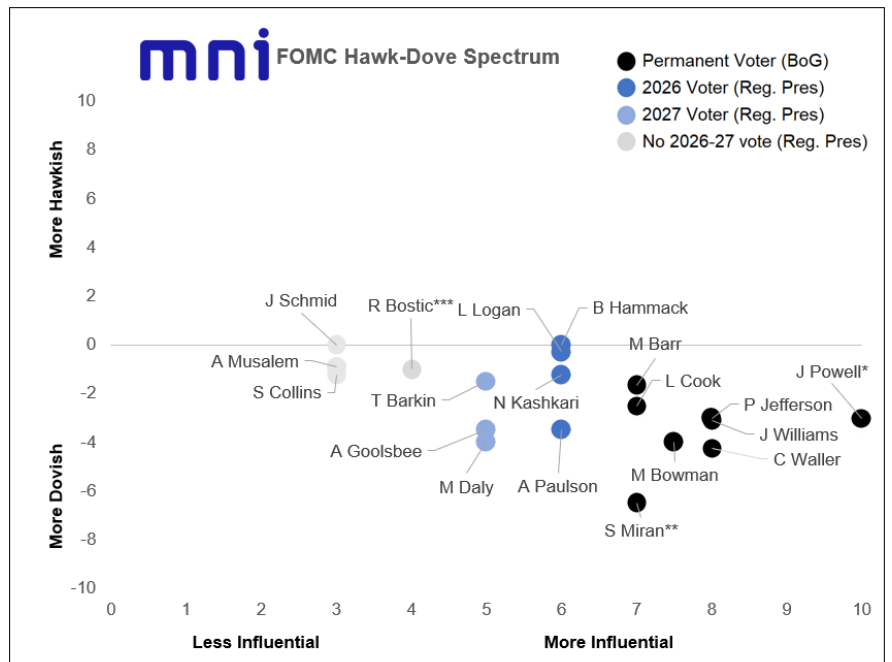


# FOMC Minutes Preview – Jan 2026

By Tim Cooper  
February 17, 2026

Within the Minutes to the January Fed meeting (Wednesday, 1400ET), we will be looking for the Committee's discussion of the latest data which raised the bar to further easing, given Chair Powell's press conference comment that "I think—and many of my colleagues think—it's hard to look at the incoming data and say that policy's significantly restrictive at this time." The stronger-than-expected January nonfarm payrolls report released since the meeting - which included a solid pullback in the unemployment rate - probably will have reinforced the Committee's patient stance.

- MNI's review of the January FOMC meeting [is here](#).
- As part of a broadly neutral communication versus expectations, the FOMC's meeting Statement was edited in January to reflect more solid-than-expected economic growth and labor market data since December's meeting, no longer noting that "downside risks to employment rose in recent months". The more substantive part of the statement – the forward rate guidance – was unchanged, continuing to say the FOMC was "considering the extent and timing of additional adjustments".
- Additionally, while Chair Powell said there was "broad support" on the Committee for holding rates, including among non voters, we also know that there were two dissenters to the rate hold (Govs Miran and Waller in favor of a 25bp cut). Some attention in the Minutes will be on whether there were any others who were considering joining them at this juncture (probably not).
- Any characterization about the perceived restrictiveness of current rates will be worth watching. Powell noted that having rates by 75bp in the prior 3 meetings, policy was now "within the range of plausible estimates. This is the higher end of that range. But for some people, they think it's neutral, I think".
- Finally, any discussion on reserve management purchase strategy would be of interest, with the Committee previously having said that it would "significantly" reduce the \$40B/monthly pace in bill purchases after the mid-April tax season has concluded. We will also be looking for any discussion on adjusting administered rates.



**Hawkish/Dovish:** Scores indicate MNI's subjective assessment of each member's stance on monetary policy. -10 implies member believes aggressive easing warranted; +10 is most hawkish, implies member believes aggressive tightening warranted. Scores around -2 to +2 considered relatively neutral.  
**Influence:** The x-axis runs from 0 ('least influential') to 10 ('most influential'). Voters in the current year receive a minimum score of 6; the Chair receives a 10 and Board of Governors members receive at least 7. Those who are not voters in the current year are limited to a score of 5; among them, those due to vote next year receive higher influence scores (rising towards end of current year), and vice-versa. **Updated Feb 17, 2026**

\* Powell's term as Chair expires on May 15 2026 but his term on the Board expires in Jan 2028  
 \*\* Miran's term on the Board expired on Jan 31 2026 but he is remaining until a successor is confirmed  
 \*\*\* Bostic is retiring at the end of his term on Feb 28 2026 - his successor will vote in 2027

## FOMC Commentary Reflects Increasingly Patient Stance

Divisions remain on the FOMC on the path forward but overall opinion has coalesced around a lack of urgency to cut rates again. Since the January meeting we've heard from most Committee participants, and of those, all have sounded at least as patient on future rate cuts as they did last month. In other words, if there has been any shift it has been in a more hawkish direction. Our Hawk-Dove Spectrum has been updated accordingly since the January meeting, with a shift across the Committee away from cut-leaning and toward a more neutral stance. Several have noted that downside risks to the labor market appear to have moderated, and that further evidence that inflation is converging to 2% will be required to support a resumption of easing.

In terms of the 12 voters in 2026, we've heard from 8 since the January FOMC meeting. Some key quotes, starting from 6 of the 8 Permanent FOMC voters (we haven't heard from **Powell** or **Williams** since the meeting):

- **Barr:** "I would like to see evidence that goods price inflation is sustainably retreating before considering reducing the policy rate further, provided labor market conditions remain stable...Based on current conditions and the data in hand, it will likely be appropriate to hold rates steady for some time as we assess incoming data, the evolving outlook, and the balance of risks."
- **Bowman:** ""Since I see the current policy stance as moderately restrictive, I do think there's room for at least 75bp of more cuts in 2026 "
- **Cook:** "At this time, I see risks as tilted toward higher inflation. As a result, I supported the FOMC's decision to hold the policy rate steady at our meeting last week. As I described, there is an argument for being optimistic about the path of inflation, but, until I see stronger evidence that inflation is moving sustainably back down to target, that is where my focus will be, in the absence of unexpected changes in the labor market"
- **Jefferson:** "The current policy stance is well positioned to address the risks to both sides of our dual mandate. I believe that the extent and timing of additional adjustments to our policy rate should be based on the incoming data, the evolving outlook, and the balance of risks."
- **Miran:** "I still think we need to cut interest rates substantially further from here. However, given that we've made some progress reducing rates, we can now proceed at a slower pace of a quarter-point per meeting."
- **Waller:** "monetary policy is still restricting economic activity, and economic data make it clear to me further easing is needed ... [to closer to "neutral"] "which the median FOMC participant estimates is 3 percent, and not where we are— 50 to 75 basis points above 3 percent."

Of the 4 regional presidents voting in 2026, we've only heard from two since January, and they are hawks: Hammack and Logan. We haven't heard from **Kashkari** or **Paulson** on monetary policy since the meeting, though the last we heard from them they were respectively hawkish/dovish on the 2026 rate outlook.

- **Hammack:** "I believe monetary policy is in a good place to stay on hold as we assess the incoming data and weigh if, and how, policy may need to adjust further... Based on my forecast, we could be on hold for quite some time."
- **Logan:** "We will learn in coming months whether inflation is coming down to our target and whether the labor market will remain stable. If so, this would tell me that our current policy stance is appropriate and no further rate cuts are needed to achieve our dual mandate goals. If instead we see inflation coming down but with further material cooling in the labor market, cutting rates again could become appropriate. But right now, I am more worried about inflation remaining stubbornly high. Fortunately, our policy is well-positioned to respond to risks to either of the FOMC's dual mandate objectives."

**Some sell-side outlooks for the January minutes release:**

- **BMO FICC:** "the meeting notes stand to offer a more refined sense of the balance of opinions on the Committee. Recall that the most notable change in the policy statement was the removal of the language: "downside risks to employment rose in recent months." Moreover, at the press conference, Powell said, "many of my colleagues think, it's hard to look at the incoming data and say that policy's significantly restrictive at this time." It's with this context that we expect the Minutes to reinforce the sense that the Fed has little urgency to deliver further rate cuts."
- **Citi:** "minutes are likely to reflect a number of Fed officials reading the labor market as more stable based on the data that was available ahead of the meeting. Some more hawkish Fed officials likely expressed that in their base case policy rates could remain on hold for some time. But we expect the majority of officials still viewed further cuts as appropriate at some point this year even though they are comfortable with keeping policy rates unchanged in the near term."
- **Deutsche:** "We will continue to look for indications about how divided the Committee is on the policy path in 2026."
- **ING:** "could be more interesting since the Fed displayed a more hawkish tinge. The minutes could reveal to what extent this was more aimed at stemming the dollar weakness at that point in time."

Member	Role	Voter		Monetary Policy Commentary Since January FOMC
		'26	'27	
J Powell	BOG, Chair	X	X	- No commentary on current monetary policy since last FOMC meeting
J Williams	NY Fed, VChair	X	X	- No commentary on current monetary policy since last FOMC meeting

Member	Role	Voter		Monetary Policy Commentary Since January FOMC
		'26	'27	
P Jefferson	BOG, VChair	X	X	<p>Jefferson, whose views we assume are closely aligned with those of Chair Powell and other core FOMC members, suggested <a href="#">in a speech on Feb 6</a> that he's satisfied with the current stance of policy and isn't in much of a rush to cut again given an improving economic outlook. We'd still guess he's in the camp of leaning toward one or two 25bp cuts by year-end, though prior to this speech we'd thought he had been more solidly in the 2 cut camp.</p> <ul style="list-style-type: none"> <li>- He says (no surprise) that he supported the 175bp in cuts so far, including the last three 25bp easings late last year: "These rate cuts were responses to downside risks to employment amid somewhat reduced upside risks to inflation. Collectively, these adjustments put our policy rate broadly in the range of estimates of the neutral rate while maintaining a balanced approach to promoting our dual-mandate objectives. Our policy stance should help stabilize the labor market while allowing inflation to resume its decline toward our 2 percent target. We always follow a prudent, meeting-by-meeting approach. The current policy stance is well positioned to address the risks to both sides of our dual mandate. I believe that the extent and timing of additional adjustments to our policy rate should be based on the incoming data, the evolving outlook, and the balance of risks."</li> <li>- On the labor market front, he doesn't anticipate further deterioration "while I look forward to reviewing January's jobs report, I see the overall labor market as roughly in balance, with a low-hiring, low-firing environment prevailing...In this less dynamic labor market, the downside risks to employment remain, but my baseline is for the unemployment rate to hold approximately steady throughout this year."</li> <li>- He says his outlook for growth has improved: "I have revised up my growth forecast modestly in recent weeks, informed by signs of the economy's continued resilience. Now, I expect the economy to grow at a rate similar to last year's estimated rate of 2.2 percent".</li> <li>- And he echoes Powell's latest press conference in seeing a convergence to target after tariff impacts on goods have passed through: "we have seen a decline in services price inflation, mostly due to easing price pressures in housing services. But this decline has been offset by an increase in core goods price inflation. Certainly, some upside risks remain, but I expect the disinflationary process to resume this year once increased tariffs pass through more fully to prices."</li> <li>- His speech addresses the hot topic, particularly among Committee doves, of productivity gains potentially bringing inflation down and allowing for further Fed easing. He sounds cautious. While "projected strong productivity growth may be a source of further help in bringing inflation down to our 2 percent target", "Should we expect the pickup in productivity to affect inflation? As in the pandemic experience, the answer likely depends on how the balance between supply and demand is affected over time". He notes that "All other things being equal, persistent increases in productivity growth are likely to result in an increase in the neutral rate, at least temporarily. With faster productivity gains, consumers may anticipate higher future income growth and choose to spend more now, reducing their saving rate. At the same time, increased productivity gains also imply a rise in the marginal productivity of capital and thus higher investment demand."</li> </ul>
M Bowman	BOG, VChair	X	X	<p>Bowman <b>said on Jan 30</b> (<a href="#">speech text here</a>) that while she didn't elect to cut rates in January, she could be ready to cut in March. She made clear that she saw 3 cuts this year in the December Dot Plot (as MNI had assumed), making her one of the biggest doves on the Committee.</p> <ul style="list-style-type: none"> <li>- "I continue to see policy as moderately restrictive, and, looking ahead to 2026, my Summary of Economic Projections includes three cuts for this year."</li> <li>- The key is that "downside risks to the labor market have not diminished, and we should not overemphasize the latest reading on the unemployment rate...My view is that we should continue to focus on downside risks to our employment mandate, and the description of the labor market is helpful to communicate that we are not overly confident. History tells us that the labor market can appear to be stable right up until it isn't."</li> <li>- "Absent a clear and sustained improvement in labor market conditions, we should be ready to adjust policy to bring it closer to neutral...we should also not imply that we expect to maintain the current stance of policy for an extended period of time because it would signal that we are not attentive to the risk that labor market conditions could deteriorate."</li> <li>- "In my mind, the question at this meeting was about the timeline for implementing these cuts, essentially choosing between continuing to remove policy restraint and arriving at my estimate of neutral by the April meeting, or moving policy to neutral at a more measured pace throughout this year."</li> <li>- "I am also reluctant to take meaningful signal from the latest data releases given the statistical noise introduced by the government shutdown" but "Given that by the time of our March meeting we will have received two additional inflation and employment reports, I saw merit in waiting to take action."</li> </ul> <p>Bowman <b>said on Jan 16</b> that the latest inflation data was "a little softer" than most expected but in line with her expectations:</p> <ul style="list-style-type: none"> <li>- "Since I see the current policy stance as moderately restrictive, I do think there's room for at least 75bp of more cuts in 2026 [...] that's what I wrote into my forecasts last December". She's still focused on threats to employment stability despite a better-than-expected jobs report for January, pointing to growth concentrated in a couple of sectors as "not a sign of a healthy labor market."</li> <li>- At the same time, Bowman said she was heartened by the latest inflation data and believes price pressures will continue to subside. "We got some more data in it's a little softer than I think most expected."</li> </ul>

Member	Role	Voter		Monetary Policy Commentary Since January FOMC
		'26	'27	
				That's in line with my expectations that we will start to see inflation decline much closer to 2% especially as the tariff effects begin to wane even further."
L Cook	BOG	X	X	<p>Cook's <b>speech on Feb 6</b> (<a href="#">link</a>) sounded more hawkish on the rate outlook than her previously dovish leanings, while broadly hewing to the centrist view on the FOMC that further easing may be appropriate. Overall she sounds wary of declaring victory over inflation and won't lean toward further cuts unless she sees further evidence that it's returning to target.</p> <ul style="list-style-type: none"> <li>- "At this time, I see risks as tilted toward higher inflation. As a result, I supported the FOMC's decision to hold the policy rate steady at our meeting last week. As I described, there is an argument for being optimistic about the path of inflation, but, until I see stronger evidence that inflation is moving sustainably back down to target, that is where my focus will be, in the absence of unexpected changes in the labor market.... I remain optimistic that inflation will soon return to a path toward our target, that the labor market is stabilizing, and that sustainable growth lies ahead. My optimism is tempered with caution. This is why I will remain vigilant in studying a wide range of incoming information so that I can pursue the best policy to achieve our dual-mandate goals. My future policy decisions will be guided by incoming data, my economic outlook, and the evolving balance of risks."</li> <li>- "Broadly, I see the U.S. economy as continuing to be resilient, with recent data indicating that growth in the second half of 2025 was even stronger than previously forecast. Inflation appears to have stalled stubbornly above our 2 percent goal, while at the same time the labor market appears to have stabilized in recent months. While the overall condition of the economy is solid, I am carefully watching sentiment, delinquencies, and other indicators that show a worsening outlook for low- and moderate-income households."</li> <li>- She sees inflation (and expectations) as under wraps, with core goods prices moderating after tariff passthroughs are complete, but "much uncertainty remains. The future direction of tariff policy is unclear. And, even when tariff levels are settled, uncertainty remains with respect to how long it will take for that price rise to be complete and whether it will take hold in inflation expectations."</li> <li>- While "Risks to the labor market persist", "the labor market is roughly in balance, but I am highly attentive to developments, knowing it can shift quickly."</li> <li>- And on productivity which some doves point to as a reason to expect inflation to come down, unlocking rate cuts, Cook sounds like her FOMC colleague Jefferson in sounding somewhat skeptical ("I am concerned that there is a dynamic inconsistency problem such that there could be a mismatch between the arrival of costs related to AI investment and the arrival of benefits, including higher productivity that is noninflationary.")</li> <li>- Also like Jefferson, "For all of 2025, I estimate the economy grew a bit better than 2 percent, and I see a similar rate of growth being maintained this year."</li> <li>- She devotes a long passage to consumer sentiment readings: "I think about this two-speed or K-shaped economy when I attempt to take signal from various sentiment readings...the reasons for low sentiment are real and are deeply concerning. But they do not, in my view, reveal a signal about increased slack that we can tackle with our typical demand-side monetary policy. In fact, for the part of households' concerns related to the pain of inflation, the best thing we can do in our roles is to ensure that inflation returns to and stays at target." Some of the more dovish members, including SF Fed's Daly, appear to take consumer sentiment readings more seriously. But there appears to be a broader consensus to take such readings with a grain of salt, as it's been poorly correlated with aggregate "real" consumer activity data.</li> </ul>
C Waller	BOG	X	X	<p>Waller explained his dissent at the January FOMC meeting in favor of a 25bp rate cut (<a href="#">link</a>) by arguing "monetary policy is still restricting economic activity, and economic data make it clear to me further easing is needed". He calls for bringing the policy rate closer to neutral, "which the median FOMC participant estimates is 3 percent, and not where we are—50 to 75 basis points above 3 percent". That's unchanged from his pre-FOMC stance though it was a bit of a surprise that he dissented at this meeting given he had sounded more patient in the lead-up (though the cynical view of many was that he was signalling to the White House that he would pursue easy policy if named Chair - a position which we now know is going to Kevin Warsh).</p> <ul style="list-style-type: none"> <li>- In particular he is extremely concerned about the labor market, which he says "does not remotely look...healthy". He says that despite December's unemployment rate downtick, the rate has risen since the middle of 2025 and the upcoming revisions to nonfarm payrolls will "likely show that there was virtually no growth in payroll employment in 2025. Zero. Zip. Nada."</li> <li>- He echoes Chair Powell in citing both supply and demand for labor as being issues but "While lower labor supply was surely a factor, it also indicates considerable weakness in labor demand" with anecdotal information suggesting "that there is considerable doubt about future employment growth and...that a substantial deterioration in the labor market is a significant risk."</li> <li>- Inflation gets only a brief mention in the dissent: "Inflation excluding tariff effects is running close to the FOMC's 2 percent target and on a path to sustainably reach that goal."</li> </ul>
S Miran	BOG	X	X	Miran - who dissented against the January rate hold in favor of a 25bp cut (smaller than the 50bp he called for at

Member	Role	Voter		Monetary Policy Commentary Since January FOMC
		'26	'27	
				<p>the prior 3 meetings) - continued to argue for easier policy <b>in a CNBC appearance on Jan 30</b>. The post-blackout period Fedpseak has of course been overshadowed by the White House's nomination of Kevin Warsh as the next Fed Chair, and one of the big questions was whether Warsh would take Miran's seat on the Board. Miran tells CNBC that "I would assume" that Warsh will take his seat since it's "the only one available". "I guess we'll see when the President formally sends the nomination over to the Senate" but at present he expects to remain in the seat at least through the March FOMC meeting.</p> <ul style="list-style-type: none"> <li>- Miran praised the Warsh nomination and suggested that they were aligned on some monetary policy issues, saying "He's had a long history of convincing people about his arguments and so I think as a result, he's going to be treated with a lot of respect, and you know, I think people are going to find him very persuasive, because at the end of the day I think a lot of his views are really right."</li> <li>- For example Miran says that he agrees with Warsh's view that the Fed balance sheet should be smaller, but "we've got to right size the regulations first" in order to lower the level of system reserves.</li> <li>- Asked about whether he thinks Warsh will change the Fed's communications strategy, Miran says that the Fed should get rid of the projected policy rate dot in the Summary of Economic Projections. (Warsh has been critical of the Fed's current communications strategies.)</li> <li>- In explaining his dovish dissent, Gov Miran repeats many of the same arguments he's made for several months, including that the PCE metric overestimates inflation ("Once you make these adjustments, you look at market based core ex-housing, it's running at 2.2% that's within noise of our target. So there is no inflation problem").</li> <li>- He says that the gradual cooling trend in the labor market should be taken more seriously than the December unemployment rate downtick ("I don't understand why we'd be so quick to change our mind on the back of one data release... I think the unemployment rate is half a point too high or so, right? That's almost a million people who don't have jobs").</li> <li>- <b>Later on Jan 30</b>, Miran told Bloomberg "I still think we need to cut interest rates substantially further from here. However, given that we've made some progress reducing rates, we can now proceed at a slower pace of a quarter-point per meeting."</li> <li>- <b>On Feb 3 he told Fox</b> "I'm probably looking for a little bit more than a point of interest-rate cuts over the course of the year. I don't see a lot of strong supply-demand imbalances of the type that monetary policy should respond to. So I think we're keeping rates too high."</li> </ul>
M Barr	BOG	X	X	<p>Barr's speech on "What Will Artificial Intelligence Mean for the Labor Market and the Economy?" <b>on Feb 17</b> (<a href="#">link</a>) concludes that the Fed should hold rates steady for some time. That chimes with our existing view that he was likely one of the four dots looking for one cut across 2026 back at the Dec SEP (the median view). Going against a productivity argument that some expect potential incoming Fed Chair Warsh to make in enabling the Fed to lower rates, Barr sees the AI boom as unlikely to be a reason for lowering rates.</p> <ul style="list-style-type: none"> <li>- "The prudent course for monetary policy right now is to take the time necessary to assess conditions as they evolve. I would like to see evidence that goods price inflation is sustainably retreating before considering reducing the policy rate further, provided labor market conditions remain stable."</li> <li>- "Based on current conditions and the data in hand, it will likely be appropriate to hold rates steady for some time as we assess incoming data, the evolving outlook, and the balance of risks."</li> <li>- "I see the risk of persistent inflation above our 2 percent target as significant, which means we need to remain vigilant."</li> <li>- The January jobs report offered assurance that the labor market is stabilizing, but "it is a delicate balance, and that means that the labor market could be especially vulnerable to negative shocks".</li> <li>- AI could disrupt the labor market in the short term but is likely to create new jobs and augment productivity and boost real wages over the long run, he said.</li> <li>- AI investment and higher productivity growth would imply a higher neutral rate but also be inflationary in the short run.</li> </ul>
B Hammack	Clev. Fed	X		<p><b>In a Feb 10 speech</b> largely devoted to banking regulation (<a href="#">speech text here</a>), Cleveland Fed President Hammack makes the case for "err[ing] on the side of patience" when it comes to rate-setting. We continue to believe that she is not supportive of any rate cuts this year, and is perhaps the biggest hawk on the FOMC at present.</p> <ul style="list-style-type: none"> <li>- She says "the outlook is brightening. Recent readings on economic growth have been encouraging, and the labor market appears to have stabilized. Many forecasts, including my own, call for some easing in inflation over the course of this year. At this point, I believe monetary policy is in a good place to stay on hold as we assess the incoming data and weigh if, and how, policy may need to adjust further."</li> <li>- Putting a finer point on it: "Based on my forecast, we could be on hold for quite some time." And with policy "now in the vicinity of neutral, meaning it's not meaningfully restraining the economy", she hints that rate hikes as well as cuts could come into play: "Right now, I see the risks of a higher or lower path for the funds rate as about balanced." (In December she said "we've got policy that's in that range of neutral...I would prefer to be on a slightly more restrictive stance".)</li> <li>- "If we see progress on both sides of our mandate, that tells me that our policy rate is already at the right</li> </ul>

Member	Role	Voter		Monetary Policy Commentary Since January FOMC
		'26	'27	
				<p>setting and that we should hold it there. Rather than trying to fine tune the funds rate, I'd prefer to err on the side of patience."</p> <ul style="list-style-type: none"> <li>- Overall her base case appears to be optimistic on both dual-mandate fronts: "Brighter growth prospects should translate into stronger demand in the labor market, helping to reduce the unemployment rate over the course of this year. Inflationary pressures should start to ease as tariff rates stabilize."</li> <li>- However, "there are no guarantees when it comes to forecasts, and there are considerable uncertainties around mine. Ultimately, I want to see evidence that inflation is, indeed, coming down. There's a risk that inflation could persist near 3 percent through this year, as it has for the past two years. Or inflation expectations could show signs of becoming unanchored if the public sees the elevated readings of the last five years as a sign that policy is not committed to achieving our 2 percent goal. On the other side, stabilization in the labor market could give way to additional softening if economic growth disappoints."</li> <li>- She name-checks the "K-shaped economy" and the "low-hire, low-fire", "roughly balanced" labor market (with the December unemployment rate "close to what I and many economists think of as a long-run equilibrium").</li> <li>- To her, "inflation is still too high", and "the longer that inflation remains at these levels, the greater the risk that it becomes entrenched in the economy".</li> <li>- On tariffs, "While some firms have already passed these costs along, others say that more price increases are coming." And "Tariffs are top of mind for many businesses, but they aren't the only source of inflationary pressures. Rising prices for health insurance and electricity are also pushing up costs. At this point, it's too soon to say if these broad cost pressures have peaked."</li> <li>- <b>On Feb 11</b> she said re the January jobs report that it "looks to me like we have a labor market that's now finding that healthy balance of where we want it to be. Inflation is still too high."</li> </ul>
<b>N Kashkari</b>	Minn. Fed	<b>X</b>		- <b>No commentary on current monetary policy since last FOMC meeting</b>
<b>L Logan</b>	Dall. Fed	<b>X</b>		<p>Dallas Fed President Logan doesn't sound like she would support a rate cut in the coming months. While her base case is that inflation pressures will abate in 2026, she said <a href="#">in a speech Feb 10</a> "I am not yet fully confident inflation is heading all the way back to 2 percent", and "the labor market now appears to be stabilizing, and the downside risks appear to have meaningfully dissipated" with December's unemployment rate consistent with full employment. We continue to presume that she doesn't support any rate cuts in 2026.</p> <ul style="list-style-type: none"> <li>- The key passage on the policy outlook: "We will learn in coming months whether inflation is coming down to our target and whether the labor market will remain stable. If so, this would tell me that our current policy stance is appropriate and no further rate cuts are needed to achieve our dual mandate goals. If instead we see inflation coming down but with further material cooling in the labor market, cutting rates again could become appropriate. But right now, I am more worried about inflation remaining stubbornly high. Fortunately, our policy is well-positioned to respond to risks to either of the FOMC's dual mandate objectives."</li> <li>- She argues that the end-2025 rate cuts raised inflation risks: "with inflation still elevated, those cuts took on additional risk on the inflation side of our mandate". Among various such risks, "insights from Fed regional surveys and other contacts suggest tariffs still need to fully work their way through prices this year. We have yet to see any evidence of further easing in core non-housing services inflation, which generally moved sideways in 2025. And, as in recent years, headline inflation may surprise to the upside in January and February as firms' annual price increases may be large due to rising costs and still solid demand."</li> <li>- Additionally, "economic activity also faces several upside risks that could slow or stall progress toward restoring price stability."</li> <li>- She reiterates her previously-stated concerns that rates may not be sufficiently restrictive, citing model-based estimates of neutral that "currently range between 1.08 and 2.09 percent", putting the current nominal fed funds rate of 3.64% "squarely within the range of neutral rate estimates" (after deducting 2% inflation). In fact, she says that when looking at TIPS / swap market proxies for the real neutral rate, "expectations for neutral real interest rates" are "at the upper end of the model-based estimates and not far from the current policy rate".</li> <li>- As an ex-manager of the Fed's SOMA portfolio, her commentary is always watched for any clues on current Fed balance sheet thinking, but there is not much new in this speech. She says she supported the Fed's decision to start reserve management purchases and supports enhancements to improve the standing repo facility's effectiveness (particularly providing a centrally-cleared option). On future RMPs, she reminds that "reserve management purchases should not be viewed as mechanical", in line with the Fed's previous guidance that bill purchases could slow from the \$40B/monthly pace once the April tax date is concluded.</li> </ul>
<b>A Paulson</b>	Phil Fed	<b>X</b>		- <b>No commentary on current monetary policy since last FOMC meeting</b>
<b>T Barkin</b>	Rich. Fed		<b>X</b>	Richmond Fed Pres Barkin was as usual very noncommittal on his rate outlook <a href="#">in a speech on Feb 3</a> . Here's the concluding paragraph which reinforces MNI's view that Barkin is a little more hawkish than the overall FOMC median participant, but unlike some outright hawks remains relatively open-minded to rate cuts should the data

Member	Role	Voter		Monetary Policy Commentary Since January FOMC
		'26	'27	
				<p>make a compelling case:</p> <ul style="list-style-type: none"> <li>- "We raised rates three years ago to bring inflation under control. As the inflation rate has fallen, we have been bringing rates back down toward neutral levels, reducing the fed funds rate 175 basis points over the last year and a half. I think of these cuts as having taken out some insurance to support the labor market as we work to complete the last mile to bring inflation back to target. So far, so good. But we know things change, and as they do, we remain ready to respond as appropriate."</li> <li>- Note that he sees rates as having been brought down "toward" neutral levels and not necessarily at/below neutral, so there's some wiggle room here for supporting further easing.</li> <li>- On the whole he continues to sound pretty cautious on making further cuts, noting the "remarkably resilient" economy "enabled by strong underlying dynamics", and "while we've made a lot of progress on inflation, it still remains above our target".</li> <li>- And his business contacts continue to suggest that labor market layoffs aren't a major problem. That said, "low hiring hasn't been translating into rising unemployment because the growth in labor supply has shrunk at about the same pace as labor demand. But slow job growth is not a comfortable place to be."</li> <li>- And on policy patience in navigating an uncertain backdrop amid worsened data visibility related to the federal government shutdown: "as we move into 2026, it feels like the fog is starting to lift...we can better see the road ahead, but to echo all of our family road trips: Are we there yet? Not quite. We have some distance to travel before we get home."</li> </ul>
<b>R Bostic</b>	Atl. Fed		X	<p>Bostic – who retires from his position at the end of February and will not participate in any future FOMC meetings - told CNBC <b>on Jan 30</b> "We should be waiting, and be more patient. We are still too high in inflation, so I think we need to be somewhat restrictive."</p> <ul style="list-style-type: none"> <li>- "I do feel like that downside risk, that a catastrophe is going to happen in employment, is much further away from us than it was even a month ago. That gives me some confidence that we can be patient."</li> <li>- <b>On Feb 2</b> he confirmed that he didn't pencil in any cuts in 2026: "I think we have so much momentum in the economy that we need to keep our policy rate in a mildly restrictive stance."</li> </ul>
<b>M Daly</b>	S.F. Fed		X	<p><a href="#">Reuters on Feb 6</a> published SF Fed President Daly (2027 FOMC voter)'s first interview since the January meeting, in which she "said she thinks one or two more interest rate cuts may be needed to counteract weakness in the labor market, where workers are "walking a knife's edge" with higher prices eating into their wages and scarce opportunities for new jobs. "I think we have to keep an open mind, a very open mind" on rates, Daly told Reuters in an interview".</p> <ul style="list-style-type: none"> <li>- Two cuts for 2026 is about where we expected Daly to have been in the December Dot Plot (see our pre-January FOMC meeting guesses below), though in general we think some of these names will have drifted to the higher side since that set of quarterly projections.</li> <li>- In the interview she says she supported the January hold "but frankly, I thought you could make a case for going ahead and taking a little more off". She's "a little more worried about the labor market than I am about inflation", but her threshold to reduce rates is that "you have to be pretty confident, like really confident, that the effects of the tariffs will roll off ... that inflation is really on a downward trajectory."</li> </ul> <p>In a <a href="#">brief LinkedIn post</a> out earlier on Feb 6, Daly placed emphasis on consumer surveys including UMichigan's as suggesting that consumers' perceptions of a weak economy should be taken into account alongside the relatively positive aggregate macro data. She is one of the bigger doves on the Committee. She writes:</p> <ul style="list-style-type: none"> <li>- "Is the economic outlook good or bad? If you talk to businesses, they're cautiously optimistic. Growth is good, consumer spending remains solid, jobs are easy to fill, and productivity gains are helping control costs. Talking to workers, they're not so sure. You can see this in the latest sentiment surveys, which show that Americans are expecting fewer jobs to be available and the unemployment rate to rise.</li> <li>- In many ways, this disconnect makes sense. We've been in a relatively low-hiring, low-firing environment for some time. That may persist, but workers are aware that things could change quickly, leaving them in a no-hiring, more-firing labor market. With inflation printing above the FOMC's 2 percent goal, this rightly feels precarious.</li> <li>- What does this mean for policy? We must watch both sides of our mandate. Americans deserve both price stability and full employment, and we can't take either for granted."</li> </ul>
<b>A Goolsbee</b>	Chic. Fed		X	<p>In a Yahoo Finance appearance <b>on Feb 13</b>, Chicago Fed President Goolsbee remained cautious on near-term rate cut prospects in light of the January employment and inflation reports. Recall he dissented somewhat surprisingly in December against the 25bp rate cut, and he continues to appear reticent to support easing until he sees clearer signs that inflation is headed to target.</p>

Member	Role	Voter		Monetary Policy Commentary Since January FOMC
		'26	'27	
				<ul style="list-style-type: none"> <li>- On the latest CPI report: "There was an encouraging bit in the in the CPI number today, but there were also still some concerns. I would say it's encouraging that on the food and the energy side, you saw pretty significant improvement in goods inflation, which is where mostly we've seen the impact of tariffs. The new month that came in, the number was okay, and the the more concerning part is we're still seeing pretty high services inflation, which is a thing which tends to be persistent. So we're going to still get a producer price index inflation, and we're still going to get some more information. Let's hope that we've seen the peak impact of tariffs on inflation and that that that part proves to be transitory....if you see inflation well above the target in services, that's a danger sign. And I just want to get some more more information before we start front loading the cuts."</li> <li>- On the latest jobs report: "if you look at the unemployment rate, if you look at a lot of the rate based measures, like the layoff rate is low, while simultaneously the hiring rate is low, that's an unusual combination that doesn't really scream out beginning of recession to me. I thought this month's number... one month is not a trend."</li> <li>- On the prospect for rate cuts given the latest data: "if we could get some more improvement on the inflation side, as I say, I think rates can still keep going down a fair bit more. But we just need to see the progress on inflation, and we need to see that the job market remains steady like like it has been for a couple of months here."</li> <li>- On where rates will "settle": "I don't know how restrictive we are... If you look at core inflation, the new month that that just came in is an annualized rate of 3.6% for core inflation... Let's just be a little circumspect making pronouncements about where rates are going to settle until we're clear that the inflation rate is settling back at 2%. If we're at an inflation rate of 2% then, as I say, I think rates can go down more, even several cuts more from where they are today, but that's conditional on getting inflation back on a path to 2% which, right now we are not on a path back to 2% - we're kind of stuck at 3% and that's not acceptable."</li> </ul> <p><b>On Jan 17</b>, Goolsbee said that monetary policy may not be that restrictive if inflation is steady around 3%, he said. "If inflation runs persistently high, we're loosening -- we're being looser than we otherwise would. That's why I say I want some evidence we're headed back to 2% and then I think rates can keep coming down".</p> <ul style="list-style-type: none"> <li>- The January CPI report showed further disinflation in shelter prices, but services inflation is "not tame" and core came in at a 3.6% annualized M/M rate, he said. "So far I think we've been basically stalled out around 3% with some positive signs but also some warning signs," he said. "I want to get more information."</li> </ul>
<b>S Collins</b>	Bos. Fed			<ul style="list-style-type: none"> <li>- <b>No commentary on current monetary policy since last FOMC meeting</b></li> </ul>
<b>A Musalem</b>	St. Louis Fed			<p>St Louis Fed's Musalem <b>on Jan 30</b> echoed comments he made prior to the December meeting in suggesting that it would be "unadvisable" to cut rates at this time. That said, if the data were to align, then he is open to the possibility of cuts in future. Key quotes from <a href="#">his speech</a>:</p> <ul style="list-style-type: none"> <li>- He says he supported the January decision to hold rates, and "given the current data and the balance of risks, I believe it would be unadvisable to lower the rate into accommodative territory at this time...I believe that policy is now well positioned to respond as needed to either of the Fed's dual mandate objectives."</li> <li>- But he appears to retain an easing bias: "I could support additional reductions in the policy rate if new evidence of labor market weakness or risks emerge, absent further signs of persistent above-target inflation or rising inflation expectations. I could also support lowering the nominal policy rate if expected inflation declines to target or falls below it."</li> <li>- He notes that "Recent data indicate the labor market is regaining some of its footing" and his view is that "Although hiring remains soft, continued above trend economic growth should support the demand for labor while low levels of immigration limit growth in labor supply." Conversely he says inflation "has been stubborn" and , "but I expect inflation will resume a path toward 2% as tariff effects ebb later this year."</li> <li>- He's upbeat on economic activity: "I expect the economy will continue to expand at or above its long-run trend rate in 2026...Reports indicate that consumer spending was especially strong in late December and into January...Supportive financial conditions are among [] tailwinds...changes in tax law and various forms of deregulation could also lift spending...Productivity growth is another potential tailwind" with his only real reservation being on the housing market which "has been weak for several quarters and poses some downside risk".</li> </ul>
<b>J Schmid</b>	K.C. Fed			<p>KC Fed President Schmid (not a 2026 FOMC voter) continued to convey a hawkish monetary policy view <a href="#">in a speech on Feb 11</a>, and we continue to believe he's among a sizeable minority on the FOMC who don't have rate cuts as part of their 2026 baseline. In short, "With demand outpacing supply and inflation running closer to 3% than 2%, I see it as appropriate to maintain a somewhat restrictive policy stance."</p> <ul style="list-style-type: none"> <li>- He says that after cutting rates, Fed policy is "arguably no longer restraining activity all that much, if at all. As I've said before, I think it is best to judge whether interest rates are restrictive or accommodative based on how the economy performs. With growth showing momentum and inflation still hot, I'm not seeing many indications of economic restraint....further rate cuts risk allowing high inflation to persist even longer." Unsurprisingly, in a post-speech Q&amp;A he said that the January Employment Report was "good news" (as</li> </ul>

Member	Role	Voter		Monetary Policy Commentary Since January FOMC
		'26	'27	
				<p>quoted by Bloomberg).</p> <ul style="list-style-type: none"> <li>- Schmid weighs in on the recently-hot topic of productivity and its impact on the inflation outlook. He sounds skeptical that recent gains are AI-led, instead pointing to a "falloff in labor market churn" and household and business investment demand keeping growth strong.</li> <li>- In the end, he asks, "Is growth being led by supply or demand? With so many competing but intertwined developments, it can be hard to tell. But we do have one reliable indicator that can cut through all the confusion and provide a quick answer. That is inflation. Overall, with inflation still running hot, it appears that demand is outpacing supply across much of the economy. I remain open to the possibility, and I'm even optimistic, that AI and other innovations will eventually lead to a non-inflationary, supply-driven growth cycle. However, based on the current rate of inflation, we are not there yet."</li> <li>- He comments on recent balance sheet decisions too, supportive of decisions to roll off MBS holdings and shorten the duration of the SOMA portfolio. He's been one of the most ardent advocates on the FOMC of reducing the Fed's market footprint. It's perhaps of increasing importance now though, given that the nominated/incoming Fed Chair Warsh has signaled that he'd like to shrink the balance sheet.</li> <li>- Schmid: "it is my view that in normal times the Fed's balance sheet should not influence the shape of the yield curve. The balance sheet growth initiated in December is reducing this distortion by concentrating new purchases in Treasury bills. In shortening the average maturity of our holdings, the FOMC is continuing to reduce the influence of the Federal Reserve's balance sheet on longer-term interest rates" and "winding down our mortgage holdings is critical to ensuring that the Fed minimizes its footprint in financial markets".</li> <li>- He does signal support for regulatory changes and other factors that could structurally reduce reserve demand and thus lower the size of the asset side of the Fed's balance sheet: "I think there are opportunities to reduce reserve demand over time, especially as the regulatory environment and payments technologies continue to evolve. Guiding towards a lower level of reserves is not only feasible in my opinion, but something that should be pursued to allow for a smaller balance sheet."</li> </ul>