



Tracking the Economic Effects of Tariffs

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Key Takeaways

1

Updated economic indicators: This report reviews economic indicators that are related to the effect of Tariffs on the US Economy as of Wednesday, April 1st, 2026 . For the most part, given data lags, the findings reflect the conditions prior to the Supreme Court decision vacating IEEPA tariffs on February 20th, 2026.

2

Tariff revenue: The 2025 tariffs have raised an estimated \$ 214.7 billion in inflation-adjusted customs revenue above the 2022–2024 average as of February 2026 , with the effective tariff rate reaching 10.6 % in January 2026 .

3

Pass-through to consumer prices: Imported PCE core goods and durable goods prices have both risen by 1.5 % during 2025 through January , both well above prior-year comparisons. Implied passthrough of tariffs to imported consumer goods prices ranges from roughly 46 – 86 % for core goods and 51 – 115 % for durables, depending on methodology (see Table 1).

4

Employment: There is no definitive indication of a significant aggregate labor market effect so far, though tariff-exposed industries show some signs of weakness relative to pre-2025 trend.

Introduction

In response to new tariff announcements, The Budget Lab (TBL) regularly estimates fiscal and macroeconomic effects resulting from policy; TBL published its latest report on [March 9th](#), and we aim to update these projections as we refine our methodology and as policies change. These analyses rely on projections from well-respected economic and trade models, including the MA/US macroeconometric model (currently maintained by S&P Global) for short-run analysis and the Global Trade Analysis Project (GTAP) model for medium/long-run analysis.

This analysis provides monthly updates on how actual economic indicators are responding to tariff changes, which serves as both a check on the assumptions made by economic models and as well as a real-time assessment of how tariffs are impacting the US economy. In particular, we consider the impact of tariffs on revenues, prices, trade, and labor markets. Critically, these are not causal estimates of the effect of tariffs on the economy, but rather constitute a descriptive attempt to explore how the economy is changing with tariffs. There are a number of other economic changes happening concurrently, including but not limited to the growth of generative AI and the passage of the One Big Beautiful Bill Act, which we do not control for in the series presented below. This report was updated using data as of Wednesday, April 1st, 2026 .

Overall, there is evidence, consistent with economic theory, that tariffs have raised both additional revenue (\$ 214.7 Billion above the 2022–2024 average) and led to higher prices (Personal Consumption Expenditure (PCE) core goods up 1.9 % year-over-year as of January 2026). However, after the SCOTUS decision on the IEEPA tariffs, approximately \$165 billion dollars in unlawfully collected duties may be refunded to importers. This implies that tariffs so far have raised \$ 49.7 billion of revenue through February 2026 . There is less clear evidence about the impacts of tariffs on the wider economy: for example, employment in tariff-exposed industries is not appreciably lower or higher than what would have been expected prior to 2025. Importantly, these statistics are representations of the current economy, and it is difficult to disentangle what changed due to tariffs versus the many other economic changes over the past year. It is still early and the effects of tariffs may evolve and change over time as consumers, businesses, and policymakers respond. Importantly, with the exception of currency data, we do not yet have outcomes that reflect the economic reality after the Supreme Court

decision rolling back the President's authority to use the International Emergency Economic Powers Act (IEEPA) to impose tariffs.

Tariff Rates and Revenue

Tariffs are a tax on imports, therefore higher tariffs will increase revenues if their effect on imports is not sufficiently prohibitive. TBL's [Tariff Rate Tracker](#) follows the full schedule of statutory tariff rates as encoded in the Harmonized Tariff Schedule (HTS), weighted by 2024 import values. As of April 01, 2026, the import-weighted average effective tariff rate stood at 11.1% (see Figure A1 in the [Appendix below](#) for a decomposition by tariff authority). This rate incorporates the changes to the tariff regime after the Supreme Court held 6–3 in *Learning Resources, Inc. v. Trump* that the use of IEEPA to impose tariffs exceeded presidential authority. This includes both the removal of all IEEPA-based tariffs and the implementation of Section 122 tariffs for a 150 day period. Tariffs imposed using other authorities remain in effect. We anticipate that refunds will be issued for revenue collected via IEEPA-based tariffs. The customs revenue data presented in this report do not yet cover the post-SCOTUS period, and substantial uncertainty remains, both about the timing of refunds and the eventual structure of the post-IEEPA tariff regime.

The tariff revenue and rate numbers reported here are a different measure than the numbers reported in TBL's State of Tariff Report. The effective tariff rates (ETRs) reported here are actual tariff duties divided by the value of customs, meaning that they incorporate any avoidance behavior by firms, importers, or other actors. The effective tariff rates reported in TBL's State of Tariff Report are model-based estimates of the average rates across sectors, weighted by 2024 trade flows. In that report, we include two measures of average ETRs: pre-substitution and post-substitution. In our modeling of the general revenue effects of tariffs, our last pre-SCOTUS estimate of tariff revenue was projected to raise \$246 billion in annual revenue for fiscal year (FY) 2026 (conventionally). This is lower than the annualized revenue we would expect if monthly tariff revenue remained at its current level (2-month average of January and February projected forward) for the rest of the fiscal year (\$327 billion). However, the revenue estimates in the State of Tariff Report account for decreases in other revenue sources, like federal payroll and corporate income taxes, following the methodology of the [U.S. Congressional Budget Office](#). Adjusting for that gives us a simulated annual revenue of \$319 billion, notably closer to the annualized tariff revenue level suggested by the customs data.

Higher effective tariff rates have translated directly into additional customs revenue. Before 2025, the US collected \$7.6 billion a month in net customs duty revenues. Since then, tariffs have raised roughly \$214.7 billion in revenues above the 2022–2024 average, with \$175.5 billion collected over the course of 2025 and about \$19.0 billion of that new tariff revenue posted in February 2026 alone, though again, approximately \$165 billion may be returned to importers and consumers via refunds of IEEPA tariffs.

Figure 1. Daily Effective Tariff Rate (Import-Weighted)

Overall import-weighted effective tariff rate by calendar day

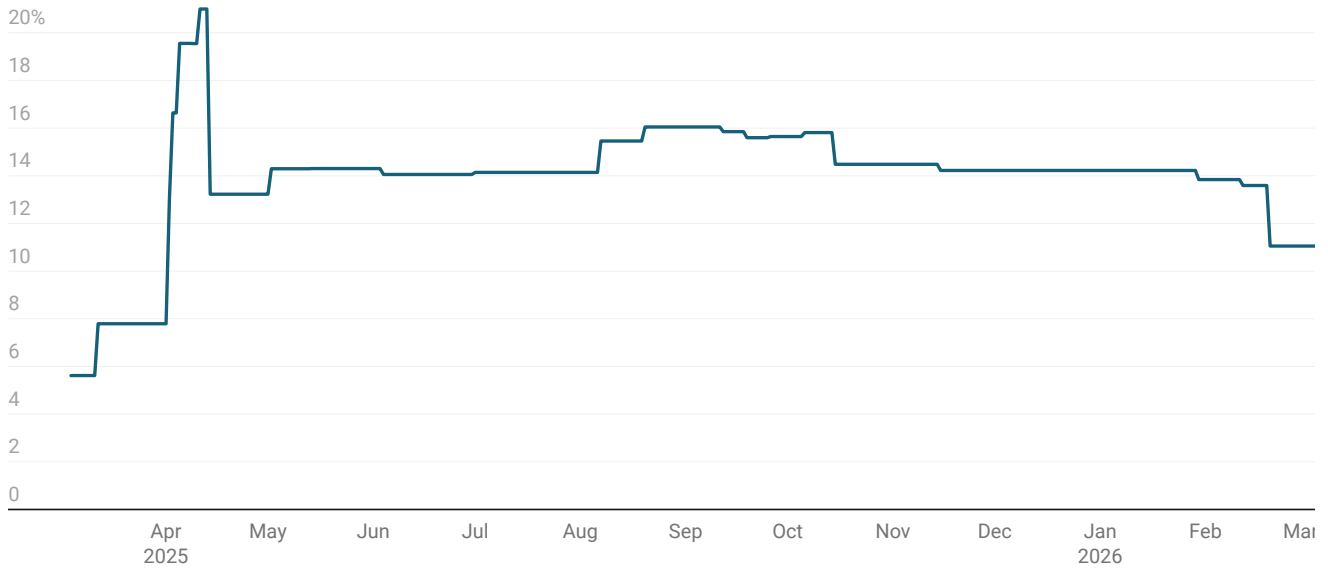


Chart: The Budget Lab • Source: The Budget Lab Tariff Rate Tracker (USITC HTS data; Census 2024 import weights) • [Get the data](#) • Created with [Datawrapper](#)

Figure 2. Effective Tariff Rate

Customs duties as a share of import value

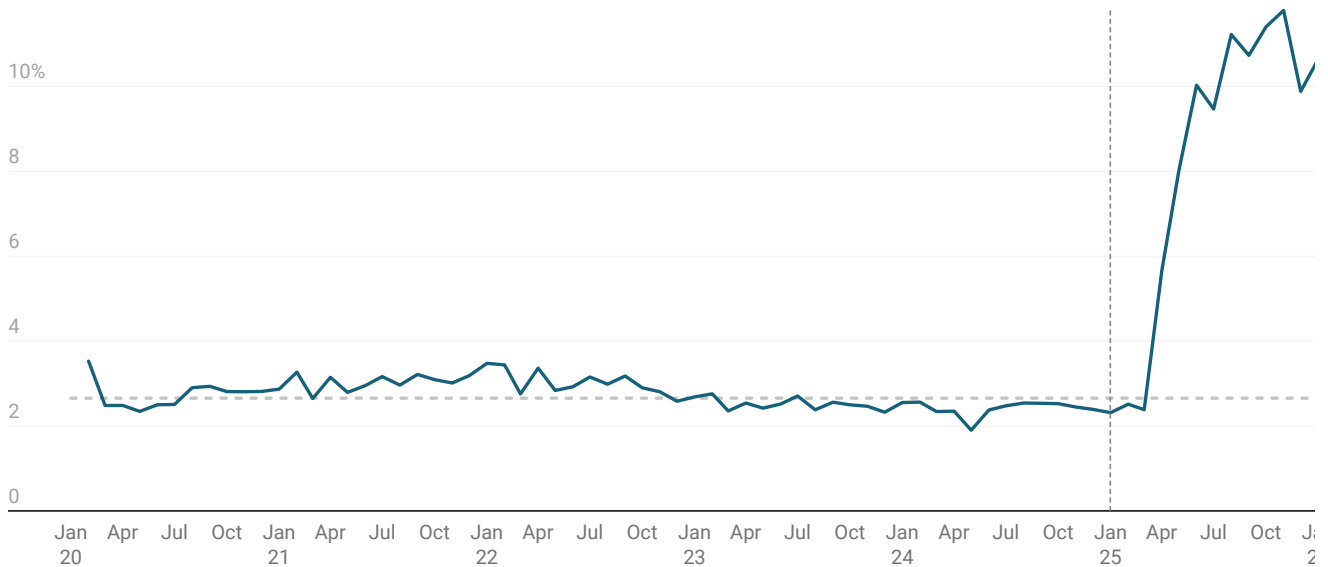
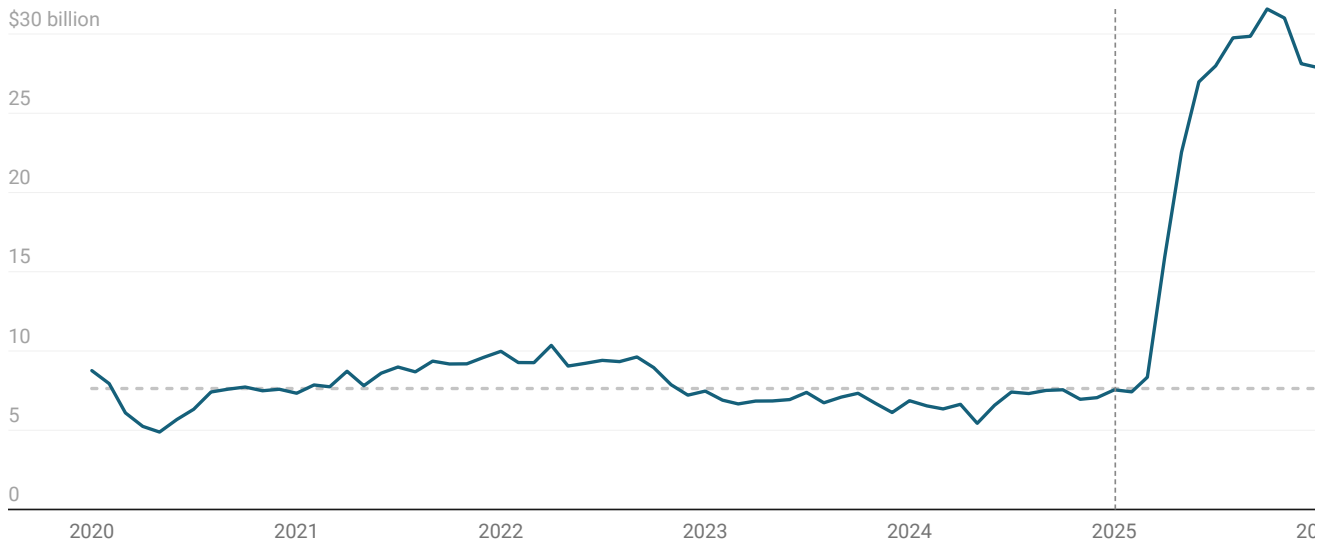


Chart: The Budget Lab • Source: U.S. Treasury, Census Bureau via Haver Analytics • [Get the data](#) • Created with [Datawrapper](#)

Figure 3. Customs Duty Revenue (Inflation-Adjusted)

Monthly federal customs duty revenue in 2025 dollars, deflated by CPI-U



October 2025 CPI interpolated (government shutdown delayed BLS release).

Chart: The Budget Lab • Source: US Treasury via Haver Analytics, BLS CPI • [Get the data](#) • Created with [Datawrapper](#)

Prices and Consumer Passthrough

One of the most debated questions around tariffs is to what extent they are leading to higher consumer prices. Tariffs are taxes that add to the cost of imported goods. Different groups can bear this cost, or incidence: foreign producers (in the form of accepting lower prices on their exports), American importers and businesses (in the form of lower profit margins), and American consumers (in the form of lower real after-tax incomes). Moreover, tariffs reduce productivity and thereby real U.S. income (even when including tariff revenue) by reducing the efficiency of resource allocation across countries and increasing the marginal cost of investment. After-tax real incomes in turn can fall either from a rise in realized prices, holding nominal income constant, or a fall in nominal income.

Overall Goods Prices

One possible indication that tariffs are raising consumer goods prices is that goods prices have increased since the beginning of the year, both in absolute terms and against reasonable estimates of pre-2025 trend. We estimate the pre-2025 trend using a local projection method with recession and pandemic controls. See the [accompanying Methodology page](#) for full details. We find similar differences when the trend is calculated using a simple log-linear approach. During 2025 through January, PCE core goods prices (goods excluding volatile food & energy components) rose 2.3%, versus -0.1% over the same 13-month period starting in 2023. The difference is even starker with PCE durable goods prices, which rose 2.5%, versus -2.0% over the same period starting in 2023. Core goods and durable goods were 3.4% and 4.1% above TBL's estimate of pre-2025 trend in January.

Versions of Figures 4 and 5 using the log-linear trend approach are included in the [Appendix below](#).

Figure 4. PCE Core Goods & Durables Prices

Index (Dec 2024 = 100) versus local projection with 90% CIs

— Core goods index — Durable goods index

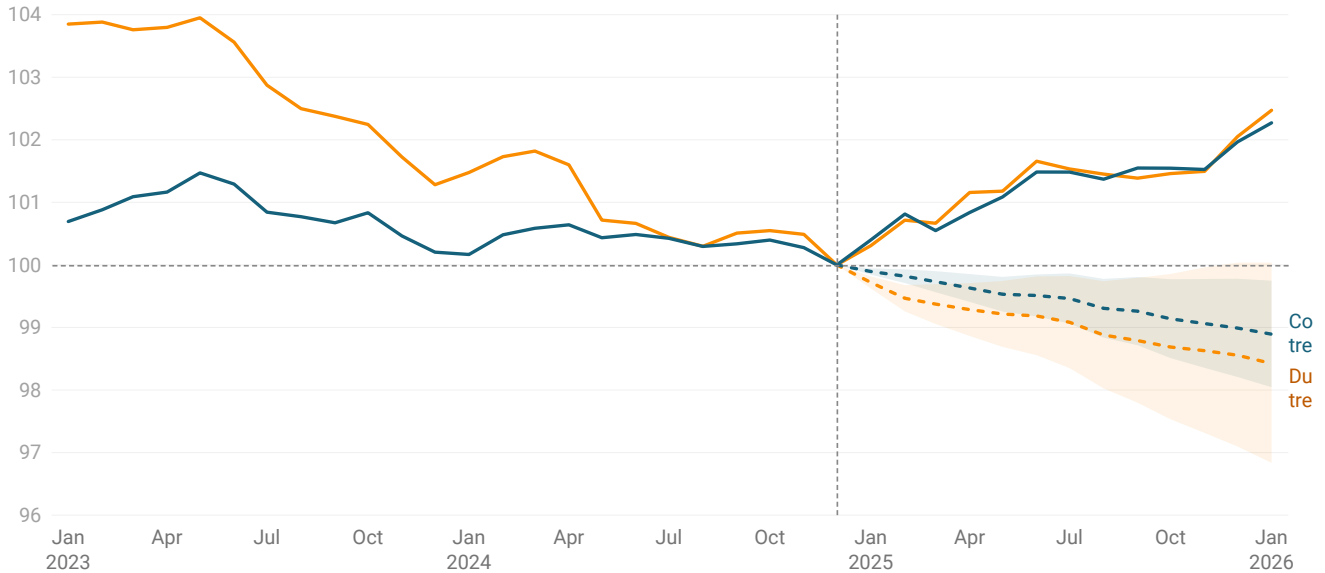


Chart: The Budget Lab • Source: Bureau of Economic Analysis via Haver Analytics, The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Figure 5. PCE Goods Prices: Deviation from Trend

Percent difference from trend (local projection)

■ Core Goods ■ Durable Goods

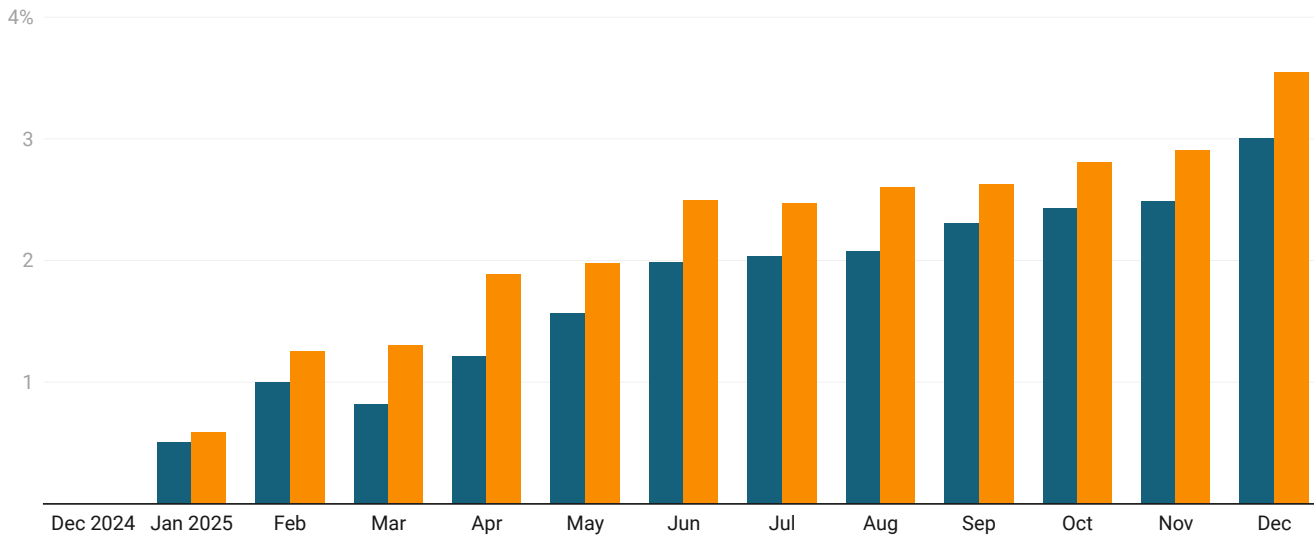


Chart: The Budget Lab • Source: Bureau of Economic Analysis via Haver Analytics and The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Imported PCE Goods Prices

When we construct a price index that reweights standard PCE component price indices by their import content—weighting categories like electronics, motor vehicles, and apparel more heavily, and domestic-heavy categories less—the deviation remains, though it is less extreme for core goods. This **Imported PCE Goods Price Index** measures price changes in the goods most exposed to imports and therefore tariffs. As of January, the imported core goods index is 2.9% above trend and the imported durables index is 3.4% above trend, compared to 3.4% and 4.1% for the standard PCE indices. See the [accompanying Methodology page](#) for details on index construction.

Figure 6. Imported PCE Core Goods & Durables Prices

Import-content-weighted index (Dec 2024 = 100) versus local projection with 90% CIs

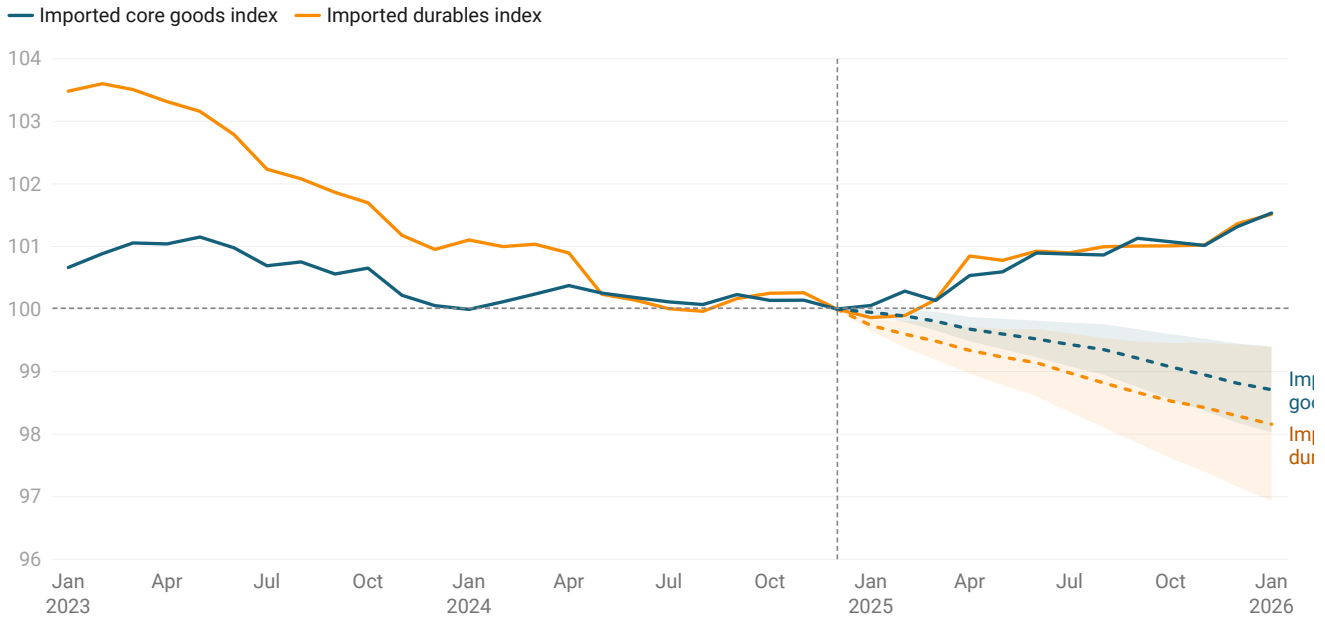


Chart: The Budget Lab • Source: BEA PCE components via Haver Analytics; BEA I-O Tables; and The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Figure 7. Imported PCE Goods Prices: Deviation from Trend

Percent difference from trend (import-content-weighted index)

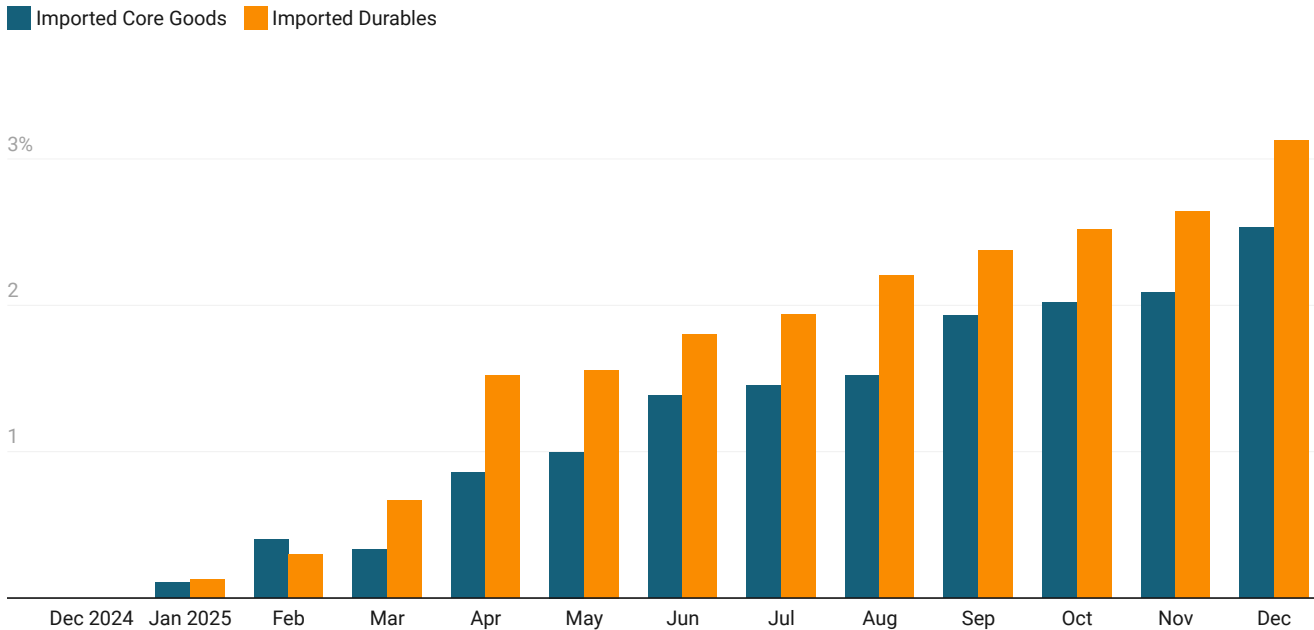


Chart: The Budget Lab • Source: BEA PCE components via Haver Analytics; BEA I-O Tables; and The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Implied Consumer Passthrough

In its modeling, TBL assumes that passthrough of tariffs to consumer prices will ultimately reach 100%. Studies of the 2018 tariffs find near-complete passthrough to import prices at the border (Flaen, Hortacsu & Tintelnot 2020; USITC 2023).

However, passthrough from the border to consumer shelves was substantially incomplete in the short run, with importers absorbing tariff costs through compressed margins (USITC 2023, Ch. 6). Our assumption of eventual 100% passthrough reflects the expectation that margin compression is unsustainable—importers will eventually pass costs forward or exit. Both of these studies also focus on much narrower tariff increases than the broader and more aggressive increases over the last year, and the 2025 tariffs come after a period of inflation that may have changed how price-sensitive consumers are. In this context, comparing the rise in overall goods prices against what we would mechanically expect given the rise in tariffs, we can estimate an implied “spot” passthrough—measuring where we are on the journey from border to consumer prices—as of January 2026 .

In January 2026 (the month of the latest detailed Census trade data), the actual average effective tariff rate was 10.6% . But as mentioned earlier, there are several reasons why it takes time for tariff policy to fully flow through into realized revenues. But this rate, calculated based on all revenues and imports, includes products and content that will not ultimately be purchased by consumers, such as business investment and exports. TBL therefore calculated average tariff rates on imported consumer goods. For imported core PCE goods, the average import-weighted effective tariff rate was 13.1% in the most recent month, up from a 2022–2024 average of roughly 2.7% (the 2025 annual average was 8.7%). For just imported PCE durables, the most-recent-month rate was 13.3% , up from roughly 2.7% (2025 annual average: 9.0%). Given these shifts and the import share of PCE (total import content—including indirect imports through the supply chain—is 32.1% of core goods spending; see [accompanying Methodology page](#)), we would expect full passthrough price effects from the actual tariff increases in 2025 so far to add 3.3 and 3.0 percentage points through January 2026 for core goods and durables prices, respectively.

We estimate the rise in imported core goods and durable prices in three ways. The first, and our preferred approach, uses the trend estimates reported in Figure 6 as the counterfactual level of prices but-for tariffs. The second approach uses data from 2023-2024 to project forward pre-2025 prices. The third approach moves away from relying on estimating trends, and rather assumes that prices would have remained at their December 2024 level. It therefore uses the change in prices during 2025 through January . We think that this approach underestimates true price increases from the tariffs by ignoring counterfactuals, but provides an easy lower-bound estimate.

The results of each are shown in Table 1 below for June 2025 and the most recent month of data, January 2026 . Table 1 uses these category-specific tariff rates rather than the economy-wide effective rate, since the tariff burden varies across consumer goods categories. Passthrough tables using overall PCE prices (as opposed to the imported goods) are available in the [Appendix below](#).

Using our preferred LP trend method, the implied passthrough of tariffs to imported core goods prices through January 2026 is 86% , and the implied passthrough to imported durables prices is 115% . The larger durable passthrough rate is due both to a lower import share and a more aggressive pre-2025 downward trend in prices. The simpler log-linear trend yields very similar passthrough estimates of 64% for core goods and 128% for durables. The most conservative method—raw price changes during 2025 through January with no trend adjustment—gives 46% and 51% for core goods and durables, respectively. All in all, the story is fairly consistent for imported core goods, with somewhere between 46% and 86% passthrough of tariffs. The story is more mixed for durable goods, due primarily to the uncertainty around the counterfactual level of prices but for tariffs. At the June 2025 mark, the LP passthrough estimates were 51% for core goods and 72% for durables. The estimates of passthrough of imported core goods have remained relatively constant over time, but implied passthrough of durable goods has now reached over 100 percent, versus 37% – 79% in June 2025. These estimates of passthrough are larger than those found by other researchers, but not unreasonably so. For example, [Cavallo, Llamas, and Vazquez \(2026\)](#) estimate that the passthrough to retail prices was 24 percent in October 2025.

Table 1. Implied Passthrough – Imported PCE Core and Durable Goods Prices

Passthrough calculation components, estimated price change, and estimated passthrough rates

| Category | Inputs | | | Price Changes | | | Implied Passthrough | | |
|---------------------|--------------|-----------------|-----------------|---------------|-------------|---------------|---------------------|-------------|---------------|
| | Import share | Tariff increase | Expected effect | 2025 Change | vs LP Trend | vs Log-Linear | 2025 Change | vs LP Trend | vs Log-Linear |
| June 2025 | | | | | | | | | |
| Imported Core Goods | 32.1% | 8.4 pp | 2.7% | 0.9% | 1.4% | 1.2% | 33% | 51% | 43% |
| Imported Durables | 28.0% | 8.9 pp | 2.5% | 0.9% | 1.8% | 2.0% | 37% | 72% | 79% |
| January 2026 | | | | | | | | | |
| Imported Core Goods | 32.1% | 10.4 pp | 3.3% | 1.5% | 2.9% | 2.1% | 46% | 86% | 64% |
| Imported Durables | 28.0% | 10.6 pp | 3.0% | 1.5% | 3.4% | 3.8% | 51% | 115% | 128% |

LP (Local Projection): Price deviation from trend estimated using local projections with recession/pandemic controls (1996-2024 estimation period). Log-Linear: Price deviation from simple log-linear trend fit to 2023-2024 data. Simple: Raw price change with no trend adjustment. Tariff rates are category-specific effective rates from USITC trade data: core goods 13.1%, durables 13.3% (vs 2.7% baseline). Economy-wide effective rate as of December 2025: 9.9%.

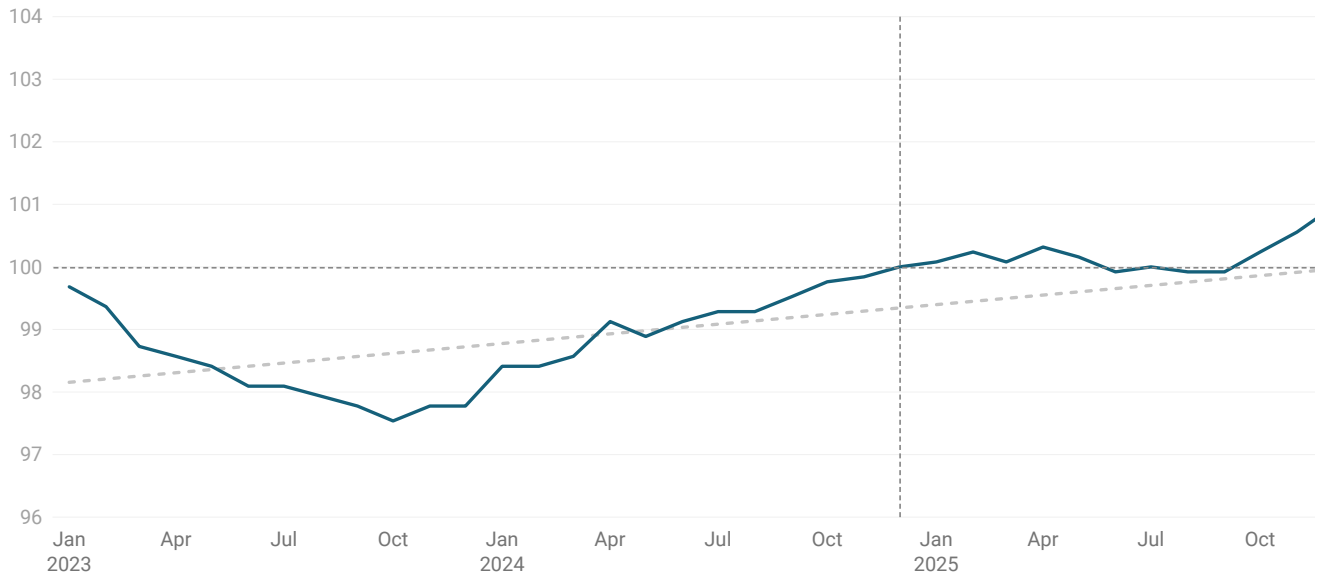
Table: The Budget Lab • Source: Haver Analytics, USITC, BEA, The Budget Lab analysis • [Get the data](#) • Created with [Datwrpper](#)

Import Prices

As noted above, there are other groups beyond US consumers that might bear the burden of tariffs. For some of these groups (e.g. firms and their shareholders) it is difficult to observe these effects directly. However, we can observe import prices: if foreign producers are willing to accept lower prices on their exports, the incidence of tariffs could fall, at least in part, on them. Below, we plot non-petroleum import prices, and find that in recent months prices have risen over their pre-2025 trend. This is a noisy series, so this effect should not be viewed as causal, but the evidence indicates that foreign producers are not willing to accept lower prices on imports, rather the opposite.

Figure 8. Non-Petroleum Import Prices

Index (Dec 2024 = 100) versus simple linear projection



October 2025 import prices interpolated (government shutdown delayed BLS release). Simple linear projection based on 2023-2024 data.
 Chart: The Budget Lab • Source: Bureau of Labor Statistics via Haver Analytics, The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

The Labor Market

So far, there is no definitive indication of any effect of tariffs on the aggregate job market. Total non-farm employment as of February 2026 changed by +0.2 M jobs relative to the level of employment one year earlier. This is lower than that same statistic from one year prior (+1.1 M).

However, the overall labor market might not be as affected as certain industries that are more exposed to tariffs. We therefore construct indices of tariff-sensitive employment, which measure employment weighted by industry-level tariff exposure.

Looking at the overall index, there is some evidence of weakening employment during 2025: the index changed by -0.6 % during 2025 through February, which is 0.9 % less than the pre-2025 trend would have predicted, and 0.5 % below the December-to- February change observed in 2024. When we just look at tariff-sensitive manufacturing employment, the manufacturing index changed by -0.9 %, versus -0.7 % predicted by a simple linear trend. In other words, there are some indications of weakness in tariff-exposed employment overall, but not in the manufacturing sector. It is worth noting, however, that both of these comparisons are illustrative only, and more rigorous work is necessary to determine the short-term effects of tariffs on employment.

Figure 9. Tariff-Exposed Employment Index

Leontief-adjusted total import content weighting, index (Dec 2024 = 100)

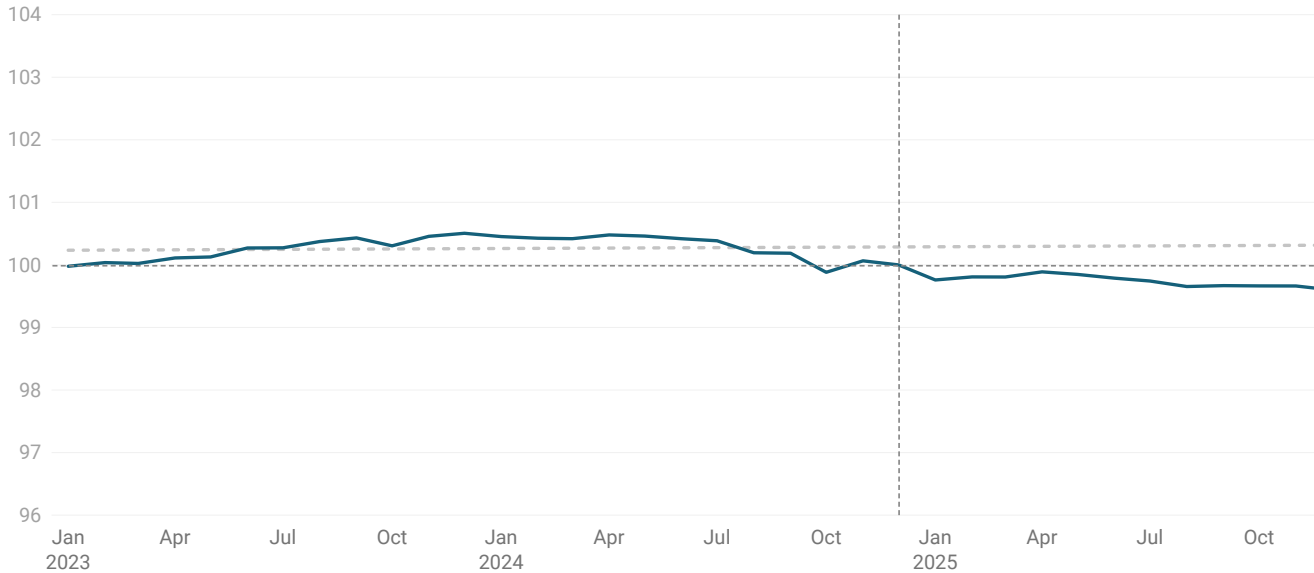


Chart: The Budget Lab • Source: BLS via Haver, USITC DataWeb, BEA I-O Tables (including Total Requirements), The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Figure 10. Manufacturing Tariff-Exposed Employment Index

Leontief-adjusted total import content weighting, index (Dec 2024 = 100)

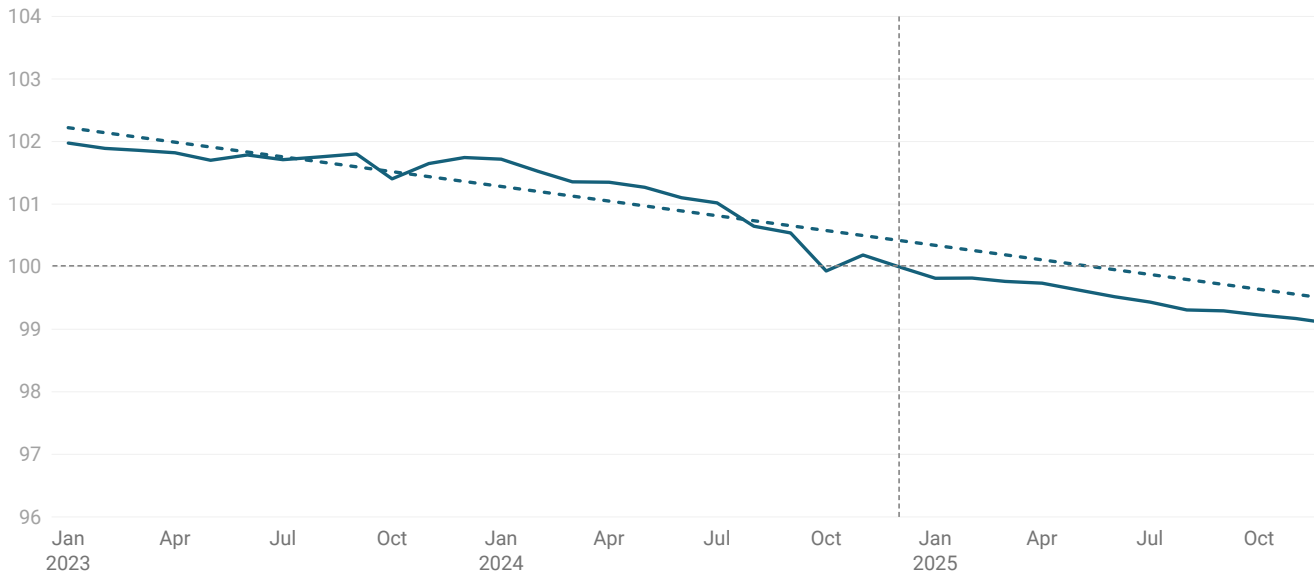


Chart: The Budget Lab • Source: BLS via Haver, USITC DataWeb, BEA I-O Tables (including Total Requirements), The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Industrial Output

Building on the analysis of tariff-sensitive manufacturing employment above, we also consider the evolution of industrial production in this same sector. The manufacturing industrial production index is constructed by the Federal Reserve Board and measures real output of manufacturing industries. We plot the index from 2021 onward, and find that during 2025 through February, the index has changed by +2.2 %, though it is worth noting it is possible this is due to mean-reversion rather than to any tariff-related effect. In this case, the 2-year pre-trend plotted below may not be the appropriate counterfactual.

Figure 11. Manufacturing Industrial Production

Index (Dec 2024 = 100), simple linear trend fit to 2023-2024



Chart: The Budget Lab • Source: Federal Reserve via Haver Analytics, The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

The Strength of the US Dollar

A conventional assumption in economics is that tariffs, when faced with incomplete retaliation from other countries, will cause either an appreciation in the levying country's currency and/or a depreciation in the currencies of the other countries. This is because the relative demand for the levying country's currency rises as their consumers and businesses buy fewer imports. The [Budget Lab's tariff modeling](#) has assumed that currency adjustments offset just under one-fifth of the cost of US tariffs to US consumers & businesses without foreign retaliation.

The reality, however, has been different so far. As of February 2026, the US dollar is 7.6% weaker than its December 2024 average. There's also been inconsistent depreciation among the targets of US tariffs. China's yuan is 0.5% weaker than its December 2024 average, while Canada's dollar is 0.7% stronger over the same period. Mexico's peso is 13.4% stronger than December 2024, though this is not out of the range of pre-2025 variation, making it difficult to establish any causal claim.

These currency movements will affect the price of imports for consumers. While stronger currencies make imported goods cheaper for residents, weaker currencies have the opposite effect, making imports more expensive. A weakening US dollar exacerbates the price impact of tariffs by making all imports more expensive in dollar terms.

It is unclear what explains these currency movements. As a first order effect, US tariffs may indeed be putting upward pressure on the US dollar but other factors, like a deteriorating economic outlook, shifting views on the credibility of US institutions, the role of the US dollar in the global economy, and expectations of lower interest rates, are likely exerting downward pressure. The real trade-weighted dollar also entered 2025 roughly 20.3% stronger than its long-run average level (2000–2024), so mean reversion may also be a factor in dollar movement.

Figure 12. Nominal Effective Exchange Rates (Daily)

BIS broad NEER index (Dec 2024 average = 100), increase = appreciation

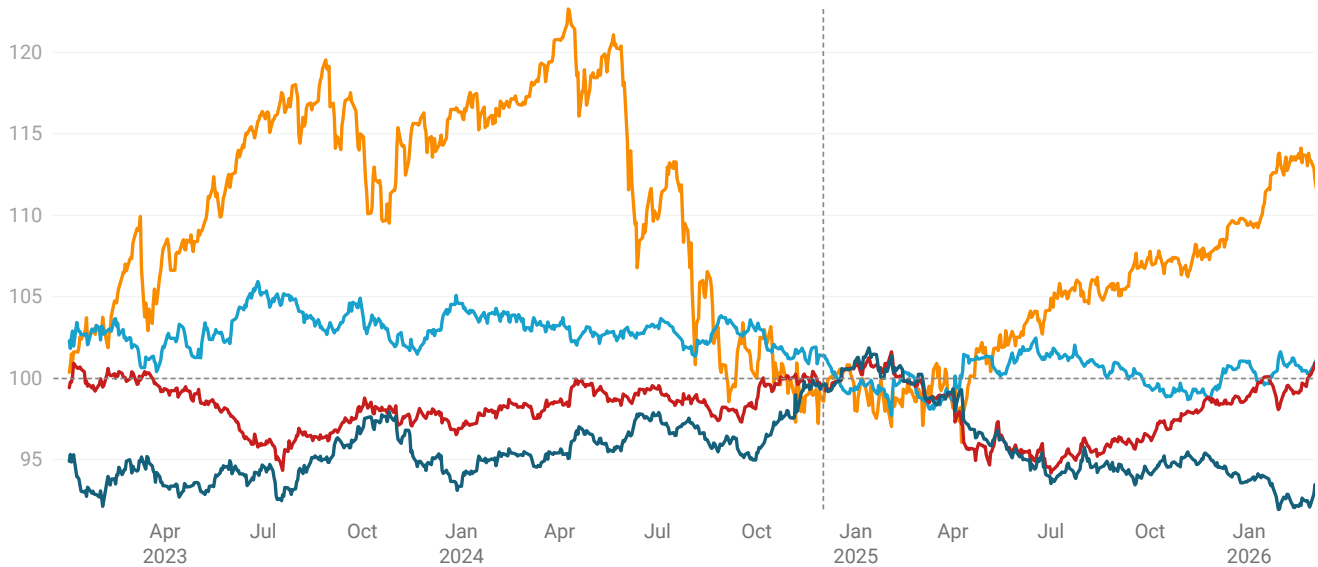


Chart: The Budget Lab • Source: Haver Analytics (INTDAILY), The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Imports & Exports

A country’s trade deficit, or the amount by which their imports from other countries exceed their exports to those countries, can be impacted by tariffs if the higher prices of non-domestic goods induces a shift in purchasing by consumers and businesses. However, if the currency of the levying country appreciates as a result of tariffs, this will drive down the relative price of imports, meaning that any sort of persistent reduction in the trade deficit due to tariffs is unlikely in the long run. We are still in the early days of any such transition, and, as noted above, the changes in the value of the dollar might be driven by other factors, meaning that the expected offsetting effects of a (relatively) stronger dollar might not materialize. It is therefore difficult to evaluate the medium-to-long-term effects of tariffs on the trade deficit.

There are, however, some notable dynamics in the short-term reaction of imports over the last year. First, between December 2024 and March 2025, real imports moved from 4.2 % to 22.0 % above the pre-2025 trend—a 17.8 percentage point increase in the gap, equal to \$ 50.4 billion in real 2025 dollars—as consumers and businesses sought to make purchases ahead of tariffs taking effect. Starting in April, imports declined, and as of January 2026 imports have been on average -6.3 % below the pre-2025 trend. Real exports rose more modestly (in absolute terms) than imports, and are 4.6 % above trend as of January 2026 .

Cumulatively, as of January 2026 , imports are down \$ 16.4 billion (real 2025 USD) from December 2024 relative to trend. This rough measure of stockpiling implies that firms have worked their way through stocks of imports built up during the first quarter of 2025 (prior to the new tariff regime), and therefore that we could see larger price effects in the coming months.

Figure 13. Real US Imports and Exports

Billions of 2025 USD, simple linear trend (2023-2024)

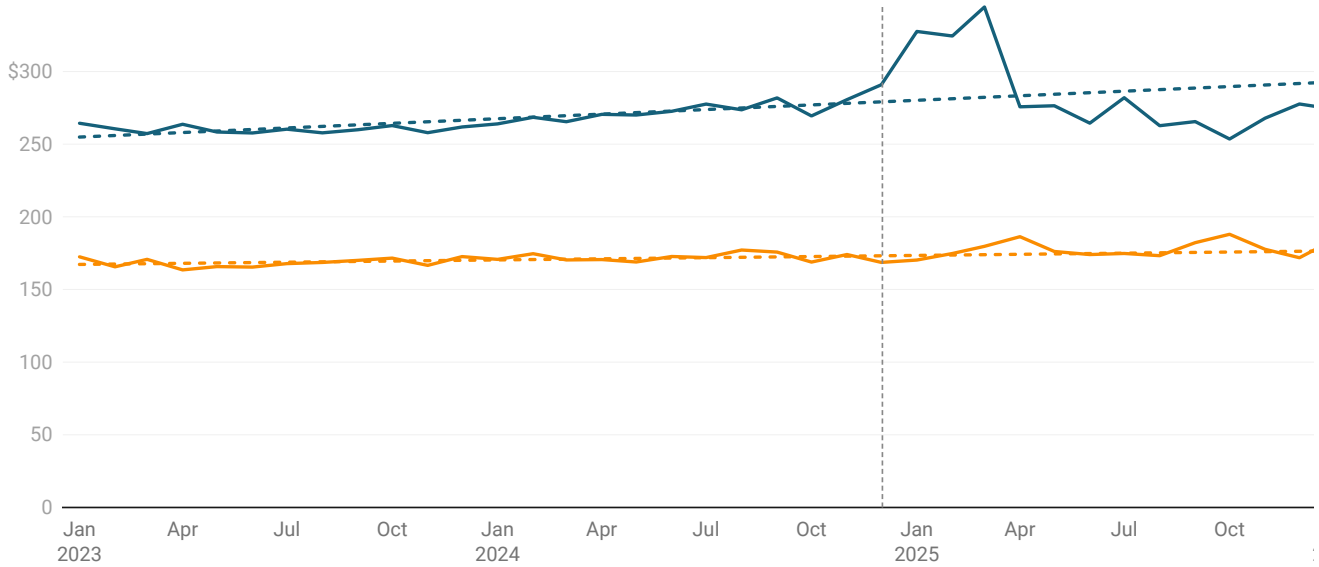


Chart: The Budget Lab • Source: Census Bureau via Haver Analytics • [Get the data](#) • Created with [Datawrapper](#)

Figure 14. Trade Deviation from Trend

Percent difference from pre-2025 trend

Imports Exports

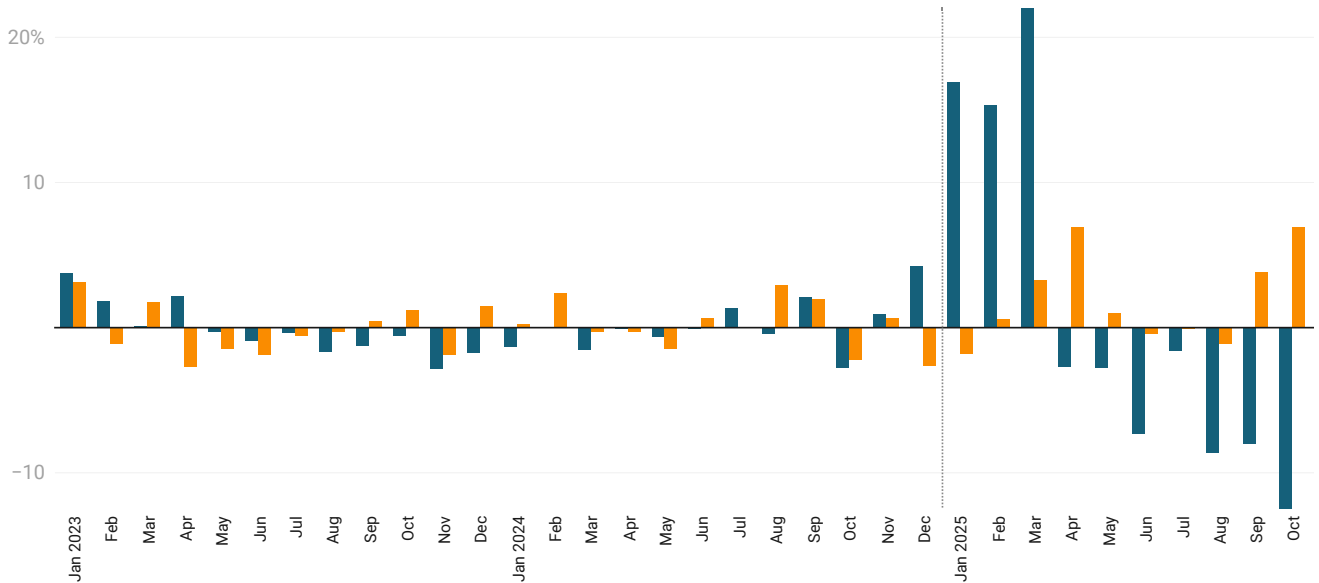


Chart: The Budget Lab • Source: Census Bureau via Haver Analytics, The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Figure 15. Cumulative Import Gap vs. Trend

Running total of monthly import gap since Dec 2024 (billions 2025 USD)

Monthly gap Cumulative gap

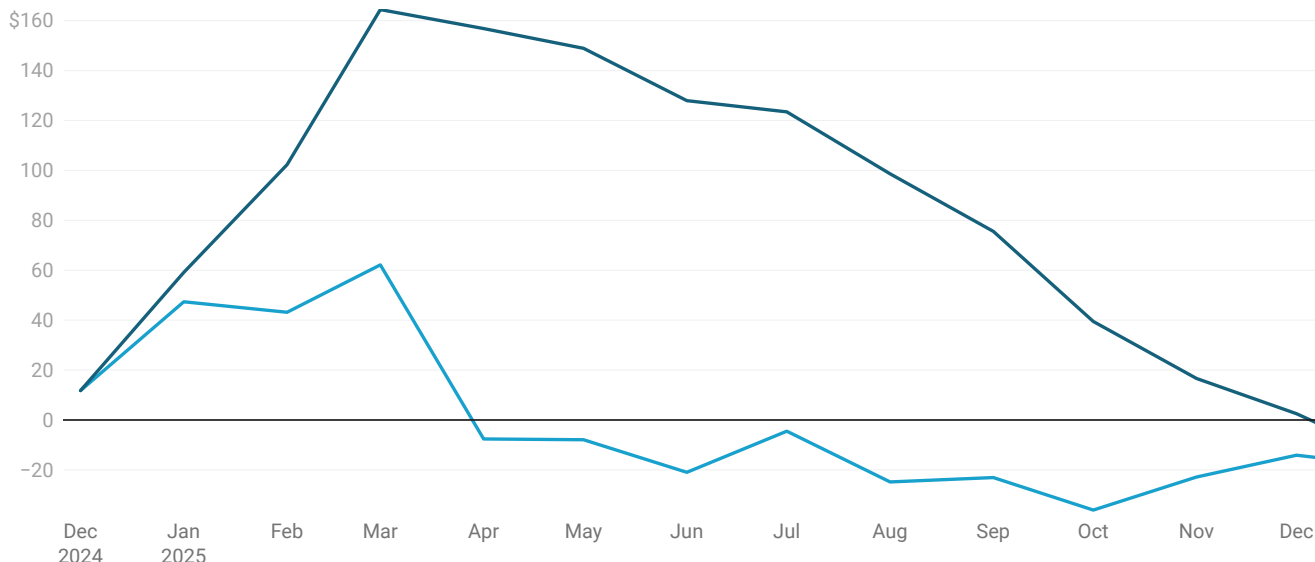


Chart: The Budget Lab • Source: Census Bureau via Haver Analytics, The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Data Sources

All data in this report is pulled directly from Haver Analytics databases:

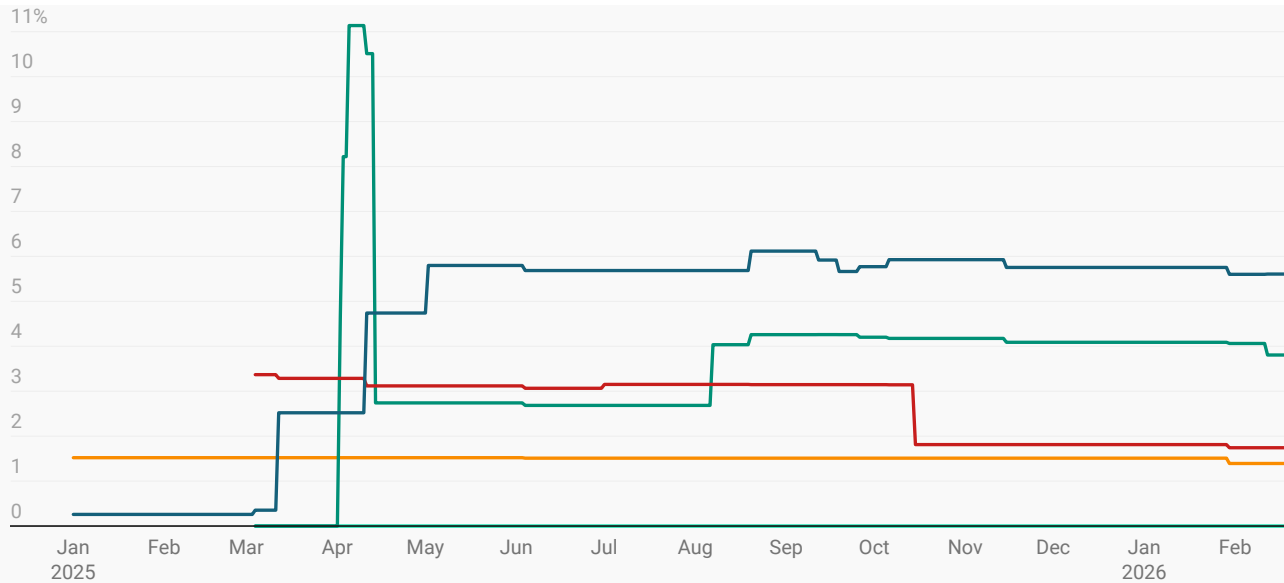
- USECON:** U.S. Economic data
- USNA:** National Accounts (PCE price indices)
- USTRAD:** Trade data by country
- USINT:** International trade
- LABOR:** Employment by industry

Appendix

Figure A1. Daily Effective Tariff Rate by Authority

Import-weighted ETR decomposed by tariff authority

— Section 232 — Section 301 — IEEPA Reciprocal — IEEPA Fentanyl — Section 122



Authorities: Section 232 (steel/aluminum/autos); Section 301 (China); IEEPA (reciprocal/fentanyl); Section 122 (post-SCOTUS). Section 201 omitted (negligible).

Chart: The Budget Lab • Source: The Budget Lab Tariff Rate Tracker (USITC HTS data; Census 2024 import weights) • [Get the data](#) • Created with [Datawrapper](#)

Table A1. Implied Consumer Passthrough – All PCE Goods

Economy-wide effective tariff rate

| Category | Inputs | | Price Changes | | | Implied Passthrough | | |
|---------------------|--------------|-----------------|-----------------|-------------|-------------|---------------------|-------------|-------------|
| | Import share | Tariff increase | Expected effect | 2025 Change | vs LP Trend | vs Log-Linear | 2025 Change | vs LP Trend |
| June 2025 | | | | | | | | |
| Core Goods | 32.1% | 7.4 pp | 2.4% | 1.5% | 2.0% | 1.7% | 63% | 84% |
| Durables | 28.0% | 7.4 pp | 2.1% | 1.7% | 2.5% | 2.7% | 80% | 121% |
| January 2026 | | | | | | | | |
| Core Goods | 32.1% | 8.0 pp | 2.6% | 2.3% | 3.4% | 2.8% | 89% | 133% |
| Durables | 28.0% | 8.0 pp | 2.2% | 2.5% | 4.1% | 4.9% | 110% | 184% |

LP (Local Projection): Price deviation from trend estimated using local projections with recession/pandemic controls (1996-2024 estimation period). Log-Linear: Price deviation from simple log-linear trend fit to 2023-2024 data. Simple: Raw price change with no trend adjustment. Tariff rates are category-specific effective rates from USITC trade data: core goods 13.1%, durables 13.3% (vs 2.7% baseline). Economy-wide effective rate as of December 2025: 9.9%.

Table: The Budget Lab • Source: Haver Analytics, USITC, The Budget Lab analysis • [Get the data](#) • Created with [Datawrapper](#)

Note: Table A1 uses overall PCE price indices (domestic + imported) rather than the import-weighted index used in the main text Table 1.

Figure A2. PCE Core Goods & Durables Prices (Log-Linear Trend)

Index (Dec 2024 = 100), log-linear trend (2023-2024 estimation) with 90% CIs

— Core goods index — Durable goods index

