

FEDERAL RESERVE OFFICIALS INCREASE INTEREST RATE FOR FOURTH TIME IN 2022

July 27, 2022

The Federal Reserve Open Market Committee (FOMC) released their decision earlier today and raised the federal funds rate by 75 bps to a range of 2.25-2.50%. Commentary from the news release reported a strong emphasis on elevated inflation due to continued supply and demand disruptions, higher energy prices and broader price pressures. Overall economic activity edged lower with recent indicators pointing to consumer spending and production weakening. However, the job market has remained relatively strong with low unemployment.

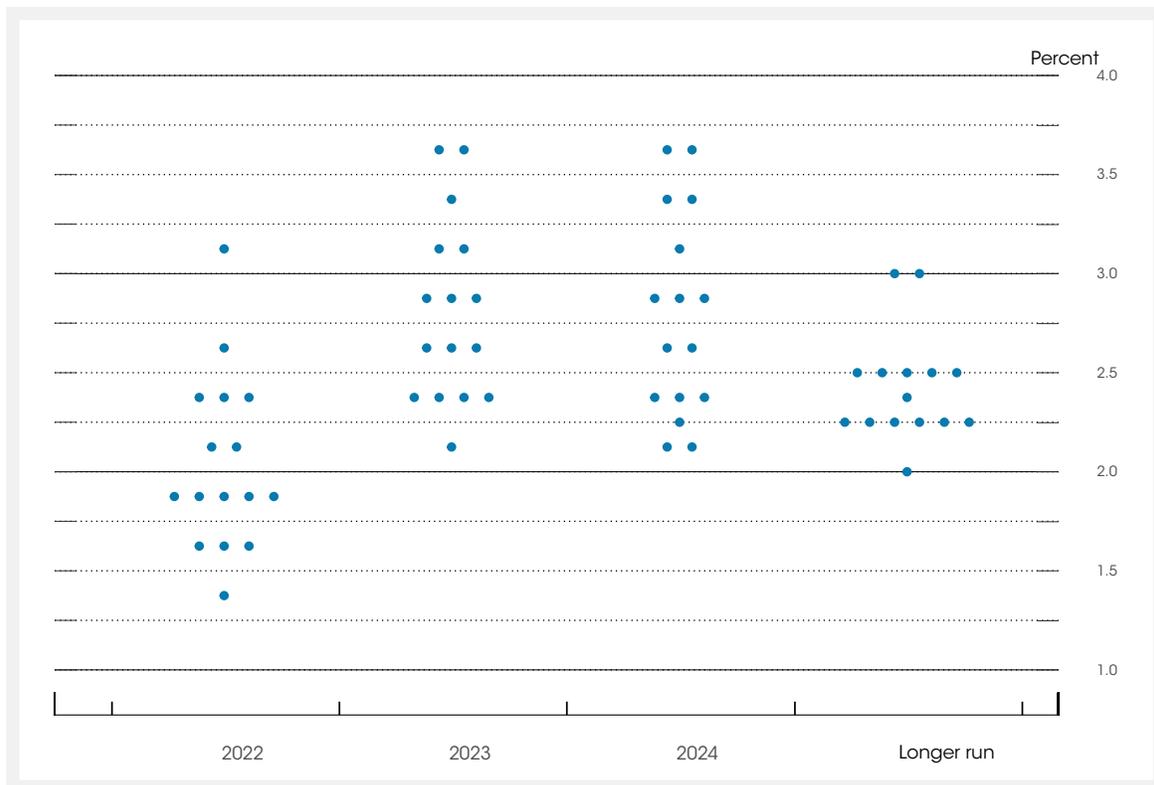
The FOMC is committed to achieving full employment and price stabilization with a target inflation rate of 2% over the longer term. Committee members continue to observe a wide range of economic factors and are prepared to adjust monetary policy if the attainment of the goals are jeopardized.

The Federal Reserve Dot Plot is the graphical representation of each committee member's interest rate outlook, which currently points to further increases. We will get members updated expectations at the next FOMC meeting, which is scheduled for September 20-21, 2022.

Stephens Private Client Group



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Source: Federal Reserve

NOTE: Each shaded circle indicates the value (rounded to the nearest 1/8 percentage point) of an individual participant's judgment of the midpoint of the appropriate target range for the federal funds rate or the appropriate target level for the federal funds rate at the end of the specified calendar year or over the longer run projections for the federal funds rate.

2022 Committee Members: Jerome H. Powell (Chair), John C. Williams (Vice Chair), Michelle W. Bowman, Lael Brainard, James Bullard, Lisa D. Cook, Esther L. George, Philip N. Jefferson, Loretta J. Mester, Christopher J. Waller

Alternate Members: Meredith Black, Charles L. Evans, Patrick Harker, Naureen Hassan, Neel Kashkari

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FED COMMENTARY

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