

## Macro Roundup Article

**Headline:** [United States' Disinflation Continues Money: Inside and Out](#)

**Article Link:** <https://moneyinsideout.exantedata.com/p/united-states-disinflation-continues>

Author(s)	Chris Marsh
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**Tweet:** [@GeneralTheorist](#) notes that, while durable goods are deflating, service inflation has decelerated from 7.2% in the three months ending October to 4.7% in December, but remains well above the 2% pre-pandemic run-rate.

**Summary:** While underlying durables are now deflating, underlying services remain high—at about 5% over 3 months, accelerating to 7% month-over-month annualized in Dec. On the bright side, adjusted core service inflation has decelerated from 7.2% over 3 months (annualized) to Oct. to only 4.7% in Dec. This is clearly an improvement. But is that only because Oct. and Nov. prints were unusually soft, or was Dec. the outlier in an otherwise strong disinflation trend? The fear for the Fed then is super core services settling around 4-5% annualized instead of returning to the 2% run-rate that characterized the pre-pandemic norm. What will it be? It may take until March until we can be sure.

**Primary Topic:** Inflation

**Topics:** Factoid, GDP, Inflation, Monetary Policy, Op-Ed/Blog Post, Sell-by Date, Weekly

**Permalink:** <https://www.edwardconard.com/macro-roundup/generaltheorist-notes-that-while-durable-goods-are-deflating-service-inflation-has-decelerated-from-7-2-in-the-three-months-ending-october-to-4-7-in-december-but-remains-well-above-the-2-pre-pand?view=detail>

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