

Macro Roundup Article

Headline: [How Many Benign Inflation Prints Are Enough?](#)

Article Link: <https://theovershoot.co/p/how-many-benign-inflation-prints>

Author(s)	Matt Klein
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Summary: While it is possible that trend inflation has decelerated sharply, my suspicion is that the most recent prints are a form of payback from the surprisingly hot readings in the first few months of the year. If those earlier prints were reflecting new year's price resets rather than underlying trends, as many analysts argued, it would make sense for subsequent inflation numbers to come in somewhat cooler even if the overall rate of inflation in 2024 were on track to be unchanged from 2023. There is a clear pattern of deceleration from the inflation spike of 2021H2-2022H1. But after that, things are much less clear. Depending on your preferred measure, inflation has been stable for as long as two years (headline CPI), 18 months ("sticky" prices ex shelter and all items ex food, shelter, energy, and used vehicles), or since last summer (the 16% trimmed mean). Either way, this perspective implies that little about inflation has changed in 2024 relative to 2023.

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Primary Topic: Inflation

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

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