| Fed Policy Tools | 1-2 |
Figure 1.

S&P 500 & JEROME POWELL (daily)

Note: 10/3/18 ("we may go past neutral but we’re a long way from neutral"). 1/4/19 ("there is no preset path for policy"). 1/30/19 ("common sense risk management suggests patiently awaiting greater clarity"). 6/3/19 ("we will act as appropriate to sustain the expansion"). 6/19/19 ("will act as appropriate"). 7/11/19 ("so monetary policy hasn’t been as accommodative as we had thought"). 7/31/19 ([rate cut is] "essentially in the nature of a midcycle adjustment to policy").

Source: Standard & Poor’s.

Figure 2.

FEDERAL FUNDS RATE & KEY WORDS IN FOMC STATEMENTS (percent)

* Will act in a timely manner as needed from 1/21/2008 to 3/18/2008.
** Highly accommodative was added 12/12/2012-9/13/2013.

Source: Federal Reserve Board.
**Fed Policy Tools**

**Figure 3.**

**FEDERAL FUNDS RATE TARGET RANGE**

(Percent)

Fed Funds Range
- Top (1.25)
- Actual (1.51)
- Bottom (1.00)

Source: Federal Reserve Board.

**Figure 4.**

**2-YEAR TREASURY NOTE YIELD & FEDERAL FUNDS RATE FUTURES**

(Percent)

Interest Rates
- 2-Year Treasury Yield (0.50)
- Fed Funds Rate
- 12-month Forward Futures (0.12)
- Federal Funds Target Rate (1.13)
