Warsh's Hawkish Turn: What It May Mean for Investors

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Fed Chair Kevin Warsh's Jackson Hole speech struck a more hawkish tone than investors expected, increasing the likelihood of another rate hike as the Fed remains focused on persistent inflation. Collin Martin and Liz Ann Sonders discuss what that means for markets, why the speed and purpose of rate hikes matter more than any specific interest-rate level, and how investors may be entering a new era of higher inflation volatility, shifting stock-bond relationships, and increased market sensitivity to economic data. Finally, they look ahead to the indicators and data that could matter most to investors in the coming week.

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