

Talking Points

In this Take Five released on Friday, May 05, 2017 Assistant Vice President and Economist Bill Emmons discusses ...

The Federal Open Market Committee (FOMC) meeting that concluded May 3.

- Changing Composition of FOMC Voting Members
- Current Range Of $\frac{3}{4}$ -1% Will Remain Until At Least June
- No Changes in Fed Balance Sheet
- No Change in the Fed’s Economic Outlook or Interest-Rate Plans.
- Transitory slowdown in first quarter GDP Growth
- What this means for Banks-
 - Long-term rates slightly increased
 - Unchanged outlook for growth
- What’s Next?
 - 75% Probability of a June Rate Increase
 - Odds slightly favor two or more additional rate hikes in 2017
 - Unless growth or inflation fall significantly below targets of 2% each, Fed is likely to continue raising rates