1981. Food prices rose 1% from February.

Used car prices, which had been a driver of higher goods inflation for months, were down 3.8% in March, the second straight monthly decline. New car prices, meanwhile, rose slightly.

Prices for household furnishings and supplies rose 1% from February after outsize gains in recent months. The index for furnishings and operations jumped 10.1% from a year earlier, the most since 1975.

Services costs increased 5.1% from a year ago, the biggest advance since 1991. Airline fares rose a record 10.7% in March from a month earlier. Shelter costs, which include rents and hotel stays, rose 0.5% for a second month.

The war in Ukraine, which started in late February, led to a spike in energy prices on fears that cutting off Russian oil and gas would stretch already-tight supply. The CPI report showed that energy prices rose 11% in March from the prior month, the most since 2005, while gasoline prices jumped 18.3%, the largest gain since 2009.

That said, gas prices have started to decline in recent weeks, in part because of sinking demand in China where several major cities are under strict Covid lockdowns. If sustained, the drop suggests that energy prices will have less of an impact on inflation in April.

Even so, inflation is projected to stay near 6% by the end of the year, which will keep pressure on the Fed Chair Jerome Powell and his colleagues. The central bank is expected to hike interest rates by a half-point at its next policy meeting in May, and possibly at one or more meetings after that, while moving forward on plans to reduce its balance sheet.

Olivia Rockeman reports for Bloomberg News.



CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **COUNCIL ZONING MEETING** on **April 27, 2022 beginning at 6:00 PM** to consider a special exception for ABC Liquors, Inc., to permit a package store within 2,500 feet from places of worship. The meeting will be held at the **City of Doral, Government Center, Council Chambers located at 8401 NW 53rd Terrace, Doral, Florida, 33166.**

The City of Doral proposes to adopt the following Resolution:

RESOLUTION No. 22-

A RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, APPROVING/DENYING A SPECIAL EXCEPTION FOR ABC LIQUORS, INC. TO PERMIT A PACKAGE STORE WITHIN 2,500 FROM PLACES OF WORSHIP, FOR THE PROPERTY LOCATED AT 8050 NW 36 STREET, DORAL, FLORIDA, PURSUANT TO SECTION 74-184 OF THE CITY'S LAND DEVELOPMENT CODE; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE

HEARING NO.: 22-04-DOR-02

APPLICANT: ABC Liquors, Inc. (the "Applicant")

PROJECT NAME: ABC Fine Wine & Spirits

PROPERTY OWNER: Landwirth Realty, LLC

LOCATION: 8050 NW 36 Street, Doral, Florida 33166

FOLIO NUMBER: Portion of 35-3027-001-0091

SIZE OF PROPERTY: ±.95 acres

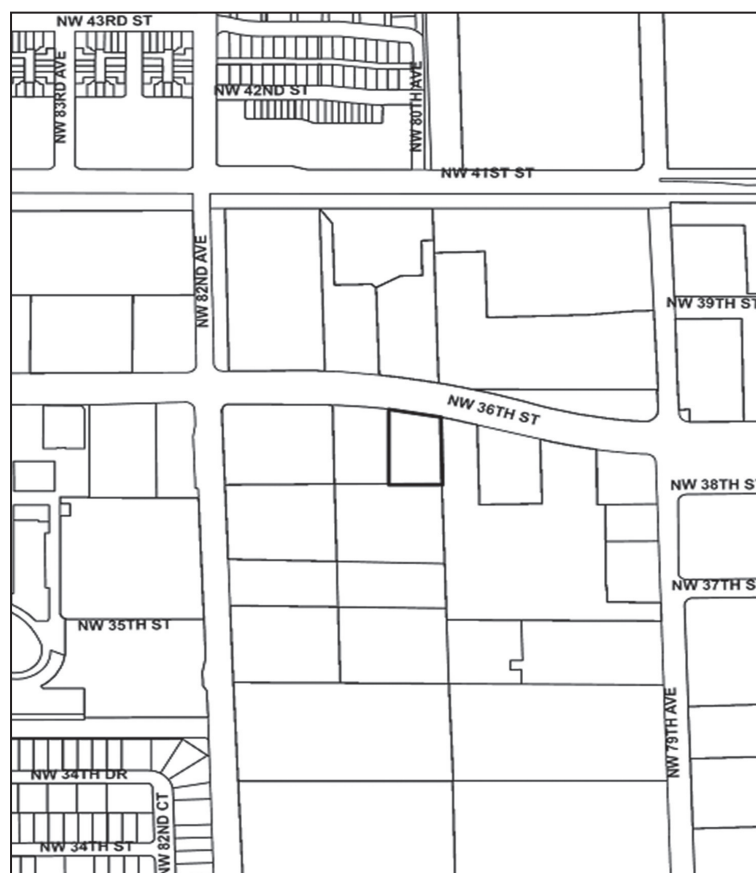
FUTURE LAND USE MAP DESIGNATION: Office Residential and Business

ZONING DESIGNATION: Corridor Commercial District (CC)

REQUEST: The Applicant is seeking approval of a special exception to permit a package store to conduct retail sales of alcoholic beverages for consumption off-premises within 2,500 feet from places of worship.

LEGAL DESCRIPTION: That portions of the West ½ of the Tract 14, "FLORIDA FRUIT LAND COMPANY'S SUBDIVISION NO. 1", in Section 27, Township 53 South, Range 40 East, Miami Dade County, Florida, according to the Plat thereof, as recorded in Plat Book 2, at Page 17, of the Public Records of Miami-Dade County, Florida, lying South of Northwest 36 Street Extension Right-of-Way, and lying East of a line 353.16 feet East of and parallel with the West line of the Northeast ¼ of Section 27.

Location Map



Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL. The application file may be examined at the City of Doral Planning and Zoning Department located at 8401 NW 53 Terrace, Doral, FL 33166.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, any person who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

Connie Diaz, MMC
City Clerk
City of Doral