

[theme music]

A light gray screen with dark gray text that reads 'Federal Open Market Committee' scrolls across the screen in segments then scales down to the full title. Scene fades to white.

A female host named Jaime Agostino stands in front of a gray wall with two dark, wooden books shelves with various books and decorations on them. Below her is a screen width gray graphic with a blue border on top and white letters that read, 'Federal Open Market Committee Update-Jaime Agostino Marketing and Business Development Director November 6,2020.'

Jaime: Hi, I'm Jaime Agostino, marketing and business development director with Vizo Financial, and this is your FOMC update for November 2020.

Jaime: No surprise here, as the Fed maintained the fed funds target range at a level of 0-25 basis points, as well as the rate on required and excess reserves at 10 basis points. There was very little change in the post meeting statement. As with the September statement, the November statement pointed to the continuing hardships caused by the COVID-19 pandemic.

Jaime: The committee indicated that economic activity and employment continue to recover but are still far behind their pre-pandemic levels. Given inflation continues to run below the committee's 2 percent long-run goal, they reiterated their commitment to maintain an accommodative stance for monetary policy until inflation runs moderately above 2 percent for some time. This is to ensure inflation averages 2 percent over time and inflation expectations remain firmly at 2 percent. The committee also reiterated its commitment to increasing its holdings of treasury and agency mortgage-backed securities to make sure markets continue to function smoothly. A look at what chairman Powell had to say at his post meeting press conference after the break.

[ominous music]

Female voice: It's rectangular. It's plastic. It's something everyone has, and it's the newest way to make payments in MY CU Services' electronic bill payment system!

Female voice: CardPay is now available for credit unions so members can make card-funded payments! Instead of using their credit union account information, they can pay using their debit or credit cards. Did you know that a majority people prefer to use cards for most payments? That's why CardPay is so great!

Female voice: Plus it's easy and intuitive to use. Your members can just add their cards to the system and use them to pay billers that accept card-funded payments. They'll even receive automatic confirmation when payments are submitted. And since card payments are so much quicker, accounts are generally credited within 24 hours.

Female voice: What's in it for your credit union? We're glad you asked! Increase your bill payment transactions. Flexibility to set up the system so only cards issued by your credit union can be utilized, or allow cards from any institution. Appeal to your members with a convenient and near real-time payment option. Expand your bill payment service.

Female voice: Get CardPay and let your members make payments the preferred, faster, card-funded way!

Light blue screen with MY CU Services logo

Fade to black

Jaime: In his press conference following the meeting, Chairman Powell explained that though we had a rapid pace of recovery in the third quarter, as real GDP rose at an annual rate of 3.3 percent, growth has moderated in recent months. Overall, economic activity remains well below its pre-pandemic level as spending on services remains low, though there has been a rebound in household spending, housing, and business investment.

Jaime: The labor market has also rebounded with about half of the jobs lost to the pandemic being recovered, though the pace of that recovery has slowed as well. He indicated that overall, the economic outlook is very uncertain and that the recovery will depend on how well we can keep the virus in check. The chairman reinforced the committee's resolve to seek full employment and inflation at a target of 2 percent, and that the Fed will continue to do all it can to support the economy using the full range of its toolkit including monetary policy, asset purchases, and emergency lending powers. The chairman also indicated that as well as the Fed using its range of tools, it will likely take additional fiscal stimulus from Congress in order to return the economy to the health it enjoyed before the pandemic.

Jaime: Well, not a whole lot new from the Fed which is understandable given the amount they have already done. Hopefully by the time you view this we will be well on our way to knowing who our president will be for the next four years. When we get the election behind us, we can work on moving forward and passing some of that fiscal stimulus Chairman Powell is talking about. That's the FOMC update for November. Thanks for watching and be well!

Fades to Vizo Financial logo V and a red heart and the words, "CUs" in green on gray background. The logo fades into the Vizo Financial logo. Vizo Financial logo fades out and disclaimer text appears on screen.

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