Neutral Stance in the Federal Reserve’s Key Lending Rates

- Federal fund rates remain at 1.25%.
- Bank rates remain at 0.75%.
- The monetary policy is maintained at a neutral stance.

Votes: For = 12 ; Against = 0.

1. The risk premium on the price of gas as well as on the geopolitical situation has intensified, therefore restricting consumer spending and investment, as well as hiring.
2. As soon as these risks lessen, the current degree of monetary easing should play a part in improving the general economic climate.

Press Release

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[...] Oil price premiums and other aspects of geopolitical risks have reportedly fostered continued restraint on spending and hiring by businesses. However, the Committee believes that as those risks lift, as most analysts expect, the accommodative stance of monetary policy, coupled with ongoing growth in productivity, will provide support to an improving economic climate over time.

In these circumstances, the Committee believes that, against the background of its long-run goals of price stability and sustainable economic growth and of the information currently available, the risks are balanced with respect to the prospects for both goals for the foreseeable future. [...]