

MAY 12, 2025

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Close to the vest

Do we really need the Federal Reserve chair to give a press conference at every FOMC meeting? This last one yielded little substance, as Jerome Powell essentially said the same thing over and over: the economy is fine, uncertainty has risen due to trade policy and policy is in a good place to wait to see what happens. With no Summary of Economic Projections, no change in the fed funds target range from 4.25-4.5%, and the statement little changed from the last meeting, there's little to do but wait until the June meeting. By then, we will get another nonfarm payroll report and more inflation data.

Yes, the fed funds futures market pulled back on its forecast of rate cuts this year, with a June cut now less likely, but traders could have inferred that from the statement alone. This is not to say Powell was wrong to dither. It was the right move considering the belligerence of President Trump (who later called him a "fool" on social media) and a nascent trade war. It's just that it felt like a waste of time.

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G40461-19 (5/25)