U.S. inflation rises to 3.7%, increasing pressure on the Federal Reserve

September's Consumer Price Index increased **3.7% year over year**, compared with 3.4% in August and economists' expectations of 3.6%. Monthly inflation increased 0.6%, while core inflation, excluding food and energy, rose 2.6% annually and 0.3% monthly. U.S. stock futures declined following the report as investors reconsidered the likelihood of another Federal Reserve interest-rate increase in October. Reuters

Why it matters commercially: Higher inflation increases the risk that borrowing costs remain elevated or rise further. This is particularly unfavorable for housing, automotive, appliances, furniture and construction-related plastics demand.

For engineered plastics, the distinction between end markets remains important: capital investment in electrical infrastructure and technology continues, while interest-sensitive consumer markets face significant headwinds.