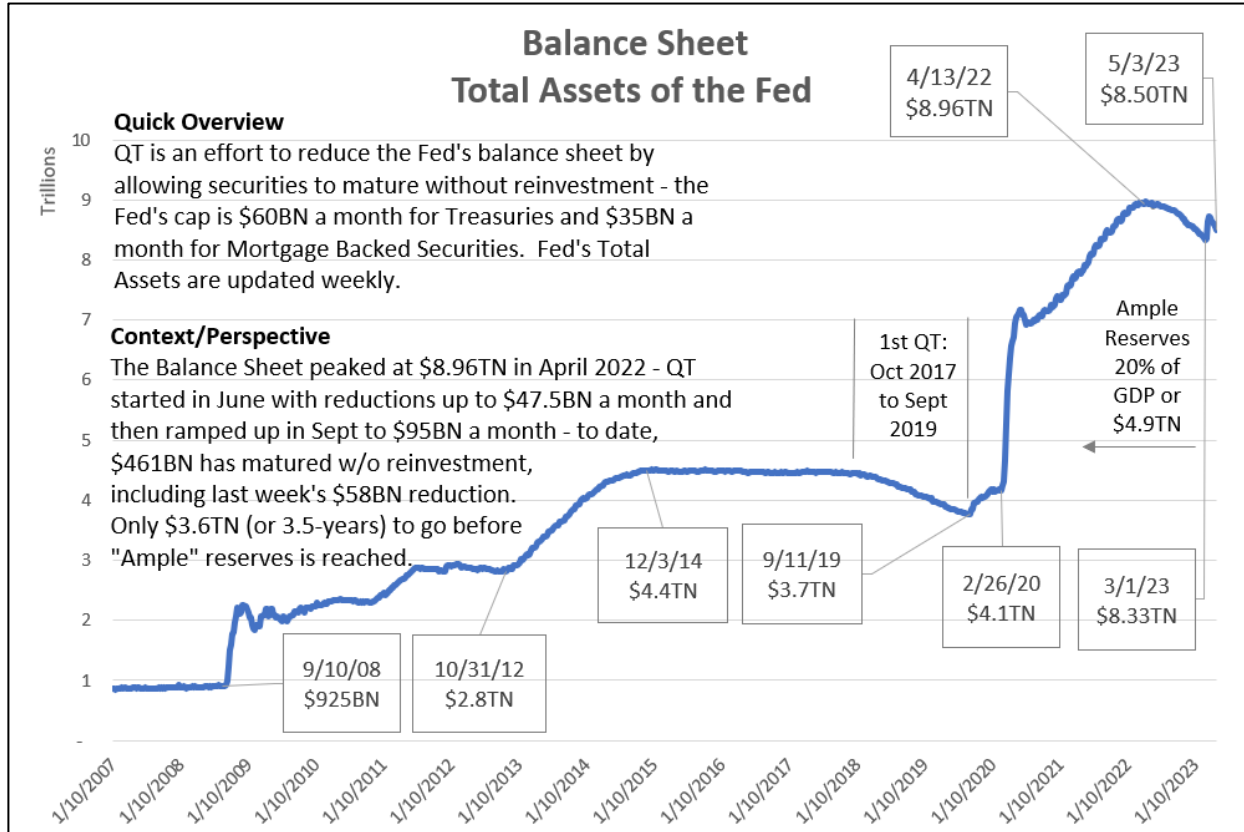


ANNOTATED GRAPHS – Balance Sheet



Daily Report - All Things

Fed Unfiltered

DAILY REPORT - All Things 4/26/23
Pete Sullivan, Research Analyst, pete.sullivan@fedunfiltered.com

High Level

Fed Funds & Terminal Rate
 Fed Funds is currently 5.00%. Based on the March SEP and the 3.50% terminal rate, one more rate hike is currently expected in 2023. The next FOMC is May 2-3.

Pause & Rate Cuts
 Rate cuts are not on the Fed's agenda until 2024 (March SEP). Once the terminal rate (currently 3.25%), is reached, Fed Officials talk about holding rates thru 2023 and into 2024.

GDP
 Currently 1.1% (Q123, Advanced Estimate), adjusted down from 2.6% (Q422). Fed Officials are expecting growth to slow to 0.4% by YE23. Q123 is trending at 1.1% (Atlanta Fed GDPNow).

Inflation
 Currently 4.6% (Feb, Core PCE). Fed Officials are expecting inflation to return to the 2.0% target sometime in 2025. The March SEP inflation forecast is 3.9% 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 25bp 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 situationally high (as in last today's PCE report) and job growth continues, we'll see another 25bp rate hike in June.

Fed Officials

Michael Barr, Report on the SVB Failure, 4/26/23
 A 118-page report on the failure of SVB, the bank mismanagement, the poor bank supervision and lessons learned. [Full Report, Report of the Supervisor and Resolution of SVB](#), 4/26/23

Lisa Cook, Speech, 4/21/23
 Talked about the recent headlines of the banking crisis, how the decline of inflation could be long and bumpy and the recent closing of the job market. [Lisa Cook, Speech, 4/21/23](#)

Loretta Mester, Speech/OEA, 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/OEA, 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, 4/20/23](#)

Christopher Waller, Speech, 4/20/23
 Discussed globalization and AI. Monetary policy and the economy were not mentioned. [Christopher Waller, Speech, 4/20/23](#)

Lorise Logan, Speech, 4/20/23
 Discussed the banking system and inflation's three markers to watch. Monetary policy was not mentioned. [Lorise Logan, Speech, 4/20/23](#)

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

| Name | Role | Term |
|------------------|----------------|-----------|
| Janet Yellen | Fed Chair | 2014-2018 |
| Jerome Powell | Fed Vice Chair | 2018-2022 |
| Michelle Bowman | Fed Governor | 2019-2023 |
| Christine Whelan | Fed Governor | 2020-2024 |
| Michael Barr | Fed Governor | 2020-2023 |
| John Williams | Fed Governor | 2013-2018 |
| Patrick Harker | Fed Governor | 2019-2023 |
| James Bullard | Fed Governor | 2017-2021 |
| Neel Kashyap | Fed Governor | 2019-2023 |
| David Mervin | Fed Governor | 2014-2018 |
| Michelle Kwan | Fed Governor | 2019-2023 |
| Philip Jefferson | Fed Governor | 2019-2023 |
| Robert Kaplan | Fed Governor | 2019-2023 |
| Adrian Paoli | Fed Governor | 2019-2023 |
| John Williams | Fed Governor | 2013-2018 |
| Michelle Kwan | Fed Governor | 2019-2023 |
| Robert Kaplan | Fed Governor | 2019-2023 |
| Adrian Paoli | Fed Governor | 2019-2023 |
| John Williams | Fed Governor | 2013-2018 |
| Michelle Kwan | Fed Governor | 2019-2023 |
| Robert Kaplan | Fed Governor | 2019-2023 |
| Adrian Paoli | Fed Governor | 2019-2023 |

FOMC Forecasts - SEP (March 2023)

| Variable | 2023 | 2024 | 2025 | 2026 | 2027 |
|-------------------|------|------|------|------|------|
| Fed Funds Rate | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 |
| Unemployment Rate | 3.5 | 4.1 | 4.4 | 4.6 | 4.8 |
| GDP | 1.1 | 0.4 | 0.4 | 0.4 | 0.4 |
| Inflation | 4.6 | 3.5 | 3.2 | 3.0 | 3.0 |

Daily Report – All Things

A summary of Fed Official's Commentary and Fed Funds Forecasts.

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