

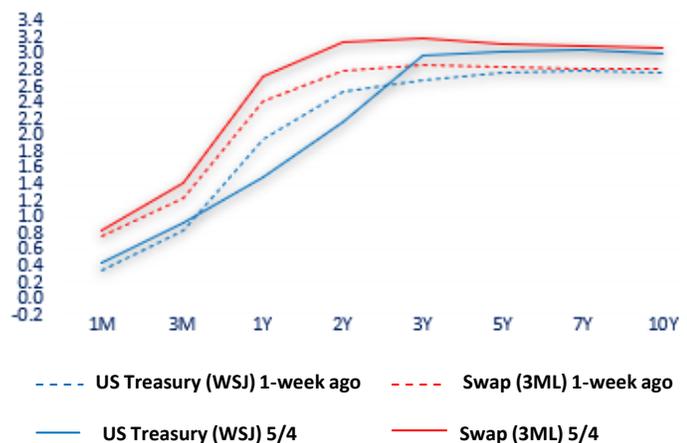


Highlight of the Week:

Federal Reserve Set to Raise Interest Rates by a Half Percentage Point

- Fed Chairman Jerome Powell has a press conference at 2:30 pm EDT, and he has telegraphed that the Fed will announce a half percentage point rate increase.
- Fed officials will also likely approve plans to start shrinking its \$9 trillion asset portfolio. The moves are part of a dual-effort to slow the economy and ease price pressures that have now reached a 4-decade high.

Rate Curves:



Sources: WSJ and BMO Capital Markets

Rapid Report:



Russian Central Bank Cuts Key Interest Rate to 14%

- The central bank had previously implemented an emergency rate hike from 9.5% to 20% in February to support its plunging ruble currency days after the Ukraine invasion.
- The Russian central bank is now facing a sharply shrinking economy and skyrocketing levels of inflation. Russian inflation reached 16.7% in March and the bank expects annual inflation to land between 18-23% this year. The downstream impacts on the global economy are unpredictable, but U.S. banks continue preparing for the worst.

Citi Trader Error Caused 'Flash Crash' in Europe

- A flash crash in European markets Monday prompted several indexes to tumble sharply, sparking alarm among investors.
- High-frequency trading firms have been blamed for several flash crashes over recent years and these events continue to show the problems caused by fat-finger human error. Citi has acknowledged a trader made an input error and it was identified/corrected within minutes.

Leaked Supreme Court Vote Leads to Demonstrations in D.C.

- A supposed draft opinion to strike down *Roe v. Wade* has led abortion rights supporters + anti-abortion demonstrators to rally outside the Court in Washington D.C. Wednesday.