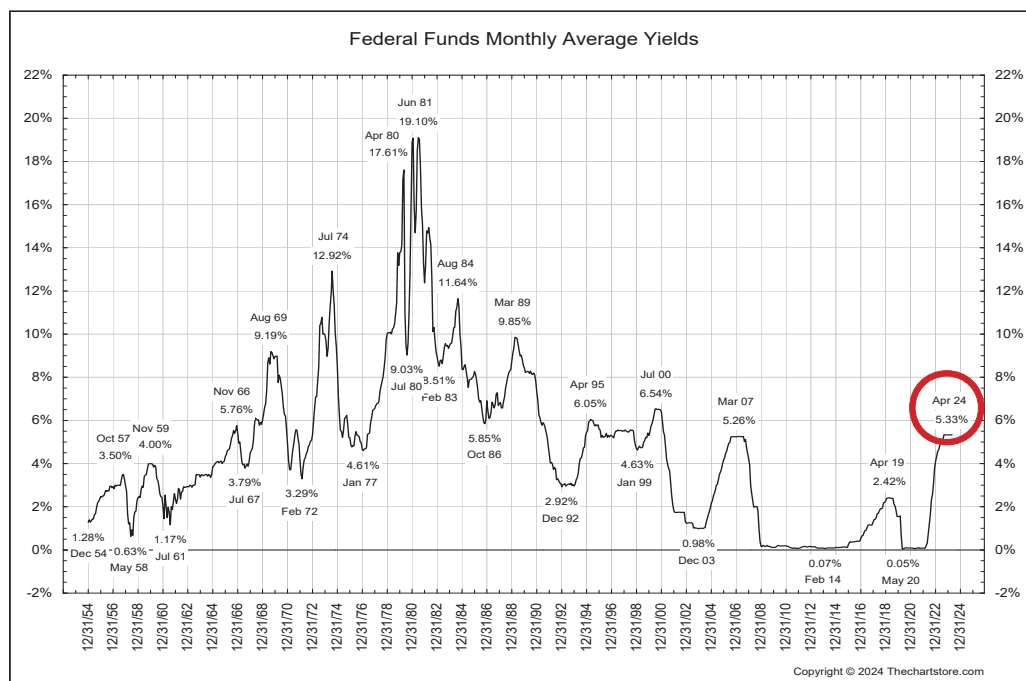


## U.S. FED FUNDS: higher for longer or a structural long-term trend reversal?

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Data as of April 2024



Although not expecting the Federal Reserve to cut rates in 2024, Barron's [article](#) author, Nicholas Jasinski, also mentioned (in a graph) that the FOMC's last March projection indicated

Data as of May 2024

lower borrowing costs up to 2027. Then, how could borrowing costs come down if even the U.S. Treasury Secretary is repeatedly financing the State needs with [short-term borrowing](#)? In early May, the four-week Treasury bill auction for debt maturing in the first week of June hit a [record-high yield of 5.84%](#), i.e., 50 basis points higher than the 5.33% average monthly yield of last April.

Historical Graphs are courtesy of: [www.thechartstore.com](http://www.thechartstore.com)

