

Macro Roundup Article

Headline: [US Daily: December FOMC Recap: A Faster Return to the 2% Target Means Faster Cuts](#)

Article Link: <https://www.gspublishing.com/content/research/en/reports/2023/12/14/05d5d1d1-8b22-41af-917e-cd5862923c9e.html>

Author(s)	David Mericle
Publication	Goldman Sachs
Publication Date	December 14, 2023

Tweet: [Noting inflation is likely to return to target faster than their September forecast, @GoldmanSachs now anticipates 25bp cuts in March, May, and June.](#)

Summary: The pace of deceleration is even more striking under our revised forecast path, and by some measures, the trend is already at or near 2%. Far from facing a widely expected “last mile” problem, core PCE inflation appears to have slowed from 4% annualized in 2023H1 to 1.9% annualized in 2023H2, according to our revised estimate. We have also made small revisions to our forecasts of future months based on details of this week’s inflation data. A firmer November used car print means more payback later, and a faster pace of shelter inflation now means that more of the gap between continuing tenant rents and market rates has closed, meaning less catch-up and a somewhat faster deceleration later. Related: [The Future Of \$r^*\$ and Reflexivity](#) and [The Grind Ahead](#)

Primary Topic: Inflation

Topics: Business Cycle, GDP, Inflation, Op-Ed/Blog Post, Weekly

Permalink: <https://www.edwardconard.com/macro-roundup/noting-inflation-is-likely-to-return-to-target-faster-than-the-september-fomc-forecast-goldmansachs-now-anticipates-25bp-cuts-in-march-may-and-june?view=detail>

Featured Image

Link: <https://www.edwardconard.com/wp-content/uploads/2023/12/GS-Inflation-Forecast-.png>