

## Talking Points

In the latest *Take Five* released Monday, August 3, 2020, Economist Bill Emmons discusses...

### The July 29, 2020, FOMC Policy Statement:

- Labor Market and Inflation
  - Following sharp declines, economic activity and employment have picked up somewhat in recent months but remain well below their levels at the beginning of the year. Weaker demand and significantly lower oil prices are holding down consumer price inflation. The ongoing public health crisis will weigh heavily on economic activity, employment, and inflation in the near term, and poses considerable risks to the economic outlook over the medium term.
- The Federal Funds Target Range
  - The Federal Open Market Committee voted to maintain the target range for the federal funds rate at 0% to ¼% and the interest rate excess reserves remain at 0.10%.
- Monetary Policy
  - The Federal Reserve will increase its holdings of Treasury securities and agency residential and commercial mortgage-backed securities at least at the current pace to sustain smooth market functioning. In addition, the Open Market Desk will continue to offer large-scale overnight and term repurchase agreement operations.

Any views expressed in a *Take Five* video are the views of the presenter and do not represent the official opinions of the Federal Reserve Bank of St. Louis or the Board of Governors of the Federal Reserve System.

## Resources

- [FOMC Statement](#)
- [FOMC Press Conference](#)