

## Talking Points

In the latest *Take Five* released Friday, August 3, 2018, Economist Bill Emmons discusses...

### FOMC Policy Statement

- Labor Market
  - The labor market has continued to strengthen and economic activity has been rising at a strong rate. Job gains have been strong, on average, in recent months, and the unemployment rate has stayed low.
  
- Inflation
  - Overall inflation and inflation for items other than food and energy has remained near 2 percent.
  
- The Federal Funds Target Range
  - The Federal Open Market Committee voted to maintain the target range for the federal funds rate at 1.75% to 2%.
  
- Payments on Reserve Balances
  - The Board of Governors of the Federal Reserve System voted unanimously to maintain the interest rate paid on required and excess reserve balances at 1.95 percent.
  
- The Fed's Balance Sheet
  - The balance sheet normalization program, which began in October 2017, will continue.