



## WHAT COMES NEXT FOR THE FED?

Traders and investors are waiting to hear what the Federal Reserve Chair Jerome Powell has to say on Thursday (10-06-2021) at the annual Jackson Hole meeting. In March of 2020, the Federal Reserve took its benchmark rate down to zero and the next question is what comes next?

It is important to understand what the Fed will do and there has been a ton of debate on what the Fed should do. recent discussion from the Fed has been one of fine-tuning potential next moves. Certainly, the recent rise in coronavirus has the market looking for more, along with a growing sense of Fed concern simultaneously, Inflation is the keyword and the policy to target it

It will determine whether we see more upside to risk assets so far, we have only seen rising prices in asset classes such as stocks, throughout the past decade.

The consumer price index has averaged around 1.5%, missing the Fed's 2% inflation target, Average inflation targeting' is the new formula expected to be endorsed by Powell on Thursday It's a policy framework that allows inflation to run above or below the 2% target, but given that inflation has been running below target for several years, the objective would be to allow price rises to overshoot for more extended periods before tightening policy



## G7 Leaders' Summit 2021

The G7 Leaders' Summit in 2021 will be held and presided over by the UK and aims to unite leading democracies to help the world build back better from the COVID-19 pandemic and create a greener, more prosperous future.

- leading the global recovery from the coronavirus while strengthening resilience against future pandemics.
- promoting future prosperity by championing free and fair trade.
- tackling climate change and preserving the planet's biodiversity; and
- championing global shared values.

The UK will also host a number of meetings throughout the year between a variety of Government Ministers from the G7, both virtually and in different locations across the UK

- The Finance, Trade and Digital and Technology Ministers' meetings will build back better by promoting future prosperity and championing free trade.
- The Health Ministers' meeting will build back better by protecting people's health and global resilience against future pandemics.
- The Climate and Environment Ministers' meetings will build back better by protecting the planet; and
- The Foreign, Development and Interior Ministers' meetings will build back better by championing shared values including democracy and human rights.