

## Macro Roundup Article

**Headline:** [Larry Summers Says Fed Will Need to Boost Rates More Than Markets Expect](#)

**Article Link:** <https://www.bloomberg.com/news/articles/2022-12-03/larry-summers-says-fed-will-raise-interest-rates-more-than-forecast?sref=U3dOGIDF>

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**Tweet:** [. @LHSummers suggests that the Fed will need to boost rates by more than the futures market expectation of 5% by May 2023, vs. the current 3.75-4.0%. "6% is certainly a scenario we can write...five is not a good best-guess." @bloomberg](#)

**Summary:** Interest-rate futures suggest traders expect the Fed to raise rates to about 5% by May 2023, compared with the current target range of 3.75% to 4%. "Six is certainly a scenario we can write," Larry Summers said with regard to the peak percentage rate for the Fed's benchmark. "And that tells me that five is not a good best-guess." Summers reiterated that he didn't think the Fed ought to change its inflation target to, say, 3% from the current 2% -- in part because of potential credibility issues after having allowed inflation to surge so high the past two years.

**Primary Topic:** Inflation

**Topics:** GDP, Inflation, Monetary Policy, News article, Quote, Sell-by Date

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