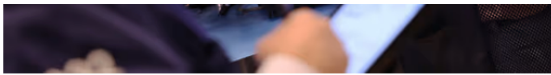


MARKETS

Inflation Data Offer Good News for Stocks. What Could Come Next.

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The S&P 500 was winding up a winning month on Friday. Above, a scene from the floor of the New York Stock Exchange during morning trading. (MICHAEL M. SANTIAGO/GETTY IMAGES)

Stocks closed out a [tumultuous month](#) mostly higher Friday after the [latest inflation data](#) showed no significant uptick in consumer prices.

The personal consumption expenditures price index, the inflation measure most closely monitored by the Federal Reserve, rose 2.7% from a year earlier in April. That was in line with forecasts and unchanged from March.

Investors seem to be relieved that the PCE data didn't show an ugly increase in inflation. The market has been worried that because inflation seems to be more persistent than it did last fall, the Fed may have to take a slower approach to cutting interest rates.