



The Federal Reserve has decided to maintain the target range for the federal funds rate at 4.25% - 4.50%

The Federal Open Market Committee (FOMC) has decided to maintain the target range for the federal funds rate to 4.25% - 4.50%. . According to the FOMC, the most recent indicators show that economic activity has continued to expand at a solid pace. The unemployment rate has stabilized at a low level in recent months and Inflation remains at a relatively elevated level. In the long term, the Committee seeks to achieve maximum employment levels alongside a 2% inflation rate.

Beginning on April 1, the Committee will reduce the pace of its securities holdings reduction by decreasing the monthly redemption cap for Treasury securities from \$25 billion to \$5 billion per month. Meanwhile, the monthly redemption limit for agency debt and agency mortgage-backed securities will remain unchanged at \$35 billion per month. Furthermore, the Committee will continue to monitor the economic outlook and is ready to modify its monetary policy stance as necessary should any risks arise.

In addition, the Board of Governors of the Federal Reserve System unanimously decided to maintain the interest rate paid on reserve balances at 4.4%, effective March 20, 2025; will conduct standing overnight repurchase agreement operations with a minimum bid rate of 4.5% and with an aggregate operation limit of \$500 billion; will conduct standing overnight reverse repurchase agreement operations at an offering rate of 4.25% and with a per-counterparty limit of \$160 billion per day and approve the establishment of the primary credit at the existing of 4.5 percent, effective March 20, 2025.

Please find the link to access the detailed document on the same

<https://www.federalreserve.gov/newsevents/pressreleases/monetary20250319a.htm>

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Warm Regards,

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