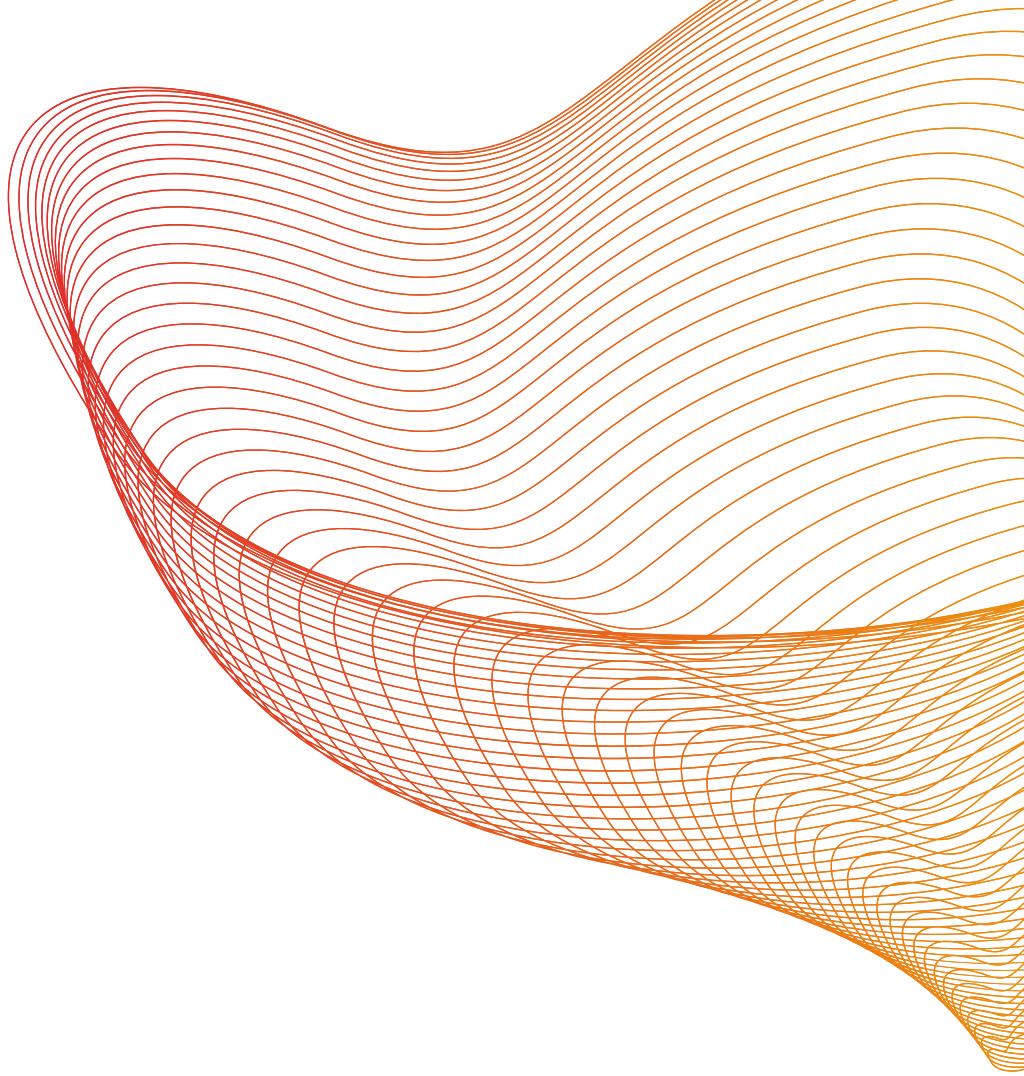


CFI Fed Deck

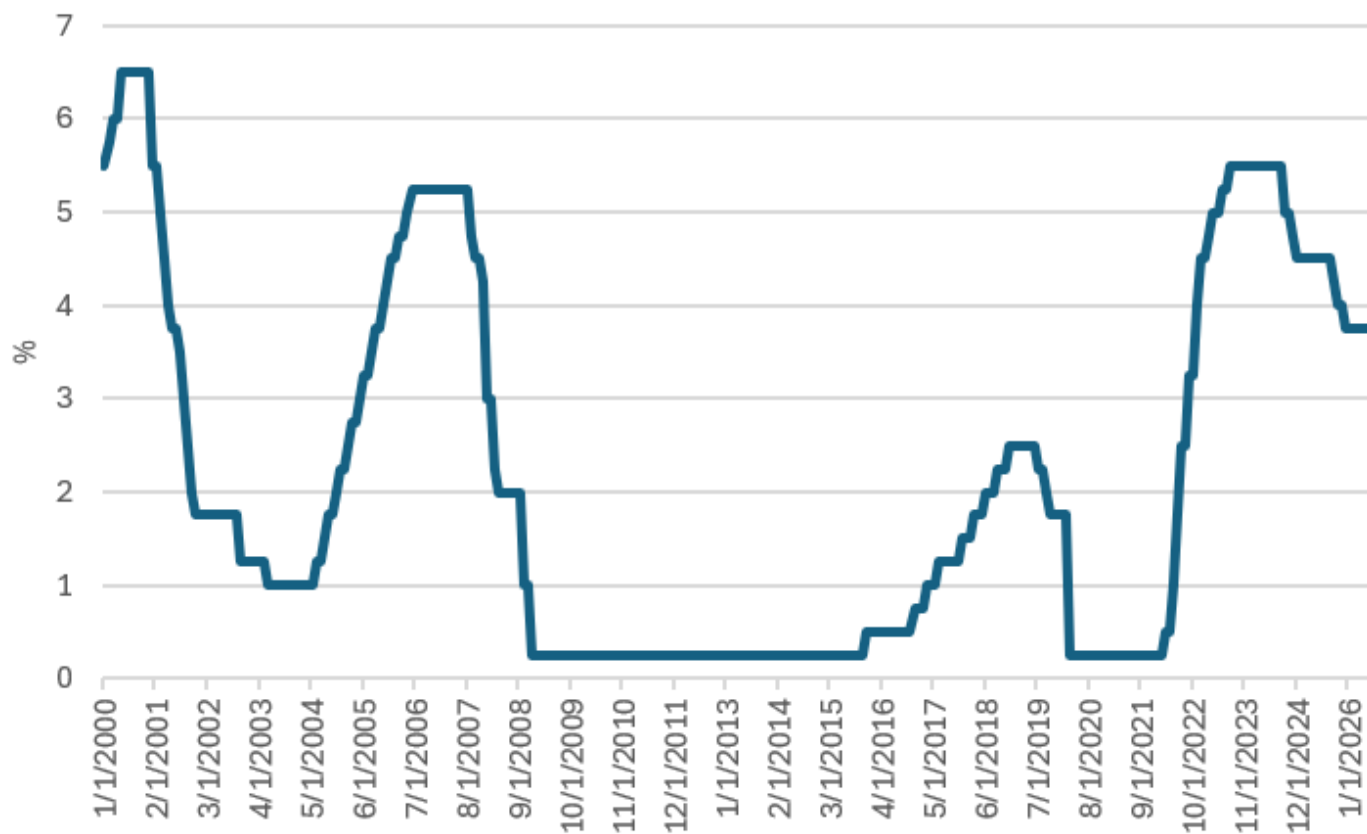
cycleframework.com

July 2026



The Fed has been on hold since December

The federal funds target



Source: Federal Reserve Board of Governors

Real rates are falling

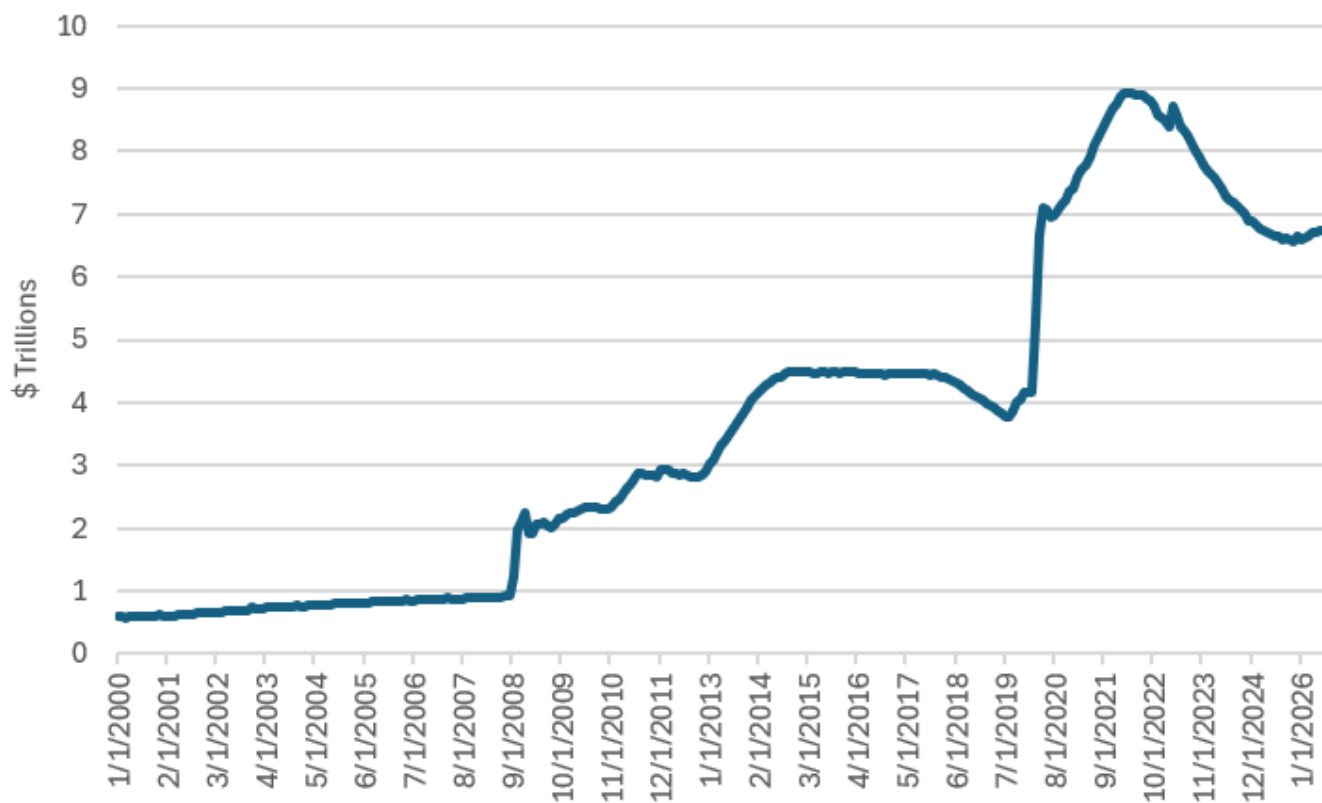
The real federal funds target



Source: Federal Reserve Board of Governors, Bureau of Economic Analysis

The Fed balance sheet is growing again

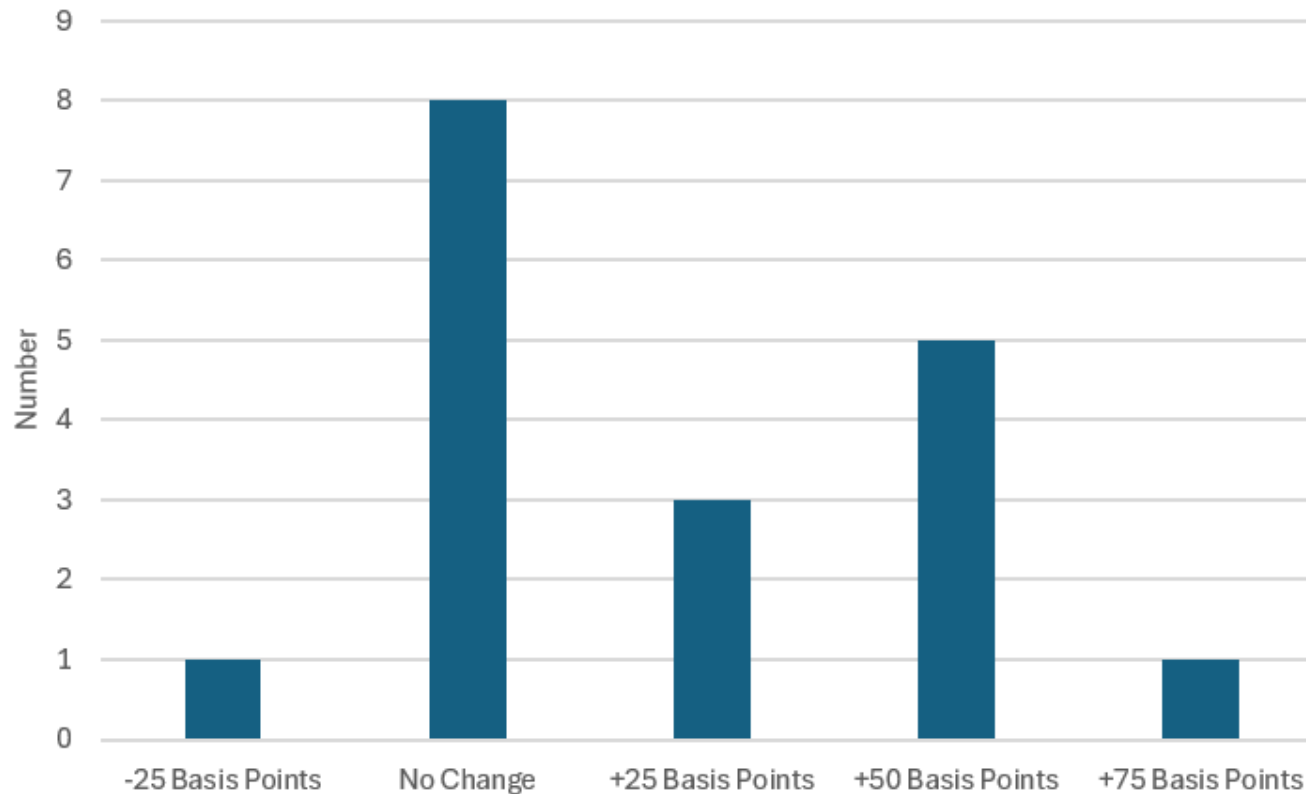
Assets on the Federal Reserve balance sheet



Source: Federal Reserve Board of Governors

Fed officials are split on the policy path from here

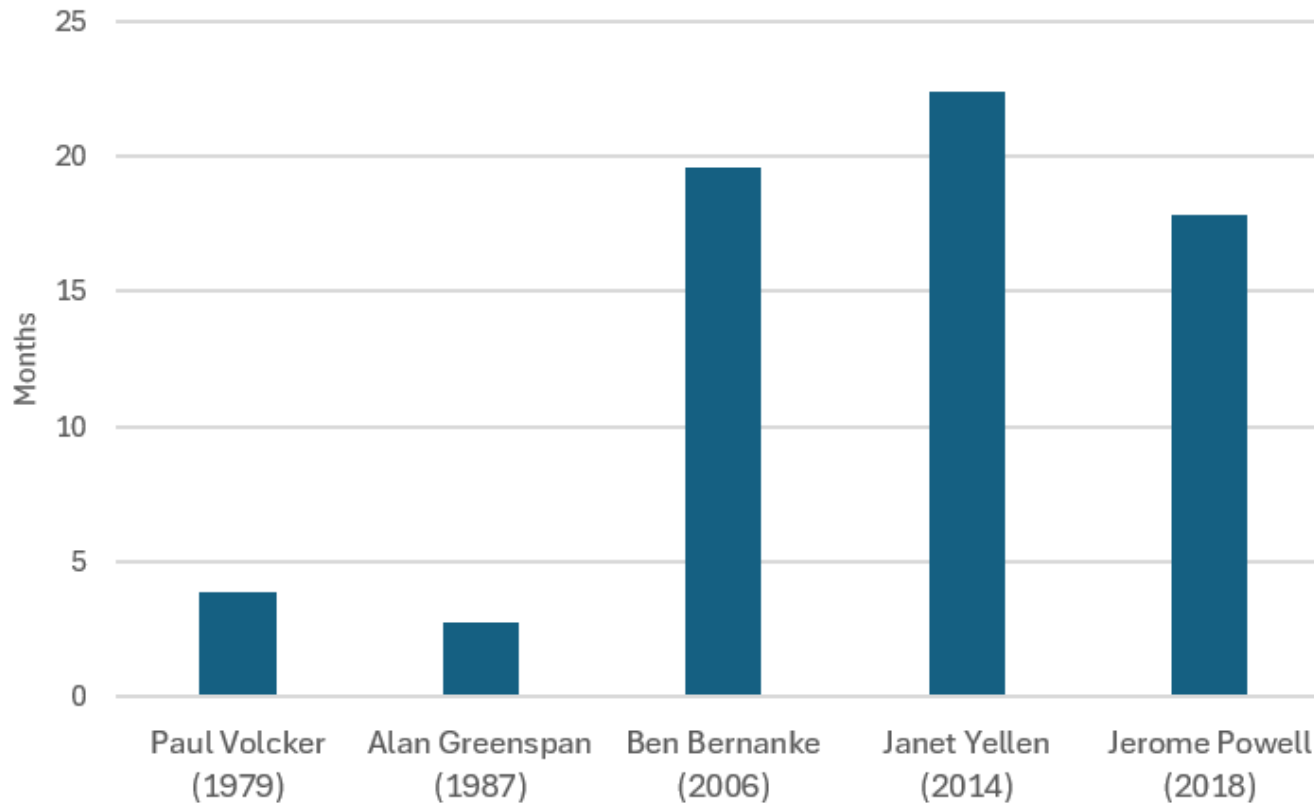
FOMC member estimates for the appropriate change in the federal funds target in 2026



Source: Federal Reserve Board of Governors

New Fed chairs have reversed course slowly in recent decades

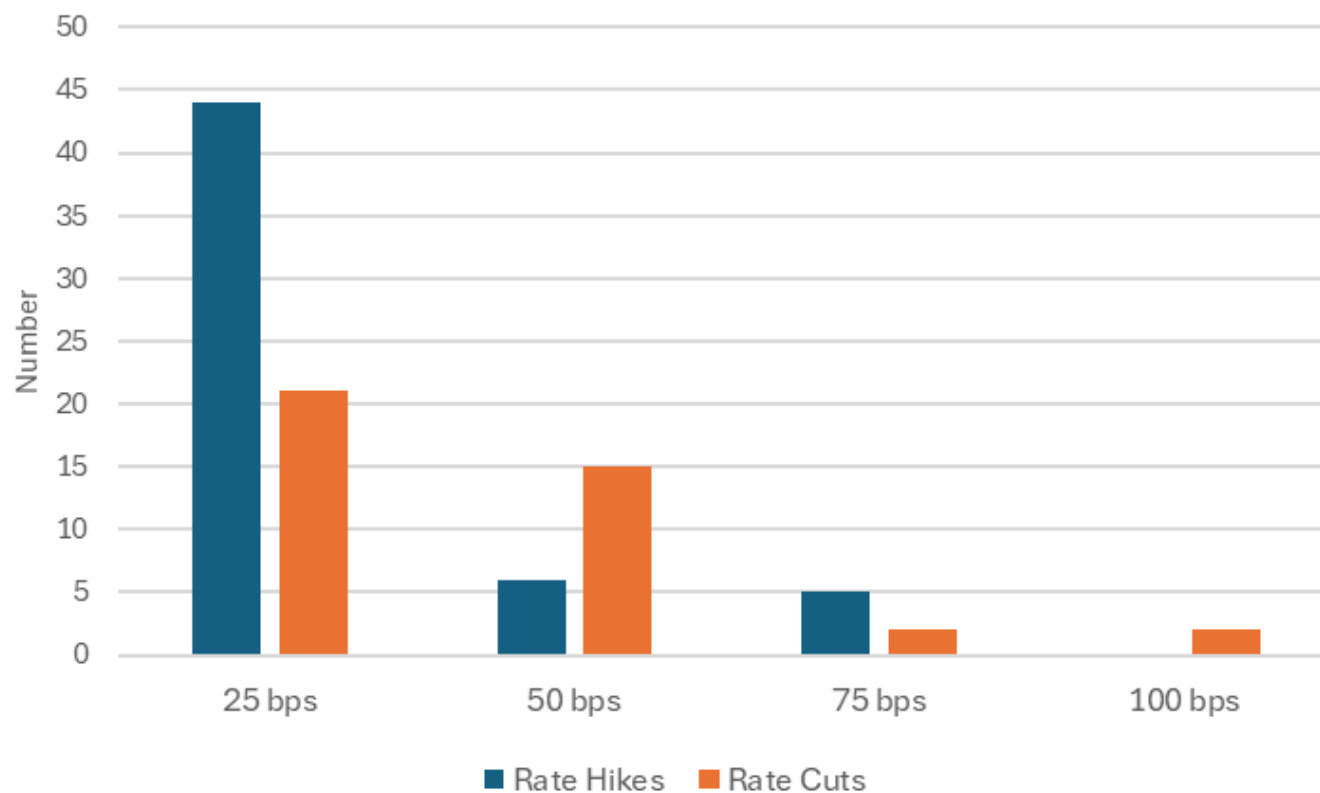
Time to the first pivot in monetary policy after a change in the Federal Reserve chair position



Source: Federal Reserve Board of Governors

Rate cuts are often aggressive

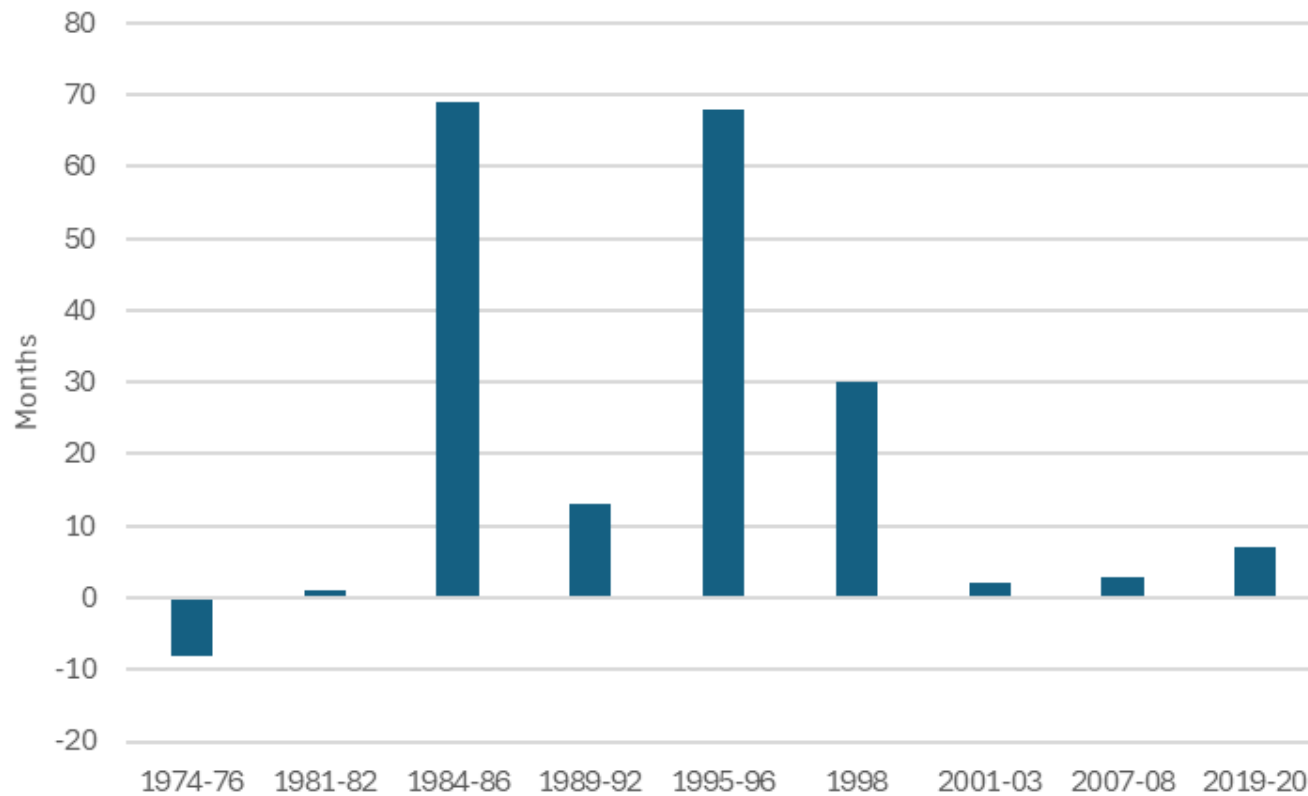
Changes in the federal funds target by magnitude, 1994-present



Source: Federal Reserve Board of Governors

The Fed generally begins cutting rates prior to recessions

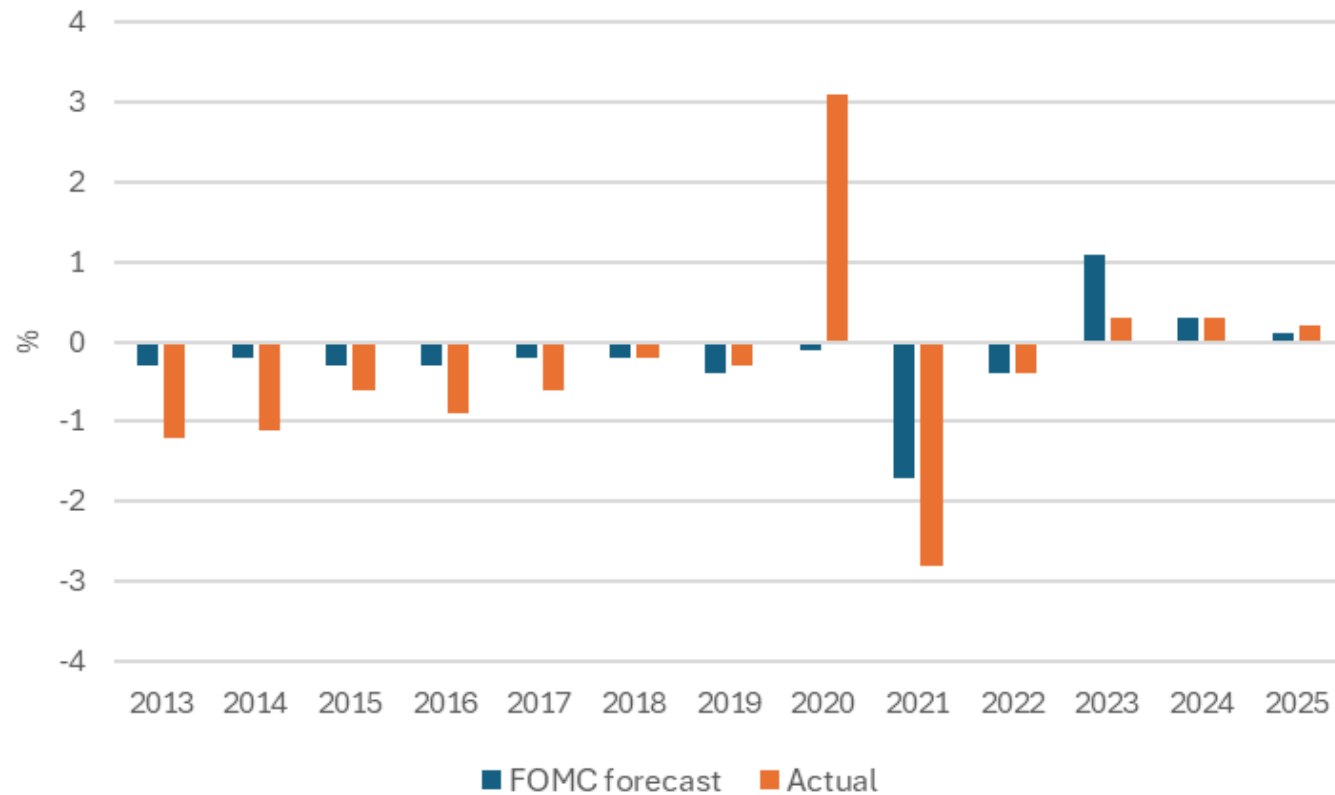
Lag between the first rate cut of Fed easing cycles and the outset of recessions



Source: Federal Reserve Board of Governors

The Fed often underestimates labor market changes

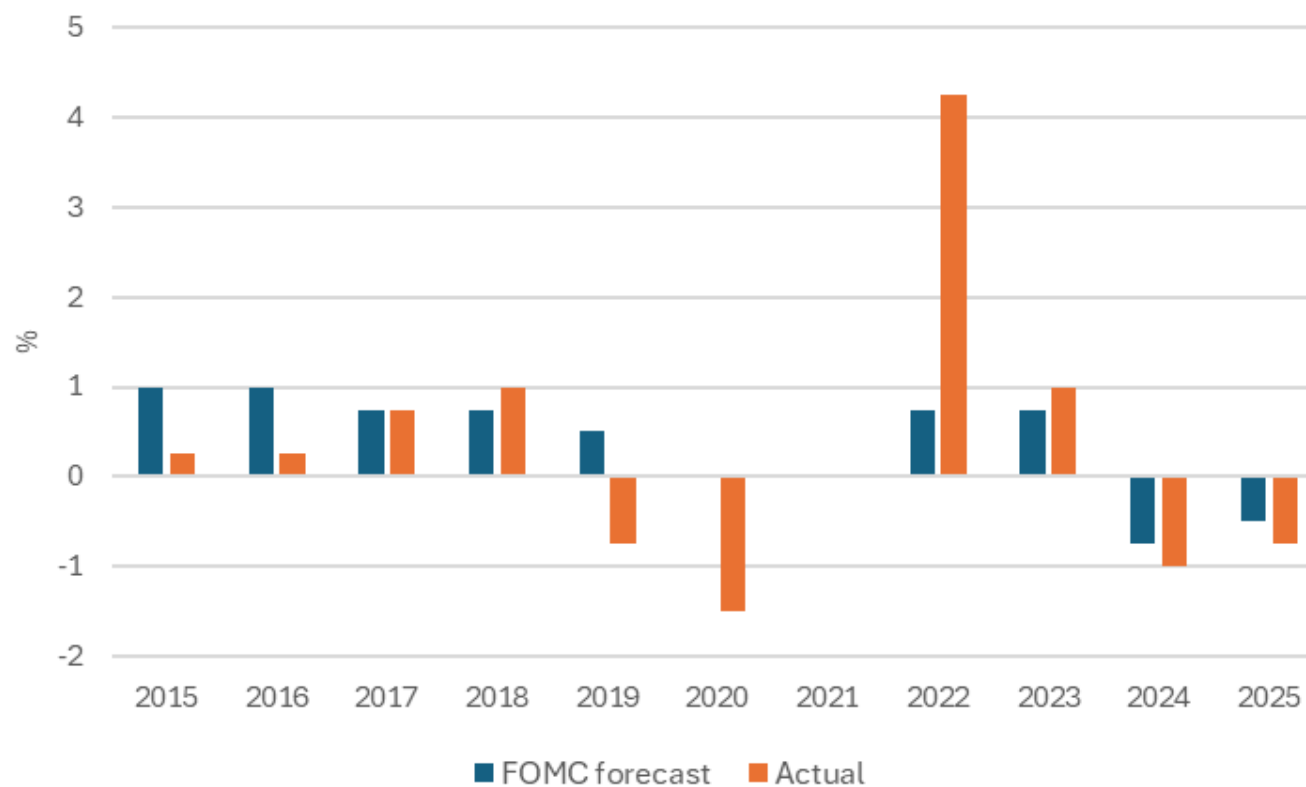
Yearly changes in the unemployment rate



Source: Federal Reserve Board of Governors, Bureau of Labor Statistics

Fed policy forecasts can be well off the mark

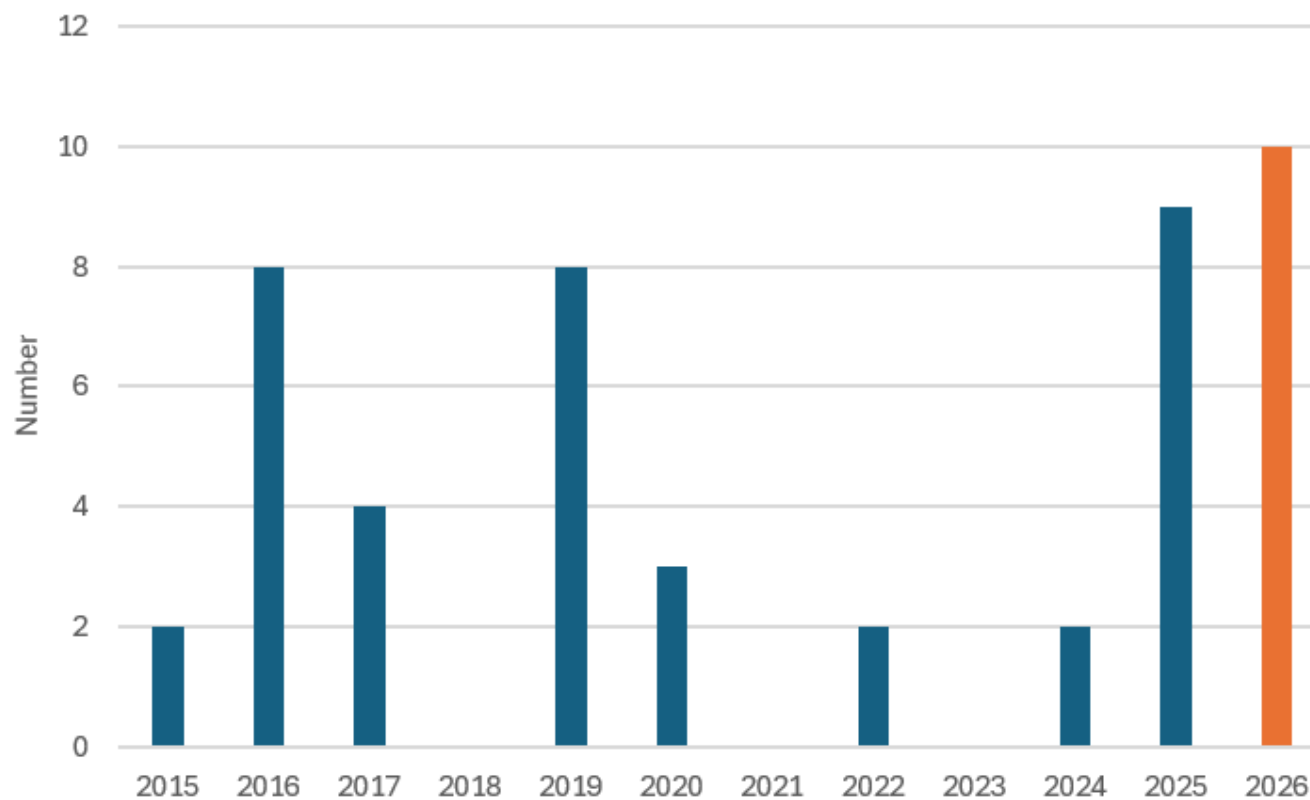
Yearly changes in the federal funds target



Source: Federal Reserve Board of Governors

Fed officials are dissenting more frequently

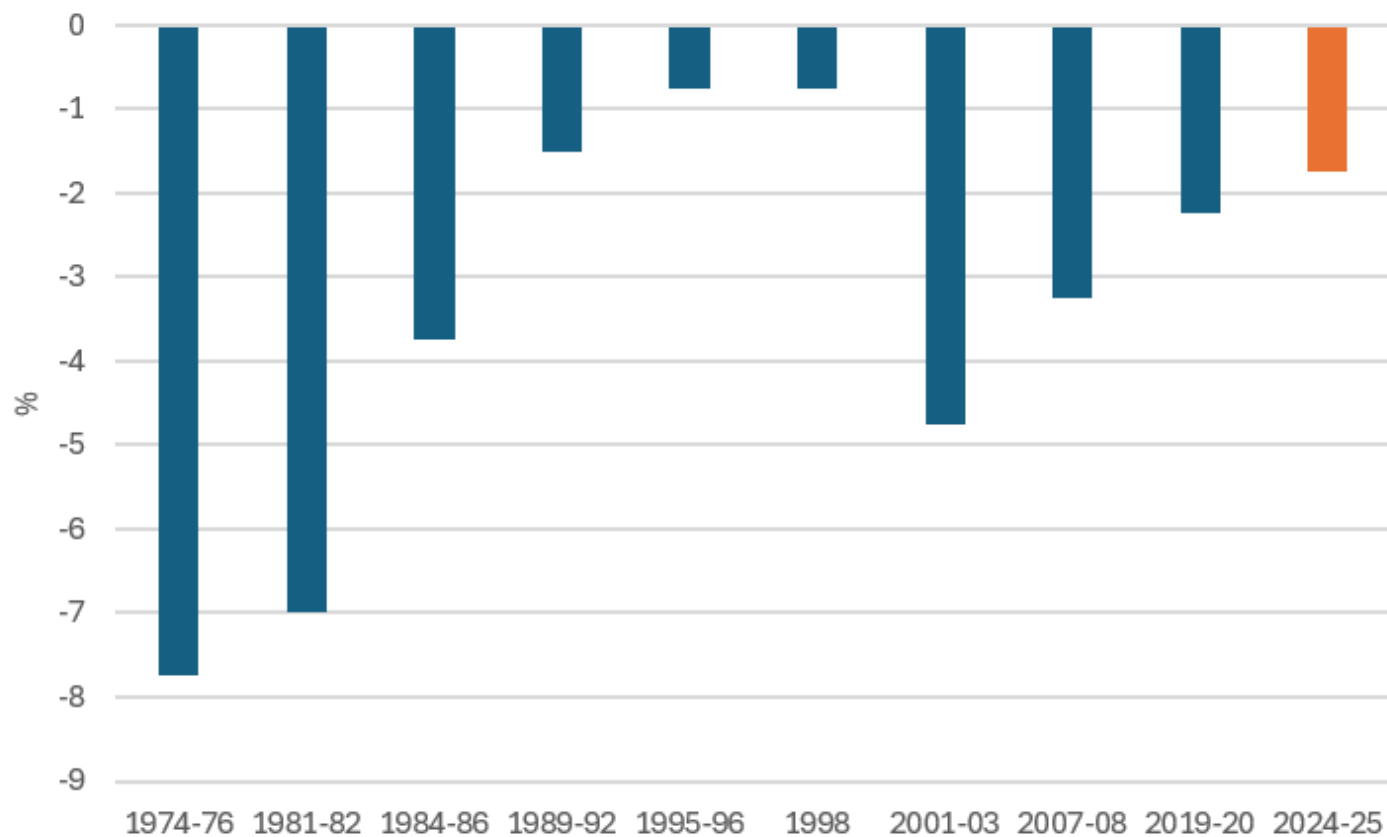
Dissenting votes cast at FOMC meetings



Source: Federal Reserve Board of Governors

The easing in 2024-25 was modest

Changes in the federal funds target by rate cut cycle



Source: Federal Reserve Board of Governors