

## Macro Roundup Article

**Headline:** [Settling Into 4% Inflation?](#)

**Article Link:** <https://theovershoot.co/p/settling-into-4-inflation>

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**Tweet:** [.@M\\_C\\_Klein](#) argues income growth and credit expansion, along with quits coming down, are consistent with trend inflation of 4%, significantly above its pre-pandemic level.

**Summary:** Job churn is coming down, yet nominal wage growth has remained stubbornly stuck around 5% a year. Given the rough historical link between wages, output, and prices, the implication is that the trend growth rate of nominal gross domestic product (GDP) is now around 5-6% a year while trend inflation is around 4% a year.

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**Primary Topic:** Inflation

**Topics:** GDP, Inflation, Op-Ed/Blog Post, Wages/Income, Workforce

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