Recent indicators suggest that economic activity expanded at a strong pace in the third quarter. Job gains have moderated since earlier in the year but remain strong, and the unemployment rate has remained low. Inflation remains elevated.

The U.S. banking system is sound and resilient. **Tighter financial and credit conditions** for households and businesses are likely to weigh on economic activity, hiring, and inflation. The extent of these effects remains uncertain. The Committee remains highly attentive to inflation risks.

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. In support of these goals, the Committee decided to maintain the target range for the federal funds rate at 5-1/4 to 5-1/2 percent. The Committee will continue to assess additional information and its implications for monetary policy. In determining the extent of additional policy firming that may be appropriate to return inflation to 2 percent over time, the Committee will take into account the cumulative tightening of monetary policy, the lags with which monetary policy affects economic activity and inflation, and economic and financial developments. In addition, the Committee will continue reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities, as described in its previously announced plans. The Committee is strongly committed to returning inflation to its 2 percent objective.

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 goals. The Committee's assessments will take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments.

Voting for the monetary policy action were Jerome H. Powell, Chair; John C. Williams, Vice Chair; Michael S. Barr; Michelle W. Bowman; Lisa D. Cook; Austan D. Goolsbee; Patrick Harker; Philip N. Jefferson; Neel Kashkari; Adriana D. Kugler; Lorie K. Logan; and Christopher J. Waller.

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JEROME H. POWELL: Good afternoon, everyone. Welcome. My colleagues and I remain squarely focused on our dual mandate to promote maximum employment and stable prices for the American people. We understand the hardship that high inflation is causing, and we remain strongly committed to bringing inflation back down to our 2 percent goal. Price stability is the responsibility of the Federal Reserve. Without price stability, the economy does not work for anyone. In particular, without price stability we will not achieve a sustained period of strong labor market conditions that benefit all.

Since early last year, the FOMC has significantly tightened the stance of monetary policy. We have raised our policy interest rate by five and a quarter percentage points and have continued to reduce our securities holdings at a brisk pace. The stance of policy is restrictive, meaning that tight policy is putting downward pressure on economic activity and inflation, and the full effects of our tightening have yet to be felt. Today, we decided to leave our policy interest rate unchanged and to continue to reduce our securities holdings.

Given how far we have come, along with the uncertainties and risks we face, the committee is proceeding carefully. We will make decisions about the extent of additional policy firming and **how long policy will remain restrictive** based on the totality of the incoming data, the evolving outlook, and the balance of risks. I’ll have more to say about monetary policy after briefly reviewing economic developments.

Recent indicators suggest that economic activity has been expanding at a strong pace and well above earlier expectations. In the third quarter, real GDP is estimated to have risen an outsized annual rate of 4.9 percent, boosted by a surge in consumer spending. After picking up somewhat over the summer, activity in the housing sector has flattened out and remains well below levels of a year ago, largely reflecting higher mortgage rates. Higher interest rates also appear to be weighing on business fixed investment. The labor market remains tight, but supply and demand conditions continue to come into better balance.

Over the past three months, payroll job gains averaged 266,000 jobs per month, a strong pace that is nevertheless below that seen earlier in the year. The unemployment rate remains low, at 3.8 percent. Strong job creation has been accompanied by an increase in the supply of workers. The labor-force participation rate has moved up since late last year, particularly for individuals aged 25 to 54 years, and immigration has rebounded to prepandemic levels. Nominal wage growth has shown some signs of easing and job vacancies have declined so far this year.

Although the jobs-to-workers gap has narrowed, labor demand still exceeds the supply of available workers. Inflation remains well above our longer-run goal of 2 percent. Total PCE prices rose 3.4 percent over the 12 months ending in September. Excluding the volatile food and energy categories, core PCE prices rose 3.7 percent. Inflation has moderated since the middle of last year, and readings over the summer were quite favorable.

But a few months of good data are only the beginning of what it will take to build confidence that inflation is moving down sustainably toward our goal. The process of getting inflation sustainably down to 2 percent has a long way to go. Despite elevated inflation, longer-term inflation expectations appear to remain well anchored, as reflected in a broad range of surveys of households, businesses, and forecasters, as well as measures from financial markets.

The Fed’s monetary policy actions are guided by our mandate to promote maximum employment and stable prices for the American people. My colleagues and I are acutely aware that high inflation imposes significant hardship as it erodes purchasing power, especially for those least able to meet the higher costs of essentials like food, housing, and transportation. We are highly attentive to the risks that high inflation poses to both sides of our mandate, and we are strongly committed to returning inflation to our 2 percent objective.

As I noted earlier, since early last year we have raised our policy rate by 5 ¼ percentage points, and we have decreased our securities holdings by more than $1 trillion. Our restrictive stance of monetary policy is putting downward pressure on economic activity and inflation.

The committee decided at today’s meeting to maintain the target range for the federal-funds rate at 5 ¼ to 5 ½ percent and to continue the process of significantly reducing our securities holdings. We are committed to achieving a stance of monetary policy that is sufficiently restrictive to bring inflation sustainably down to 2 percent over time and to keeping policy restrictive until we are confident that inflation is on a path to that objective.

We are attentive to recent data showing the resilience of economic growth and demand for labor. Evidence of growth persistently above potential, or that tightness in the labor market is no longer easing, could put further progress on inflation at risk and could warrant further tightening of monetary policy.

Financial conditions have tightened significantly in recent months, driven by higher longer-term bond yields among other factors. Because persistent changes in financial conditions can have implications for the path of monetary policy, we monitor financial developments closely.

In light of the uncertainties and risks and how far we have come, the committee is proceeding carefully. We will continue to make our decisions meeting by meeting based on the totality of the incoming data and their implications for the outlook and for economic activity and inflation, as well as the balance of risks.

In determining the extent of additional policy firming that may be appropriate to return inflation to 2 percent over time, the committee will take into account the cumulative tightening of monetary policy, the lags with which monetary policy affects economic activity and inflation, and economic and financial developments.

We remain committed to bringing inflation back down to our 2 percent goal and to keeping longer-term inflation expectations well anchored. Reducing inflation is likely to require a period of below-potential growth and some softening of labor-market conditions. Restoring price stability is essential to set the stage for achieving maximum employment and stable prices over the longer run.

To conclude, we understand that our actions affect communities, families, and businesses across the country. Everything we do is in service to our public mission. We at the Fed will do everything we can to achieve our maximum-employment and price-stability goals.

Thank you, and I look forward to your questions.

Q: Howard Schneider with Reuters. Thank you, Chair Powell, for doing this. To what—you referenced the rise in long-term bond yields. To what degree did that supplant action by the Fed at this meeting?

MR. POWELL: Thanks for your question.

I’ll talk about bond yields, but I want to take a second and just sort of set the broader context in which we’re looking at that. So if you look at the situation, let’s look at the economy first. Inflation has been coming down but is still running well above our 2 percent target. The labor market has been rebalancing, but it’s still very tight by many measures. GDP growth has been strong, although many forecasters are forecasting and they have been forecasting that it will slow.

国債利回りについてお話ししますが、少し時間をとって、私たちが国債利回りを見るためのより広い背景を整理したいと思います。まず経済状況を見てみましょう。インフレ率は低下していますが、依然として目標の2％を大きく上回っています。労働市場はバランスを取り戻しつつありますが、多くの指標から見ると依然として非常にタイトです。GDP成長率は堅調に推移しているが、多くの予測家が成長鈍化を予測している。

As for the committee, we are committed to achieving a stance of monetary policy that is sufficiently restrictive to bring inflation down to 2 percent over time. And we’re not confident yet that we have achieved such a stance.

委員会としては、インフレ率を長期的に2％まで低下させるために十分な制限的な金融政策スタンスを達成することにコミットしている。しかし、そのようなスタンスを達成できたという自信はまだありません。

So that is the broader context into which this—the strong economy and all the things I said, that’s the context in which we’re looking at this question of rates.

経済が好調であること、そして今申し上げたようなことが、私たちがこの金利の問題を見ている、より広い意味での背景なのです。

So obviously we’re monitoring. We’re attentive to the increase in longer-term yields, which have contributed to a tightening of broader financial conditions since the summer. As I mentioned, persistent changes in broader financial conditions can have implications for the path of monetary policy. In this case, **the tighter financial conditions we’re seeing from higher long-term rates, but also from other sources like the stronger dollar and lower equity prices, could matter for future rate decisions, as long as two conditions are satisfied.**

ですから、私たちが監視しているのは明らかです。夏以降、より広範な金融環境の引き締めに寄与している長期利回りの上昇に注意を払っている。申し上げたように、広範な金融情勢の持続的な変化は、金融政策の行方に影響を及ぼす可能性がある。この場合、長期金利の上昇だけでなく、ドル高や株式相場の下落など、他の要因からも見られる金融条件の引き締まりは、2つの条件が満たされる限り、将来の金利決定にとって重要な意味を持つ可能性がある。

**The first is that the tighter conditions would need to be persistent.** And that is something that remains to be seen. But that’s critical. You know, things are fluctuating back and forth. That’s not what we’re looking for. With financial conditions, we’re looking for persistent changes that are material.

第一は、金融引き締めが持続することである。これはまだわからない。しかし、これは非常に重要だ。状況は一進一退を繰り返している。それは私たちが求めているものではありません。金融情勢については、持続的で重要な変化を求めているのです。

**The second is that the longer-term rates that have moved up, they can’t simply be a reflection of expected policy moves from us** that we would then—that if we didn’t follow through on them, then the rates would come back down. So—and **I would say on that it does not appear that an expectation of higher near-term policy rates is causing the increase in longer-term rates.**

もうひとつは、長期金利が上昇したのは、単に私たちが期待した政策の動きを反映したものであってはならないということです。つまり、目先の政策金利上昇への期待が長期金利の上昇を引き起こしているようには見えないということです。

So, in the meantime, though, perhaps **the most important thing is that these higher Treasury yields are showing through the higher borrowing costs for households and businesses and those higher costs are going to weigh on economic activity to the extent this tightening persists and, you know, that the mind’s eye goes to the 8 percent—near 8 percent mortgage rate, which could have, you know, a pretty significant effect on housing. So that’s how I would answer your question.**

その一方で、おそらく最も重要なことは、国債利回りの上昇が家計や企業の借入コストの上昇に表れていることであり、こうしたコストの上昇は、引き締めが続く限り経済活動に重くのしかかり、住宅ローン金利の8％、つまり8％近くが気になり、住宅にかなり大きな影響を及ぼす可能性があるということです。というわけで、ご質問にお答えします。

Q: Just as a quick follow-on to be clear on this, in your opening statement and just now you seemed to imply that you are not yet confident that financial conditions are restrictive enough to finish the fight. Is that true?

MR. POWELL: Yes, that’s exactly right. You know, to say it a different way, we haven’t made any decisions about future meetings. We have not made a determination and we’re not—I will say that **we’re not confident at this time that we’ve reached such a stance.** We’re not confident that we haven’t but we’re not confident that we have, and that is the way we’re going to be going into these future meetings is to be, you know, just determining the extent of any additional further policy tightening that may be appropriate to return inflation to 2 percent over time.

はい、その通りです。言い方を変えれば、今後のミーティングについては何も決定していないんだ。現時点では、そのようなスタンスに至ったという自信はない。そして、今後の会合に臨むにあたっては、インフレ率を長期的に2％に戻すために、どの程度の追加的な政策引き締めが適切かを判断することになるだろう。

Q: Hi, Chair Powell. Thank you so much for taking our questions. I wonder, you know, if you don’t raise interest rates in December would the presumption be that at that point that we should expect that rates are at their peak or is there a possibility of restarting rate increases next year? And are there any costs to taking a more extended pause?

MR. POWELL: So let me start by saying we haven’t made a decision about [December]. You’re asking a hypothetical there. But we’re going into the December meeting. We’ll get, as you know, two more inflation readings, two more labor market readings, some data on economic activity. And so we’ll be taking—and also the broader situation, the broader financial conditions situation and the broader world situation. We’ll be looking at all those things as we make a decision in December. We haven’t made that decision.

I would say, though, that the idea that **if you—the idea that you would—it would be difficult to raise again after stopping for a meeting or two it’s just not right.** I mean, the committee will always do what it thinks is appropriate at the time.

And, again, we haven’t made any decisions at all about December. We didn’t even—we didn’t talk about making a decision in December today. Really, it was a decision for this meeting and understanding broader things.

だから、まず【12月】についてはまだ決定していないと言わせてほしい。あなたはそこで仮定の話をしている。しかし、我々は12月の会合に臨む。ご存知のように、あと2つのインフレ指標、あと2つの労働市場指標、そして経済活動に関するデータが発表されます。そして、より広範な情勢、より広範な金融情勢、より広範な世界情勢を見極めることになる。私たちは、12月に決断を下すにあたり、これらすべてを見極めることになる。まだ決定したわけではありません。

とはいえ、1、2回の会合を中断した後、再び利上げを行うのは難しいという考え方は正しくありません。つまり、委員会は常にその時点で適切と思われることを行う。

そして、繰り返しになりますが、私たちは12月について何も決定していません。今日、12月に決定するという話をしたわけでもない。本当に、この会議のための決定であり、より広範なことを理解するための決定だった。

Q: Nick Timiraos of The Wall Street Journal. Chair Powell, did the Fed staff put a recession back into the baseline forecast in the materials for today’s meeting and how much does this tightening in financial conditions substitute for rate hikes if the tightening is persistent? You had said it was worth maybe a quarter point when we had the bank failures in the spring. What is it here on something that’s presumably more straightforward and more familiar to simulate?

MR. POWELL: So I guess I don’t want to answer your question about the—about the recession. But the answer is no. I think I have to answer it since we did publicly say in the minutes. You’ll know anyway in the minutes. The staff did not put our session back in. I mean, it would be hard to see how you would do that if you look at the—look at the activity we’ve seen recently, which is not really indicative of a recession in the near term.

In terms of how to think about translation into rate hikes, I think it’s just too early to be doing that and the main reason is we just don’t know how persistent this will be. You can see how volatile it is. Different kinds of news will affect the level of rates and I think any kind of an estimate that was, you know, precise would hang out there and have a great chance of looking wrong very quickly.

So I think what we can say is that financial conditions have clearly tightened and you can see that in the rates that consumers and households and businesses are paying now and over time that will have an effect. We just don’t know how persistent it’s going to be and it’s tough to try to translate that in a way that I’d be comfortable communicating into how many rate hikes that is.

だから、不況についての質問には答えたくないんだ。しかし、答えはノーです。議事録で公言したのですから、答えなければならないと思います。いずれにせよ、議事録でおわかりでしょう。スタッフは私たちのセッションを元に戻さなかった。というのも、最近の動きを見ていると、短期的な景気後退を示唆するような動きは見られないからです。

利上げをどう考えるかについては、まだ時期尚早だと思います。この不安定さがお分かりいただけるでしょう。さまざまなニュースが金利水準に影響を与えるので、正確な予測はできないし、すぐに間違っていると思われる可能性が高い。

だから言えることは、金融情勢は明らかに引き締まっており、消費者、家計、企業が現在支払っている金利にそれが表れている。ただ、それがどの程度続くかはわからないし、それを何回の利上げになるのか、私が納得できるような形で説明するのは難しい。

Q: If I could follow up. I guess what makes you confident the tighter—what makes you confident the tighter financial conditions will slow above trend growth when 500 basis points, the rate hikes, QT, and a minor banking crisis have not thus far?

MR. POWELL: Well, I just—that’s—you know, the way our policy works is and sometimes it works with lags, of course, which can be long and variable. But ultimately, if you—if you raise the—you know, raise interest rates, you do see those effects. And you see those effects in the economy now. You see what’s happening in the housing market. You’re seeing that now. You’ll see, if you look at surveys of people, it’s not a good time, they think, to buy durable goods of various kinds, because rates are so high now. I mentioned, again, we’re getting reports from housing that the effects of this—of this could be quite significant.

But you’re right, this has been a resilient economy. And it’s, I think, been surprising in its resilience. And there are a number of possible reasons why that may be. Our job is to—is to achieve maximum employment and price stability. And so we take the economy as it comes. It has been resilient. So we just—we take it as it is.

もちろん、政策が機能するのはラグを伴うこともあり、そのラグが長かったり変動したりすることもある。しかし最終的には、金利を上げれば、金利を上げれば、その効果が現れる。そして今、経済にその影響が現れている。住宅市場で起きていることを見てください。住宅市場で起きていることを見てください。金利が非常に高いので、耐久消費財を買うにはいい時期ではないと思っています。先ほども申し上げましたが、住宅業界からは、この影響はかなり大きいという報告を受けています。

しかし、あなたの言う通り、この経済は回復力がある。その回復力には驚かされるばかりです。その理由はいくつか考えられます。私たちの仕事は、最大限の雇用と物価の安定を達成することです。そのため、私たちは景気をあるがままに受け止めている。景気は底堅い。ですから、私たちはただ、ありのままを受け止めています。

Q: Thank you. Colby Smith with the Financial Times. In terms of the thresholds that you’ve laid out of what could warrant further tightening, the additional evidence of persistently above-trend growth or some kind of reversal in the recent easing of labor market tightness, that seems to suggest something more powerful than just one more quarter point rate hike would be necessary. And I’m just curious if that’s how the committee sees it.

MR. POWELL: So we’ve identified those factors. **Those were not meant to be the only factors or a specific test** that we’re going to be applying with some metrics behind. Really, we’re going to be looking at the broader picture and, you know, what’s happening with our progress toward the 2 percent inflation goal. Is the labor market continuing to broadly cool off and achieve a better balance? We’ll be looking at that. You know, growth—we look at growth, insofar as it has implications for our two mandate goals. We look at that. And we look at broader financial conditions. So we’ll be looking at all of those things as we reach a judgment, you know, whether we need to further tighten policy. And if we do reach that judgment, then we will further tighten policy.

だから、我々はそれらの要因を特定した。しかし、それだけが唯一の要因であるとか、特定のテストであるとかいうつもりはありません。私たちはより広い視野で、2％のインフレ目標達成に向けて何が起きているのかを見ています。労働市場は広く冷え込み続け、より良いバランスを達成しているのでしょうか？それを見ていく。成長については、私たちの2つの目標に影響する限りにおいて注目しています。私たちはそれを見ています。そして、より広範な金融情勢にも注目しています。ですから、政策をさらに引き締める必要があるかどうかの判断を下す際には、それらすべてを見ることになります。そして、もしそのような判断に至れば、さらに政策を引き締めることになるでしょう。

Q: OK. And just in terms of the tightening of financial conditions, if that is having some kind of offsetting effect in terms of the need to potentially, again, raise rates, what then is the potential impact on the trajectory of rate cuts? Could we see those may be pulled forward, or have to see more than what the September SEP indicated?

MR. POWELL: So the fact is, **the committee’s not thinking about rate cuts right now at all. We’re not talking about rate cuts.** We’re still very focused on the first question, which is: Have we—have we achieved a stance of monetary policy that’s sufficiently restrictive to bring inflation down to 2 percent over time sustainably? That is the question we’re focusing on.

The next question, as you know, will be, for how long will we remain restrictive—will policy remain restrictive? And what we said there is that we’ll keep policy restrictive until we’re confident that inflation is on a sustainable path down to 2 percent. That’ll be the next question. But honestly, right now we’re really tightly focused on the first question. The question of rate cuts just doesn’t come up, because, I think, the first—it’s so important to get that first question, you know, as close to right as you can.

つまり、委員会は今、利下げについてまったく考えていないということだ。我々は利下げについて話していない。我々はまだ最初の質問に集中している： 私たちは、インフレ率を長期的に持続的に2％まで低下させるのに十分な金融政策スタンスを達成できたのでしょうか？ということだ。

次の問題は、ご存知のように、我々はいつまで制限的な金融政策を続けるのか、ということです。インフレ率が2％まで持続可能な経路をたどると確信できるまで、私たちは制限的な政策を続けるということです。それが次の質問になるだろう。しかし正直なところ、今は最初の質問に集中している。というのも、最初の質問、つまり、最初の質問をできる限り正しいものに近づけることがとても重要だからです。

Q: Steve Liesman, CNBC. Mr. Chairman, I guess I had assumed that there was a tightening bias in the committee. You say in the statement you’re looking to assess the appropriate stance of monetary policy, the extent to which you may—you may need to hike additionally. You didn’t say earlier that you were sufficiently restrictive. There were forecasts for two rate hikes among most members of the committee. But then you just said that, you know, we don’t—we haven’t made a determination. Would you say the bias right now is neutral, that there is no disposition to hike again, and that the committee largely has moved off of this forecast for two hikes? Or for, I’m sorry, one additional hike this year?

MR. POWELL: I think you started with one additional.

Q: Yeah.

MR. POWELL: And I—no, I wouldn’t say that at all. I would say—I mean, the language, you know, looking at it here, in determining the extent of additional policy firming that may be appropriate to return inflation to 2 percent of the time, that’s the question we’re asking.

いや、そんなことはまったく言っていない。つまり、インフレ率を2％に戻すために、どの程度の追加的な政策引き締めが適切かを判断するために、私たちはこのような質問をしているのです。

Q: So is it right to think of that as a hiking bias is still in the committee here?

MR. POWELL: We haven’t used that term, but **it’s fair to say that’s the question we’re asking, is should we hike more?** It’s not—it’s not—you know, and that is the question. And **you’re right that in September we wrote down one additional rate hike. But, you know, we’ll write down another forecast, as you know, in December.**

私たちはその言葉を使ったことはありませんが、私たちが問うているのは、もっとハイキングをするべきか、ということだと言っていいでしょう。という質問なのです。9月に追加利上げを1回としたのはその通りです。しかし、ご存知の通り、12月にはもう1回利上げを行う予定です。

Q: Thank you. Chris Rugaber at Associated Press. Well, since the last meeting, the auto workers strike has finished. Oil prices have leveled off. And yet, on the other hand, you have the outbreak of war between Israel and Hamas. How do you see all those factors, taken together, affecting the economy going forward? How are you thinking about those?

MR. POWELL: So there are significant issues out there, as you—as you point out. Global geopolitical tensions are certainly elevated, and that goes for the war in Ukraine, it goes for the war between Israel and Hamas. We’re monitoring that. Our job is to monitor those things for their economic implications.

So the UAW strike, as you point out, is—appears to be coming to an end. Oil prices have flattened out. They haven’t gone down, but—or I guess they’ve gone down a little bit from their earlier peak. Another one is the possibility of a government shutdown. We don’t know about that one. So there’s plenty of risk out there.

But I would go back to the—you know, the bigger picture, from our standpoint, is we’ve got a very strong economy, strong labor market. Making progress on the labor market. Making progress on inflation. And we’re very focused on getting confident that we have achieved a stance of monetary policy that is sufficiently restrictive. That’s really our focus.

あなたが指摘するように、そこには重大な問題がある。世界の地政学的緊張が高まっているのは確かで、ウクライナでの戦争もそうですし、イスラエルとハマスの戦争もそうです。我々はそれを監視している。私たちの仕事は、経済への影響を監視することです。

ご指摘の通り、UAWのストライキは終息に向かいつつあります。原油価格は横ばいになっています。下がってはいませんが、以前のピークから少し下がったと思います。もうひとつは、政府閉鎖の可能性だ。これはまだわかりません。だから、リスクはたくさんある。

しかし、私たちの立場から言えば、経済も労働市場も非常に好調であるということです。労働市場は前進している。インフレ率も改善している。そして私たちは、金融政策が十分に制限的なスタンスになったと確信することに重点を置いています。それが私たちの焦点です。

Q: Great. And just one quick thing. You last month went to York, Pennsylvania, where you talked to a lot of—or, yeah, last month—where you talked to a lot of small-business owners. Just curious, what sentiments did you hear from them or what did you pick up on? And what would you—was there anything that surprised you the most in terms of what they talked about?

MR. POWELL: I wouldn’t say I was terribly surprised. I was — I was very impressed by York, a town with a real strategy, and I would say it’s very impressive what the people there have put together in the face of, you know, some difficult longer-run trends about offshoring of manufacturing and that kind of thing. They’ve done a great job as a—as a city, I think.

You know, what you hear—and it’s consistent there—which is people are really suffering under high inflation. You were there. We talked to some people who, you know, were feeling that in their businesses and other people who were feeling it in their home lives as well. You know, it’s painful for people, particularly people who—you know, who don’t have a lot of extra financial resources who are spending most of their incoming, you know, income on the essentials of life. So we know that. That wasn’t new, but that did come through very clearly in the conversations we had in York. And you know, I walked away from that even, you know, I mean, just thinking that we really—the best thing we can do for the U.S. is to restore price stability—fully restore price stability and not fail in that task, and do it as quickly as possible but also with the least damage we can.

とても驚いたとは言えない。製造業のオフショア化など、長期的な視点に立った難しいトレンドがある中で、ヨークの人々がまとめあげたものには非常に感銘を受けた。都市として素晴らしい仕事をしたと思う。

高インフレのもとで、人々は本当に苦しんでいる。あなたはそこにいた。ビジネスでそれを感じている人たちや、家庭生活でもそれを感じている人たちに話を聞きました。特に、余分な財源があまりなく、収入のほとんどを生活必需品に費やしている人々にとっては辛いことです。だから私たちはそれを知っている。しかし、ヨークで交わした会話では、そのことがはっきりと伝わってきた。つまり、私たちがアメリカに対してできる最善のことは、物価の安定を回復させること、つまり物価の安定を完全に回復させることであり、その作業に失敗しないこと、そしてそれを可能な限り早く、しかしできる限り被害を最小限に抑えることだと。

Q: Hi, Chair Powell. Rachel Siegel from the Washington Post. Thanks for taking our questions. You’ve spoken before about the pain that would likely be coming for the economy in order to get inflation down. But since the economy has not responded to rate hikes in ways that would normally be expected, have you changed your views on that at all, on how necessary or inevitable that kind of pain would be, say, for the labor market or overall growth?

MR. POWELL: Well, I think everyone has been very gratified to see that we’ve been able to achieve, you know, **pretty significant progress** on inflation without seeing the kind of increase in unemployment that has been very typical of rate-hiking cycles like this one. So that’s a historically unusual and very welcome result.

And the same is true of growth. You know, we’ve been saying that we need to see below-potential growth, and growth has been strong but yet we’re still seeing this. I think — I still believe, and my colleagues for the most part I think still believe, that is likely to be true. It is still likely to be true—not a certainty, but likely—that we will need to see some slower growth and some softening in the labor market—in labor-market conditions to get—you know, to fully restore price stability.

So—but it’s only a good thing that we haven’t seen it, and I think we know why. You know, since we lifted off, we have understood that there are really two processes at work here, one of—one of which is the unwinding of the distortions to both supply and demand from the pandemic and the response to the pandemic. And the other is, you know, restrictive monetary policy, which is moderating demand and giving the supply side time to—time to recover—time and space to recover. So you see those two forces now working together to bring down inflation.

But it’s that – that first one can bring down inflation without the need for higher unemployment or slower growth. It’s just it’s supply—you know, supply-side improvements like shortages and bottlenecks and that kind of thing going away. It’s getting, you know, a significant increase in the size of the labor market now, both from labor-force participation and from immigration. That’s a big supply-side, you know, gain that is really helping the economy. And it’s part of why—part of why GDP is so high, is because we’re getting that supply. So we welcome that.

But I think those things will run their course, and we’re probably still going to be left—we think and I think we’ll still be left with some ground to cover to get back to full price stability. And that’s where monetary policy and what we do with demand is still going to be important.

さて、今回のような利上げサイクルにありがちな失業率の上昇を見ることなく、インフレ率の大幅な改善を達成できたことに、誰もが満足していると思います。これは歴史的にも異例なことであり、歓迎すべきことです。

成長についても同じことが言える。私たちは潜在成長率を下回る成長が必要だと言い続けてきました。私は今でもそう思っていますし、私の同僚たちも大部分はそう思っています。物価の安定を完全に回復させるためには、成長率の鈍化と労働市場の軟化が必要になるだろう。

しかし、そうなっていないのは良いことで、その理由はわかっている。ひとつは、パンデミックとその対応による需給の歪みの解消です。そしてもうひとつは、需要を緩和し、供給側に回復のための時間とゆとりを与える金融制限政策である。この2つの力が一緒になってインフレを引き下げているのです。

しかし、失業率の上昇や成長率の鈍化を招くことなく、インフレ率を低下させることができる。つまり、供給不足とかボトルネックといった供給サイドの改善が解消されるのです。労働市場への参加と移民の受け入れによって、労働市場の規模は大幅に拡大している。これは大きな供給サイドの恩恵であり、経済を大いに助けている。GDPがこれほど高いのは、このような供給があるからです。だから我々はそれを歓迎する。

しかし、こうしたことが一巡し、完全な物価の安定に戻るためには、おそらくまだいくつかの課題が残されていると思います。そこで、金融政策と需要に対する取り組みが重要になるのです。

Q: I’m curious, against that backdrop, if you’ve gotten any clarity on lags. If you have an economy that’s been so resilient to high rate increases, does that suggest to you that there isn’t necessarily this huge wave of tightening that’s still coming through the pipeline and that it may have already come into effect?

MR. POWELL: You know, I continue to think it’s very hard to say. So it’s been one year at this meeting—one year ago. This was the fourth of our 75-basis-point hikes. So that’s a full year since then. I think we are seeing the effects of all the hiking we did last year, and this year we’re seeing it. It’s very hard to know exactly what that might be.

For example, an example of where you wouldn’t have felt this yet is debt that had been termed out. But it’s going to come due and will have to get rolled over next year or the year after. So—and there are little things like that where the effects have just taken time to get into the economy.

So I don’t — I think we have to make monetary policy under great uncertainty about how long the lags are. I think trying to make a clear—get a clear answer and say, oh, I’m just going to assume this, is really not a good way to do it. And this is one of the reasons why we have slowed the process down this year, was to give monetary policy time to get into the economy. And it takes time. We know that. And you can’t rush it. So doing—slowing down is giving us, I think, a better sense of how much more we need to do, if we need to do more.

あのね、とても言いにくいと思い続けているんだ。というわけで、この会合から1年が経ちました。75ベーシスポイント引き上げの4回目だった。ですから、あれから丸1年ということになります。昨年行ったすべての利上げの効果が今年も現れていると思います。それが何なのかを正確に知るのは難しい。

例えば、まだ実感が湧かない例として、期限切れの負債があります。しかし、来年か再来年には返済期限が来て、ロールオーバーしなければならない。このように、経済への影響が出るまでに時間がかかるものもあります。

ですから、私は、金融政策は、そのタイムラグがどれくらいになるかという大きな不確実性のもとで行わなければならないと思っています。明確な答えを出そうとして、ああ、私はこう仮定するんだ、と言うのは、本当に良い方法とは言えないと思います。金融政策が経済に浸透するまでの時間を稼ぐためです。金融政策には時間がかかる。それは分かっている。それを急ぐことはできない。ですから、金融政策のスピードを落とすことで、もっとやるべきことがあるのか、もっとやる必要があるのか、よりよく見極めることができると思います。

Q: Michael McKee from Bloomberg Television and Radio. I’m trying to connect the dots here. One quick clarification I wanted to ask about Rachel’s question is you said you need slower growth. You had always said before a period of lower-than-trend growth. Has that changed?

And two, it sounds to me like you’re basically saying here that kind of the dot plot is out the window, that every meeting is live with the possibility of a rate increase for right now. It doesn’t matter about the turn of the year, and that there’s not an objective way to determine whether or not you’ve got enough tightening in the system. It’s just going to be a subjective judgment meeting by meeting.

MR. POWELL: Well, so let’s talk about the dot plot first. So the dot plot is a picture in time of what the people on the committee think is likely to be appropriate monetary policy in light of their own personal economic forecast. In principle, when things change, it’s not—that’s not like a plan that anybody’s agreed to or that we will do. That’s a forecast that would change.

For example, I mean, many things could change that would cause people to say I wouldn’t write down that dot, you know, six weeks later. Think of the number of things that could change your mind on that. So I think **the efficacy of the dot plot probably decays** over the three-month period between that meeting and the next meeting. But nonetheless, it’s out there and we don’t—we do personally update our forecast, but we don’t formally update the dot plot. So, you know, I think we try to be as transparent as we can about the way we’re thinking about these things. We’re laying out our thinking. And, you know, as we approach the meeting, we’ll all—my colleagues and I, we’ll be talking about how we’re processing that data.

In terms of—so we’re not really changing the way—in terms of growth, what I said was below potential. So what you have here recently is growth that is temporarily—potential growth is elevated for a year or two right now over its trend level. So the right way to think about it is what’s potential growth this year.

People think trend growth over a long period of time is a little bit less than 2 percent, or I would say just around 2 percent. But what we’ve had is with the, you know, improvement in the size of the labor force, as I mentioned, through both participation and immigration, and with the—you know, the better functioning in the labor market and with, you know, the unwinding of the supply chain and shortages and those kinds of things, you’re seeing actually elevated potential growth. There’s catch-up growth that can happen in potential. And that means that if you’re—you could be growing at 2 percent this year and still be growing below the increase in the potential output of the economy. I hope that’s clear. That’s really what’s going on. That’s why I would say it is below potential.

では、まずドットプロットについてお話ししましょう。ドット・プロットとは、委員会のメンバーが、それぞれの個人的な経済予測に照らして、適切な金融政策とはどのようなものだろうと考えているかを、時間軸で示したものです。原則的に、状況が変化した場合、それは誰かが合意した計画でもなければ、私たちが実行する計画でもありません。予想が変わるのです。

例えば、6週間後に「あの点は書かない」と言われるような変化が起こる可能性もある。例えば、6週間後に、あの点を書くのはやめようと思うようなことが起こるかもしれない。だから、ドットプロットの有効性は、そのミーティングから次のミーティングまでの3ヶ月の間に、おそらく低下すると思う。それにもかかわらず、私たちは個人的に予測を更新することはあっても、ドットプロットを正式に更新することはありません。ですから、私たちは、私たちがこのようなことをどのように考えているのかについて、できる限り透明性を保つようにしています。私たちは、私たちの考えを明らかにしている。そして、会合が近づくにつれ、私たち全員が、私と同僚が、データをどのように処理するかについて話すことになるでしょう。

成長という点では、潜在成長率を下回っていると申し上げました。つまり、最近の成長率は一時的なものであり、潜在成長率はトレンドレベルを1、2年上回っています。つまり、正しい考え方は、今年の潜在的成長率です。

長期的なトレンド成長というのは、2％を少し下回るか、あるいは2％前後だと思われています。しかし、労働参加と移民の両方を通じて労働力人口が増加し、労働市場がより良く機能し、サプライチェーンや労働力不足が解消されたことで、潜在成長率が上昇しているのです。潜在成長率にはキャッチアップ成長というものがあります。つまり、今年2％の成長を遂げたとしても、潜在的な経済成長率を下回る可能性があるということです。これは明らかでしょう。これが本当に起こっていることなのです。だから潜在成長率を下回っているのです。

Q: But if you could clarify what I asked about the meeting by meeting. Are we essentially now supposed to assume that it’s a meeting-by-meeting live meeting with a chance of a rate increase that will be decided on subjective criteria rather than objective at each meeting?

MR. POWELL: I mean, I don’t know that I want to just accept anybody’s characterization. But I’ll tell you how we’re doing this. So we’re going meeting by meeting. We’re asking ourselves whether we’ve achieved a stance of policy that is sufficiently restrictive to bring inflation down to 2 percent over time. That’s the question we’re asking. We’re looking at the full range of economic data, including financial conditions and all of those things that we look at. And then we’re—you know, we’ve come very far with this rate hiking cycle, very far. And you saw the spread at the September meeting of—you know, **it’s a relatively small spread of people thinking one or two additional hikes. So you’re close to the end of the cycle. That was an impression as of—a belief as of September. It’s not a promise or a plan of the future.**

And so we’re going into these meetings one by one. We’re looking at the data. As I mentioned, we’re also—you know, we’re being careful. We’re proceeding carefully, because we can proceed carefully at this time. Monetary policy is restrictive. We see its effects, particularly in interest-sensitive spending and other channels. So that’s how I think about it.

つまり、私は誰かの評価をそのまま受け入れたいとは思っていない。でも、私たちがどのようにやっているのかをお話ししましょう。私たちは一回一回会議を重ねている。私たちは、長期的にインフレ率を2％まで低下させるのに十分な制限的な政策スタンスを達成できたかどうかを自問しているのです。それが私たちの問いかけです。私たちは、金融情勢を含むあらゆる経済データを見ています。そして、私たちはこの利上げサイクルを非常に長く続けてきました。9月の会合では、追加利上げを1回か2回と考える人が比較的少なかった。つまり、サイクルの終わりに近づいているということだ。これは9月時点の印象であり、9月時点の考えです。将来の約束や計画ではありません。

ですから、私たちはこれらの会合に1つずつ参加しています。我々はデータを見ている。先ほども申し上げたように、私たちは慎重にも慎重を期しています。今は慎重に進めることができるからです。金融政策は制限的です。その効果は、特に金利感応支出やその他のチャネルに現れています。私はそのように考えています。

Q: Thanks. Hi, Chair Powell. Neil Irwin with Axios. In light of the run up in long term yields we’ve seen the last several weeks, have you given any consideration to the pace of your asset runoff program? And if there were a judgment that higher—that the higher term premium was endangering the dual mandate’s goals, would that be a reason to think about slowing or suspending QT? Or should we think of that as more of a technical question around reserves?

MR. POWELL: So the committee is not considering changing the pace of balance sheet runoff. It’s not something we’re talking about or considering. And I know there are many candidate explanations for why rates have been going up. And QT is certainly on that list. It may be playing a relatively small effect, although I would say $3.3 trillion in reserves is not—I think it’s hard to make a case that reserves are even close to scarce at this point. So that’s not something that we’re—that we’re looking at right now.

ですから、委員会はバランスシートの縮小ペースを変えることは考えていません。それは我々が話していることでも、検討していることでもない。金利が上昇している理由については、多くの候補があることは承知している。QTもその候補のひとつだ。QTの影響は比較的小さいかもしれませんが、3兆3,000億ドルの準備金は、現時点では不足しているとは言い難いでしょう。ですから、私たちが今見ているようなことではありません。

Q: Hi. Victoria Guida with Politico. I wanted to ask about the Basel III endgame capital proposal. You know, you’ve gotten a lot of pushback from people on different aspects of the proposal, and you yourself expressed some reservations. And I’m just curious, could you accept finalizing that proposal without significant changes?

MR. POWELL: So that proposal is out for comment. And we expect a lot of comments. We won’t get those comments until the end of—well into next year. You know, we’ve extended the deadline. And we’ll take them seriously. We’ll read them. I’ll say, what I do expect is that we will—we will come to a—we’re a consensus-driven organization. We’ll come to a package that has broad support on the board.

だから、その提案はコメント募集中だ。私たちは多くのコメントを期待しています。コメントを得るのは年末から来年にかけてになるでしょう。期限は延長した。そして、私たちはそれを真摯に受け止めます。コメントには目を通す。私が期待しているのは、私たちはコンセンサス主導の組織であるということです。私たちはコンセンサスを重視する組織です。

Q: So does broad support mean more support than the proposal had?

MR. POWELL: It means broad support.

Q: Jonnelle Marte with Bloomberg. So in addition to persistence, when you look at long-term treasury yields, what else are you watching to evaluate how those tighter financial conditions are hitting the economy and if it will lessen the need for further tightening? Also, do you think that those higher yields could affect banking stress?

MR. POWELL: So, what do we look at? We look at a very wide range of financial conditions. In effect, as you’ll know, different organizations publish different financial conditions indexes, which can have, you know, seven or eight variables, or they can have 100 variables. So there’s a very rich environment. And we tend to look at a few of them, I’m not going to give you their names, but they’re, you know, a few of the common ones that people look at.

And so they’re looking at things like the level of the dollar, the level of equity prices, the level of rates, the credit spreads. Sometimes they’re pulling in credit availability and things like that. So it isn’t any one thing. We would never look at, for example, long term treasury rates in isolation. Nor will we ignore them. We would look at them as part of a broader picture. And they do play a role, of course, in many of the major standard financial condition indexes.

では、何を見るのか？私たちは非常に幅広い金融情勢を見ています。事実、ご存知のように、さまざまな機関がさまざまな金融情勢指数を発表しており、7つか8つの変数から100の変数まであります。ですから、非常に豊かな環境があります。私たちはそのうちのいくつかを見ることが多いのですが、名前は申し上げられませんが、一般的によく見られるものです。

ドルの水準、株価の水準、金利の水準、クレジット・スプレッドなどです。時には、信用供与可能額やそのようなものに注目することもある。ですから、何かひとつを見るわけではありません。例えば、長期国債金利を単独で見ることはありません。無視することもない。より広い視野の一部として見ています。もちろん、長期国債金利は主要な標準的金融指標において一定の役割を果たしている。

Your second question was?

Q: On the banking, stress.

MR. POWELL: Ah, banking stress. So it’s something we’re watching. As you know, we did have—there were issues with interest rate risk, and also, you know, funding uninsured deposits in the March—the things we went through in March and thereafter. And so we’ve been working a lot with financial institutions to make sure that they have good funding plans and good—and that they have a plan for how to deal with, you know, the kind of portfolio, unrealized losses, that they have. We do think the banking system is quite resilient. We had, you know, a handful of bank failures, but—so, that’s what we’re out there doing. And we don’t have any reason to think that this—that these rate hikes are materially changing that picture, which is one of a strong banking system and one where there’s a strong focus by banks and by supervisors on liquidity, on funding, and those sorts of things.

ああ、銀行のストレス。私たちはそれを注視しています。ご存知のように、3月以降、金利リスクや無保険預金への資金供給に関する問題が発生しました。そのため私たちは、金融機関が適切な資金調達計画を立て、含み損を抱えたポートフォリオにどのように対処するかという計画を立てるよう、金融機関に働きかけてきました。私たちは、銀行システムはかなり回復力があると考えています。銀行が破綻したケースはいくつかありますが、それが私たちの仕事です。今回の利上げによって、銀行システムが強固になり、銀行や監督当局が流動性や資金調達、その他に強い関心を寄せているという現状が大きく変わると考える理由はありません。

Q: Thanks, Mr. Chairman. Scott Horsley from NPR. Last week, you and your colleagues put forward a proposal to lower the cap on debit-card swipe fees for comment. Could you just talk a little about the considerations there—what it would mean for merchants, for banks, for consumers—and also just what you all are seeing in terms of the use of both debit and credit cards in the—in the payment system?

MR. POWELL: You know, so you’re right, we put a proposal out for comment, is what we did. And you know, this is—this is a job that Congress assigned us, as you of course know, in Dodd-Frank, and all we can really do is faithfully implement the statute. That’s all we’re trying to do. What else can we really do?

It’s a 90-day comment period and we typically don’t comment on these things once they’re out for comment. And we do hope that stakeholders—and we know that they will use this opportunity to express their views. They haven’t been shy about that. So that’s critical, and that’s what I can say about that now.

その通り、私たちは意見募集のための提案書を提出しました。ご存知のように、これはドッド・フランク法において議会が我々に課した仕事であり、我々が本当にできることは法令を忠実に実施することだけです。私たちにできるのは、法令を忠実に実施することだけです。それ以外に何ができるのでしょうか？

これは90日間のコメント期間であり、私たちは通常、いったんコメント募集が行われたものについてはコメントしません。私たちは、利害関係者がこの機会を利用して意見を表明してくれることを望んでいる。彼らはそれを恥ずかしがってはいません。それが非常に重要であり、私が今言えることはそれだけです。

Q: Thank you. Thanks, Chair. Edward Lawrence with Fox Business. So over the last three months, the year-over-year PCE inflation was at 3.4 percent, core well over 3 percent. You’ve said in the past 2 percent remains the Federal Reserve target. But with no rate increase today, how long would you be OK, then, with a 3 percent or 3 percent plus overall inflation?

MR. POWELL: You know, the progress is probably going to come in lumps and be bumpy, but we’re making progress, you know. I think — I think the core PCE came down by almost 60 basis points in the third quarter. So if you—the best thing I could point you to would be the September SEP, where, you know, the expectation was that inflation by the end of next year on a 12-month trailing basis would be well into the twos and the year after that further into the twos. So that’s—if you look historically, that’s sort of consistent with the way inflation comes down. It does take some time. And as you get—you know, as you get further and further from those highs, it may actually take a longer time.

But the good news is we’re—you know, we’re making progress, and monetary policy is restrictive, and we feel like we’re on a path to make more progress. And it’s essential that we do.

前進は、おそらく塊のようなもので、でこぼこしたものでしょうが、私たちは前進しています。コアPCEは第3四半期に60ベーシスポイント近く低下したと思います。9月のSEPでは、来年末までのインフレ率は12ヶ月ベースで2％台、再来年はさらに2％台と予想されていました。つまり、歴史的に見れば、インフレ率の低下と一致するわけです。時間はかかりますが。そして、高値からどんどん離れていくにつれて、実際にはもっと長い時間がかかるかもしれません。

しかし、良いニュースは、私たちが前進していること、金融政策が制限的であること、そして私たちがさらなる前進への道を歩んでいると感じていることです。そして、そうすることが不可欠なのだ。

Q: Well, you’ve said in the past that doing too little on interest rates could take years to fix but the cost of doing too much could be easily fixed. How robust was the debate about this pause on the doing-too-little side?

MR. POWELL: That’s always the question we’re asking ourselves. And we know that if we—if we fail to restore price stability, the risk is that expectations of higher inflation get entrenched in the economy. And we know that that’s really bad for people; inflation will be both more—both higher and more volatile. That’s a prescription for misery. And so we’re really committed to not letting that happen.

You know, for the first year or so of our tightening cycle, the risk was all on the side of not doing enough. You know, we’re—we’ve come far enough that the risks, you know, have gotten more two-sided. You can’t identify that with a lot of precision, but **it does feel like the risks are more two-sided now.** And—but we’re committed to getting inflation back down to our target over time, and we will.

これは常に私たちが自問自答していることです。物価安定の回復に失敗すれば、インフレ率上昇への期待が経済に定着してしまうリスクがある。インフレはより高く、より不安定になる。それは不幸の処方箋です。ですから、私たちはそのような事態を招かないよう全力を尽くしています。

私たちの引き締めサイクルの最初の1年かそこらは、リスクはすべて十分でない側にありました。しかし、私たちはもう十分なところまで来ており、リスクはより両面的なものになっています。それを正確に特定することはできませんが、リスクはより両面的になっているように感じます。しかし、私たちは時間をかけてインフレ率を目標値まで下げることに全力を尽くしています。

Q: Hi. Simon Rabinovitch with The Economist. Quick follow up to the question about banking stresses. You talked about how the banking system is resilient. Of course, part of the resilience of the past year stems from the Bank Term Funding Program that you launched in March. Given that bond prices have not recovered, that unrealized losses are probably mounting, how likely is it that you might have to extend that program in March next year?

MR. POWELL: Good question. We haven’t really—we haven’t really been thinking about that yet. We—you know, it’s November 1, and that’s a decision we’ll be making in the first quarter of next year.

いい質問だ。私たちはまだそのことについて考えていないんだ。もう11月1日だし、来年の第1四半期に決断することになるだろう。

Q: OK. Sorry, quick separate question about inflation expectations. The U. Michigan sentiment survey showed a big jump in one-year-ahead inflation expectations last month, from 3.2 to 4.2. Last year, you said that particular survey was a really decisive factor in one of your rate-hike decisions. If it stays elevated next time around, how big of an input will that be into your December thinking?

MR. POWELL: Yeah. We look at a range of things. I think the—you know, the UM thing got blown out of proportion a little bit. It was actually a preliminary estimate that got revised away. And I said it was preliminary in it, but that didn’t get picked up. So we look at many, many things, and so, really, look across the broad array of surveys and also market-based estimates. And you know—and we do that really carefully at every meeting and between meetings. You know, it’s just clear that inflation expectations are **in a good place**. The public does believe that inflation will get back down to 2 percent over time and it will. They’re right.

So there’s no real crack in that armor. You can always find one reading that is a little bit out of whack. But, honestly, the bulk of them are just very clear that the public believes that inflation will come down and that’s—of course, we believe **that’s critical in winning the battle**.

そうだね。私たちはさまざまなことに目を向けている。UMの件は少し大げさだったね。実際は予備的な見積もりで、それが修正されたんだ。予備的なものだと申し上げたのですが、取り上げられませんでした。ですから、私たちはいろいろなことを調べますし、幅広い調査や市場ベースの推定値も調べます。そして、毎回の会議でも、会議と会議の間でも、本当に注意深くそれを行っています。インフレ期待が良い状態にあることは明らかです。国民は、インフレ率は時間の経過とともに2％に戻ると信じていますし、そうなるでしょう。その通りだ。

だから、その鎧に本当の亀裂はない。しかし、正直なところ、その大半は、インフレ率が2％台に回復すると信じている。しかし、正直なところ、その大半は、国民がインフレ率は下がると信じていることがはっきりしているだけで、それはもちろん、戦いに勝利するために重要なことだと私たちは信じています。

Q: Hi, Chair Powell. Megan Cassella with Barron’s. Thanks for taking our questions. I wanted to see if you could talk about the neutral rate. You mentioned today that you’re still debating whether rates are sufficiently restrictive and you’ve recently said that evidence is suggesting policy is not too tight right now. So I was curious if you could elaborate on that at all and whether that means the neutral rate, in your view, has risen.

MR. POWELL: Yeah. So the first thing to say is that it’s very important—it’s a very important variable in the way we think about monetary policy. But you can’t identify it with any precision in real time and we know that.

So you have to just take that—you have to take your estimate of it with a grain of salt. What we know now is, you know, within a range of estimates of the neutral rate policy is restrictive and it’s therefore putting downward pressure on economic activity, hiring, and inflation.

So we do talk about this. There’s not any debate or, you know, attempt to, you know, to sort of agree as a group on what—whether R-star is moving or not. Some people think it has. Some people haven’t said—don’t think it has.

Ultimately, it’s unknowable and so, really, again, what we’re focused on is, you know, looking at the data and giving ourselves a little more time now to look carefully at the data by being careful in our moves. Does it feel like monetary policy is restrictive enough to bring inflation down to 2 percent over time?

That’s the question we’re asking ourselves. I think, you know, years from now economists will be revising their estimates of R-star as it existed on November 1, 2023. You can’t—we can’t really wait for that in making policy. We have to look—we have to have those models and look at them and think about them but, ultimately, we’ve got to look at the effects the policy is having accounting for the lags, which makes it difficult.

そうですね。金融政策を考える上で非常に重要な変数です。しかし、それをリアルタイムで正確に特定することはできません。

だから、その推定値については大目に見るしかない。今わかっているのは、中立金利の推定値の範囲内では、政策は制限的であり、それゆえ経済活動、雇用、インフレに下方圧力をかけているということです。

ですから、私たちはこのことについて話しています。R-スターが動いているのかいないのかについて、議論したり、グループとして合意しようとはしていません。ある人はそう考えている。ある人は動いていると思うし、ある人は動いていないと思う。

結局のところ、それはわからないことで、私たちが今注目しているのは、データを見ること、そして、私たちの動きに注意深くなることで、データを注意深く見る時間を少し増やすことです。インフレ率を長期的に2％まで低下させるために、金融政策は十分に制限的であると感じられるか？

それが私たちの自問自答です。数年後、エコノミストたちは2023年11月1日時点のR-Starの予測を修正することになるでしょう。それを待って政策を決定することはできない。しかし、最終的にはラグを考慮した上で、政策がもたらす効果を見なければなりません。

Q: If I could follow up on a wages point earlier. You talked about the inflation outlook. But I’m curious if you have any concerns whether wage inflation at its current level could be—could risk pushing up overall inflation or reacceleration.

MR. POWELL: So if you look at the broad range of wages they have—**the wage increases have really come down significantly** over the course of the last 18 months to a level where they’re substantially closer to that level that would be consistent with 2 percent inflation over time, making standard assumptions about productivity over time.

So it’s much closer than it was, and that’s true of the ECI, which is the one that we got this week. It’s true of average hourly earnings and compensation per hour, too, and all of them are kind of saying that, which is great, and you have to look at a group of them because any one of them can be idiosyncratic from—in any given reading.

So that’s what you see, and so what you saw with the ECI reading was if you look back—it comes out four times a year. If you look back a couple of quarters you’ll see it was much higher and then it came down substantially in June, and then the September reading was more or less at the same level as the June reading. So, in a way, it’s just validating that decline and it was very close to our expectations internally, too.

So **I think we feel good about that**. Also I would say it isn’t—in my thinking, it’s not the case that wages have been the principal driver of inflation so far, although I think it’s—I do think it’s fair to say that as we go forward, as monetary policy becomes more important relative to the supply side issues I talked about in the unwinding of the pandemic effects, it may be that the labor market becomes more important over time, too.

賃金上昇率は過去1年半の間に大幅に低下し、長期的な生産性に関する標準的な仮定を置いた場合、2％のインフレ率と一致する水準に大幅に近づいた。

これは、今週発表されたECIでも同様である。平均時給や時間当たり報酬も同様で、どの指標も同じようなことを言っています。

ECIは年に4回発表されます。数四半期前まで遡ると、ECIはかなり高い水準にあり、6月には大幅に低下した。ですから、ある意味、この落ち込みは妥当なものであり、社内的にも予想に非常に近いものでした。

ですから、私たちはそのことを喜んでいます。また、私の考えでは、これまでのところ賃金がインフレの主な要因というわけではありません。

Q: Hi. Nancy Marshall-Genzer with Marketplace. Chair Powell, are you now as concerned about overshooting and raising interest rates too much as you are about getting inflation down to the 2 percent target?

MR. POWELL: So as I mentioned, I think for much of the last year and a half the concern was not doing too—not doing enough. It was not getting rates high enough in time to avoid having inflation expectations—higher inflation expectations become entrenched. So that was the concern.

I think we’ve reached, you know, now more than 18 months into this, you can see by the fact that we have slowed down—although we’re still—we’re still—we’re still trying to gain confidence in what the appropriate stance is. But you can see that we think, and I think, that the risks are getting more balanced. I’ll just say that they’re getting more balanced. The risk of doing too much versus the risk of doing too little are getting—are getting closer to balance.

Because policy is, I think, clearly restrictive at 5 ¼ to 5 ½ percent, that range. If you take off a mainstream estimate of the—of the expected inflation, take one year inflation, you’re going to see that—you’re going to see a real policy rate that is, you know, well above mainstream estimates of a neutral policy rate. Now that’s arithmetic. It doesn’t really—the proof is really in how the economy reacts. But I would say that we’re in a place where those risks are getting closer to being in balance.

先ほども述べたように、この1年半の間、懸念されていたのは「十分すぎるほど十分なことをしない」ということだった。インフレ期待、つまり高いインフレ期待が定着するのを避けるために、金利を十分に高くすることが間に合わなかったのです。それが懸念でした。

しかし、1年半以上が経過した今、私たちは利上げのペースを緩め、適切な利上げスタンスについて自信を深めようとしています。しかし、私たちが考えていること、そして私が考えていることは、リスクがよりバランスよくなってきているということです。バランスが取れてきている、とだけ言っておこう。やりすぎるリスクと、あまりやらないリスクは、バランスが取れてきている。

というのも、5.4％から5.5％という範囲では、政策は明らかに制限的だからです。主流派の予想インフレ率から1年分のインフレ率を引くと、実質的な政策金利は主流派の中立的な政策金利の予想を大きく上回ることになります。これは算数だ。その証拠に、経済がどう反応するかはわからない。しかし、私たちは今、こうしたリスクが均衡しつつあるところにいると言えるでしょう。

Q: And you said the proof is how the economy reacts. What are you looking at to be sure you’re not overshooting?

MR. POWELL: Well, I think what we’re looking at is, are we still—is inflation still broadly cooling? Do we – is it sort of validating the path we saw over the summer, where inflation was clearly cooling and coming down? Now we’ve seen periods like that before, and they’ve just—there hasn’t been follow-through, the data have bounced back. So what are we seeing? You know, are we seeing—is inflation still coming down? So that’s the first thing.

Second thing is, in the labor market, what we’ve seen is a very positive rebalancing of supply and demand, partly through just much more supply coming online. And with labor demand still clearly remaining very strong, when you have the kind of job growth we’ve had over the last quarter. It’s still very strong demand. And you see wage increases coming down, as we discussed, but coming down, you know, in a kind of gradual way. I think that’s what we want to see, that that whole set of processes continue.

さて、私たちが見ているのは、インフレはまだ幅広く冷え込んでいるのか、ということだと思う。インフレは明らかに冷え込み、下降している。以前にも同じような時期があったが、その時は、データが元に戻っただけで、後が続かなかった。では、私たちは何を見ているのだろうか？インフレはまだ下がり続けているのか？これが第一のポイントです。

第二に、労働市場においては、需給バランスが非常に好転しています。そして、前四半期のような雇用の伸びを見ると、労働需要は依然として非常に旺盛であることは明らかです。労働需要は依然として非常に旺盛です。そして、賃金の上昇は、私たちが議論したように、徐々にですが、下がってきています。このような一連のプロセスが続くことを私たちは望んでいるのです。

Q: Bryan Mena, CNN. Do you think that there’s—has been any structural change in either consumption or in the job market that’s pushing up consumption? You obviously saw the third quarter GDP figures, which were strong, and some economists have expected everyone’s spending to have fizzled out by now. So I’m kind of wondering if there’s been any structural change in consumption?

MR. POWELL: I wouldn’t say there’s been a structural change in consumption. I would say it’s certainly been strong. And so a couple of things. We may have underestimated the balance sheet strength of households and small businesses, and that may be part of it. There may be—you know, we’ve been, like everyone else, trying to estimate the number of—the amount of savings that households have from the pandemic, when they couldn’t spend on services really at all—or, you know, in-person services. And, you know, there can still be more of that than we think, although at a certain point we have to—we’re going to be getting back to prepandemic levels of savings. We may not be there yet.

So things are—clearly, people are still spending. The dynamic has been really strong job creation, with now wages that are—that are higher than inflation in the aggregate, anyway. And that raises real disposable income. And that raises spending, which continues to drive more hiring. And so you’ve had a really—that whole—that whole dynamic has been—and also, at the same time, the pandemic effects are wearing off so that goods availability, automobile availability, is better—or, was better, I think it still is. And they’re—and from a business standpoint, there are more people to hire and there’s more labor supply.

So the whole thing has led to more growth, more spending, and that kind of thing. And it’s been—you know, it’s been good. And the thing is, we’ve been achieving progress on inflation in the middle of this. So it’s been a dynamic. The question is, how long can that continue? And, you know, I just think this—the existence of this second set of factors at this time, which is the unwinding of the pandemic effects, that’s what makes this cycle unique, I think. And, you know, we’re still learning. It took longer for that process to begin than we thought, and we’re still learning about how it plays out. That’s all we can do.

消費に構造的な変化があったとは言えない。確かに消費は好調だ。それで、いくつかのことが言える。我々は家計や中小企業のバランスシートの強さを過小評価していたかもしれない。私たちは、他の人たちと同じように、家計がパンデミックによって貯蓄した金額を推計しようとしています。そして、私たちが考えているよりも、まだ多くの貯蓄がある可能性があります。しかし、ある時点で、私たちはパンデミック前の貯蓄レベルに戻らなければなりません。まだそこまではいっていないかもしれない。

つまり、人々はまだ消費しているということだ。このダイナミズムは本当に力強い雇用創出であり、賃金はインフレ率を上回っている。それが実質的な可処分所得を引き上げている。そしてそれが支出を増やし、雇用を促進し続ける。同時に、パンデミック（世界的大流行）の影響も薄れつつあるため、商品、自動車の入手可能性は向上しています。そして、ビジネスの観点からは、雇用する人が増え、労働供給が増えた。

その結果、より多くの成長、より多くの支出、そういったものがもたらされた。これはいいことだ。その一方で、私たちはインフレ率の改善を達成しつつあります。だからダイナミックなのだ。問題は、それがいつまで続くかということです。パンデミック（世界的大流行）の影響が解消されつつある今、2つ目の要因が存在することが、このサイクルをユニークなものにしているのだと思います。私たちはまだ学んでいる最中だ。私たちが考えていた以上に、このプロセスが始まるには時間がかかった。それが私たちにできることだ。

Q: Thank you, Chair Powell. Daniel Avis from Agence France-Presse. Just a quick question following up on an earlier one, with regards to the Israel-Hamas conflict. You know, the Fed’s financial stability report said that the Israel-Hamas conflict and the conflict in Ukraine pose important risks to global economic activity, including the possibility of sustained disruptions to regional trade in food, energy, and other commodities. You’ve had organizations like the World Bank warning of possible, you know, surge in oil prices if the war spreads to other countries in the region. I’m just wondering how the Fed is monitoring these developments in the Middle East. You mentioned they are. And just what, you know, the potential economic impact could be if the conflict does spread to other countries in the region. Thank you.

MR. POWELL: I wouldn’t want to speculate too much. But I’ll just say, so, you know, really the question there is, does the war spread more widely, and does it start to do things like affect oil prices, in particular, since this is the Middle East, we’re talking about? The price of oil has really not reacted very much so far to this. You know, as the Fed, as the Federal Open Market Committee, our job is really to talk about, to understand the economy and the economic effects. And it isn’t clear at this point that the conflict in the Middle East is going to—is on track to have significant economic effects.

That doesn’t mean it isn’t incredibly important and something for people to—you know, to take really important notice of. But it may or may not turn out to be something that matters for the Federal Open Market Committee as an economic body. But what the financial stability report does is it calls out risks. And that’s what it’s doing is, calling out a risk of that. And the war in Ukraine, the same. The war in Ukraine, you know, did have immediately very significant macroeconomic implications, because of the connection to commodities. So, thank you.

Thanks very much.

あまり推測はしたくない。ただ、問題は、戦争がさらに拡大し、原油価格に影響を及ぼし始めるかどうかということだ。原油価格は今のところあまり反応していない。FRBとして、連邦公開市場委員会として、私たちの仕事は、経済と経済効果を理解することです。現時点では、中東での紛争が経済的に大きな影響を及ぼすことは明らかではない。

だからといって、中東情勢が非常に重要であり、人々にとって本当に重要なものでないということにはならない。しかし、それが経済団体としての連邦公開市場委員会（FOMC）にとって重要なものになるかどうかはわからない。しかし、金融安定性報告書はリスクを指摘している。つまり、そのリスクを指摘しているのだ。ウクライナ戦争も同じだ。ウクライナの戦争は、コモディティとの関連から、マクロ経済に非常に大きな影響を及ぼしました。ありがとうございました。