

# Press Release

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January 30, 2019

## Statement Regarding Monetary Policy Implementation and Balance Sheet Normalization

For release at 2:00 p.m. EST

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After extensive deliberations and thorough review of experience to date, the Committee judges that it is appropriate at this time to provide additional information regarding its plans to implement monetary policy over the longer run. Additionally, the Committee is revising its earlier guidance regarding the conditions under which it could adjust the details of its balance sheet normalization program. Accordingly, all participants agreed to the following:

- The Committee intends to continue to implement monetary policy in a regime in which an ample supply of reserves ensures that control over the level of the federal funds rate and other short-term interest rates is exercised primarily through the setting of the Federal Reserve's administered rates, and in which active management of the supply of reserves is not required.
- The Committee continues to view changes in the target range for the federal funds rate as its primary means of adjusting the stance of monetary policy. The Committee is prepared to adjust any of the details for completing balance sheet normalization in light of economic and financial developments. Moreover, the Committee would be prepared to use its full range of tools, including altering the size and composition of its balance sheet, if future economic conditions were to warrant a more accommodative monetary policy than can be achieved solely by reducing the federal funds rate.

Last Update: January 30, 2019