

Capital Markets & Investments

Session 13: CAPM 1 – Market Portfolio

Spring 2025
Professor Simon Oh

What you missed: (1) FOMC Meeting

- Policy rate is unchanged
- Slowdown in the pace of quantitative tightening (QT)
 - Roll over at auction the amount of principal payments from the Federal Reserve's holdings of Treasury securities maturing in March that exceeds a cap of \$25 billion per month. Beginning on April 1, roll over at auction the amount of principal payments from the Federal Reserve's holdings of Treasury securities maturing in each calendar month that exceeds a cap of \$5 billion per month. Redeem Treasury coupon securities up to these monthly caps and Treasury bills to the extent that coupon principal payments are less than the monthly caps.

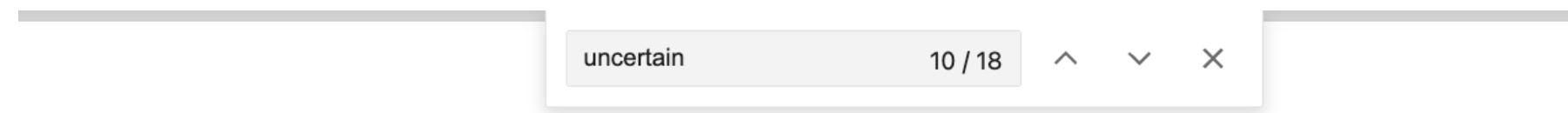
What you missed: (1) FOMC Meeting



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January 31, 2024 Chair Powell's Press Conference FINAL

Transcript of Chair Powell's Press Conference
January 31, 2024



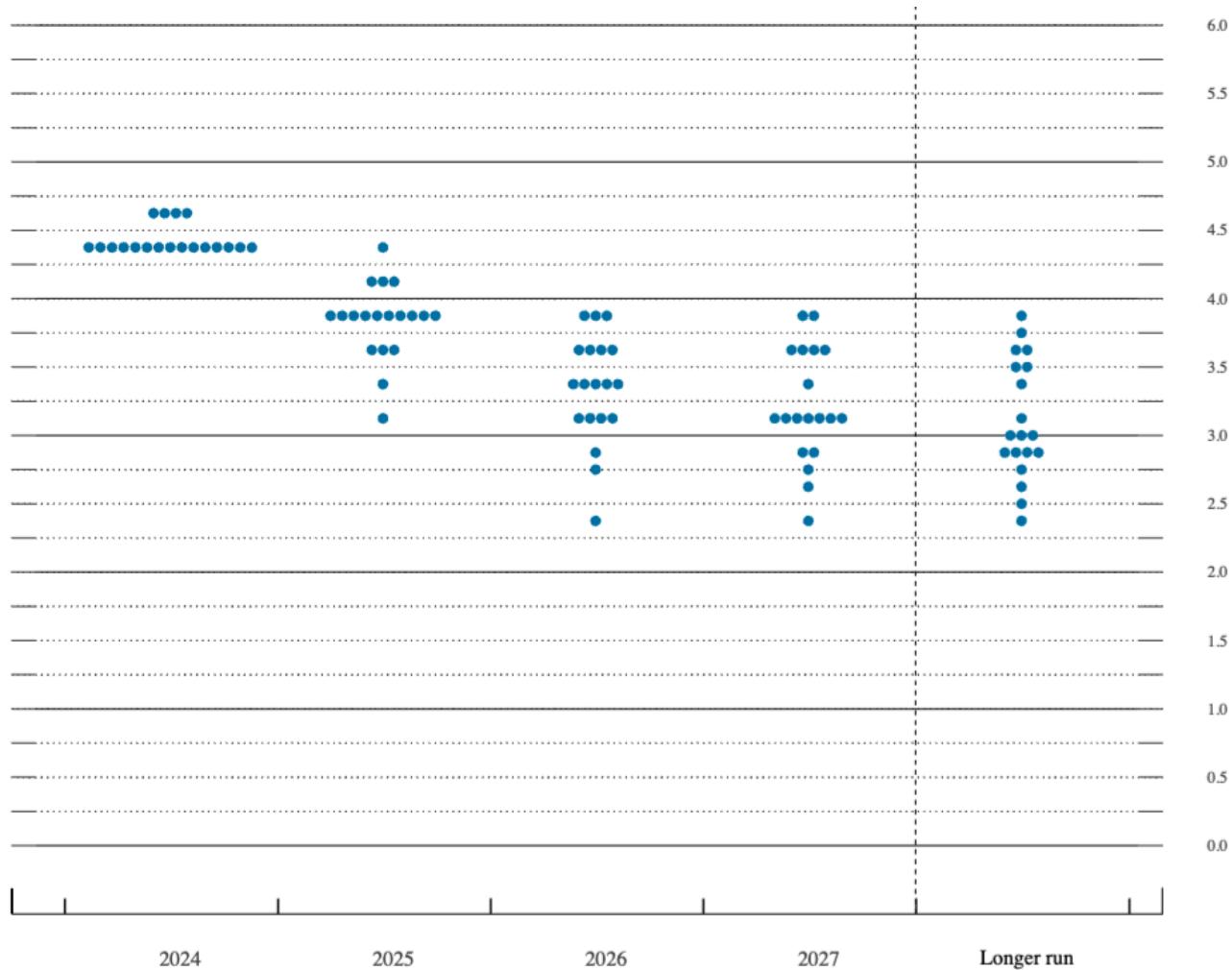
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March 19, 2025 Chair Powell's Press Conference PRELIMINARY

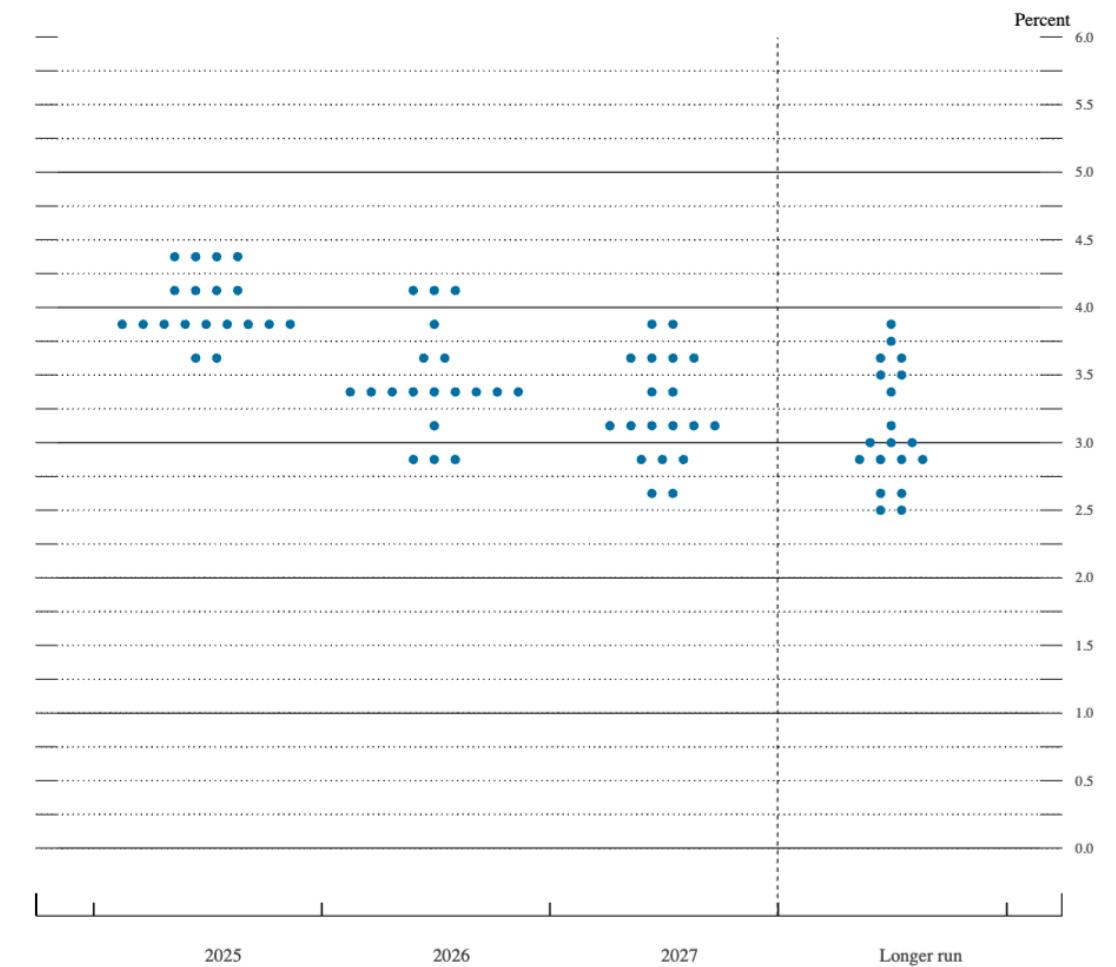
Transcript of Chair Powell's Press Conference
March 19, 2025

What you missed: (1) FOMC Meeting

December 2024



March 2025



What you missed: (1) FOMC Meeting

December 2024

Percent

Variable	Median ¹				
	2024	2025	2026	2027	Longer run
Change in real GDP	2.5	2.1	2.0	1.9	1.8
September projection	2.0	2.0	2.0	2.0	1.8
Unemployment rate	4.2	4.3	4.3	4.3	4.2
September projection	4.4	4.4	4.3	4.2	4.2
PCE inflation	2.4	2.5	2.1	2.0	2.0
September projection	2.3	2.1	2.0	2.0	2.0
Core PCE inflation ⁴	2.8	2.5	2.2	2.0	
September projection	2.6	2.2	2.0	2.0	
Memo: Projected appropriate policy path					
Federal funds rate	4.4	3.9	3.4	3.1	3.0
September projection	4.4	3.4	2.9	2.9	2.9

March 2025

Percent

Variable	Median ¹			
	2025	2026	2027	Longer run
Change in real GDP	1.7	1.8	1.8	1.8
December projection	2.1	2.0	1.9	1.8
Unemployment rate	4.4	4.3	4.3	4.2
December projection	4.3	4.3	4.3	4.2
PCE inflation	2.7	2.2	2.0	2.0
December projection	2.5	2.1	2.0	2.0
Core PCE inflation ⁴	2.8	2.2	2.0	
December projection	2.5	2.2	2.0	
Memo: Projected appropriate policy path				
Federal funds rate	3.9	3.4	3.1	3.0
December projection	3.9	3.4	3.1	3.0

What you missed: (2) Universities

Bloomberg

Elite Colleges in Trump's Crosshairs Rush to Bond Market at Record Pace

