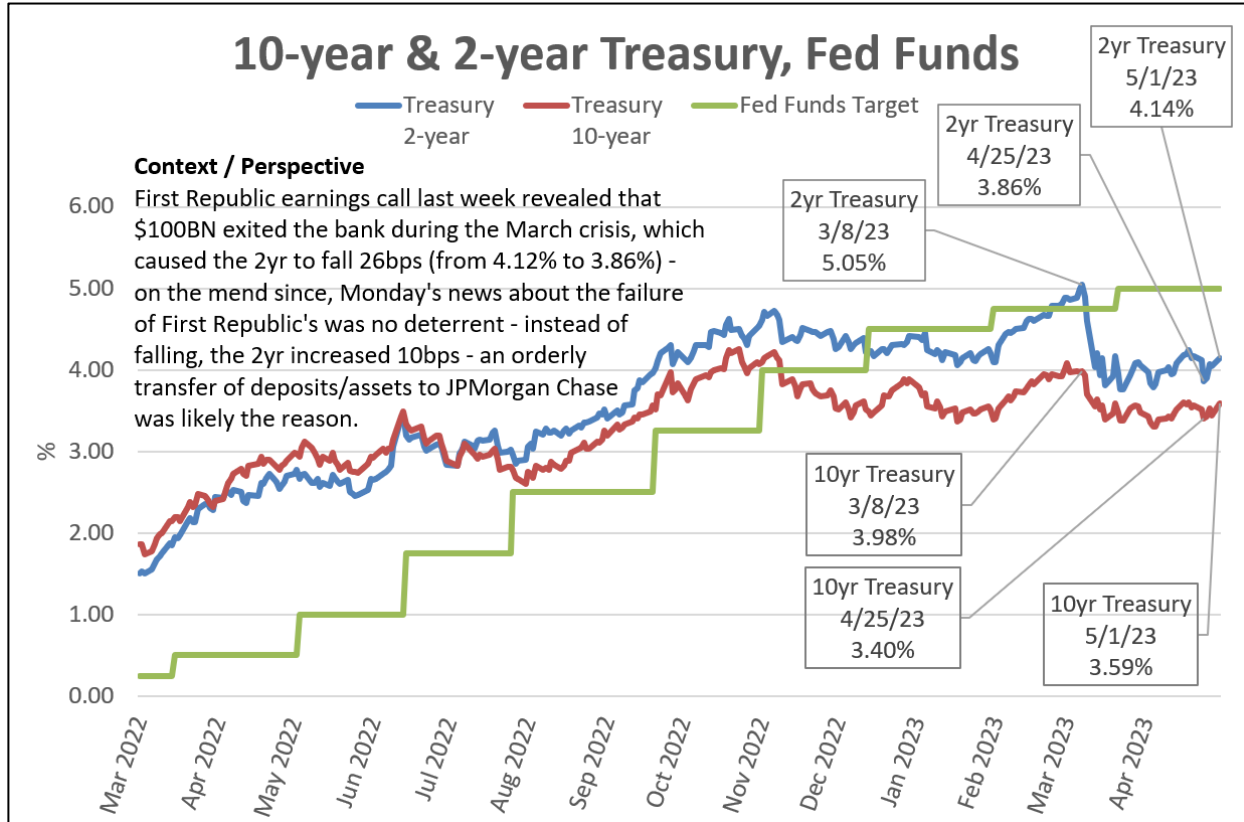


ANNOTATED GRAPHS – 2yr & 10yr Treasury, Fed Funds



Daily Report - All Things

Fed Unfiltered
4/26/23

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High Level

Fed Funds & Terminal Rate
Fed Funds is currently 5.00%. Based on the March SEP and the 5.10% terminal rate, one more rate hike is currently expected in 2023. The next FOMC is May 2-3.

Rate Cuts
Rate cuts are not on the Fed's agenda until 2024 (March SEP). Once the terminal rate (currently 5.25%), is reached, Fed Officials talk about holding rates thru 2023 and into 2024.

GDP
Currently 1.1% (Q123, Advanced Estimate), adjusted down from 2.8% (Q422). Fed Officials are expecting growth to slow to 0.4% by YE23. Q123 is trending at 1.1% (Atlanta Fed GDPNow).

Inflation
Currently 4.8% (Feb, Core PCE). Fed Officials are expecting inflation to return to the 2.0% target sometime in 2025. The March SEP inflation forecast is 3.6% by YE23.

Jobs
Currently, the unemployment rate is 3.5% (March). The Fed is expecting the unemployment rate to increase to 4.5% by YE23 (March SEP).

Fed Unfiltered - Opinion

Monetary Policy

- A 25bps rate hike on May 3rd is a foregone conclusion.
- The next FOMC is June 13-14. Between now and then are two CPI reports and two jobs reports. If inflation remains stubbornly high (as it did today, PCE report) and jobs growth continues, we'll see another 25bps rate hike in June.

Fed Officials

Michael Barr, Report on the SVB Failure, 4/26/23
A 113-page report on the failure of SVB, the bank mismanagement, the poor bank supervision and lessons learned. [Full Report, Report Status and Supervision and Regulation of SVB](#) [White Paper](#)

Lisa Cook, Speech, 4/21/23
Talked about the recent headwinds of the banking crisis, how the decline of inflation could be long and bumpy and the recent slowing of the job market. [Link to Speech, Comments and Questions for Researcher Research](#) 4/21/23

Loretta Mester, Speech/Q&A, 4/20/23
Talked about how we're close to the end of the tightening cycle, how a recession is not in the forecast, but slow growth is. Forecasts for inflation, jobs and GDP were also updated. [Loretta Mester, Speech, Q&A and Futures, An Update on the Economy and Economic Data](#) 4/20/23

Patrick Harker, Speech, 4/20/23
Talked about additional tightening for Fed Funds, how rate cuts aren't likely until 2024 and updated forecasts were provided for inflation, jobs and GDP. The banking crisis was also mentioned. [Patrick Harker, Speech, Commentaries and Interviews, Data Through the Housing Channel](#) 4/20/23

Christopher Waller, Speech, 4/20/23
Discussed inflation and all. Monetary policy and the economy were not mentioned. [Christopher Waller, Speech and Comments at Chicago](#) 4/20/23

Louis Logan, Speech, 4/20/23
Discussed the banking system and inflation's three markers to watch. Monetary policy was not mentioned. [Louis Logan, Speech, Q&A and Comments, Comments on the Federal Reserve Bank of Atlanta](#) 4/20/23

FOMC Voters - Permanent (Gray) - Rotating (Blue)

Name	Permanent	Rotating	Chair
Jerome Powell	Permanent	Rotating	Chair
Michelle Bowman	Permanent	Rotating	
Christopher Collins	Permanent	Rotating	
Michael Hester	Permanent	Rotating	
James Johnson	Permanent	Rotating	
Neel Kashyap	Permanent	Rotating	
Laura Logan	Permanent	Rotating	
Patrick Harker	Permanent	Rotating	
Loretta Mester	Permanent	Rotating	
Michael Barr	Permanent	Rotating	
John Williams	Permanent	Rotating	
Davidson S. Yergin	Permanent	Rotating	

FOMC Forecasts - SEP (March 2023)

Rate	Current	Fed Forecast	Fed Forecast	Fed Forecast	Fed Forecast
Fed Funds (FFED)	5.00	5.25	5.25	5.25	5.25
10-year Treasury	3.98	4.42	4.42	4.42	4.42
2-year Treasury	3.86	4.42	4.42	4.42	4.42
CPI	4.8	3.9	3.9	3.9	3.9
Unemp	3.5	4.5	4.5	4.5	4.5

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