



## “Team Transitory” Is Dead After Powell Says “Time To Retire Word Transitory Regarding Inflation”

### Description

USA: Remember when clueless macrotourists and worthless econo-hacks who have zero understanding of actual economic dynamics spent miles of digital ink convincing their tiny echochambers that they were right and that inflation was transitory (or rather, desperately scrambled to mask their utter lack of grasp of even the simplest concepts):

Team transitory won btw. [pic.twitter.com/7CEwdC11h7](https://pic.twitter.com/7CEwdC11h7)

— George Pearkes (@pearkes) [October 13, 2021](#)

Three month core inflation. Why isn't everyone calling this a win for team transitory?  
[pic.twitter.com/KB9EawJLo1](https://pic.twitter.com/KB9EawJLo1)

— Paul Krugman (@paulkrugman) [October 13, 2021](#)

Not out of the supply chain woods but score one for team transitory—used car hyperinflation is behind us [@SmokeonCars](#) [pic.twitter.com/YLkRkC4MVJ](https://pic.twitter.com/YLkRkC4MVJ)

— Dr. Julia Coronado (@jc\_econ) [August 11, 2021](#)

Well, one month ago we made it quite clear where in the financial pecking order these so-called ‘experts’ fall...

“team transitory” is officially the new Gartman [pic.twitter.com/BKBqUrPLJZ](https://pic.twitter.com/BKBqUrPLJZ)

— zerohedge (@zerohedge) [November 12, 2021](#)

... and then moments ago none other than Jerome Powell put to rest any further debate on the topic of transitory vs permanent inflation:

- \*POWELL: TIME TO RETIRE THE WORD TRANSITORY REGARDING INFLATION
- \*POWELL: THREAT OF PERSISTENTLY HIGHER INFLATION HAS GROWN

Powell's cremation of "team transitory" took place after the Fed chair was asked how long inflation has to run above-target before he decides it's not so transitory, with Senator Pat Toomey mocking the term "transitory", saying: "Everything is transitory. Life is transitory" to which he could have also added that "*on a long enough timeline the survival rate for everything drops to zero.*"

??Bloomberg Senior Editor Chris Anstey writes: "It's an admission from Powell that inflation is no longer transitory. Again, this is the main takeaway — the only thing that clouds the situation for the Fed is the emergence of omicron" <https://t.co/jEyLb1d7ot>

— Bloomberg (@business) [November 30, 2021](#)

In response, **Powell said it's probably a good time to "retire that word", a clean and clear admission from Powell that inflation is no longer transitory.**

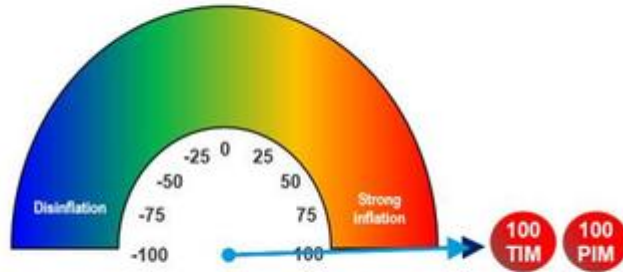
Does the Fed have the power to take out words from the Oxford English Dictionary?  
[#RetireTransitory](#) ?[\\$USD](#)

— Viraj Patel (@VPatelFX) [November 30, 2021](#)

And while it is certainly good news that we can finally stop polluting the airwaves with idiotic discussions whether inflation is transitory or not, it hardly helps Americans because as the latest BofA transitory vs permanent inflation reading shows, both are at all time highs.

**Exhibit 1: The BofA US transitory and persistent inflation meters (100 = historically high inflation, -100 = historically low inflation)**

Both transitory and persistent inflation meters now at the max reading of 100, indicating historically high inflation



Disclaimer: The indicators identified as the BofA US transitory inflation meter (TIM) and BofA US persistent inflation meter (PIM) above are intended to be indicative metrics only and may not be used for reference purposes or as measures of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. These indicators were not created to act as benchmarks.

Source: BofA Global Research

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The market was not happy either because just moments later, Powell also said the one thing that traders dread, namely that the taper could wrap up a few months earlier:

- **\*POWELL: CAN CONSIDER WRAPPING UP TAPER A FEW MONTHS SOONER**

by Tyler Durden

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