081926 Still Waiting

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Still Waiting… The July FOMC meeting minutes were neutral, as the committee largely expects inflation to drift back toward 2% following “successive supply shocks” that delayed the disinflation process. This is important considering that the July 28-29 meeting took place before the release of the softer jobs and contained inflation reports on August 7 and 12, likely confirming the views of many ‘wait-and-see’ voters while also shifting swing voters in a more dovish direction . The minutes also revealed that, “[s]everal participants assessed that the pass-through of past increases in tariffs into the level of prices was now largely complete”, implying that future inflation reports should soften in their views . Looking ahead, we would note that the 2027 rotation of regional Fed bank voters is likely more dovish than the current roster of voters based on their most recent commentary (shown below). Please subscribe to our new research website for access to our content (here). Dovish Regional Fed Bank Rotation in 2027… *= Gray rows indicate possible swing Fed voters.

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