



**FOMC**

# Minutes of the Federal Open Market Committee

April 28–29, 2026



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A joint meeting of the Federal Open Market Committee and the Board of Governors of the Federal Reserve System was held in the offices of the Board of Governors on Tuesday, April 28, 2026, at 10:00 a.m. and continued on Wednesday, April 29, 2026, at 9:00 a.m.<sup>1</sup>

## Developments in Financial Markets and Open Market Operations

The manager turned first to an overview of market developments during the intermeeting period. The conflict in the Middle East had continued to be a key factor driving asset price movements. Equity prices had more than reversed their earlier declines, while 2-year and 10-year Treasury yields rose a bit further over the intermeeting period, as did near-term inflation compensation. In foreign exchange markets, the U.S. dollar retraced some of its previous appreciation.

The manager observed that the crude oil futures curve was higher than the curve prevailing at the time of the March FOMC meeting. The curve remained steeply downward sloping, consistent with investor expectations of oil prices falling considerably in coming months. The manager noted, however, that the curve's forecasting record was mixed.

Next, the manager discussed the recent behavior of inflation expectations. Near-term inflation expectations, as reported in the Open Market Desk Survey of Market Expectations (Desk survey), had again moved up, though expectations for 2027 and beyond were little changed. The survey results and market-based measures of inflation compensation pointed to longer-term expectations remaining well anchored near the Committee's 2 percent longer-run inflation objective.

On monetary policy expectations, the manager noted that market-implied expectations still indicated that market participants anticipated little change this year in the target range for the federal funds rate, and options prices implied around a 30 percent probability of a rate hike by the first quarter of 2027. In the Desk survey, the median of the modal paths continued to show two 25 basis point rate

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<sup>1</sup> The Federal Open Market Committee is referenced as the "FOMC" and the "Committee" in these minutes; the Board of Governors of the Federal Reserve System is referenced as the "Board" in these minutes.

reductions over the next year, but respondents now expected them to occur later than in the previous survey, with rate cuts expected in the third or fourth quarter of 2026 and the first quarter of 2027.

Nominal Treasury yields had risen modestly further over the intermeeting period. A model-based decomposition of changes suggested that the increase in the two-year nominal yield since the start of the conflict in the Middle East reflected a sizable increase in expected inflation, offset to some degree by a decline in the expected real interest rate, a combination consistent with the realization of an adverse supply shock. A decomposition of the 10-year yield suggested a much smaller increase in expected inflation, alongside an increase in risk premiums. Liquidity conditions in Treasury securities markets had remained favorable even at times of increased volatility.

The manager next considered equity market developments. Perceived de-escalation in the Middle East conflict boosted risk sentiment over the intermeeting period, but equity price increases had also been underpinned by strong earnings expectations. After underperforming earlier in 2026, technology-sector stocks recorded the strongest price gains over the period.

In discussing credit markets, the manager noted that the private credit sector continued to receive attention over the intermeeting period. Although redemption requests continued, there were some signs of stabilization or slight improvement in investor sentiment, as evidenced, for example, by somewhat tighter credit spreads and higher equity prices of business development companies active in the sector.

With regard to international developments, the manager noted that, as in the U.S. case, two-year sovereign yields in advanced foreign economies (AFEs) had declined from their late-March peaks but remained above values prevailing before the start of the conflict. Market contacts mostly attributed the rise in short-dated nominal yields to increases in inflation compensation induced by higher energy prices and related upward shifts in the expected policy rate path across regions.

The manager observed that the foreign exchange value of the U.S. dollar had retraced much of its initial appreciation in March, though it remained higher than before the start of the conflict. The improvement in sentiment following the cease-fire in the Middle East conflict that was announced in the first half of April was cited as an important driver of the dollar depreciation.

The manager observed that money market conditions had been largely stable over the intermeeting period. The effective federal funds rate (EFFR) had remained 1 basis point below the interest on reserve balances (IORB) rate. Repurchase agreement (repo) rates remained very close to the IORB rate on average. The quarter-end date and the April tax date were not associated with significant money market pressures. The overnight reverse repurchase agreement (ON RRP) facility generally saw minimal usage over the intermeeting period. Excluding trades related to participation

requirements, usage of standing repurchase agreement (SRP) operations was limited to the key tax date of April 15. Repeating the pattern observed in recent months, SRP usage on that date occurred even though interdealer repo rates were only slightly above the SRP rate. The manager took this pattern as indicating a greater willingness of counterparties to use the operations when they judged doing so to be economically sensible. Surveys taken of counterparties also pointed to this conclusion. The stability of the EFR and repo rates at values close to the IORB rate as well as the limited ON RRP and SRP usage were consistent with the supply of reserves remaining in the ample range. This assessment was consistent with the behavior of various indicators of reserve conditions.

The manager turned next to recent developments related to the Federal Reserve's balance sheet. The decline in reserve balances induced by April's tax payments and the associated increase in the Treasury General Account balance had been large and steep but close to the Desk's expectations. The drop in reserves had occurred alongside orderly money market behavior, consistent with reserve management purchases (RMPs) helping to maintain a state of ample reserves.

The manager concluded by providing information about operational tests and utilization of foreign exchange swap lines between the Federal Reserve and foreign central banks. The manager remarked that the standing swap lines were key liquidity backstops that provided significant benefits. As this meeting was the usual time to renew these arrangements, the staff recommended that the Committee maintain the standing U.S. dollar and foreign currency liquidity swap arrangements that the Federal Reserve had with five other central banks and renew the North American Framework Agreement arrangements with the Bank of Canada and the Bank of Mexico. Finally, the manager observed that the Desk began conducting securities lending operations on FedTrade Plus on April 22, as part of the transition to this new trading platform.

The Committee voted unanimously to renew the dollar and foreign currency liquidity swap arrangements with the Bank of Canada, the Bank of England, the Bank of Japan, the European Central Bank, and the Swiss National Bank. In addition, the Committee voted unanimously to renew the reciprocal currency arrangements with the Bank of Canada and the Bank of Mexico; these arrangements are associated with the Federal Reserve's participation in the North American Framework Agreement of 1994. The votes to renew the Federal Reserve's participation in these standing arrangements occur annually at the April or May FOMC meeting.

By unanimous vote, the Committee ratified the Desk's domestic transactions over the intermeeting period. There were no intervention operations in foreign currencies for the System's account during the intermeeting period.

## Staff Review of the Economic Situation

The information available at the time of the meeting indicated that inflation remained elevated and had moved higher, led by a sharp increase in energy prices. Labor market conditions had stabilized, and real gross domestic product (GDP) continued to expand.

Total consumer price inflation—as measured by the 12-month change in the price index for personal consumption expenditures (PCE)—was 2.8 percent in February; core PCE price inflation, which excludes changes in consumer energy prices and many consumer food prices, was 3.0 percent. Both total and core inflation were similar to their levels a year earlier. Core goods price inflation had risen relative to a year earlier, a development that the staff largely attributed to the effects of higher tariffs. Core services price inflation had declined over that period, with the housing component increasing at a slower pace. Based on data from the consumer and producer price indexes, the staff estimated that total PCE price inflation rose to 3.5 percent in March, boosted by a sharp increase in energy prices; March core PCE price inflation was estimated to be 3.2 percent.

The unemployment rate was 4.3 percent in March and had changed little, on net, since the middle of the previous year. Nonfarm payroll employment rose sharply in March after having been depressed in February by a strike in the health-care sector and unusually harsh winter weather; smoothing through this volatility, job gains had remained low on average. The 12-month change in average hourly earnings was 3.5 percent in March, 0.7 percentage point below its year-earlier pace.

Available indicators suggested that real GDP growth picked up in the first quarter as the effects of the federal government shutdown unwound. Trade data through March suggested that net exports were a significant drag on U.S. GDP growth in the first quarter: Goods exports rebounded sharply from their decline in the fourth quarter of 2025, but goods imports rose even more sharply, driven by gains in high-tech goods imports. Real private domestic final purchases—which comprises PCE and private fixed investment and which often provides a better signal of underlying economic momentum than real GDP—appeared to have risen in the first quarter at a rate that was a little faster than the average pace seen over the preceding year.

Economic activity abroad appeared to have expanded at a moderate pace in the first quarter. Continued strong demand for high-tech goods supported Asian exports. Growth in China also appeared solid, supported by strong external demand and a moderate recovery in domestic demand. By contrast, activity in Mexico was held down by continued weakness in the automotive sector. Recent survey data pointed to strains from the conflict in the Middle East, with European and Asian firms reporting a notable lengthening of supplier delivery times and a surge in input prices.

Foreign headline inflation had generally been running close to central bank targets, but incoming March data pointed to a marked rise in inflation abroad driven by the run-up in energy prices. Over the intermeeting period, most foreign central banks kept their policies on hold, emphasizing the uncertainty around the Middle East conflict. An exception was the Bank of Mexico, which cut its policy rate 25 basis points in late March.

## Staff Review of the Financial Situation

Over the intermeeting period, the market-implied expected path of the federal funds rate moved up modestly, showing only a slight decline over the remainder of the year. The higher expected policy rate path was driven in part by investor concerns about the potential for near-term inflationary pressures due to the conflict in the Middle East. While both market- and survey-based measures of inflation expectations indicated upside risks to the near-term inflation outlook, measures of medium- and longer-term inflation expectations remained well anchored.

Despite geopolitical uncertainty and realized volatility, broad equity price indexes increased, on net, over the intermeeting period, supported by benign data on economic activity and overall strong corporate earnings releases. The one-month option-implied volatility on the S&P 500 index declined moderately to end the period around the median of its historical distribution. Corporate bond spreads narrowed across sectors and rating classes and moved broadly with equity prices over the period.

Asset prices in foreign financial markets experienced large swings and remained highly sensitive to news about the conflict in the Middle East. Investor concerns rose early in the period as the conflict escalated and waned after the announcement of a cease-fire. On net, improved market risk sentiment weighed on the exchange value of the dollar and boosted foreign equity prices. Optimism related to artificial intelligence (AI) also contributed to the rise in foreign equity prices. Short-term inflation compensation measures and market-based policy expectations moved higher in AFEs, most notably in Europe. Emerging market economies saw modest capital outflows, on net, concentrated in countries dependent on energy imports from the Middle East.

Conditions in U.S. short-term funding markets remained orderly, supported by ongoing RMPs. The EFFR was unchanged over the intermeeting period, and rates in secured markets declined, on average, exhibiting only modest pressures over March quarter-end. On the April 15 tax date, secured funding market rates rose somewhat as reserves declined sharply, and there was modest take-up of SRP operations.

Financing conditions in domestic credit markets remained somewhat restrictive for small businesses and households but were generally accommodative for larger businesses and municipalities.

Borrowing costs were little changed in most sectors and remained elevated relative to their average levels since the Global Financial Crisis (GFC).

Credit continued to be generally available to most businesses, households, and municipalities. Bank lending continued to expand, and issuance of corporate bonds was robust—in part due to a pickup in speculative-grade bond issuance for the financing of AI capital expenditures—whereas issuance of private credit loans slowed somewhat. By contrast, credit conditions remained somewhat tight for small businesses and mortgage borrowers with lower credit scores. Issuance of municipal bonds was strong.

In the April Senior Loan Officer Opinion Survey on Bank Lending Practices (SLOOS), banks reported further easing in lending standards in the first quarter, particularly for consumer loans.<sup>2</sup> The overall level of bank lending standards aggregated across loan categories was estimated to be around the median level observed since 2011.

Credit performance remained solid in most markets. The 12-month trailing default rate on nonfinancial corporate bonds remained near the 25th percentile of its post-GFC range. Although the default rate for leveraged loans remained elevated, market-implied measures of year-ahead expected defaults were below the median of their post-GFC distributions. For direct private credit borrowers, default rates remained low through March, but payment-in-kind continued to be used to defer interest payments in the fourth quarter of 2025, particularly in the software industry. The credit performance of loans to medium-sized and large businesses and municipalities remained solid, and the credit performance of municipal bonds remained strong. Conversely, credit performance of small business loans and commercial mortgage-backed securities continued to be somewhat weak, and delinquency rates for mortgages insured by the Federal Housing Administration and consumer loans remained elevated.

The staff provided an updated assessment of the stability of the U.S. financial system and, on balance, continued to characterize the system's financial vulnerabilities as notable. The staff judged that asset valuation pressures were elevated. Measures of housing valuations were near historical highs.

Vulnerabilities associated with nonfinancial business and household debt were characterized as moderate. Household balance sheets were strong, with significant home equity. Although aggregate business debt growth had been subdued in recent years, private credit had grown rapidly. Some

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<sup>2</sup> The SLOOS results reported are based on banks' responses, weighted by each bank's outstanding loans in the respective loan category, and might therefore differ from the results reported in the published SLOOS, which are based on banks' unweighted responses.

private credit vehicles experienced net outflows in the first quarter amid credit quality concerns caused in part by the potential for AI to disrupt business models in some industries, notably software.

Vulnerabilities associated with leverage in the financial sector were characterized as notable. Leverage at hedge funds remained high, most notably for leveraged Treasury market trades. Life insurers' leverage also remained elevated. By contrast, bank regulatory capital ratios remained high relative to historical levels. Banks' market-adjusted capital ratios, however, ticked down in the first quarter and stayed below levels seen before 2022, though they remain notably above their lows from a few years ago. Banks' asset duration had declined to pre-pandemic levels, indicating a more moderate exposure to interest rate risk relative to recent years.

Vulnerabilities associated with funding risks were characterized as moderate. Banks' reliance on uninsured deposits was low relative to the period of banking-sector stress in 2023.

## Staff Economic Outlook

The staff's outlook for economic activity was slightly stronger than the one prepared for the March meeting. Real GDP was projected to slightly outpace potential in coming years, with growth supported by favorable financial conditions, continued gains in AI-related capital spending, and a reversal of some of the factors that were expected to weigh on activity this year, including weak foreign growth and uncertainty about the outlook. The unemployment rate was expected to remain close to the staff's estimate of its longer-run rate this year and next before edging slightly below it in 2028.

The staff's inflation forecast for this year was higher than the one prepared for the March meeting, reflecting incoming data, higher energy prices, and other effects of the Middle East conflict that were expected to add to consumer price inflation. Inflation was projected to slow after the first half of this year as the economic effects of the various conflict-related factors dissipated and as the pass-through of higher tariffs to inflation waned; by the end of next year, inflation was expected to be close to 2 percent.

The staff continued to view the uncertainty around the projection as elevated in light of the conflict in the Middle East and the potential economic consequences of AI adoption. On balance, risks to the forecasts for employment and real GDP growth were seen as tilted to the downside. Risks to the inflation projection were seen as skewed to the upside: With inflation having run significantly above 2 percent over the past five years, with further increases in inflation likely to occur as a result of the conflict in the Middle East, and with emergent price pressures in a few categories that appeared unrelated to tariffs or energy prices, the staff viewed the possibility that inflation would be more persistent than anticipated as a salient risk.

## Participants' Views on Current Conditions and the Economic Outlook

Participants observed that overall inflation had moved up, in part because of recent global energy price increases, and remained above the Committee's 2 percent longer-run goal. Participants generally noted that core inflation had also moved further above 2 percent. Several participants noted that the rate of increase in core goods prices remained elevated, at least in part reflecting the effects of tariffs. Some participants observed that higher fuel prices had caused a number of other prices to increase, including shipping costs and airfares. In addition to energy price increases, several participants noted that supply disruptions associated with the conflict in the Middle East had caused prices for fertilizer and some other non-energy commodities to rise. Some participants noted that recent price increases in the information technology sector had contributed to higher inflation. A few of these participants remarked that, while price increases in the software category were contributing meaningfully to the increase in core inflation, price increases in that category may not be good predictors of future overall inflation.

Most participants noted that measures of longer-term inflation expectations remained stable. Some participants observed that measures of near-term inflation expectations had risen recently, likely reflecting the recent rise in global energy prices.

Participants anticipated that high energy prices would continue to put upward pressure on overall inflation in the near term. Participants generally expected that the effects of tariffs on core goods inflation would diminish over the course of this year. Some participants noted, however, that tariff rates could be increased above present levels, leading to additional upward pressure on inflation. Several participants anticipated that higher productivity growth would put downward pressure on inflation, and a few of those participants remarked that the ongoing deceleration in housing services prices was likely to continue to be a source of disinflationary pressure. Several participants observed that price pressures associated with strong AI investment expenditures would likely raise input costs for a range of industries. Several participants highlighted the possibility that, after several years of inflation above 2 percent, elevated inflation rates could begin to have an increased effect on wage- and price-setting decisions. Almost all participants noted that there was a risk that the conflict in the Middle East could persist for an extended period or that, even after the conflict ended, the prices of oil and other commodities could remain elevated for longer than expected. In such scenarios, these participants expected continued upward pressure on inflation arising from supply chain disruptions, high energy prices, or the pass-through of higher input costs to other prices. The vast majority of participants noted an increased risk that inflation would take longer to return to the Committee's 2 percent objective than they had previously expected.

With regard to the labor market, participants observed that the unemployment rate had been little changed in recent months, while job gains had remained low on average. Most participants judged that recent data, such as readings on the unemployment rate, layoffs, hiring, and labor force growth, suggested stabilization in the labor market. Several participants commented that the recent low rates of job growth were not necessarily indicative of labor market fragility, as they could be roughly commensurate with the recent slow growth in the labor force. A few participants, however, pointed to the possibility that the low rates of job growth were a sign of labor market fragility. Some participants noted some signs of potential softness in the labor market, including the concentration of job growth in only a few sectors, declines in recent months in survey measures of job availability, and the modest rate of wage growth.

Participants generally expected labor market conditions to remain stable in the near term. Most participants judged, however, that risks to the employment side of the Committee's dual mandate were tilted to the downside. Several participants cited evidence reported by business contacts suggesting that firms were likely to delay or reduce hiring because of overall economic uncertainty or in anticipation of adopting AI technologies. Several participants pointed to the possibility that a fall in labor demand could push the unemployment rate sharply higher.

Participants generally observed that economic activity appeared to be expanding at a solid pace. Most participants noted that business fixed investment remained robust, largely reflecting strength in the technology sector. Participants generally observed that consumer spending had been resilient. Many participants pointed to specific factors that were supporting consumer spending, including high levels of household wealth and fiscal policy. Some participants commented that higher energy prices were putting strains on households, particularly lower-income households. Several participants noted that consumer sentiment had been low. With regard to the agricultural sector, a few participants remarked that high fuel and fertilizer prices were headwinds for farmers.

Participants generally anticipated that the pace of real GDP growth would remain solid this year. Many participants pointed to specific factors supporting growth in economic activity, including AI-related business fixed investment, productivity gains, financial conditions, fiscal policy, and changes in regulatory policy. Several participants remarked that the effects on economic activity of the recent increase in oil prices may be smaller than those seen in the past, citing factors such as the relatively large amount of current domestic oil production or the relatively low share of current domestic spending on oil. Most participants remarked that the developments in the Middle East had contributed to the uncertainty surrounding the outlook for economic activity, and several of these participants also noted that business contacts had emphasized heightened uncertainty about the economic outlook.

In their discussion of financial stability, several participants noted that asset valuations remained elevated and that such conditions heightened the possibility of sharp corrections should adverse developments materialize. Many participants commented on developments in the private credit sector. Some participants noted that recent investor withdrawals from certain private credit funds did not appear to pose risks to the broader financial system, although they judged that data limitations on balance sheet exposure of many private credit vehicles made such an assessment difficult. Some participants expressed concerns that losses in this sector could spill over to other markets, causing a broad credit contraction, or that firms dependent on private credit could face challenges securing alternative financing sources should investor sentiment in the private credit sector deteriorate further. A few participants highlighted risks associated with the substantial participation of hedge funds in the market for U.S. Treasury securities, noting that the unwinding of leveraged positions by these institutions could generate broader financial market disruption. A couple of participants discussed the implications of recent proposals to revamp the regulatory framework applying to both smaller and larger banks. Many participants mentioned the importance of addressing cybersecurity risks. Several of these participants discussed cybersecurity threats associated with rapid developments in AI technologies and commented that hostile cyber intrusions at systemically important financial firms or essential market infrastructure could materially impair financial system operations. These participants also emphasized the importance of collaborative approaches among regulatory agencies and financial institutions to mitigate cybersecurity risks. Some participants discussed ongoing and potential operational improvements related to various liquidity tools used to support the implementation of monetary policy and the stability of the financial system, including the discount window, SRP operations, and the standing liquidity swap arrangements. A few participants commented on the possibility that the Committee could consider extending the terms of swap lines beyond one year, noting that a longer extension would be beneficial for financial stability.

In their consideration of monetary policy at this meeting, participants observed that inflation was elevated relative to the Committee's 2 percent longer-run objective, in part reflecting the recent increase in global energy prices. Participants generally further noted that recent indicators suggested that economic activity had been expanding at a solid pace. They also observed that job gains had remained low, on average, and that the unemployment rate had been little changed in recent months. Participants agreed that developments in the Middle East were contributing to a high level of uncertainty about the economic outlook. Against this backdrop, almost all participants supported maintaining the current target range for the federal funds rate at this meeting. Participants generally judged that the current policy rate was within the range of plausible estimates of its neutral level and that the Committee still remained well positioned to base the extent and timing of adjustments to the policy rate on incoming data, the evolving outlook, and the balance of risks. They remarked that

holding the policy rate steady would allow the Committee to gather additional information on how developments in the Middle East and other factors were affecting the economic outlook before determining whether adjustments to the policy rate would be warranted. One participant preferred to lower the target range for the federal funds rate 25 basis points, noting concerns that the current policy stance was overly restrictive in a situation of downside risks to the labor market.

With regard to the outlook for monetary policy, participants generally judged that the continued elevated inflation readings together with uncertainty related to the duration and economic implications of the Middle East conflict could necessitate maintaining the current policy stance for longer than previously anticipated. Several participants highlighted that it would likely be appropriate to lower the target range for the federal funds rate once there are clear indications that disinflation is firmly back on track or if solid signs emerge of greater weakness in the labor market. A majority of participants highlighted, however, that some policy firming would likely become appropriate if inflation were to continue to run persistently above 2 percent. To address this possibility, many participants indicated that they would have preferred removing the language from the postmeeting statement that suggested an easing bias regarding the likely direction of the Committee's future interest rate decisions. Participants noted that monetary policy was not on a preset course and that future policy decisions would be made on a meeting-by-meeting basis.

In discussing risk-management considerations bearing on the outlook for monetary policy, participants assessed that both upside risks to inflation and downside risks to employment remained elevated. Participants generally observed that the conflict in the Middle East could have significant implications for the balance of these risks and for the appropriate path of monetary policy. Several participants indicated that, in a scenario in which the conflict was resolved soon, rate reductions would be warranted later this year if the effects of higher tariffs and energy prices on inflation were to dissipate in line with their expectations. Some participants expressed concerns, however, about a scenario in which sustained elevated energy prices, combined with the effects of tariffs, could result in inflation pressures becoming embedded more broadly, potentially de-anchoring inflation expectations and creating a greater tradeoff between the Committee's employment and inflation goals.

A few participants commented on issues related to the Federal Reserve's balance sheet and policy tools, including the role of SRP operations in the implementation of monetary policy and the connection between liquidity tools, liquidity regulations, and the demand for reserves.

## Committee Policy Actions

In their discussions of monetary policy for this meeting, members agreed that recent indicators suggested that economic activity had been expanding at a solid pace. They noted that job gains had

remained low, on average, and that the unemployment rate had been little changed in recent months. Members agreed that inflation was elevated, in part reflecting the recent increase in global energy prices, and that developments in the Middle East were contributing to a high level of uncertainty about the economic outlook. Members concurred that the Committee was attentive to the risks to both sides of its dual mandate.

In support of the Committee's goals, almost all members agreed to maintain the target range for the federal funds rate at  $3\frac{1}{2}$  to  $3\frac{3}{4}$  percent. One member voted against that decision and preferred to lower the target range by  $\frac{1}{4}$  percentage point. Nine members agreed that in considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee would carefully assess incoming data, the evolving outlook, and the balance of risks. Three members would have preferred to provide a more two-sided characterization of the Committee's future interest rate decisions. Members agreed that the postmeeting statement should affirm their strong commitment both to supporting maximum employment and to returning inflation to the Committee's 2 percent objective.

Members agreed that in assessing the appropriate stance of monetary policy, the Committee would continue to monitor the implications of incoming information for the economic outlook. They would be prepared to adjust the stance of monetary policy as appropriate if risks emerged that could impede the attainment of the Committee's goals. Members also agreed that their assessments would take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments.

At the conclusion of the discussion, the Committee voted to direct the Federal Reserve Bank of New York, until instructed otherwise, to execute transactions in the System Open Market Account in accordance with the following domestic policy directive, for release at 2:00 p.m.:

"Effective April 30, 2026, the Federal Open Market Committee directs the Desk to:

- Undertake open market operations as necessary to maintain the federal funds rate in a target range of  $3\frac{1}{2}$  to  $3\frac{3}{4}$  percent.
- Conduct standing overnight repurchase agreement operations at a rate of 3.75 percent.
- Conduct standing overnight reverse repurchase agreement operations at an offering rate of 3.5 percent and with a per-counterparty limit of \$160 billion per day.
- Increase the System Open Market Account holdings of securities through purchases of Treasury bills and, if needed, other Treasury securities with remaining maturities of 3 years or less to maintain an ample level of reserves.

- Roll over at auction all principal payments from the Federal Reserve’s holdings of Treasury securities. Reinvest all principal payments from the Federal Reserve’s holdings of agency securities into Treasury bills.”

The vote also encompassed approval of the statement below for release at 2:00 p.m.:

“Recent indicators suggest that economic activity has been expanding at a solid pace. Job gains have remained low, on average, and the unemployment rate has been little changed in recent months. Inflation is elevated, in part reflecting the recent increase in global energy prices.

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. Developments in the Middle East are contributing to a high level of uncertainty about the economic outlook. The Committee is attentive to the risks to both sides of its dual mandate.

In support of its goals, the Committee decided to maintain the target range for the federal funds rate at 3½ to 3¾ percent. In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective.

In assessing the appropriate stance of monetary policy, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee’s goals. The Committee’s assessments will take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments.”

**Voting for this action:** Jerome H. Powell, John C. Williams, Michael S. Barr, Michelle W. Bowman, Lisa D. Cook, Philip N. Jefferson, Anna Paulson, and Christopher J. Waller.

**Voting against this action:** Stephen I. Miran, who preferred to lower the target range for the federal funds rate by ¼ percentage point at this meeting and Beth M. Hammack, Neel Kashkari, and Lorie K. Logan, who supported maintaining the target range for the federal funds rate but did not support inclusion of an easing bias in the statement at this time.

Consistent with the Committee’s decision to leave the target range for the federal funds rate unchanged, the Board of Governors of the Federal Reserve System voted unanimously to maintain the

interest rate paid on reserve balances at 3.65 percent, effective April 30, 2026. The Board of Governors of the Federal Reserve System voted unanimously to approve the establishment of the primary credit rate at the existing level of 3.75 percent.

It was agreed that the next meeting of the Committee would be held on Tuesday–Wednesday, June 16–17, 2026. The meeting adjourned at 10:40 a.m. on April 29, 2026.

## Notation Vote

By notation vote completed on April 7, 2026, the Committee unanimously approved the minutes of the Committee meeting held on March 17–18, 2026.

## Attendance

Jerome H. Powell, Chair  
John C. Williams, Vice Chair  
Michael S. Barr  
Michelle W. Bowman  
Lisa D. Cook  
Beth M. Hammack  
Philip N. Jefferson  
Neel Kashkari  
Lorie K. Logan  
Stephen I. Miran  
Anna Paulson  
Christopher J. Waller

Thomas I. Barkin, Mary C. Daly, Austan D. Goolsbee, Sushmita Shukla, and Cheryl L. Venable,  
Alternate Members of the Committee

Susan M. Collins, Alberto G. Musalem, and Jeffrey R. Schmid, Presidents of the Federal Reserve Banks  
of Boston, St. Louis, and Kansas City, respectively

Joshua Gallin, Secretary  
Matthew M. Luecke, Deputy Secretary  
Michelle A. Smith, Assistant Secretary  
Mark E. Van Der Weide, General Counsel  
Richard Ostrander, Deputy General Counsel  
Trevor A. Reeve, Economist  
Stacey Tevlin, Economist  
Beth Anne Wilson, Economist

Stephanie R. Aaronson, Shaghil Ahmed, Brian M. Doyle, Michael T. Kiley, Elizabeth Klee, Edward S.  
Knotek II, and Andrea Raffo, Associate Economists

Roberto Perli, Manager, System Open Market Account

Julie Ann Remache, Deputy Manager, System Open Market Account

Jose Acosta, Senior System Engineer II, Division of Information Technology, Board

Ozge Akinci Emekli, Research Department Head, Federal Reserve Bank of New York

Gene Amromin, Senior Vice President, Federal Reserve Bank of Chicago  
Philippe Andrade, Vice President, Federal Reserve Bank of Boston  
Alyssa Arute,<sup>3</sup> Assistant Director, Division of Reserve Bank Operations and Payment Systems, Board  
Alessandro Barbarino, Special Adviser to the Board, Division of Board Members, Board  
Becky C. Bareford, First Vice President, Federal Reserve Bank of Richmond  
William F. Bassett, Senior Associate Director, Division of Financial Stability, Board  
Michele Cavallo, Special Adviser to the Board, Division of Board Members, Board  
Yao-Chin Chao,<sup>4</sup> Associate Secretary, Office of the Secretary, Board  
Satyajit Chatterjee, Vice President, Federal Reserve Bank of Philadelphia  
Andrew Cohen,<sup>5</sup> Special Adviser to the Board, Division of Board Members, Board  
Lucy L. Cordes, Financial Institution Policy Analyst II, Division of Monetary Affairs, Board  
Francisco Covas,<sup>4</sup> Deputy Director, Division of Supervision and Regulation, Board  
Stephanie E. Curcuru, Deputy Director, Division of International Finance, Board  
Ryan A. Decker, Special Adviser to the Chair, Division of Board Members, Board  
Sarah Devany, First Vice President, Federal Reserve Bank of San Francisco  
Anthony M. Diercks, Special Adviser to the Board, Division of Board Members, Board  
Burcu Duygan-Bump, Senior Associate Director, Division of Research and Statistics, Board  
Giovanni Favara, Associate Director, Division of Monetary Affairs, Board  
Laura J. Feiveson,<sup>6</sup> Special Adviser to the Board, Division of Board Members, Board  
Michele Taylor Fennell,<sup>7</sup> Associate Secretary, Office of the Secretary, Board  
Jenn Gallagher, Assistant to the Board, Division of Board Members, Board  
Carlos Garriga, Senior Vice President, Federal Reserve Bank of St. Louis  
Jonathan Glicoes, Senior Financial Institution Policy Analyst II, Division of Monetary Affairs, Board  
Joseph W. Gruber, Executive Vice President, Federal Reserve Bank of Kansas City  
François Henriquez, First Vice President, Federal Reserve Bank of St. Louis  
Valerie S. Hinojosa, Section Chief, Division of Monetary Affairs, Board  
Jane E. Ihrig, Special Adviser to the Board, Division of Board Members, Board  
Benjamin K. Johannsen, Deputy Associate Director, Division of Monetary Affairs, Board  
Kurt Kostyu,<sup>8</sup> Capital Markets Trading Principal, Federal Reserve Bank of New York

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<sup>3</sup> Attended through the discussion of developments in financial markets and open market operations.

<sup>4</sup> Attended Tuesday's session only.

<sup>5</sup> Attended the discussion of economic developments and the outlook.

<sup>6</sup> Attended the discussion of the economic and financial situation through the end of the meeting.

<sup>7</sup> Attended Wednesday's session only.

<sup>8</sup> Attended through the discussion of economic developments and the outlook.

Anna R. Kovner, Executive Vice President, Federal Reserve Bank of Richmond

Christopher J. Kurz, Assistant Director, Division of Research and Statistics, Board

Sylvain Leduc, Executive Vice President and Director of Economic Research, Federal Reserve Bank of San Francisco

Andreas Lehnert, Director, Division of Financial Stability, Board

Logan T. Lewis, Assistant Director, Division of International Finance, Board

Laura Lipscomb, Special Adviser to the Board, Division of Board Members, Board

Francesca Loria, Principal Economist, Division of Monetary Affairs, Board

Daniel Maddy-Weitzman,<sup>8</sup> Policy and Market Analysis Principal, Federal Reserve Bank of New York

Patrick E. McCabe, Deputy Associate Director, Division of Research and Statistics, Board

Yvette McKnight,<sup>9</sup> Senior Agenda Assistant, Office of the Secretary, Board

Mark Meder, First Vice President, Federal Reserve Bank of Cleveland

Norman J. Morin, Associate Director, Division of Research and Statistics, Board

David Na, Acting Group Manager, Division of Monetary Affairs, Board

Edward Nelson, Senior Adviser, Division of Monetary Affairs, Board

David Neville, Director, Division of Consumer and Community Affairs, Board

Anna Nordstrom, Head of Markets, Federal Reserve Bank of New York

Matthias Paustian, Assistant Director, Division of Research and Statistics, Board

Kristen Payne,<sup>8</sup> Lead Financial Institution Policy Analyst, Division of Monetary Affairs, Board

Brian Phillips,<sup>5</sup> Special Counsel, Legal Division, Board; Special Adviser to the Board, Division of Board Members, Board

Eugenio P. Pinto,<sup>10</sup> Special Adviser to the Board, Division of Board Members, Board

Suraj Prasanna,<sup>8</sup> Associate Director, Federal Reserve Bank of New York

Jeanne Rentzelas, First Vice President, Federal Reserve Bank of Philadelphia

Tim Schmidt-Eisenlohr,<sup>11</sup> Principal Economist, Division of Financial Stability, Board

Samuel Schulhofer-Wohl, Senior Vice President, Federal Reserve Bank of Dallas

Zeynep Senyuz, Special Adviser to the Board, Division of Board Members, Board

Maneesha Shrivastava,<sup>8</sup> Policy and Market Analysis Principal, Federal Reserve Bank of New York

John J. Stevens, Senior Associate Director, Division of Research and Statistics, Board

Paula Tkac, Director of Research, Federal Reserve Bank of Atlanta

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<sup>9</sup> Attended through the discussion of economic developments and the outlook, and from the discussion of current monetary policy through the end of the meeting.

<sup>10</sup> Attended through the discussion of developments in financial markets and open market operations, and from the discussion of the economic and financial situation through the end of the meeting.

<sup>11</sup> Attended through the discussion of the economic and financial situation.

Skander J. Van den Heuvel, Associate Director, Division of Financial Stability, Board

Annette Vissing-Jørgensen, Senior Adviser, Division of Monetary Affairs, Board

Jeffrey D. Walker,<sup>3</sup> Senior Associate Director, Division of Reserve Bank Operations and Payment Systems, Board

Min Wei, Senior Associate Director, Division of Monetary Affairs, Board

Danielle A. Winford, Senior Information Manager, Division of Monetary Affairs, Board

Fabian Winkler, Group Manager, Division of Monetary Affairs, Board

Filip Zikes, Special Adviser to the Board, Division of Board Members, Board

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**Joshua Gallin**  
**Secretary**