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## The Day Ahead: Rally Continues as Powell Shows a Path to Rate Cuts

Powell's prepared remarks and Q&A at today's congressional testimony are showing the market a clearer path to the possibility of rate cuts in the near future. While Powell certainly stopped short of echoing the more **dovish** tones of Waller and Bowman, this is a softer side of Powell that we haven't seen this clearly in recent speeches. Long story short, Powell is expecting tariffs to show up in data in June, and if they don't, it sounds like he, too, could be open to cutting as soon as July.



**David Wiest**

MLO, US Bank

**P:** (916) 955-7664

**M:** (916) 955-7664

1400 Rocky Ridge Dr

Roseville CA 95661

561109

