

FEDERAL RESERVE MEETING TRANSLATION DASHBOARD

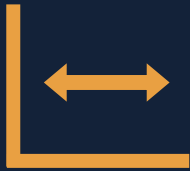
MAY 1, 2024

FOMC MEETING DIALOGUE HIGHLIGHTS:

- THE FED LEFT INTEREST RATES UNCHANGED AS EXPECTED.
- THE MONTHLY U.S. TREASURY CAP WAS LOWERED TO \$25B WHILE THE MBS CAP WAS LEFT UNCHANGED AT \$35B. MBS MATURITIES ABOVE THE CAP WILL BE REINVESTED INTO TREASURIES WITH ALL CHANGES STARTING JUNE 1ST.
- DURING HIS POST MEETING PRESS CONFERENCE, CHAIR POWELL DID NOT SEEM OVERLY CONCERNED WITH RECENT HOTTER-THAN-EXPECTED INFLATION DATA SAYING HE DOES NOT EXPECT THAT THE NEXT RATE MOVE WILL BE A HIKE.

TRANSLATION: "THE FED REMAINS ON HOLD, TAKING A PATIENT, DATA-DEPENDENT APPROACH WHILE SIGNALING THAT THE BAR FOR RESUMING RATE HIKES IS RELATIVELY HIGH. BALANCE SHEET RUNOFF WILL SLOW STARTING IN JUNE."

MAIN POLICY TOOL FED FUNDS RATE



NO CHANGE

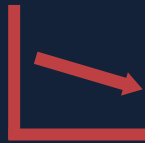
THE FED'S
TARGET RANGE:

5.25% – 5.50%

MARKET REACTION: AT A GLANCE

PRE VS. POST-MEETING MARKET LEVELS¹

10 YR U.S. T-NOTE



DOWN

-2.27 BPS

CHANGE IN BPS
OBSERVED²
PRE & POST FED MEETING

S&P 500

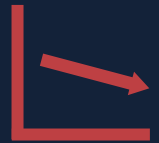


UP

1.25%

CHANGE IN VALUE
OBSERVED²
PRE & POST FED MEETING

\$ USD



DOWN

-0.30%

CHANGE IN VALUE
OBSERVED²
PRE & POST FED MEETING

DEEPER DIVE | NOW YOU SEE IT, NOW YOU DON'T³

NUMBER OF 25 BPS RATE CUTS EXPECTED BY THE DECEMBER 2024 FOMC MEETING



IN JANUARY, THE MARKET WAS EXPECTING ALMOST SEVEN 25 BPS RATE CUTS BY THE DEC FOMC MEETING. THAT NUMBER HAS FALLEN TO ALMOST ONE. SAID DIFFERENTLY, ABOUT 150 BASIS POINTS OF EASING HAS BEEN PRICED OUT OF THE MARKET SINCE JANUARY.

UP NEXT:

U.S. EMPLOYMENT REPORT

MAY 3, 2024

CPI REPORT

MAY 15, 2024

FOMC MEETING

JUNE 12, 2024

¹ SOURCE: BLOOMBERG – MAY 1, 2024. ² VALUE RECORDED AT 1:59PM EST MAY 1, 2024 VS. VALUE RECORDED AT 3:19PM EST MAY 1, 2024.

³ SOURCE: BLOOMBERG, PERFORMA