

## Here's What Changed in The New Fed Announcement

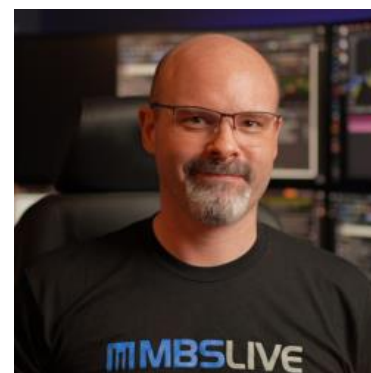
*What follows is a comparison between today's newly released Fed announcement and the previous announcement. Additions are blue/underlined. Subtractions are red/struck-through. Unchanged words are black.*

Recent indicators suggest that economic activity has continued to expand at a solid pace. ~~Job gains~~Since earlier in the year, labor market conditions have slowed, generally eased, and the unemployment rate has moved up but remains low. Inflation has made ~~further~~ progress toward the Committee's 2 percent objective but remains somewhat elevated.

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. The Committee ~~has gained greater confidence that inflation is moving sustainably toward 2 percent, and~~ judges that the risks to achieving its employment and inflation goals are roughly in balance. The economic outlook is uncertain, and the Committee is attentive to the risks to both sides of its dual mandate.

In ~~light~~support of the ~~progress on inflation and the balance of risks, its goals,~~ the Committee decided ~~to~~ lower ~~the~~the target range for the federal funds rate by ~~1/2~~1/4 percentage point ~~to 4-1/2 to 4-3/4 to 5 percent.~~ In considering additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee will continue reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities. The Committee is strongly committed to supporting maximum employment and 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.



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