

## Macro Roundup Article

**Headline:** [Disinflation Noise vs. Persistent Signal](#)

**Article Link:** <https://theovershoot.co/p/disinflation-noise-vs-persistent>

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Publication	The Overshoot
Publication Date	May 17, 2023

**Tweet:** Using his favored inflation barometer, restaurant prices, @M\_C\_Klein argues inflation has settled at a new baseline of 4-5%; he notes this was the pace coming out of the Volcker inflation victory.

**Summary:** Perhaps the clearest way to synthesize this is to look at changes in the price of eating at sit-down restaurants. This incorporates domestic wages, rents, groceries, equipment, and consumers' willingness (and ability) to splurge. The good news is that price of dining out—which had been a harbinger of the durability of the 2021-2022 inflation spike, which I confess I did not fully appreciate at the time—is rising far more slowly now than then. The bad news is that annualized price increases are still 2-3 percentage points faster than before the pandemic. It is not obvious to me that this is a serious problem for policymakers. Inflation is not continuing to accelerate, but instead seems to be settling into the 4-5% range.

**Primary Topic:** Inflation

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

**Permalink:** [https://www.edwardconard.com/macro-roundup/using-his-favored-inflation-barometer-restaurant-prices-m\\_c\\_klein-argues-inflation-has-settled-at-a-new-baseline-of-4-5-he-notes-was-the-pace-coming-out-of-the-volcker-inflation-victory?view=detail](https://www.edwardconard.com/macro-roundup/using-his-favored-inflation-barometer-restaurant-prices-m_c_klein-argues-inflation-has-settled-at-a-new-baseline-of-4-5-he-notes-was-the-pace-coming-out-of-the-volcker-inflation-victory?view=detail)

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