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To: "██████████" <██████████>

Subject: From Beth Ann Bovino: S&P's U.S. Weekly Economic Roundup: A Spoonful Of Patience

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 Economic_Research

U.S. Weekly Economic Roundup: A Spoonful Of Patience

December 19, 2014

 Bovino_email

Dear colleague,

The Federal Reserve's forecasts for the economy following the latest Federal Open Market Committee (FOMC) meeting show slightly improved near-term numbers for real GDP and the unemployment rate. As expected, fed funds policy rates were unchanged. Lower energy prices were waved off as transitory, and the committee expects inflation to rise gradually toward 2% as the labor market improves further. The FOMC changed its forward guidance to indicate that it can be "patient" in beginning to normalize monetary policy, which it emphasized is consistent with its previous guidance that rates will be unchanged for a "considerable time" after the end of quantitative easing. We continue to pencil in June 2015 for the first hike in the fed funds rate.

Beth Ann Bovino
U.S. Chief Economist
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To access this week's full report and view additional economic research, please visit www.SPRatings.com/EconomicInsights.

If you have any questions, please contact me or my colleague [Satyam Panday](#), U.S. Economist, at 212-438-6099.

Sincerely,
Beth Ann Bovino
U.S. Chief Economist
Standard & Poor's Ratings Services
212-438-1652

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