

Understanding FOMC Minutes

an infographic

3 weeks

after each policy meeting

2 most important sections

Committee Policy Action

Discusses the views of the voting *members*. Look for quantitative words within this section to give clues to differing views among voters. Ignore the synopsis of the policy decision and statement as they simply restate what has already been released.

Participants' Views...

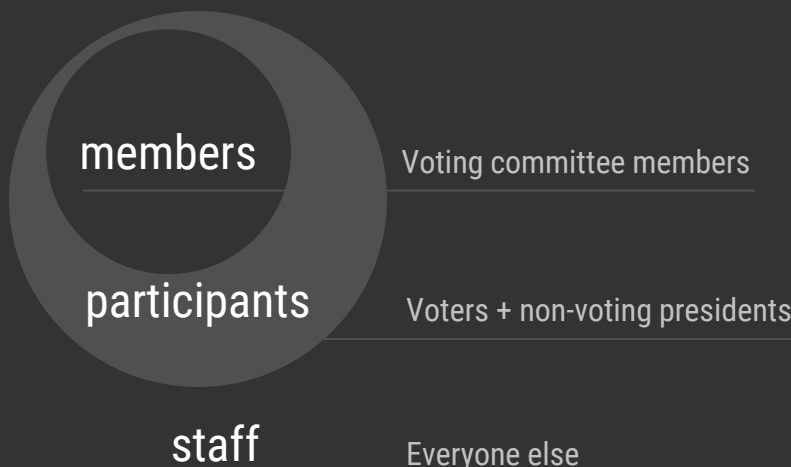
Most of the new information is here. Look for an assessment of the balance of risks and specific quantitative words to see if views are becoming more or less consensus. *Participants'* views cause knee-jerk reactions, but only voting *members* affect monetary policy.

quantitative words

increasing consensus

all / agreed
all but one / generally agreed
almost all
most
many
a number of
several
some
few
a couple / two
one / another

three types of attendees



other things to consider

Supplemental sections – Reinvestment Policy, Asset Purchases, Policy Normalization. These are generally more important than Staff Reviews and Developments in Financial Markets.

Timing language – “soon”, “this year”, “fairly soon”. Changes in consensus around timing often move markets.

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