

## Macro Roundup Article

**Headline:** [Jay Powell Signals Federal Reserve Will Slow Pace Of Rate Rises Next Month](#)

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**Tweet:** In a speech yesterday, Jay Powell signaled the pace of rate increases would slow but that the terminal rate will likely be higher than the 4.6% rate that Fed officials had projected in their last quarterly forecast. @ft

**Summary:** Jay Powell has sent a strong signal that the Federal Reserve will slow the pace of interest rate rises next month in an otherwise hawkish speech warning that the US central bank has a long way to go in its fight against inflation. “The time for moderating the pace of rate increases may come as soon as the December meeting,” the Fed chair said. The remarks from Powell suggest the Fed is preparing to “downshift” to a 0.5 percentage point increase when it meets in two weeks after it raised rates by 0.75 percentage points at each of its past four meetings. He reiterated that the endpoint of the tightening cycle would probably need to be higher than forecasted in projections released in September, which suggested most officials anticipated a so-called terminal rate of 4.6%. Most economists have penciled in the fed funds rate topping 5%.

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