

2024 Key Theme Update: Interest Rates

Federal Funds Futures, as of May 1, 2024



Source: JPMorgan Asset Management, Bloomberg, CME, Data as of 5/1/24.

Key Takeaways

July 2024

- At the beginning of the year, the expectation of rate cuts in 2024 was very high and the market was pricing in roughly 6 cuts. As the year progressed, markets became less optimistic and have settled into the “higher for longer” rate environment.
- The Fed has made meaningful headway in reducing inflation, but stronger data in recent months has kept them on pause. The Fed seems partial to cutting rates, but they will need more evidence that inflation is sustainably moving toward their 2% goal before acting.
- Markets are currently pricing in just one rate cut by the end of the year.

Learn more in our [2024 mid-year key themes video update](#).