

Economic Commentary

October 28, 2003

Fed Meeting Today: No Change in Rates Expected

The US Federal Reserve Open Market Committee (FOMC), the rate setting body of the Federal Reserve meets today. As the Fed has reiterated on numerous occasions over the last few months they plan to hold rates at current levels until they are sure that a sustainable economic expansion is well entrenched in the US. Thus none of the analysts expect any change in rates at this time. The only thing that analysts will be looking for is for any material change in the wording of the press release for any clues as to what the Fed is thinking about the future course of interest rates. At this point, analysts are not expecting any change in rates until June of 2004, at the earliest. The Fed next meets on December 9th, 2003. That is going to be the last meeting for the year. The BOC meets on December 2nd.

Kenneth Matziorinis, Ph.D.

Canbek Economic Consultants Inc.