

[Home](#) > [Latest from President Bullard](#) > [Speeches, Presentations and Commentary](#)



[From the President](#)

# A Successful Normalization of Monetary Policy in the U.S.

**May 22, 2019**

[Presentation \(pdf\)](#) | [Press Release](#)

St. Louis Fed President James Bullard discussed the end of U.S. monetary policy normalization in a presentation to the Foreign Correspondents' Club in Hong Kong. He noted that the Federal Open Market Committee's monetary policy normalization program has been successful in that U.S. real economic performance has been very good during the normalization.

The normalization of U.S. monetary policy has come to a close at an appropriate point, Bullard noted. "Going forward, the FOMC may adjust monetary policy, but any changes would be in response to incoming macroeconomic data and not part of an ongoing normalization strategy," he said.

The FOMC faces many macroeconomic challenges, Bullard explained, including unresolved trade disputes and below-target inflation. "These challenges suggest that the FOMC needs to tread carefully in order to help sustain the economic expansion," he said.

He noted that the FOMC may want to consider ways to re-center inflation and inflation expectations at the 2% target. "A downward policy rate adjustment even with relatively good real economic performance may help maintain the credibility of the FOMC's inflation target going forward," Bullard said. "A policy rate move of this sort may become a more attractive option if inflation data continue to disappoint."

**FOLLOW US**



## SIGN UP FOR EMAIL ALERTS

Receive updates in your inbox as soon as new content is published on our website

[SIGN UP](#)

## QUICK LINKS

[About Us](#)

[Legal Information](#)

[Contact Us](#)

[Privacy Policy](#)

[Careers](#)

[Doing Business with the Fed](#)

[Events](#)

[Federal Reserve Services](#)

[Visiting the St. Louis Fed](#)

[Federal Banking Regulations](#)