CFI Fed Deck

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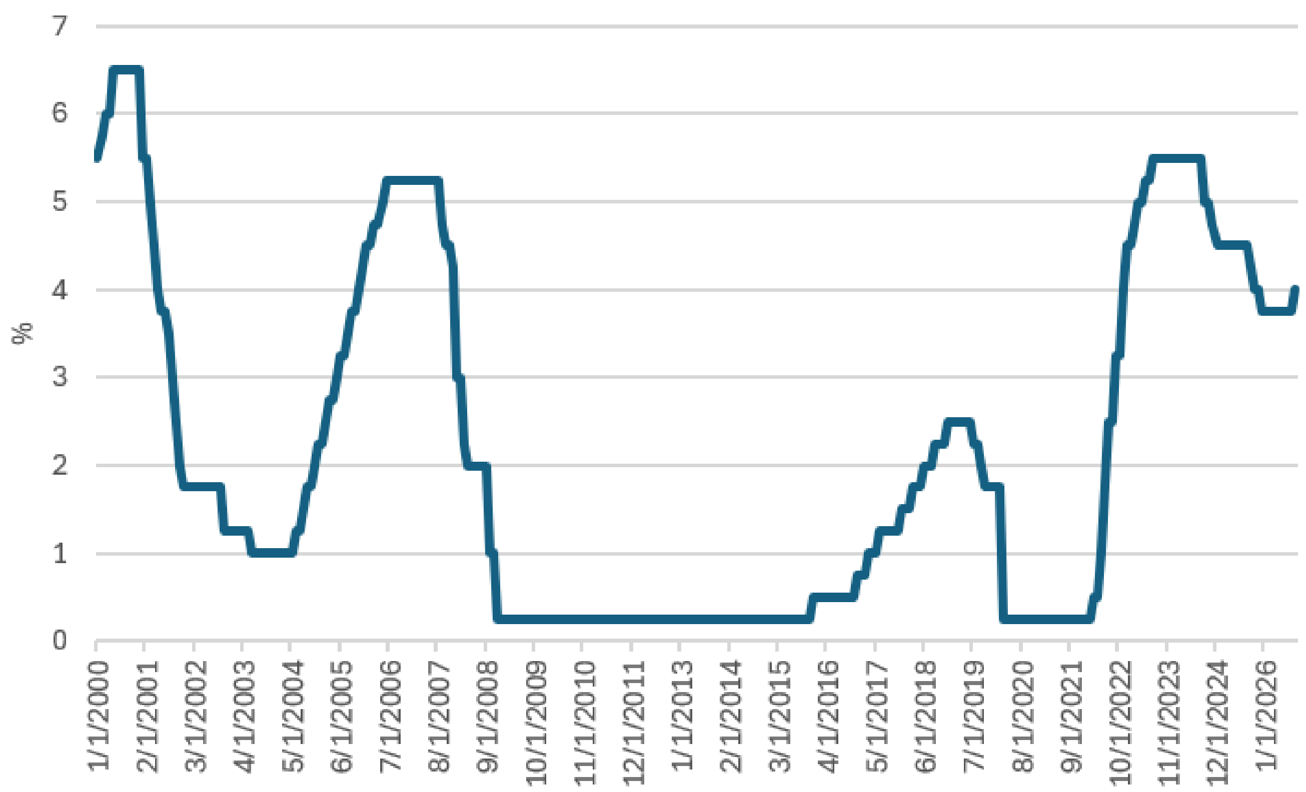
September 2026

The Fed is back in rate hike mode

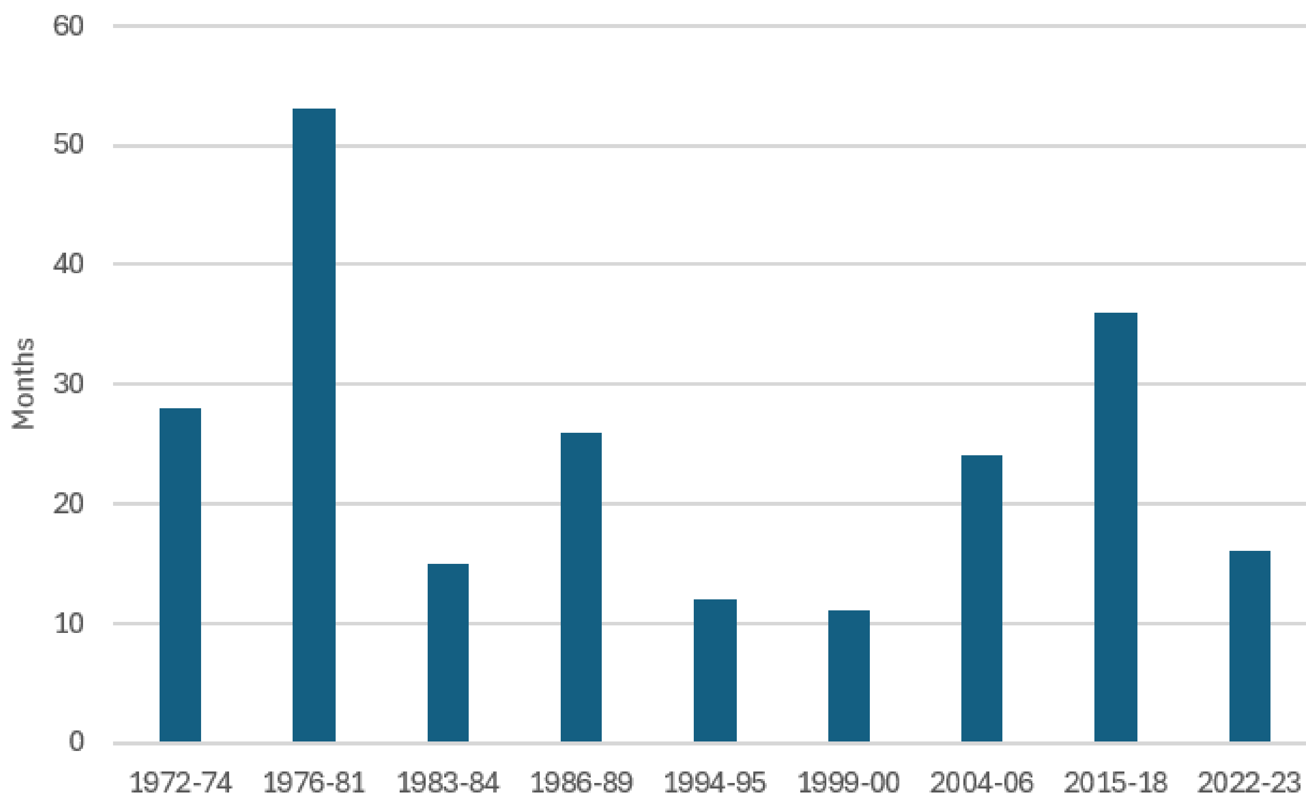
The federal funds target



Source: Federal Reserve Board of Governors

Rate hike cycles have lasted for two years on average

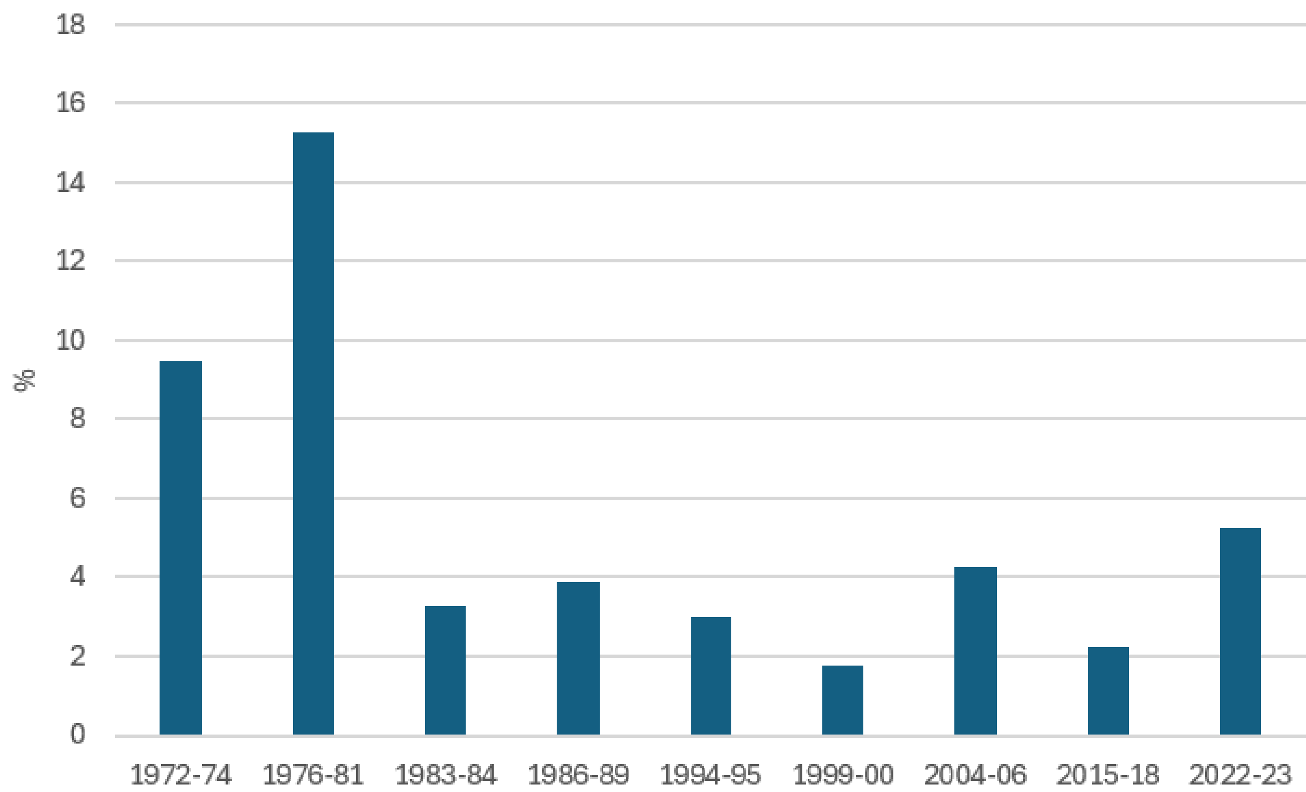
Length of federal reserve rate hike cycles



Source: Federal Reserve Board of Governors,

The 2022-23 rate hike cycle was the most aggressive in decades

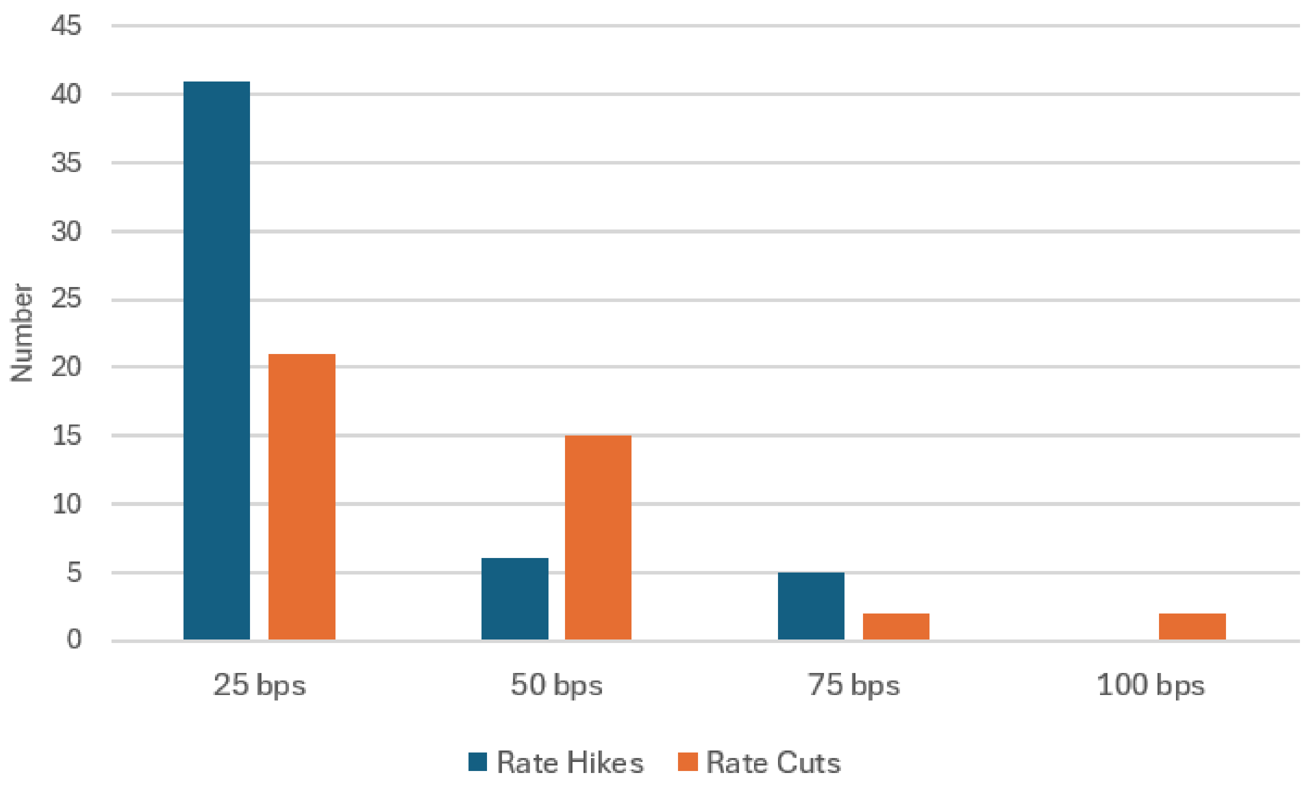
Changes in the federal funds target by Federal Reserve rate hike cycle



Source: Federal Reserve Board of Governors

Rate hikes tend to be modest

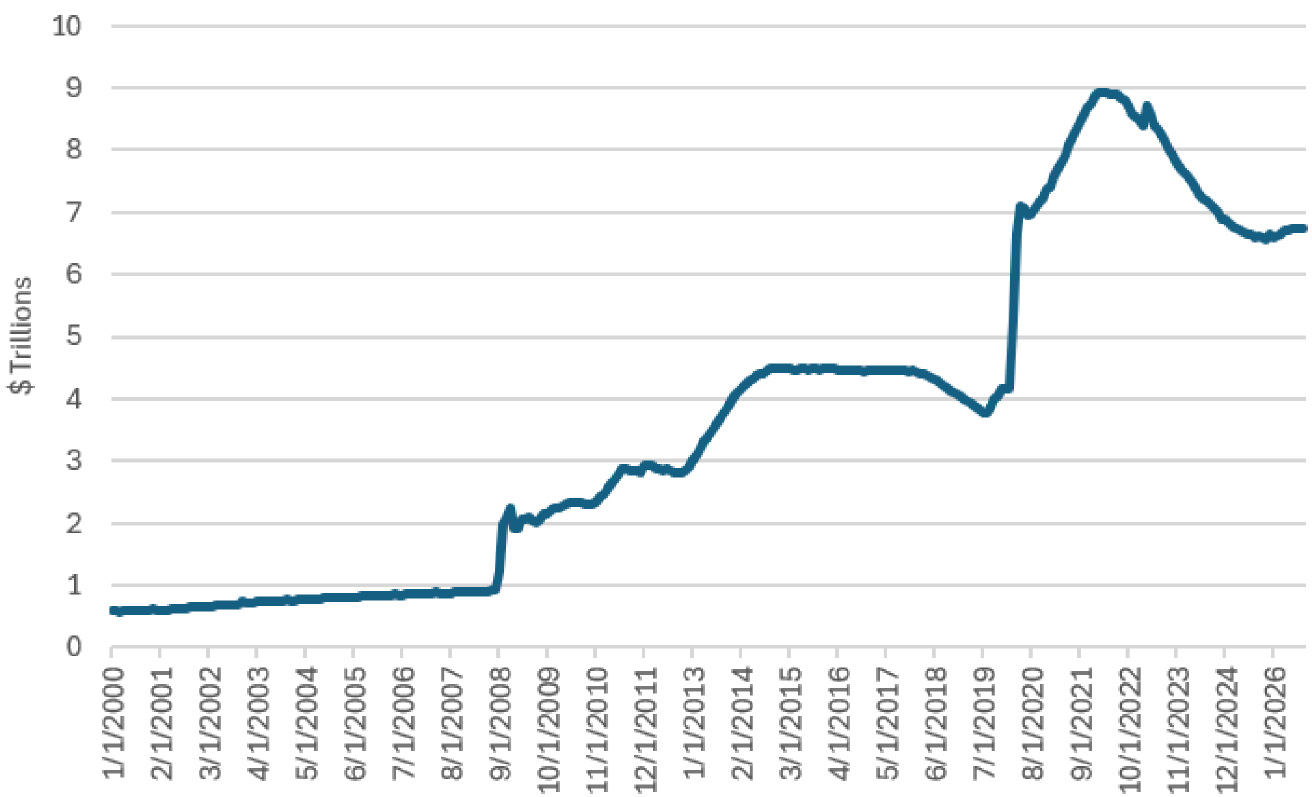
Changes in the federal funds target by magnitude, 1994-present



Source: Federal Reserve Board of Governors

The Fed balance sheet is edging upward

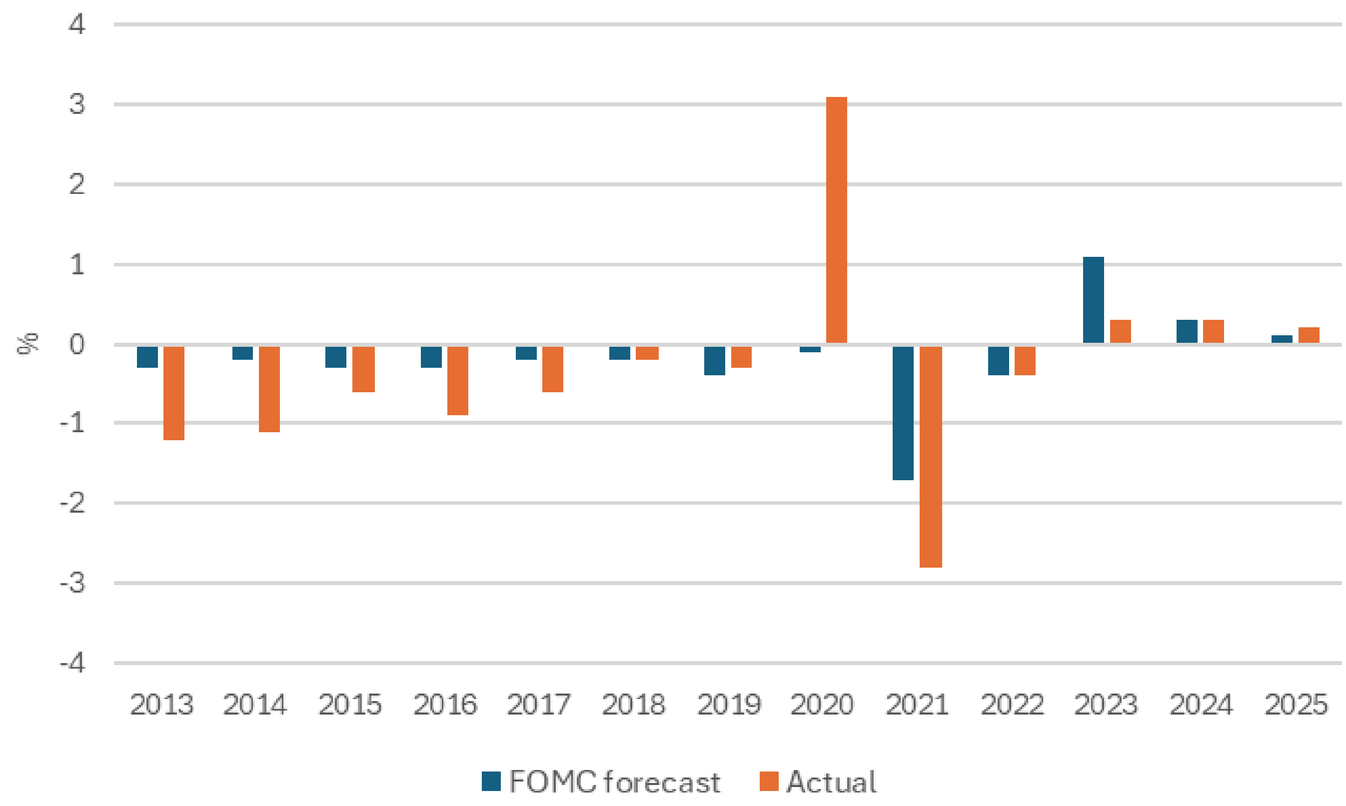
Assets on the Federal Reserve balance sheet



Source: Federal Reserve Board of Governors

The Fed often underestimates labor market changes

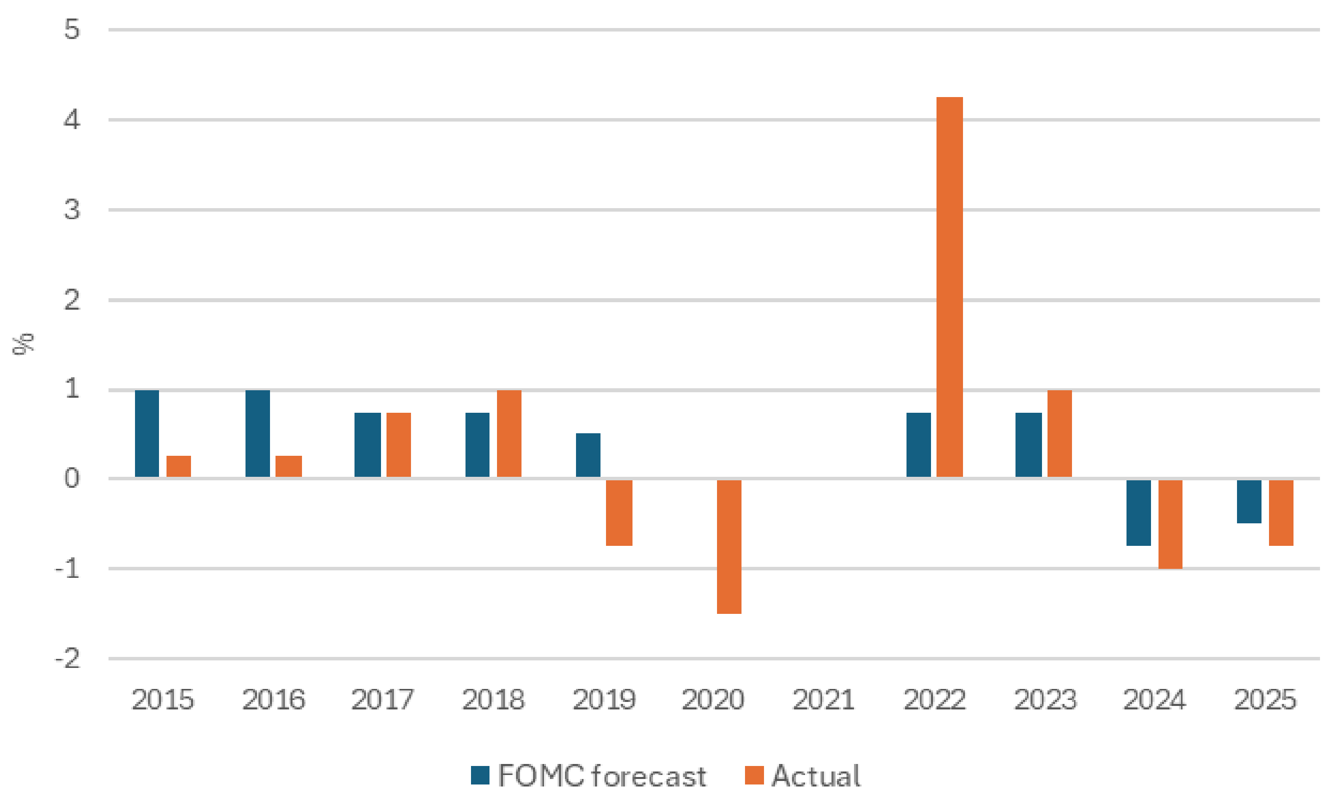
Yearly changes in the unemployment rate



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

Fed policy forecasts can be well off the mark

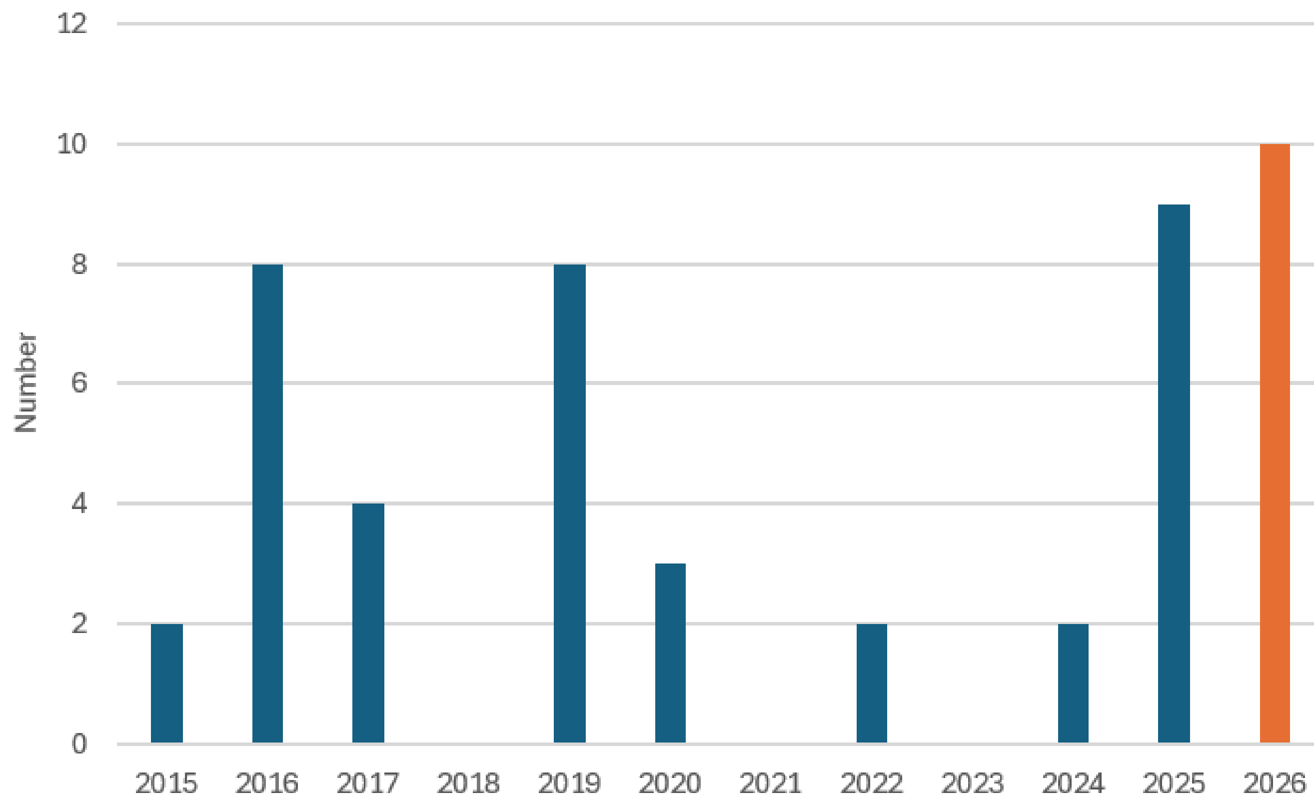
Yearly changes in the federal funds target



Source: Federal Reserve Board of Govetnors

Fed officials are dissenting more frequently

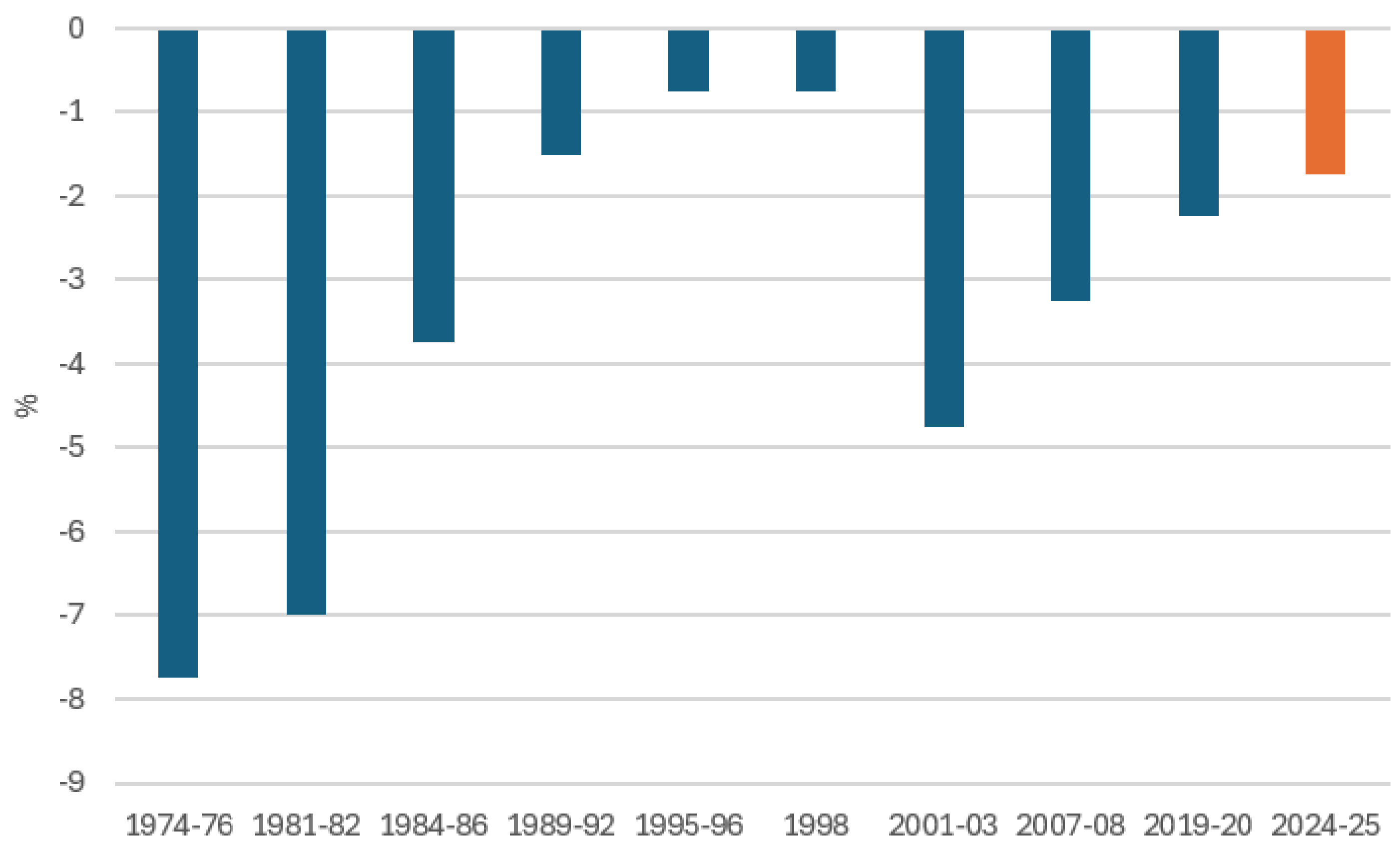
Dissenting votes cast at FOMC meetings



Source: Federal Reserve Board of Govetnors

The easing in 2024-25 was modest

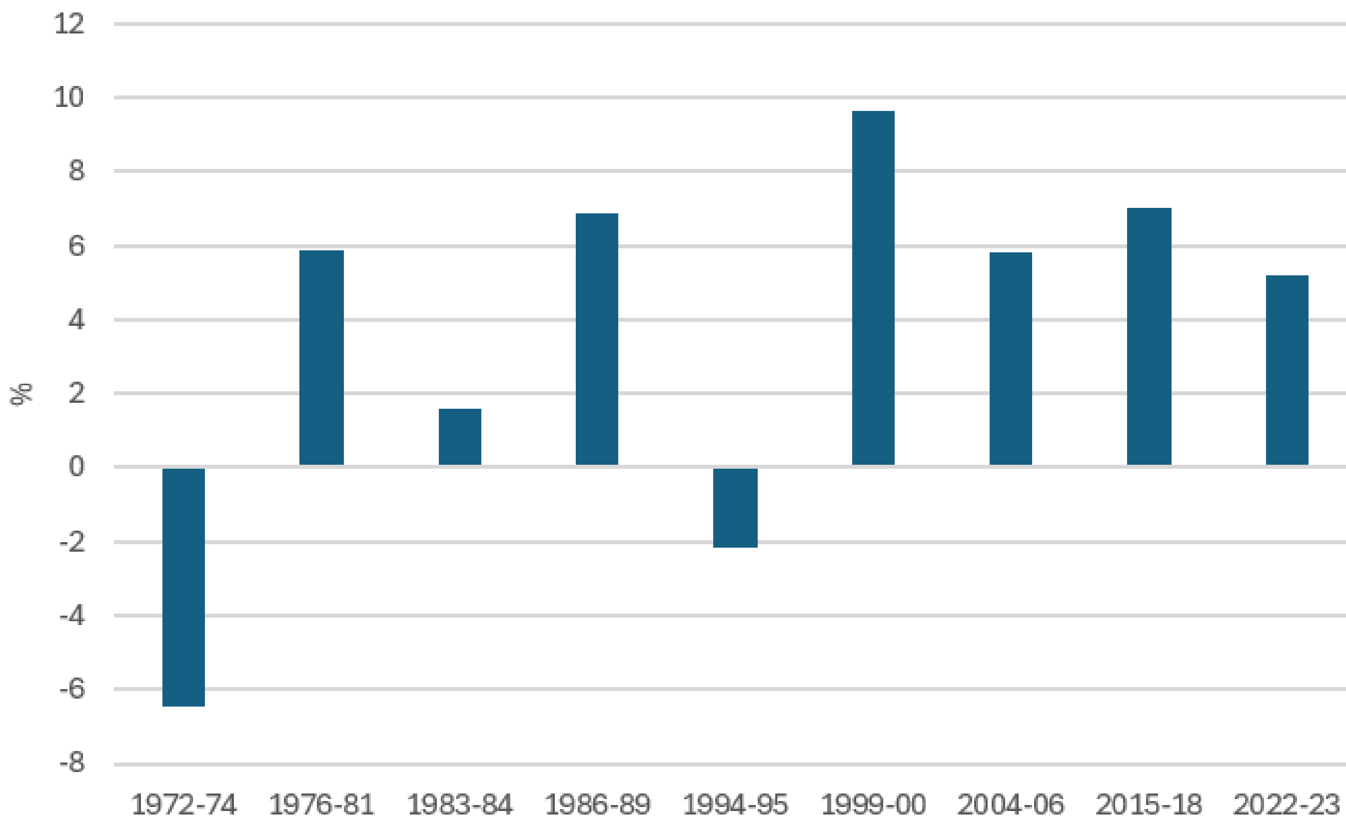
Changes in the federal funds target by rate cut cycle



Source: Federal Reserve Board of Governors

Stocks turn in modest gains in rate hike cycles

Annualized changes in the S&P 500 by Federal Reserve rate hike cycle



Source: Standard and Poor's