

## Macro Roundup Article

**Headline:** [The Most Important Inflation Indicator Shows More Cooling Ahead](#)

**Article Link:** <https://www.apricitas.io/p/the-most-important-inflation-indicator>

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Publication	Apricitas Economics
Publication Date	December 01, 2023

**Tweet:** The continued rise in rents is now the primary driver of CPI inflation; however, rent inflation is decelerating, with the New Tenant Rent Index now having a rate of change in line with its pre-pandemic level. @JosephPolitano

**Summary:** Earlier this year, the New Tenant Rent Index (NTR) was showing significant disinflation in rent prices that have since begun passing through to decelerations in CPI shelter prices—and recently released NTR data through the third quarter suggests that even more stabilization is yet to come. Growth in Gross Labor Income—the aggregate wages and salaries of all workers in the economy—continues to decline as the labor market slows toward normal pre-pandemic growth rates. Given how tight the relationship between cyclical growth in employment/wages and housing inflation is, a deceleration in NTR has naturally followed the slower labor market of the last year. Related: [The Most Important New Disinflation Indicator and Where Is Shelter Inflation Headed?](#) and [Striking Similarities \(and Differences\) Between Inflation Today and In the 1970s](#)

**Primary Topic:** Inflation

**Topics:** GDP, Housing, Inflation, Op-Ed/Blog Post

**Permalink:** <https://www.edwardconard.com/macro-roundup/the-continued-rise-in-rents-is-now-the-primary-driver-of-cpi-inflation-however-rent-inflation-is-decelerating-with-the-new-tenant-rent-index-now-having-a-rate-of-change-in-line-with-its-pre-pandemic?view=detail>

### Featured Image

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