

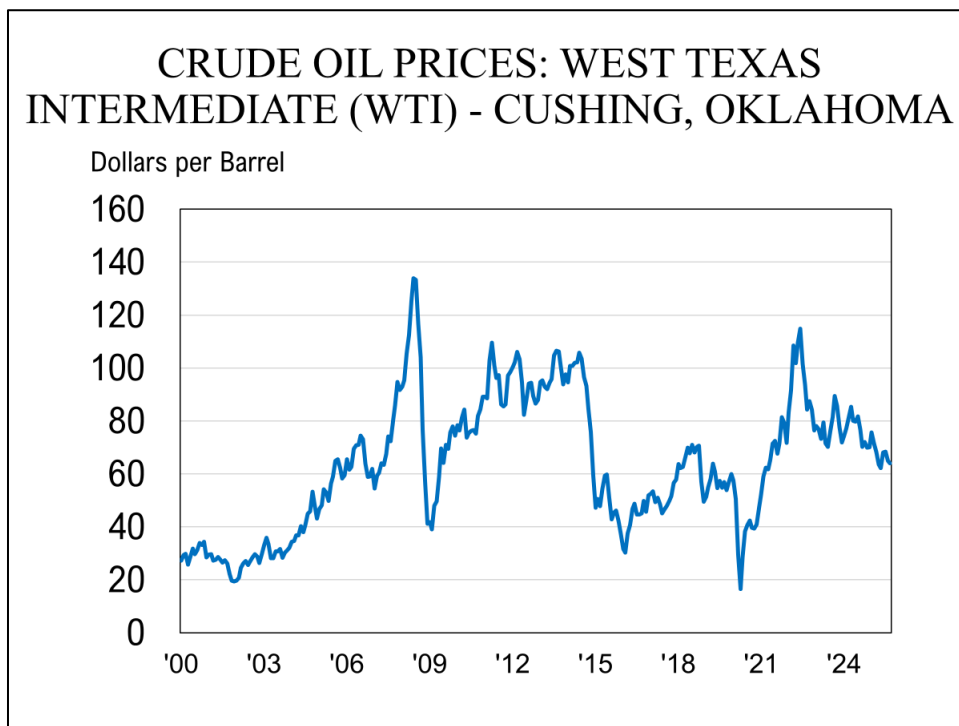
Current Economic News

Oil Prices Stabilize – But Watch CPI

October 22, 2025

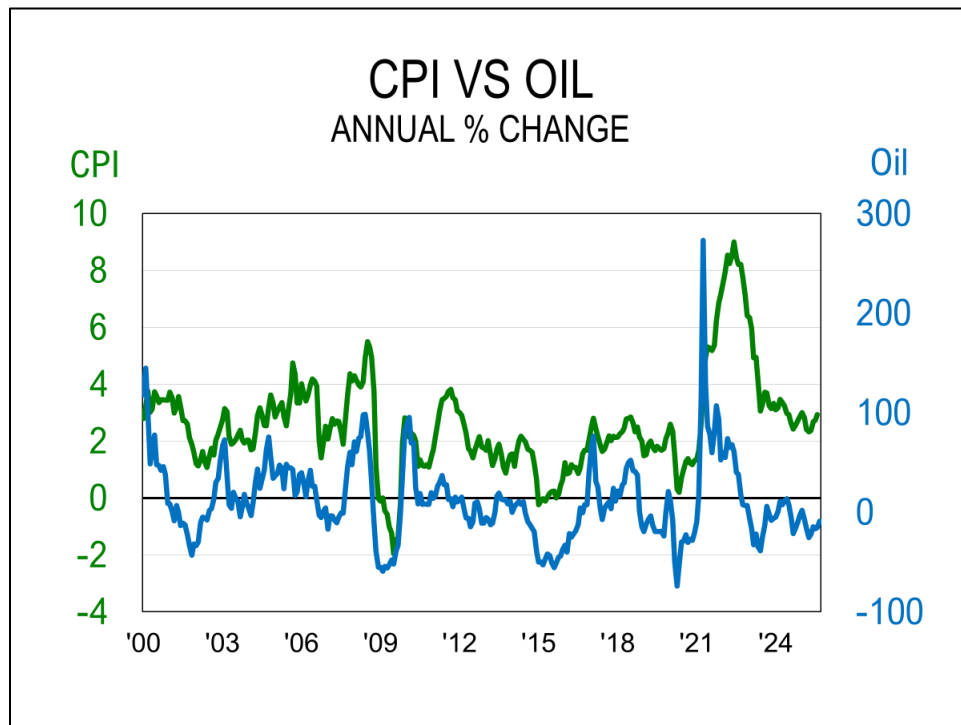
With the ongoing government shutdown, very little data has been released this month. Fortunately, CPI is due to be released [this Friday](#), in order to ensure the Social Security Administration can make accurate payments. CPI has been at the forefront of people's minds this year, as high prices persist from the last several years, and in some cases continue to rise.

The U.S. Energy Information Administration has also been able to continue releasing data on schedule, and said in a [press release](#) that this would continue until further notice. For this reason, we can examine the current crude oil price from West Texas Intermediate. This data shows that oil prices have declined from the peak in June of 2022, and returned to a more stable price.



In September, the price declined from 64.86 to 63.96 dollars per barrel, and the annual percentage change has been negative since February.

This is significant because oil prices make up a large percentage of CPI. As can be seen when comparing the annual percentage changes of these two variables, oil prices and CPI move together. Oil occasionally predicts changes in CPI, as happened in 2009 and 2021.



However, even declining oil prices will not help CPI if tariffs continue to be in place. In Chapman's recent [Purchasing Managers Survey](#), many participants mentioned rising prices in their comments. Our "commodity price index" remained well above 50, indicating that manufacturers expect prices to rise in 2025Q4. It is only a matter of time before those increases are passed along to the consumer.

We await the upcoming release of CPI data for the third quarter. But in happier news, our Economic Forecast tickets are now available at economicforecast.chapman.edu/. We hope to see you there!