



FOMC Meeting: Key Takeaways

April FOMC meeting

April 29, 2026

Policy announcement

In what was likely Jerome Powell's final Federal Open Market Committee (FOMC, or the Committee) meeting as Chair, the Committee held the federal funds rate steady at 3.50%–3.75%. The FOMC noted that available indicators suggest economic activity has continued to expand at a solid pace, while job gains have remained low. The Federal Reserve (Fed) also indicated it will continue purchasing shorter-term Treasury securities to help maintain an ample supply of reserves.

Stated reasons

- Available indicators suggest that economic activity has been expanding at a solid pace. Job gains have remained low, and the unemployment rate has been little changed in recent months. Inflation remains somewhat elevated.
- In support of its goals, the Committee left the target range for the federal funds rate unchanged at 3.50% - 3.75%. Uncertainty about the economic outlook remains elevated. The Committee is attentive to the risks to both sides of its dual mandate (price stability and full employment).

Looking forward

- In assessing the appropriate stance of monetary policy, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goal.

What else?

- The Fed leaving the federal funds rate unchanged at today's meeting was expected by markets. However, there were four dissents which was unusual and may show a deepening divide within the Committee. Stephen Miran, who preferred to lower the target federal funds rate by ¼ percent and Beth Hammack, Neel Kashkari and Lorie Logan, who supported to maintain the target range for the federal funds rate but did not support inclusion of an easing bias in the statement at this time.
- In our opinion, the uncertain geopolitical environment may inject more uncertainty into the ultimate path of the federal funds rate. A deepening divide on the Committee shows that a growing number of members favor a more neutral bias supporting our outlook for no federal fund rate changes this year. Ultimately, the economic data will impact the timing of any Fed rate cuts. The Fed stated that the implications of developments in the Middle East for the U.S. economy are contributing to a high level of uncertainty about the economic outlook.
- Both short- and long-term Treasury maturity yield increased on the announcement. Ten-year Treasuries above 4.40% are near the highest levels of the year.
- The Committee continues to judge that reserve balances have declined to ample levels and will maintain purchases of shorter-term Treasury securities as needed to maintain an ample supply of reserves on an ongoing basis.
- This was likely the last meeting where Jerome Powell will Chair the Committee.

Upcoming meeting schedule:

- June 17* | July 29 | September 16* | October 28 | December 9*

*Indicates the meeting is associated with a summary of economic projections. In addition, every meeting will be accompanied by a press conference.

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