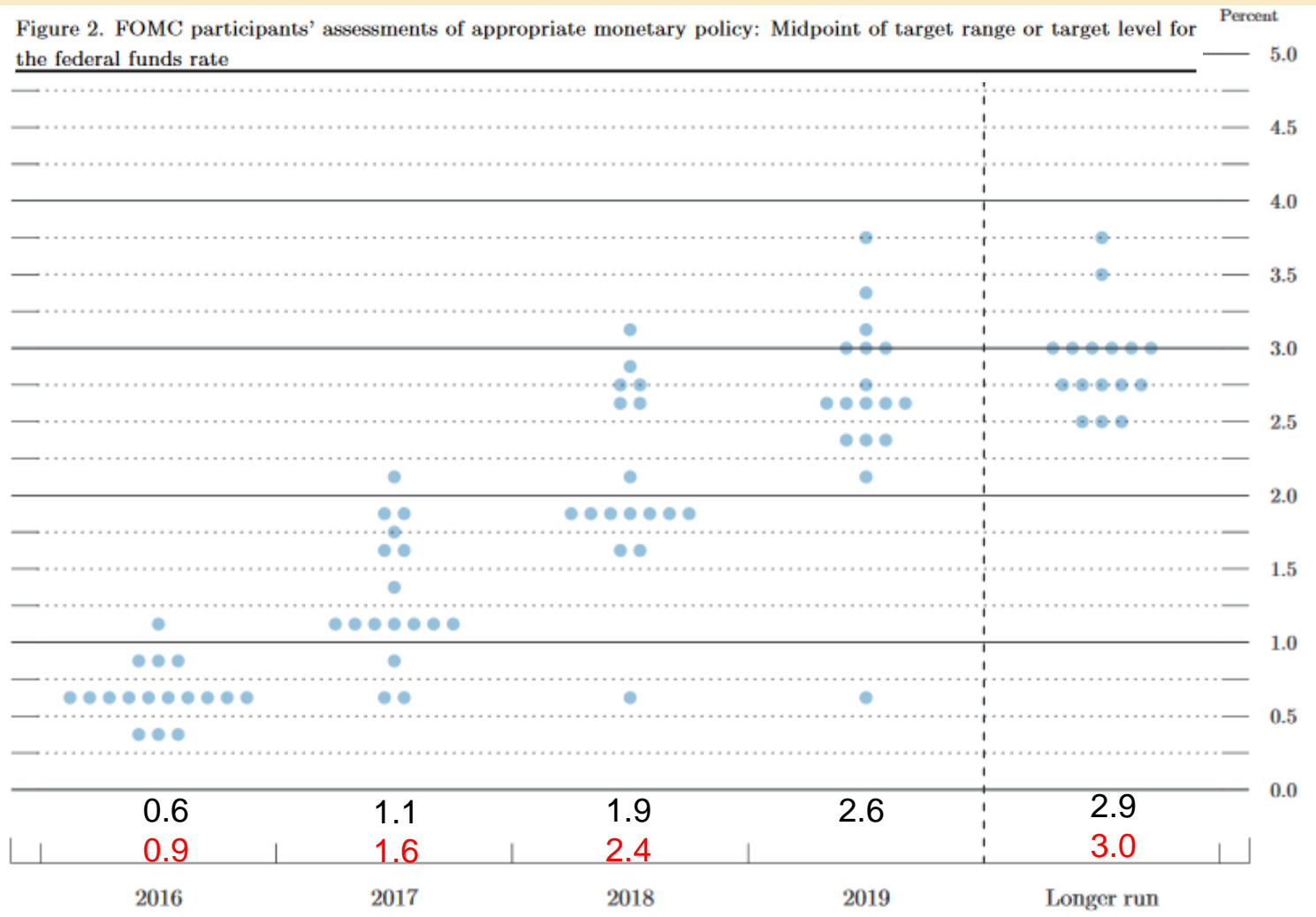


Figure 2. FOMC participants' assessments of appropriate monetary policy: Midpoint of target range or target level for the federal funds rate



Economic projections of Federal Reserve Board members and Federal Reserve Bank presidents under their individual assessments of projected appropriate monetary policy, September 2016

Advance release of table 1 of the Summary of Economic Projections to be released with the FOMC minutes

Percent

Variable	Median ¹					Central tendency ²					Range ³				
	2016	2017	2018	2019	Longer run	2016	2017	2018	2019	Longer run	2016	2017	2018	2019	Longer run
Change in real GDP [Ⓢ]	1.8	2.0	2.0	1.8	1.8	1.7-1.9	1.9-2.2	1.8-2.1	1.7-2.0	1.7-2.0	1.7-2.0	1.6-2.5	1.5-2.3	1.6-2.2	1.6-2.2
June projection [Ⓢ]	2.0	2.0	2.0	n.a.	2.0	1.9-2.0	1.9-2.2	1.8-2.1	n.a.	1.8-2.0	1.8-2.2	1.6-2.4	1.5-2.2	n.a.	1.6-2.4
Unemployment rate	4.8	4.6	4.5	4.6	4.8	4.7-4.9	4.5-4.7	4.4-4.7	4.4-4.8	4.7-5.0	4.7-4.9	4.4-4.8	4.3-4.9	4.2-5.0	4.5-5.0
June projection	4.7	4.6	4.6	n.a.	4.8	4.6-4.8	4.5-4.7	4.4-4.8	n.a.	4.7-5.0	4.5-4.9	4.3-4.8	4.3-5.0	n.a.	4.6-5.0
PCE inflation	1.3	1.9	2.0	2.0	2.0	1.2-1.4	1.7-1.9	1.8-2.0	1.9-2.0	2.0	1.1-1.7	1.5-2.0	1.8-2.0	1.8-2.1	2.0
June projection	1.4	1.9	2.0	n.a.	2.0	1.3-1.7	1.7-2.0	1.9-2.0	n.a.	2.0	1.3-2.0	1.6-2.0	1.8-2.1	n.a.	2.0
Core PCE inflation ⁴	1.7	1.8	2.0	2.0		1.6-1.8	1.7-1.9	1.9-2.0	2.0		1.5-2.0	1.6-2.0	1.8-2.0	1.8-2.1	
June projection	1.7	1.9	2.0	n.a.		1.6-1.8	1.7-2.0	1.9-2.0	n.a.		1.3-2.0	1.6-2.0	1.8-2.1	n.a.	
Memo: Projected appropriate policy path															
Federal funds rate	0.6	1.1	1.9	2.6	2.9	0.6-0.9	1.1-1.8	1.9-2.8	2.4-3.0	2.8-3.0	0.4-1.1	0.6-2.1	0.6-3.1	0.6-3.8	2.5-3.8
June projection	0.9	1.6	2.4	n.a.	3.0	0.6-0.9	1.4-1.9	2.1-2.9	n.a.	3.0-3.3	0.6-1.4	0.6-2.4	0.6-3.4	n.a.	2.8-3.8

Chair the Fed

A game by the Federal Reserve Bank of San Francisco


<http://sffed-education.org/chairthefed/default.html>


Your Job


The President of the United States has nominated you and the U.S. Senate has confirmed you to serve as the Chair of the Federal Reserve. Your job is to set monetary policy to achieve full employment and low price inflation. Your term will last 4 years (16 quarters).

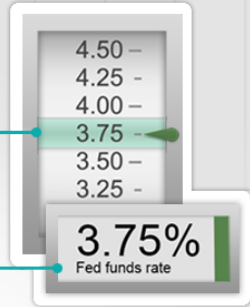
Set Monetary Policy:

Fed funds rate Adjust this key short-term interest rate to keep the economy on track.

Press  to **raise** the fed funds rate or tighten monetary policy, which over time tends to reduce inflation and increase unemployment.

Press  to **cut** the fed funds rate or loosen monetary policy, which over time tends to boost inflation and lower unemployment.

Press  to **see** your decision affect the economy.





Watch:

Unemployment Keep unemployment close to its natural rate of 5%.



Inflation Keep inflation near the Fed's 2% inflation target.



  Pay attention to the headlines for information about the economy.

Play Now

Adjust the fed funds rate below, then press GO.

5.50 -
5.25 -
5.00 -
4.75 -
4.50 -
4.25 -
4.00 -

+
RAISE

-
CUT

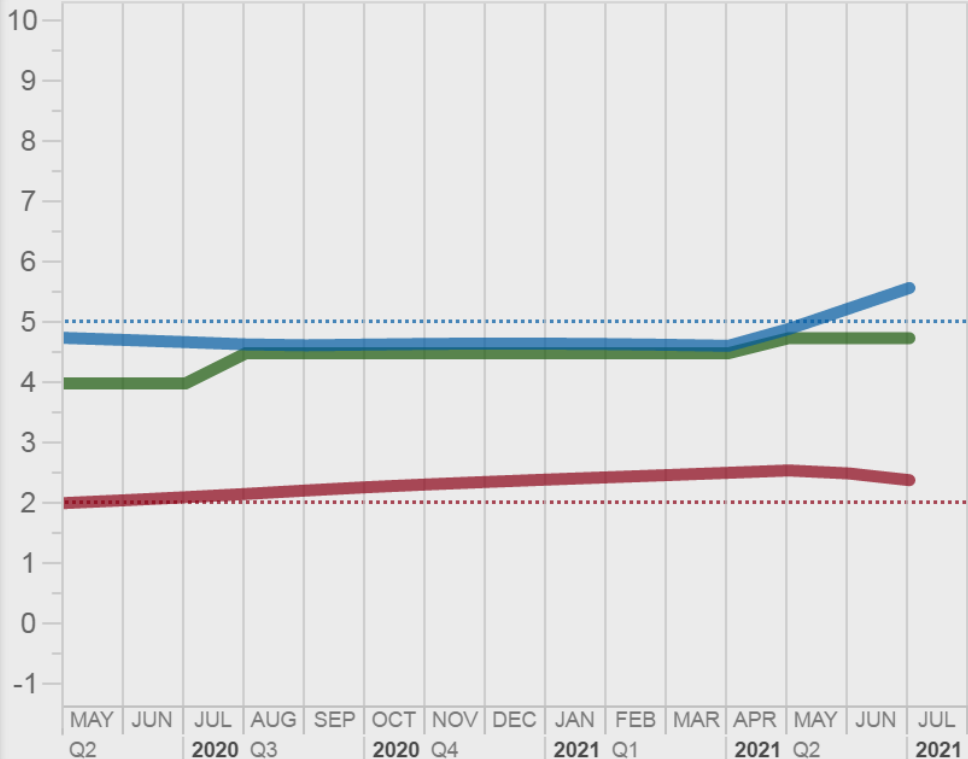
GO

START OVER

BREAKING NEWS

Financial Market Crisis!

Few new loans for consumers and businesses



12

Quarters remaining in your term

4.75%

Fed funds rate

Natural unemployment rate

5.58%

Unemployment

Target inflation rate

2.40%

Inflation

Congratulations!



You have been confirmed for another term
as Chair of the Federal Reserve.

Here are the economic conditions in the final year of your term:

Unemployment rate 5.13%

Inflation rate 1.30%

There was an oil crisis during your term.
Play again to guide the economy through a different scenario.

Share with your friends   or by [Email](#)

Play Again