

Macro Roundup Article

Headline: [The U.S. Economy Refuses to Slow Down](#)

Article Link: <https://theovershoot.co/p/the-us-economy-refuses-to-slow-down>

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Tweet: .@M_C_Klein writes that 6% annual nominal GDP growth and 4.5% wage growth are likely inconsistent with the Fed's target of 2% inflation.

Summary: For most workers in the U.S. private sector, wages are still rising slightly faster than 4.5% a year. This remarkable stability in nominal pay growth stands in stark contrast to the ongoing normalization of measures of job market churn that had previously been good indicators of wage pressures. The share of workers quitting their jobs for better prospects elsewhere is now lower than on the eve of the pandemic, while the detrended job openings rate is in line with pre-pandemic norms. Yet wage growth remains several percentage points faster. Unsurprisingly, the sustained income growth has been translating into robust spending growth. As of now, retail spending is rising about 6-7% a year in nominal terms. Related: The Big Picture: Back to the Future and Macro Outlook 2024: The Hard Part Is Over and Global Natural Rates in the Long Run: Postwar Macro Trends and the Market-Implied r^* in 10 Advanced Economies

Primary Topic: Business Cycle

Topics: Business Cycle, GDP, Growth, Inflation, Monetary Policy, Op-Ed/Blog Post, Wages/Income, Weekly, Workforce

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