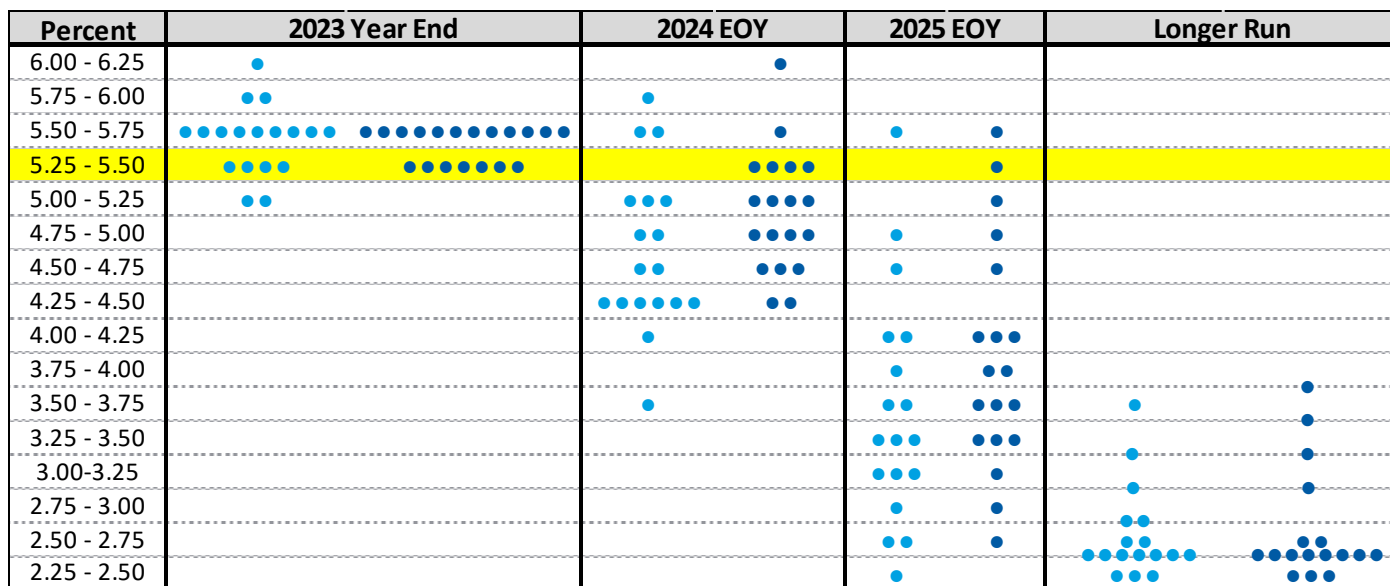


The Balog Group at Morgan Stanley

Federal Reserve Meeting Recap – September 2023

What am I looking at? That's a good question as most have not seen the table below before. This is what's known as the Federal Reserve's dot plot. Each dot represents a Fed members projection of the future Federal Funds Rate. The takeaway we got from the most recent meeting is that most expect at least one more rate raise before the end of the year. After that most suspect rates will be lower in 2024, 2025 and beyond. However, members did make more hawkish predictions in that the rate of decreases may be slower than previously expected. (See how the dark blue dots are generally higher than the light blue ones). Despite the Fed taking a 'pause' and not raising rates in the meeting, we did see treasuries tick up slightly due to these changing projections. The other thing to note is that there seems to be less consensus around 2025 compared to the shorter-term projections which is to be expected.

● June's Mtg Projections ● September's Mtg Projections ■ = Where we are Now



Source: Federal Reserve



Anouchka Balog, CFP®
Financial Advisor



Rita Kikawa
Portfolio Associate



Christopher Mullery, CRPC®
Business Development Director



Steven Anderson, CFA® CFP®
Portfolio Management Assoc.



Barbara Collette
Senior Registered Assoc.

Visit our website at: <https://advisor.morganstanley.com/the-balog-group>
Connect with Anouchka on LinkedIn: <https://www.linkedin.com/in/anouchka-m-balog>

Sources:

1. [Federal Reserve – Economic Projection Summary \(June 14, 2023\)](#)
2. [Federal Reserve – Economic Projection Summary \(September 20, 2023\)](#)

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NMLS#: 1282780
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28202 Cabot Road, Suite 500
Laguna Niguel, CA 92677
Direct: 949 365 5306

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