

## The Minutes quote that says it all

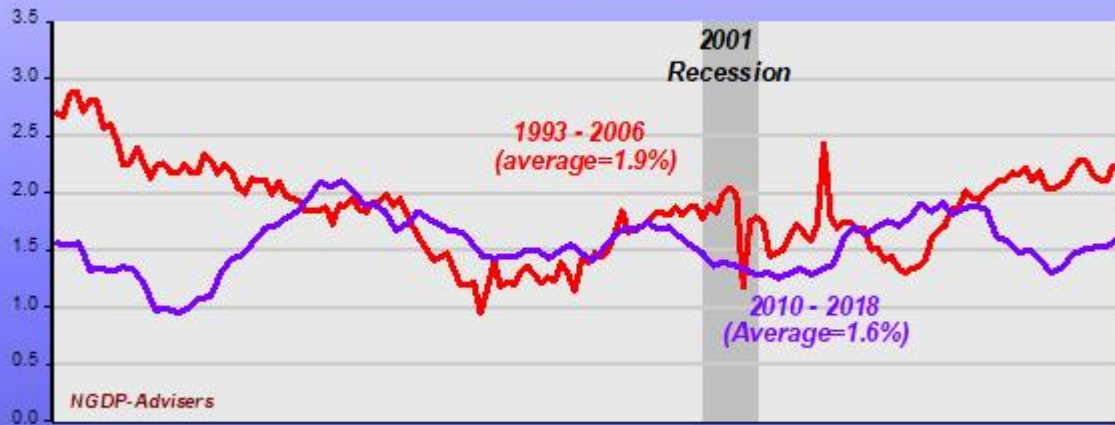
“Some participants suggested that, at some point, it might **become necessary to revise** statement language to acknowledge that, in pursuit of the Committee’s statutory mandate and consistent with the median of participants’ policy rate projections in the SEP, monetary policy eventually would **likely gradually move from an accommodative stance to being a neutral or restraining factor for economic activity.**”

As if for the past eight years at least, monetary policy had not been a restraining factor!

The charts illustrate it vividly.



PCE Core - % YoY



Unemployment Rate



[Note: FG= "Forward Guidance", introduced by the Fed at the August 2003 Meeting]