

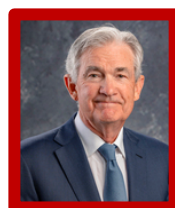


Composition of 2025 Federal Reserve and Perspective Views on Rates

-  Hawkish-leaning Member
-  Dovish-leaning Member



Jerome Powell
Chairman

2025 Voting Governors



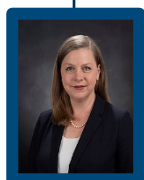
Michael Barr



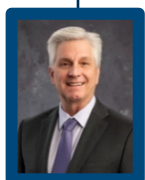
Lisa Cook*



Philip Jefferson
Vice Chair



Michelle Bowman
Vice Chair of
Bank
Supervision



Christopher Waller



Stephen Miran**

2025 Voting Presidents



Alberto Musalem
St. Louis



Jeffrey Schmid
Kansas City



Susan Collins
Boston

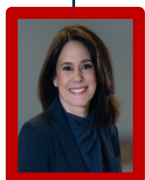


Austan Goolsbee
Chicago



John Williams
New York

2025 Non-Voting Presidents



Lorie Logan
Dallas



Thomas Barkin
Richmond



Neel Kashkari
Minneapolis



Elizabeth Hammack
Cleveland



Raphael Bostic
Atlanta***



Mary Daly
San Francisco



Anna Paulson
Philadelphia

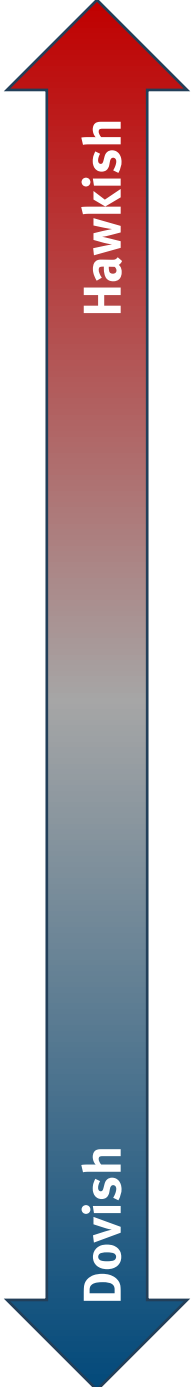
Source: Federal Reserve/Stifel

Note: Governors serve 14-year terms following presidential appointment and Senate approval. The Chair, Vice Chair, and Vice Chair of Bank Supervision serve four-year terms following presidential appointment, and confirmation by the Senate and must be selected from existing Board members. Regional presidents serve five-year terms and are selected by the bank's board of directors subject to the Board of Governors' approval.

*The Supreme Court will hear oral arguments on whether President Donald Trump has the authority to fire Federal Reserve Governor Lisa Cook on January 21.

**Stephen Miran's term will expire on January 31, 2026.

***Atlanta Fed President Raphael Bostic announced he will retire at end of his current term in February 2026.



“Despite shifts in the labor market, the clearer and urgent risk is still price stability... In these circumstances, moving policy near or into accommodative territory risks pumping fresh blood into the inflation beast and threatening to untether the inflation expectations of businesses and consumers.”

Atlanta Fed President Raphael Bostic speaking at the Atlanta Economics Club



“It will likely be appropriate to keep policy rates at the current level for some time to balance the inflation and employment risks in this highly uncertain environment.”

Boston Fed President Susan Collins speaking at the Boston Fed’s annual regional banking conference



“The anecdotal evidence and the data we got just implied to me underlying resilience in economic activity, more than I had expected... I can make a case depending on how the data goes to cut, I can make a case to hold, and we’ll have to see.”

Minneapolis Fed President Neel Kashkari speaking to Bloomberg News



“My point of view is I wait for all the information and try to make the best decision... I am a believer you never actually exercise your option until the expiration day so we will exercise that when we get here.”

Richmond Fed President Thomas Barkin speaking at an event in Winchester, Virginia



“It’s premature to say definitely ‘no cut,’ or ‘definitely a cut’... I’ve got about four weeks before the next meeting, and there’s a lot of information that comes out between now and then, and so that’s why I have an open mind.”

San Francisco Fed President Mary Daly speaking at an event in Dublin



“The balance of risks in the economy as having shifted in recent months with increased downside risks to employment compared to the upside risks to inflation, which have likely declined somewhat recently.”

Vice Chair Philip Jefferson speaking at the Kansas City Fed



“My focus is on the labor market, and after months of weakening, it is unlikely that the September jobs report later this week or any other data in the next few weeks would change my view that another cut is in order.”

Fed Governor Christopher Waller speaking at an event in London



“To keep policy so tight in response to an artifact of the statistical measurement process rather than any actual supply-demand imbalances in the economy will then create the labor market weakness that we were tasked with avoiding.”

Fed Governor Stephen Miran speaking at an event hosted by the University of Cambridge



Lindsey Piegza, Ph.D., Chief Economist | Published November 2025

Given an earlier downgrade in the Fed’s assessment of economic conditions, coupled with at least some evidence of a further cooling in the labor market, the Fed firmly positioned itself for a second-round rate reduction in October. Going forward, however, while risks remain to both sides of the dual mandate, given the U.S. economy has substantially recovered from a dip at the start of the year with third-quarter growth on track for a solid 3%+ pace, and inflation remains still-elevated with at least some indications of prices accelerating further away from the Committee’s 2% target, there appears to be little justification, let alone a sense of urgency, for additional policy concessions.

As such, the Fed will expectedly be limited in the downside potential for policy, keeping rates well above expectations and likely disappointing investors with a relatively steady pace of policy nearer 4% – unless inflation unexpectedly and meaningfully decelerates or the employment picture unexpectedly deteriorates. Additionally, of course, a change in leadership could also impact the pathway for policy in the coming months.

	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Annual Rate 2023-2026			
									2023	2024	2025	2026
Growth indicators												
GDP, QoQ %	-0.6%	3.8%	2.8%	2.1%	2.1%	1.8%	2.2%	2.4%	2.9%	2.8%	2.0%	2.3%
Consumer Spending, %	0.6%	2.5%	1.8%	2.0%	1.6%	2.0%	1.8%	2.1%	2.6%	2.9%	2.4%	1.9%
Fixed Investment, %	7.1%	4.4%	3.6%	4.5%	5.0%	4.5%	4.8%	5.2%	3.4%	3.0%	3.2%	4.7%
Housing Starts, k, end of quarter, yr end	1,355	1,321	1,475	1,500	1,525	1,600	1,610	1,620	1,521	1,514	1,500	1,620
Unemployment Rate, %, qtr avg, yr end	4.1%	4.2%	4.4%	4.5%	4.4%	4.3%	4.2%	4.2%	3.8%	4.2%	4.5%	4.2%
Nonfarm Payrolls, k, qtr avg, ann avg	111	64	75	100	125	160	170	175	192	169	88	158
Inflation indicators, YoY%, yr end												
PCE	2.3%	2.6%	3.2%	3.3%	2.9%	2.9%	2.6%	2.5%	2.6%	2.6%	3.3%	2.5%
Core PCE	2.7%	2.8%	3.2%	3.4%	3.0%	2.8%	2.5%	2.4%	2.9%	2.9%	3.4%	2.4%
PPI	3.2%	2.3%	3.5%	3.6%	3.5%	3.1%	2.9%	2.6%	1.1%	3.5%	3.6%	2.6%
Interest rate, %, end of quarter, yr end												
FF	4.50	4.50	4.25	4.00	3.75	3.75	3.75	3.75	5.50	4.50	4.00	3.75
3month UST bills	4.30	4.30	3.94	3.90	3.90	3.85	3.90	3.90	5.34	4.31	3.90	3.90
2yr UST notes	3.89	3.72	3.61	3.70	3.85	3.95	4.00	4.05	4.25	4.24	3.70	4.05
5yr UST notes	3.95	3.80	3.74	3.80	3.90	4.00	4.05	4.10	3.85	4.38	3.80	4.10
10yr UST notes	4.21	4.23	4.15	4.20	4.25	4.30	4.35	4.40	3.88	4.57	4.20	4.40
30yr UST bonds	4.57	4.78	4.73	4.80	4.85	4.90	4.95	4.95	4.03	4.78	4.80	4.95
3mon to 2s spread bps	-41	-58	-33	-20	-5	10	10	15	-109	-7	-20	15
3mon to 10s spread bps	-9	-7	21	30	35	45	45	50	-146	26	30	50
2s to 10s spread bps	32	51	54	50	40	35	35	35	-37	33	50	35

Actual data in red (Source: Bloomberg) | GDP figures shown as annual change

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