



CPI Inflation Rates Rise in April 2026

Description

Consumer prices in the United States rose unexpectedly in April, intensifying worries about inflation and its effects on the economy. The Bureau of Labor Statistics reported a seasonally adjusted increase of 0.6% in the consumer price index (CPI) for the month, bringing the annual inflation rate to 3.8%. While the monthly increase matched expectations, the annual figure exceeded the Dow Jones forecast by 0.1 percentage point.

When excluding volatile categories such as food and energy, the core CPI grew by 0.4% for April, resulting in an annual increase of 2.8%. These figures indicate that inflation remains significantly above the Federal Reserve's target of 2%. The annual inflation rate recorded was the highest since May 2023 and represented a rise of half a percentage point since March. Core inflation, meanwhile, increased by 0.2 percentage point over the year.

Energy prices played a pivotal role in the surge, climbing by 3.8% for the month, with food prices also increasing by 0.5%. Over the past year, energy costs rose by 17.9%, while food prices increased by 3.2%. Notably, the gasoline index surged by 28.4% annually. Other areas contributing to inflation included rising shelter costs, higher apparel prices due to tariffs, and increased airline fares, which saw a significant annual gain of 20.7%.

The report also provided disheartening news for workers, as real average hourly wages dropped by 0.5% monthly and by 0.3% annually. Following the announcement, stock market futures turned negative, and Treasury yields increased. A rise in the likelihood of a Federal Reserve interest rate hike by the year's end was also noted, now estimated at around 30%.

The latest inflation data arrives at a critical juncture for the Federal Reserve, which has maintained its benchmark interest rate throughout the year amidst divided opinions among policymakers regarding future directions. The Fed's most recent meeting in late April witnessed dissent from four members, the highest such discontent since 1992. Incoming Chair Kevin Warsh's advocacy for lower rates conflicts with the backdrop of rising inflation influenced by geopolitical tensions, particularly in Iran, which have driven oil prices above \$100 per barrel. Analysts suggest that further raising interest rates may become necessary as inflation persists and the labour market remains resilient.

Vocabulary List:

1. **inflation** //ɪnˈfleɪʃən// (noun): when prices for goods and services rise
2. **seasonally** //ˈsiːzənəli// (adverb): in a way that accounts for normal seasonal changes
3. **volatile** //ˈvɒlətəl// (adjective): likely to change suddenly and unpredictably
4. **core** //kɔːr// (adjective): not including items that change a lot
5. **pivotal** //ˈpɪvətəl// (adjective): more important than other things in this situation



6. **resilient** //rɪ'zɪliənt// (adjective): able to keep working well after problems

Comprehension Questions

Multiple Choice

1. What was the seasonally adjusted increase in the consumer price index (CPI) for April?

- Option: 0.4%
- Option: 0.6%
- Option: 2.8%
- Option: 3.8%

2. What was the annual inflation rate reported?

- Option: 2.8%
- Option: 3.8%
- Option: 17.9%
- Option: 0.5%

3. By how much did monthly real average hourly wages drop?

- Option: 0.5%
- Option: 0.3%
- Option: 1.0%
- Option: 2.0%

4. What percentage did energy prices rise in April?

- Option: 0.5%
- Option: 3.8%
- Option: 28.4%
- Option: 20.7%

5. What was the increase in the gasoline index annually?

- Option: 17.9%
- Option: 0.6%
- Option: 3.2%
- Option: 28.4%

6. What percentage increase did core CPI experience for April?



- Option: 0.6%
- Option: 0.4%
- Option: 2.8%
- Option: 3.8%

True-False

- 7. The annual inflation rate has remained below the Federal Reserve's target of 2%.
- 8. Real average hourly wages increased both monthly and annually.
- 9. Energy costs rose by 17.9% over the past year.
- 10. The latest inflation data was released during a period of rising interest rates.
- 11. Four members of the Federal Reserve expressed dissent during the latest meeting.
- 12. The Federal Reserve is expected to lower interest rates due to rising inflation.

Gap-Fill

- 13. The consumer price index (CPI) rose by _____ in April.
- 14. The annual inflation rate reported was _____ %.
- 15. Core CPI grew by _____ in April.
- 16. Annual core inflation increased by _____ percentage point.
- 17. Real average hourly wages dropped by _____ monthly.
- 18. The annual rise in gasoline index was _____ %.

Answer

- Multiple Choice:** 1. 0.6% 2. 3.8% 3. 0.5% 5. 28.4% 6. 0.4%
- True-False:** 7. False 8. False 9. True 10. False 11. True 12. False
- Gap-Fill:** 13. 0.6% 14. 3.8% 15. 0.4% 16. 0.2 17. 0.5% 18. 28.4%



Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What is typically measured by the Consumer Price Index?
Option: Deflation
Option: Inflation
Option: Recession
Option: Stagnation
2. Which word best describes a stock market that frequently changes values?
Option: Stable
Option: Predictable
Option: Volatile
Option: Consistent
3. In economics, what does 'core inflation' exclude?
Option: Essentials
Option: Food and Energy
Option: Services
Option: Durable Goods
4. What quality allows a person or economy to recover quickly from difficulties?
Option: Fragile
Option: Weak
Option: Resilient
Option: Vulnerable
5. What term is used to describe the acceptance of new technology or methods?
Option: Abandonment
Option: Rejection
Option: Adoption
Option: Resistance
6. What is the feeling that requires immediate action called?
Option: Complacency
Option: Indifference
Option: Urgency
Option: Patience
7. What is a person who publicly supports a cause known as?



- Option: Opponent
- Option: Critic
- Option: Advocate
- Option: Neutral

8. What term refers to something that affects a system as a whole?

- Option: Isolated
- Option: Systemic
- Option: Local
- Option: Minor

9. What is the term for the forced movement of people from their homes?

- Option: Settlement
- Option: Displacement
- Option: Retention
- Option: Integration

10. What term describes the act of forbidding something, such as alcohol in the 1920s?

- Option: Permission
- Option: Prohibition
- Option: Regulation
- Option: Authorization

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. The prices of certain goods fluctuate _____, affecting the cost of living.

12. The company's layoffs were supposed to be _____ but turned into longer-term unemployment.

13. The government introduced a new _____ on imported goods to protect local industries.

14. The plant is running at maximum _____ to meet increasing demand.

15. The company ensured full _____ with all regulatory requirements.

16. The travel agent provided a detailed _____ for the trip including all activities and



accommodations.

17. The policy changes have unforeseen _____ that could affect several sectors.
18. The constant neglect led to the _____ of the building over several years.
19. The school organized several educational _____ for the students this semester.
20. Frequent _____ in the power supply disrupted daily activities across the city.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

21. The discovery of penicillin was a pivotal moment in the history of medicine.
22. The new policy aims to alleviate poverty in urban areas.
23. The manager reassured the team that their jobs were secure despite the economic downturn.
24. Stock prices plummeted after the negative earnings report was released.
25. The crisis is overshadowing the accomplishments of the previous year.
26. The heavy rains precipitated a series of landslides in the area.
27. The board decided to suspend the project until further notice.
28. In recent years, the demand for electric vehicles outpaces supply.
29. The partnership between the two companies has led to innovative solutions.
30. The electoral reforms were designed to increase participation in the voting process.

Answer

Multiple Choice: 1. Inflation 2. Volatile 3. Food and Energy 4. Resilient 5. Adoption 6. Urgency 7. Advocate 8. Systemic 9. Displacement 10. Prohibition

Gap-Fill: 11. seasonally 12. temporary 13. tariff 14. capacity 15. compliance 16. itinerary 17. repercussions 18. deterioration 19. excursions 20. outages

Matching sentence: 1. pivotal 2. alleviate 3. reassured 4. plummeted 5. overshadowing 6. precipitated 7. suspend 8. outpaces 9. partnership 10. electoral



CATEGORY

1. Business - LEVEL6

POST TAG

1. April 2026
2. C2
3. CPI inflation
4. ESL learning
5. esl news
6. Level 6

Tags

1. April 2026
2. C2
3. CPI inflation
4. ESL learning
5. esl news
6. Level 6

Date Created

2026/05/13

Author

aimeeyoung99

ESL-NEWS.COM