



**FEDERAL
RESERVE
BANK**
of ATLANTA

A Conversation with the Fed

Sarah Arteaga
Regional Director

Florida Investment Trust
March 31, 2023

The views expressed are mine, and not necessarily those of
the Atlanta Fed or the Federal Reserve System.

The Line Up:

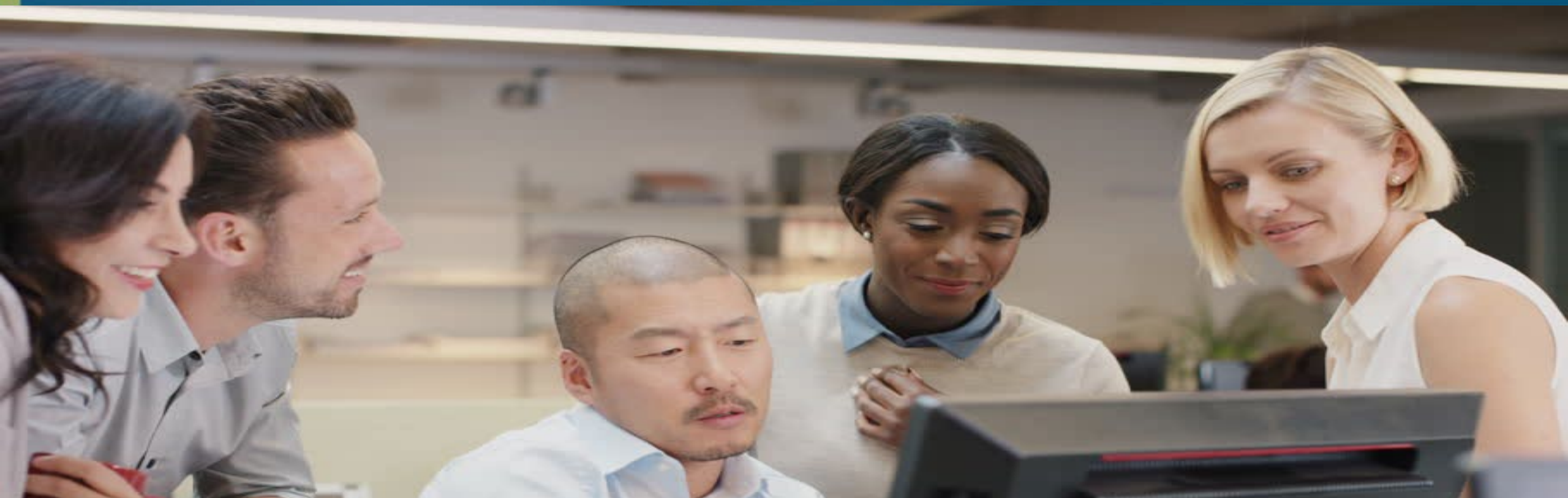
- About The Fed
- REIN
- Economic Outlook

Functions of the Federal Reserve



- **Supervision and Regulation**
- **Financial Services**
- **Monetary Policy**

Supervision and Regulation



The Fed Supervises:

- State-chartered banks
- Bank and financial holding companies
- International banking organizations

The Fed is one of the regulating bodies along with:

- The Federal Deposit Insurance Corp (FDIC)
- The Office of the comptroller of the Currency (OCC)

Financial Services



- The Reserve Banks operate collectively to:
 - Distribute currency and coin
 - Clear checks
 - Process electronic payments
- The Federal Reserve promotes efficiency in the payments system

Monetary Policy

The Fed's Dual Mandate from Congress:

- Maximum employment
- Price stability



- The maximum level of employment is largely determined by nonmonetary factors that affect the structure and dynamics of the job market, although a stronger economy does help with job creation.
- The Federal Open Market Committee (FOMC) has chosen an inflation target of two percent year-over-year growth over the longer term.

Decentralized Structure of the Fed



**Board of Governors
Washington, DC**



**12 Federal Reserve Banks &
their Branches and Directors**



**Federal Open Market
Committee (FOMC)**

Board of Governors of the Federal Reserve System



Jerome H. Powell
Chair



Vacant
Vice Chair



Michael S. Barr
Vice Chair for Supervision



Michelle W. Bowman



Lisa D. Cook



Phillip N. Jefferson



Christopher J. Waller

The Federal Reserve Bank Presidents



Austan Goolsbee
Chicago
7th District



James Bullard
St. Louis
8th District



Neel Kashkari
Minneapolis
9th District



Kelly Dubbert *
Kansas City
10th District



Lorrie Logan
Dallas
11th District



Mary Daly
San Francisco
12th District



Susan Collins
Boston
1st District



John Williams
New York
2nd District



Patrick Harker
Philadelphia
3rd District



Loretta Mester
Cleveland
4th District



Tom Barkin
Richmond
5th District



Raphael Bostic
Atlanta
6th District

*Interim President

The Sixth District



Raphael Bostic
President and CEO
Federal Reserve Bank of Atlanta



Atlanta Board of Directors



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President and CEO
Citizens Trust Bank
Atlanta, Georgia



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Chief Executive Officer
Accenture North
America
Atlanta, Georgia



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and CFO
Dollar General
Goodlettsville,
Tennessee



Gregory A. Haile, J.D.
President
Broward College
Fort Lauderdale, Florida



Claire Lewis Arnold
Chief Executive Officer
Leapfrog Services, Inc.
Atlanta, Georgia



Abel L. Iglesias
President and CEO
Professional Bank
Coral Gables, Florida



Michael Russell
Chief Executive Officer
H. J. Russell &
Company
Atlanta, Georgia

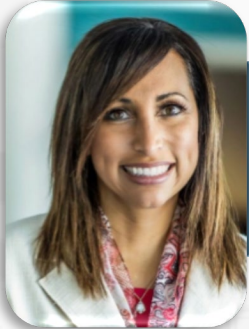


Rajinder P. Singh
Chairman, President, and
CEO
BankUnited Inc.
Miami Lakes, Florida



Nicole B. Thomas
Hospital President
Baptist Medical Center-
Jacksonville
Jacksonville, Florida

Jacksonville Branch Board of Directors



Monesia T. Brown
Director of Public
Affairs and Government
Relations
Walmart, Inc.
Tallahassee, Florida



Tim Cost
President
Jacksonville University
Jacksonville, Florida



Lisa Palmer
President and CEO
Regency Centers
Corporation
Jacksonville, Florida



Eddy Moratin
Executive Director
LIFT Orlando
Orlando, Florida



R. Andrew Watts
EVP, CFO, and
Treasurer
Brown & Brown Inc.
Daytona Beach, Florida



Bill West
Chief Executive Officer
The Bank of Tampa
Tampa, Florida



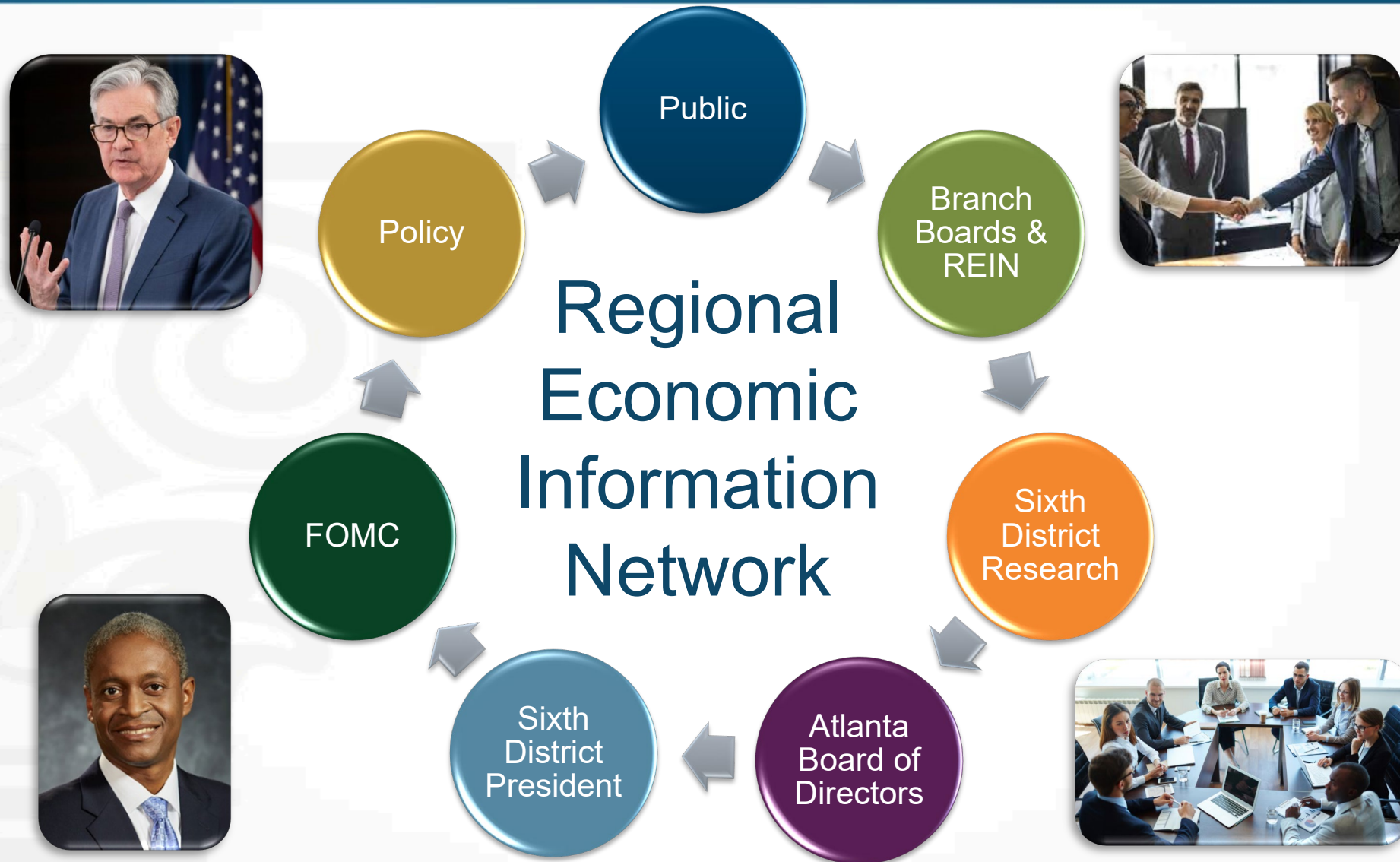
Brian Wolfburg
President and CEO
VyStar Credit Union
Jacksonville, Florida



REGIONAL ECONOMIC INFORMATION NETWORK or “REIN”

Connecting Main Street to Policy-Making via REIN:

https://www.youtube.com/watch?v=npyzKn7PprQ&feature=emb_logo



The Jacksonville Branch



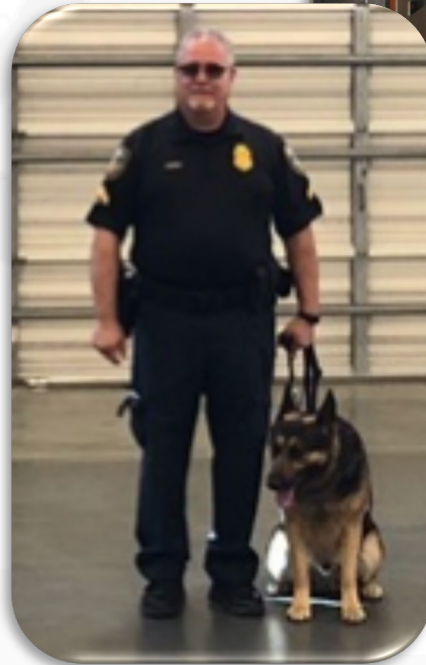
The Cash Services Department



The **Cash Services** department at the Federal Reserve Bank of Atlanta includes operations in Atlanta, Jacksonville, Miami, and New Orleans. These are four of the 28 cash processing facilities in the Federal Reserve System.

Law Enforcement

Law Enforcement (LE) provides a safe and secure working environment for the staff and assets of the Federal Reserve Bank of Atlanta. Our Law Enforcement Officers (LEO) are “Federal” Law Enforcement Officers with all rights and authority afforded this distinction.



The Federal Reserve Education Outreach



The Federal Reserve Education Outreach works to empower students to take charge of their financial futures, expose young people to exciting careers in economics and finance, and educate students about the role of the Federal Reserve System in the global economy.



ECONOMIC OUTLOOK

Jerome Powell, Chair Federal Reserve System Board of Governors

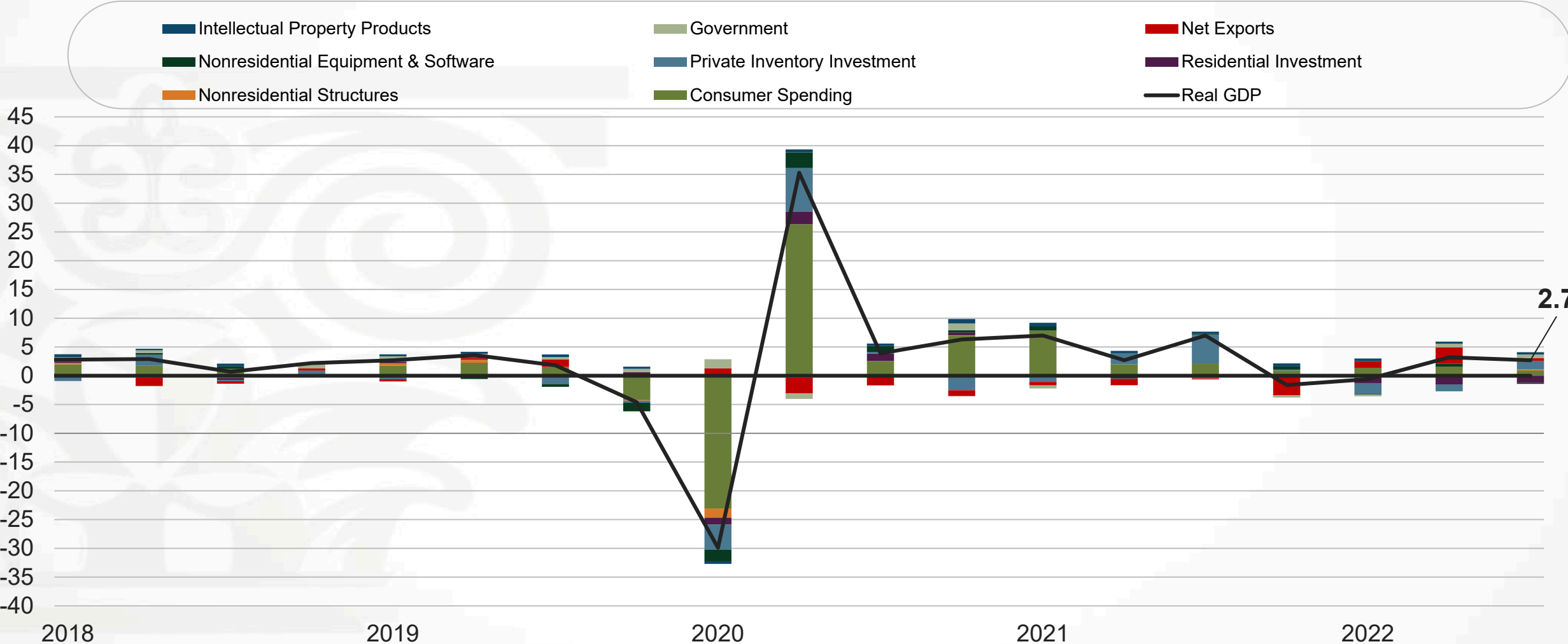
“The Fed’s monetary policy actions are guided by our mandate to promote maximum employment and stable prices for the American people. My colleagues and I are acutely aware that high inflation imposes significant hardship as it erodes purchasing power, especially for those least able to meet the higher costs of essentials like food, housing, and transportation.”



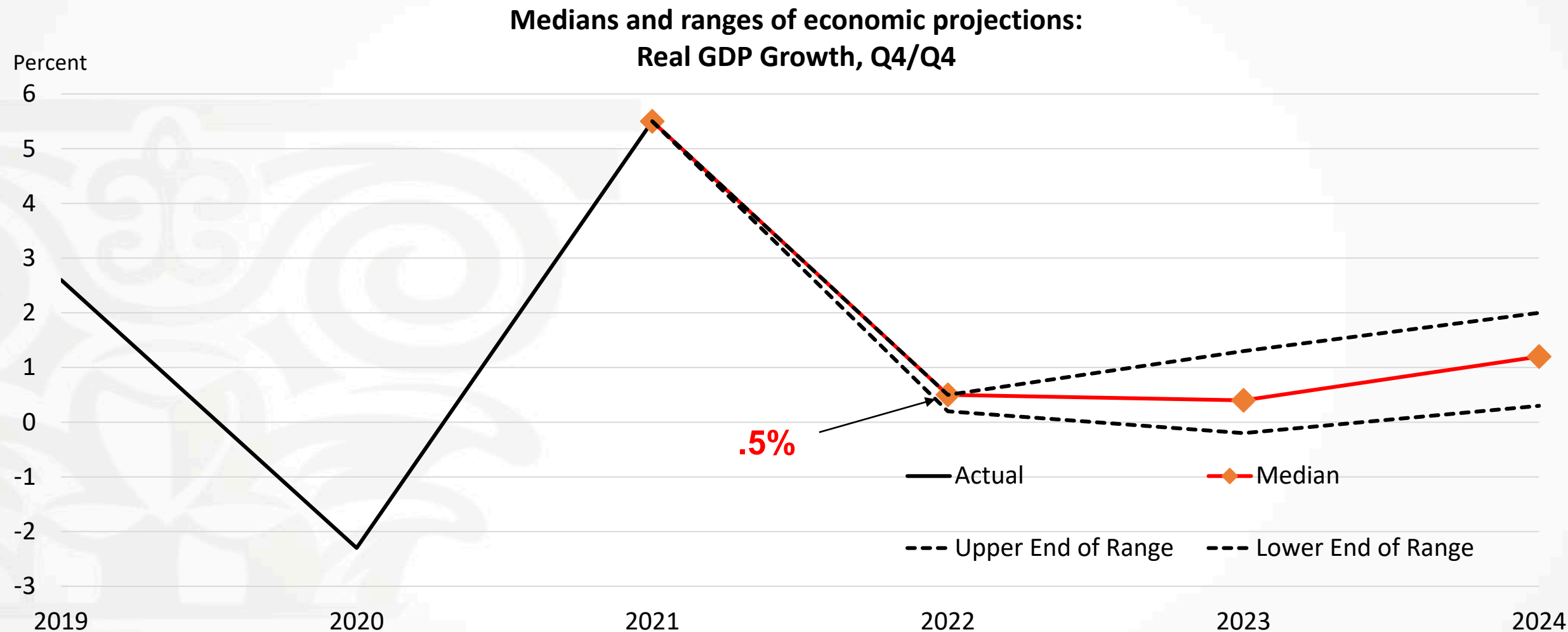
Federal Open Market Committee
Press Conference
March 22, 2023

Contributions to Real GDP Growth

quarterly, percent, seasonally adjusted annualized rate



Summary of Economic Projections - GDP



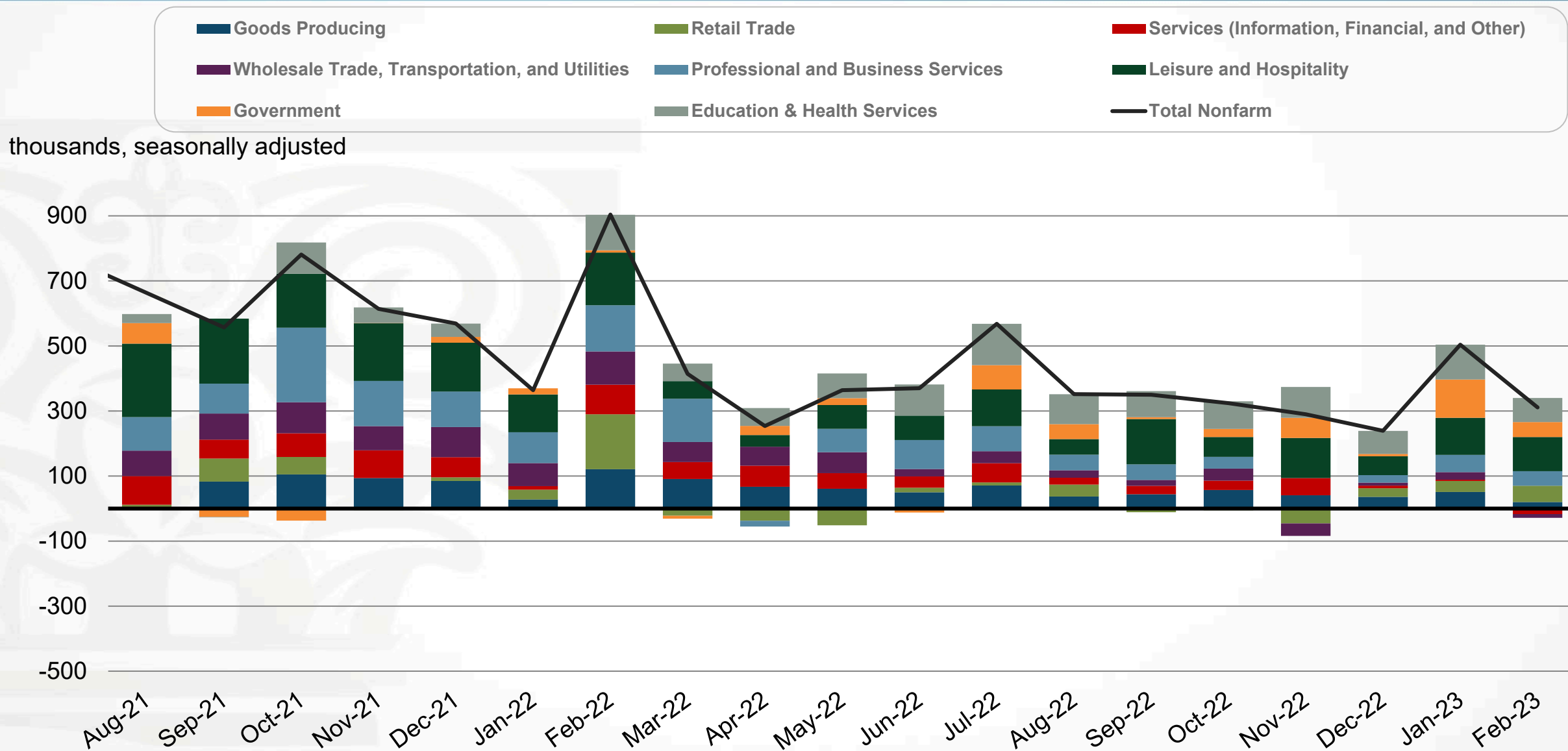
Source: Federal Open Market Committee Summary of Economic Projections from March 22, 2023.

Figure 1: <https://www.federalreserve.gov/monetarypolicy/files/fomcprojt20230322.pdf>

The Employment Picture

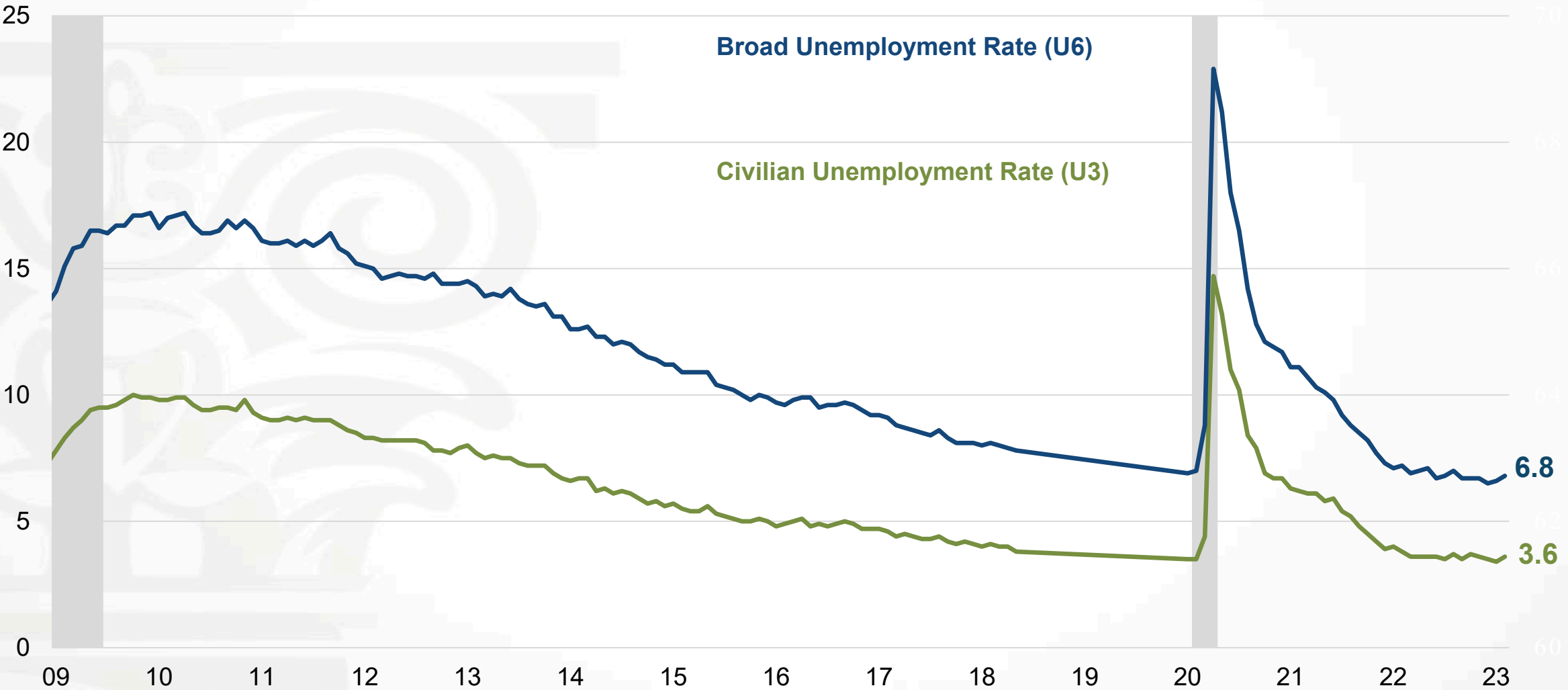
- In February, U.S. employers added 311,000 net jobs to payrolls.
- The unemployment rate edged up to 3.6 percent from 3.4 percent in January.
- The unemployment rate has shown little net movement since early 2022.

Contributions to Change in Nonfarm Payroll Employment

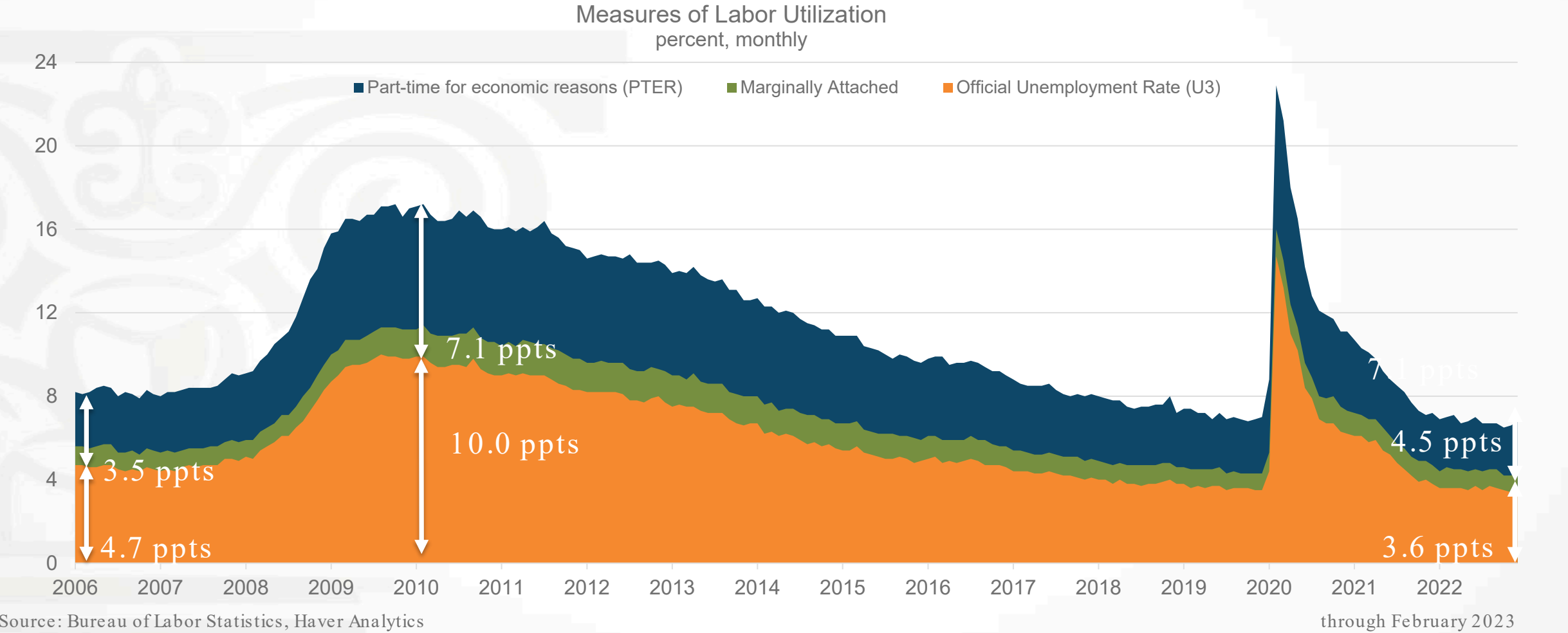


Unemployment

monthly, percent, seasonally adjusted

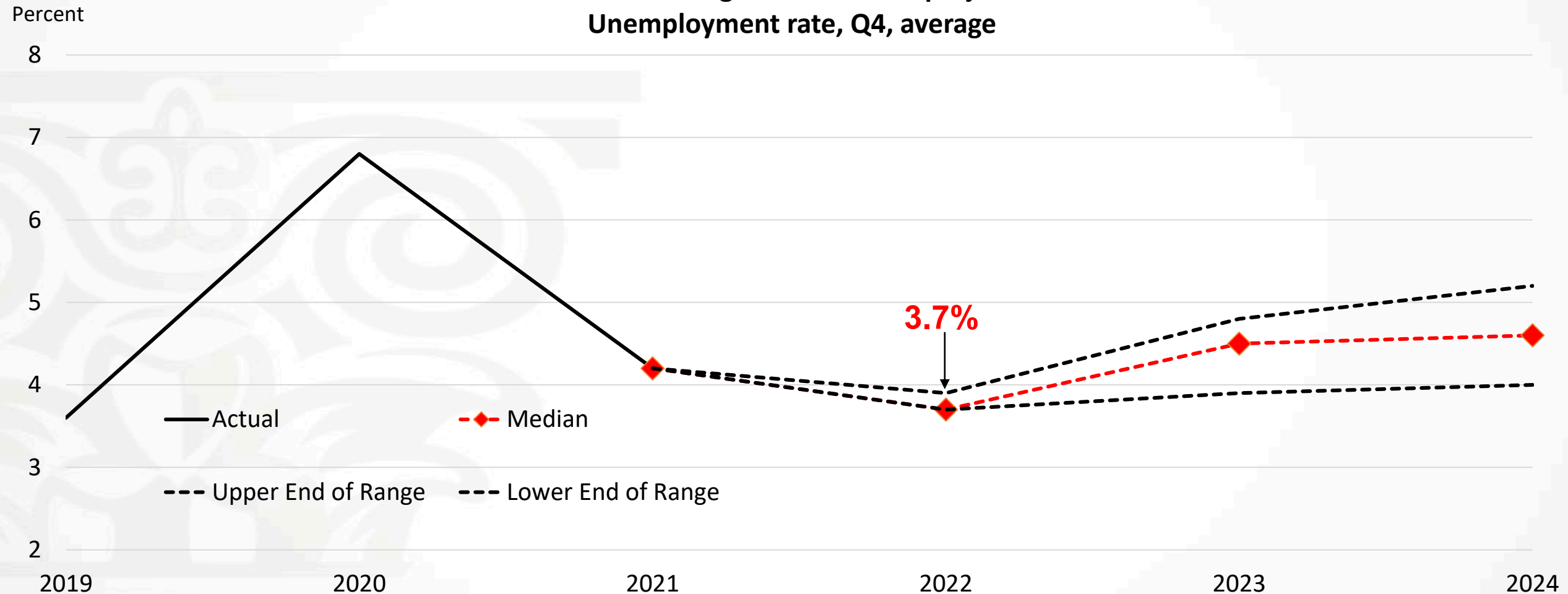


Measures of Labor Utilization



Summary of Economic Projections - Unemployment Rate

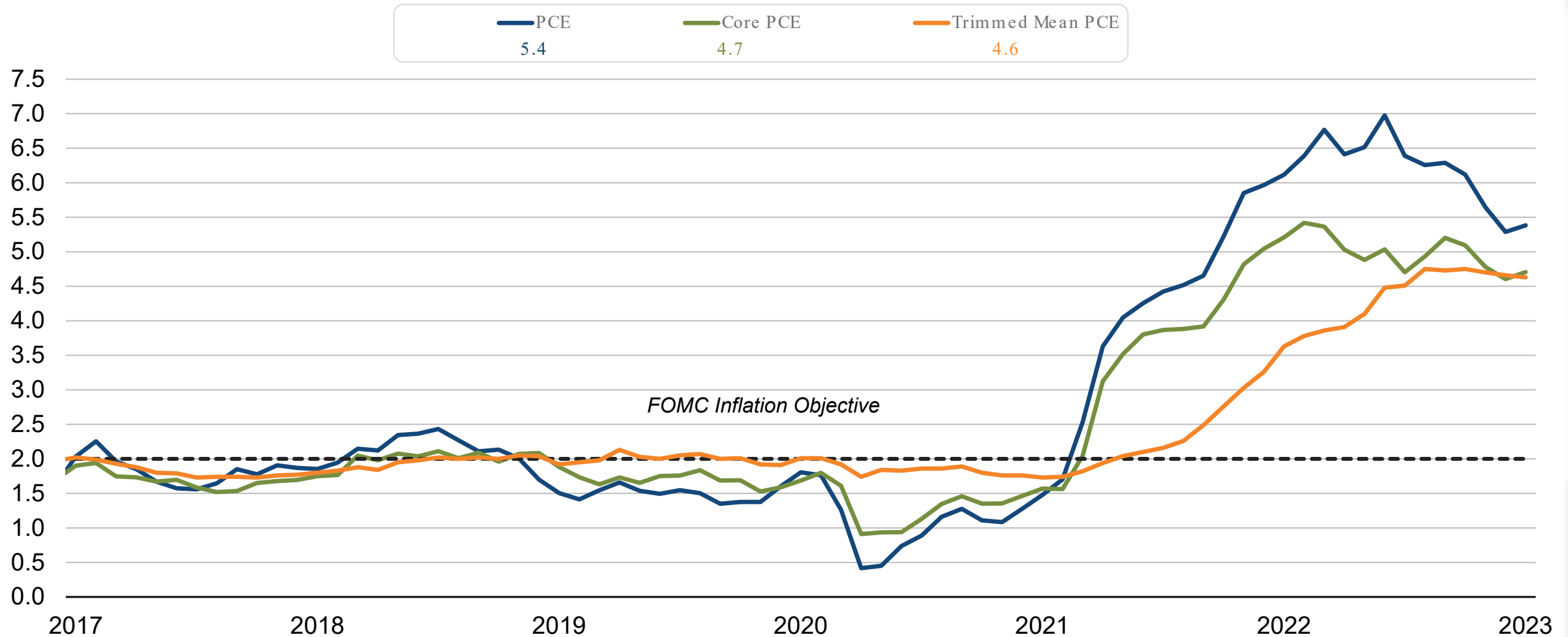
Medians and ranges of economic projections:
Unemployment rate, Q4, average



Source: Federal Open Market Committee Summary of Economic Projections from March 22, 2023.
Figure 1: <https://www.federalreserve.gov/monetarypolicy/files/fomcprojt20230322.pdf>

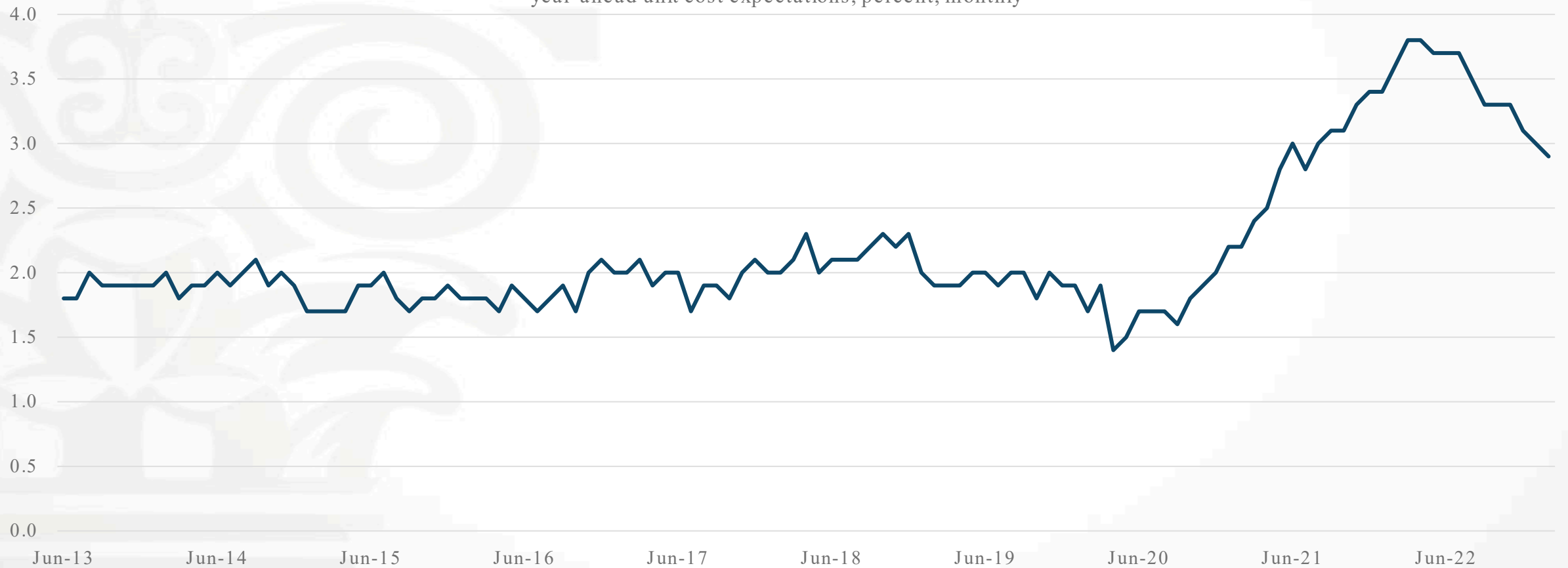
Personal Consumption Expenditure Price Index

year-over-year percent change, monthly



Atlanta Fed's Business Inflation Expectation Survey

Atlanta Fed's Business Inflation Expectations Survey
year-ahead unit cost expectations, percent, monthly



through February 2023

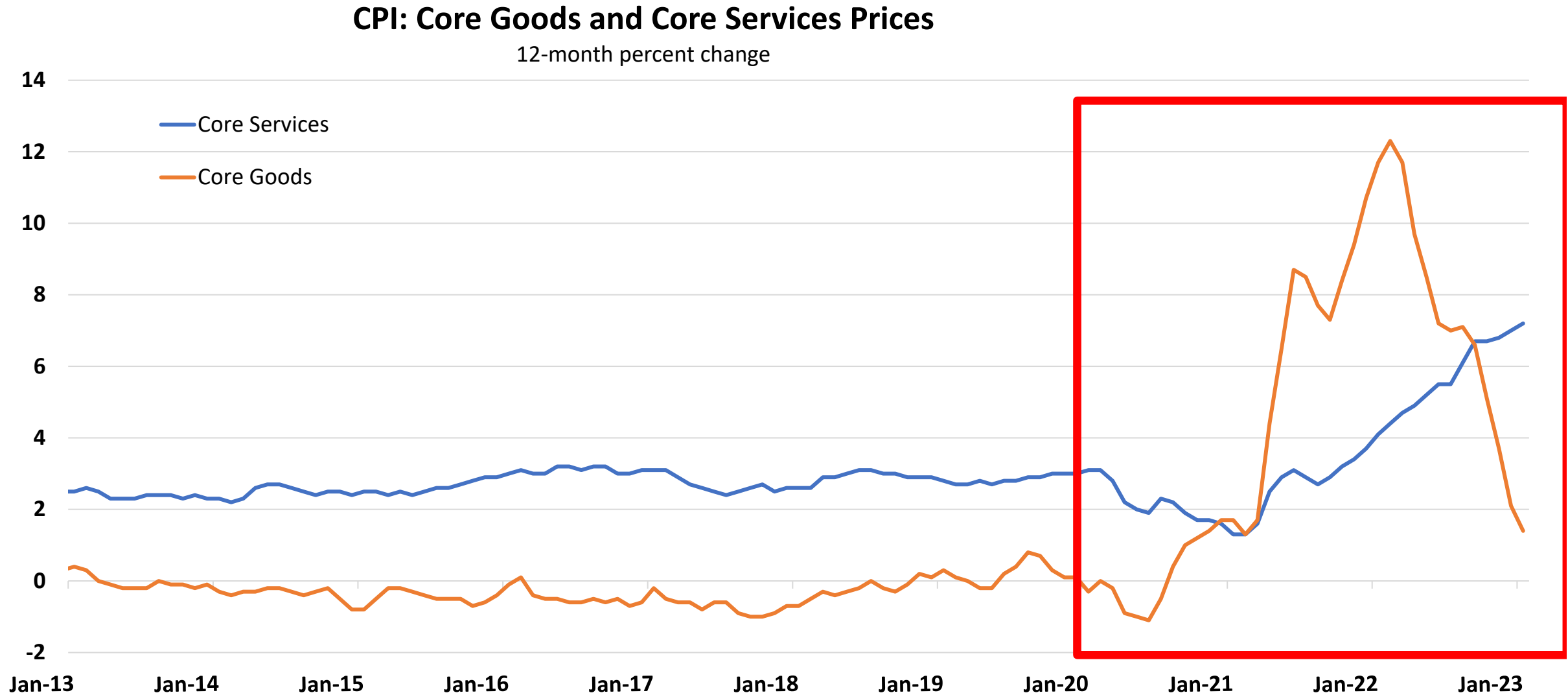
Our inflation monitors are showing downward momentum – for the most part.

Inflation Measure	12-month	6-month	3-month	1-month
Core PCE Index	4.7	5.1	4.7	7.1
Market-Based PCE Index	4.9	4.7	4.3	6.6
FRB Dallas Trimmed-Mean Index	4.6	4.8	4.6	6.3
Stock and Watson Cyclically Sensitive Inflation	7.1	7.0	6.9	8.3
Core CPI	5.5	5.3	4.6	5.1
FRB Cleveland Median CPI	7.1	7.4	7.0	8.1
FRB Cleveland 16% Trimmed-Mean CPI	6.6	6.2	5.8	7.0
FRB Atlanta Sticky-Price CPI	6.7	6.7	6.2	6.3

Based on data through January 2023.

Source: Federal Reserve Bank (FRB) of Atlanta *Underlying Inflation Dashboard*: <https://www.frbatlanta.org/research/inflationproject/underlying-inflation-dashboard>

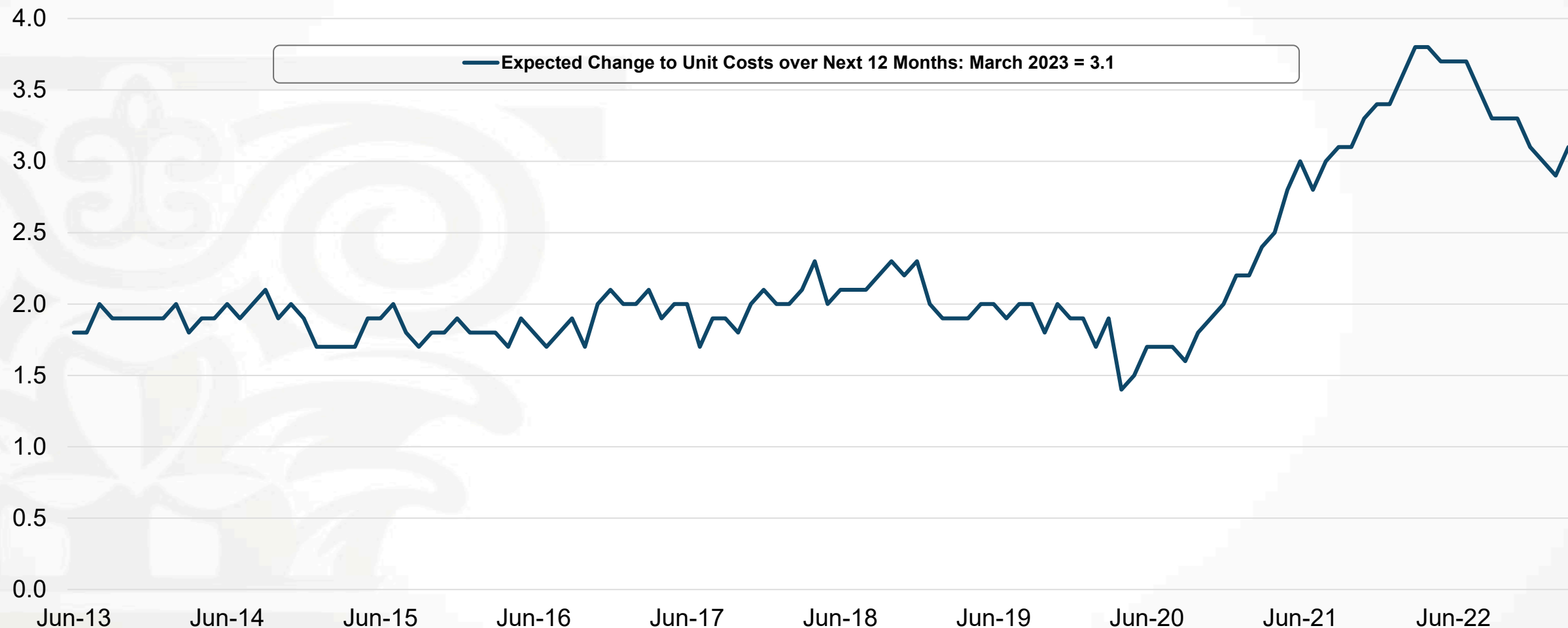
A key dynamic: Goods disinflating, services not



Sources: Bureau of Labor Statistics; Haver Analytics, Measures excluding food and energy. Data through January 2023.

Atlanta Fed's Business Inflation Expectation Survey

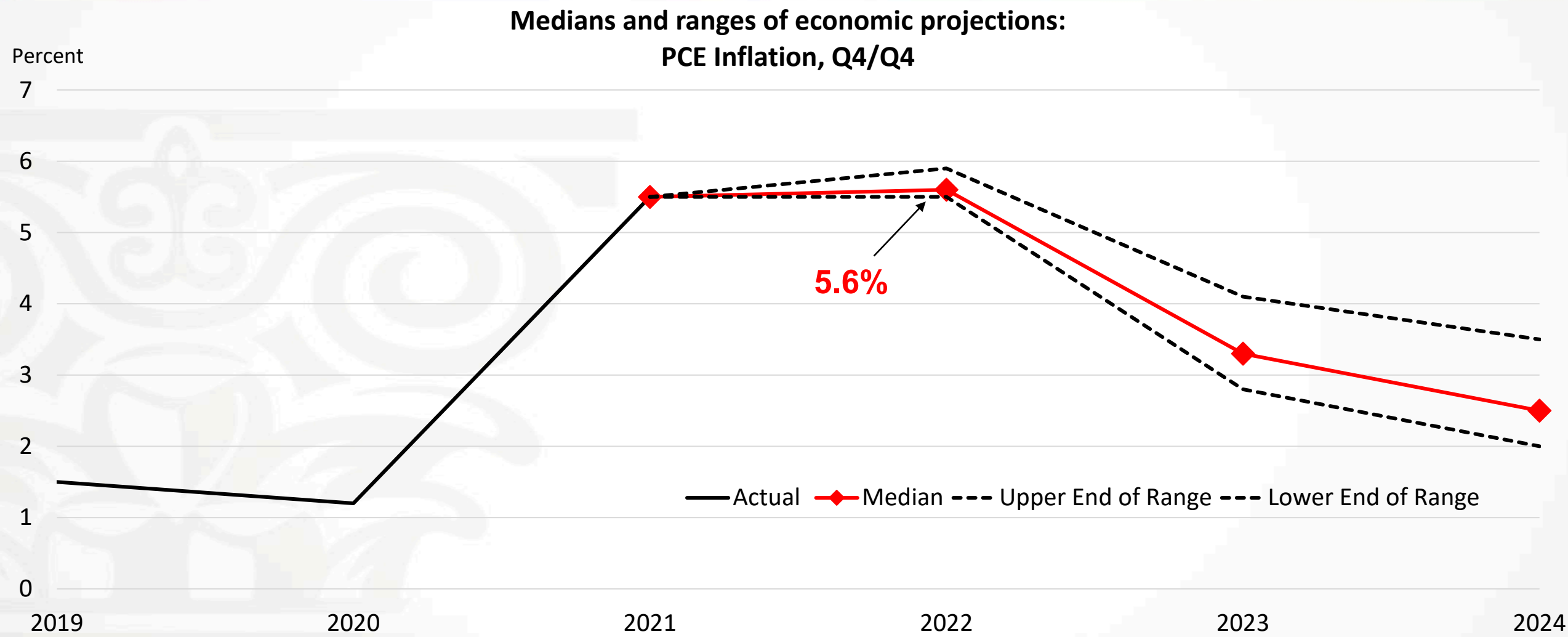
year-ahead unit cost expectations, percent, monthly



Source: Atlanta Fed Business Inflation Expectations Survey
For more information, visit: <http://www.frbatlanta.org/research/inflationproject/bie/>

through March 2023

Summary of Economic Projections - PCE Inflation



Source: Federal Open Market Committee Summary of Economic Projections from March 22, 2023.
Figure 1: <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20230322.pdf>

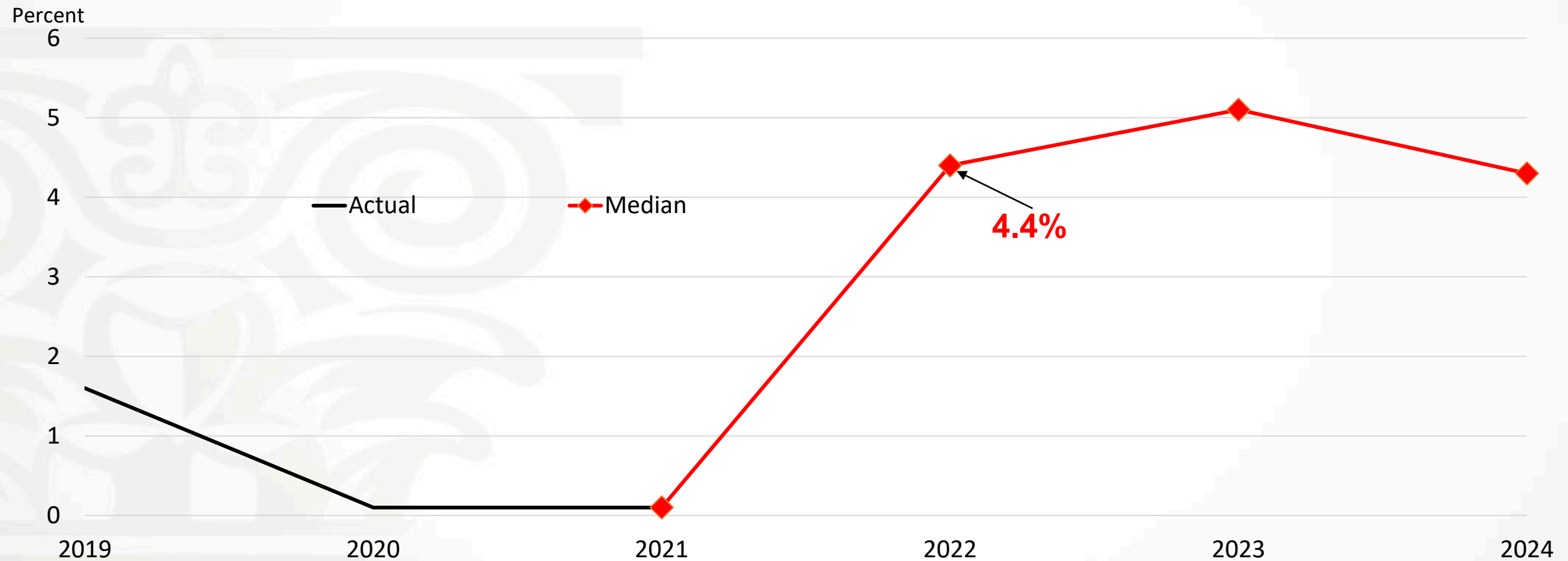
The Monetary Policy Response:

The March 22, 2023, FOMC Policy Statement

- The Committee decided to raise the target range for the federal funds rate to 4 $\frac{3}{4}$ to 5 percent and anticipates that some additional policy firming may be appropriate in order to attain a stance of monetary policy that is sufficiently restrictive to return inflation to 2 percent over time.
- The Committee will continue reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities.
- The Committee is strongly committed to returning inflation to its 2 percent objective.

Summary of Economic Projections - Fed Funds Rate

Median projection:
Federal Funds Rate, midpoint of range, end of year



Source: Federal Open Market Committee Summary of Economic Projections from March 22, 2023.
Figure 2: <https://www.federalreserve.gov/monetarypolicy/files/fomcprojt20230322.pdf>

https://www.atlantafed.org/about/atlantafed/officers/executive_office/bostic-raphael.aspx

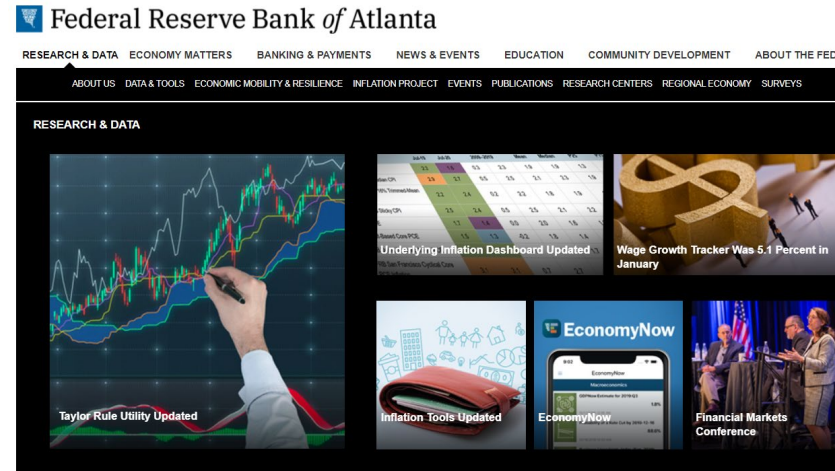
Quarterly Messages from the President



Raphael Bostic President and Chief Executive Officer

Dr. Raphael W. Bostic is president and chief executive officer of the Federal Reserve Bank of Atlanta. He is a participant on the Federal Open Market Committee, the monetary policymaking body of the Federal Reserve System.

[Atlantafed.org/research.aspx](https://atlantafed.org/research.aspx)



An advertisement for the EconomyNow mobile app. It features a smartphone displaying the app's interface, which includes various economic indicators and charts. The text "Data at your fingertips" is prominently displayed above the app name "EconomyNow". Below the app name, it says "Stay up to date with the economy with our new mobile app." and includes a "Download on the App Store" button. The Federal Reserve Bank of Atlanta logo is visible in the bottom right corner.

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Questions?

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