

2023.pdf?sc_lang=en&hash=3AB128AC00BADE0564654D6EF816A351)[Press Release](https://www.stlouisfed.org/news-releases/2023/02/16/bullard-presents-disinflation-progress-and-prospects)[Video](https://www.stlouisfed.org#video)

St. Louis Fed President Jim Bullard presented “Disinflation: Progress and Prospects” at a meeting of the Greater Jackson Chamber in Tennessee.

Bullard discussed the improved U.S. real GDP growth in the second half of 2022, the strong labor market performance, and the start of the disinflationary process.

He also noted that front-loaded Fed policy has helped keep market-based measures of inflation expectations relatively low. Continued policy rate increases can help lock in a disinflationary trend this year, even with ongoing growth and strong labor markets, he said.

Video:

- **February 4, 2023.** Presentation. "Social Learning for the Masses," Computational & Experimental Economics Workshop, Simon Fraser University, Vancouver, British Columbia. [Presentation \(pdf\) \(bullard-ceew-sfu-04-feb-2023pdfsc_lang=en&hash85527f169d6fb4b1fb9f71433b05baea\)](https://www.stlouisfed.org/news-releases/2023/02/16/bullard-presents-disinflation-progress-and-prospects).
- **January 12, 2023.** Remarks and Moderated Q&A. [Bullard Discusses Inflation and the Economic Outlook](#), Wisconsin Bankers Association.

Bullard Discusses Inflation and the Economic Outlook

January 12, 2023

St. Louis Fed President Jim Bullard talked about the need for the Fed to keep interest rates at high enough levels to ensure inflation moves down and stays down. He also discussed “bullish factors” for the U.S. economy in 2023 during a Wisconsin Bankers Association virtual event.

Inflation remains well above the Fed’s inflation target but is moderating in

response to front-loaded and aggressive monetary policy in 2022, Bullard said.

The Fed's policy—especially the aspect of front-loading policy rate increases—has been the right one to get the policy rate to the right level to return inflation to the 2% target on a consistent basis, Bullard said. By front-loading transparently and communicating with markets, the Fed can avoid 1970s outcomes, when inflation would seem to come down but then rise again to even higher levels, he said.

“That means that the Fed is going to have to maintain rates at high enough levels to make sure that inflation is moving down and staying down on a consistent basis,” he said.

Bullard said that his preference would be to get to the level of the policy rate that would be considered sufficiently restrictive as soon as possible and get the benefit of downward pressure on inflation from the higher policy rate.

Bullard also cited “bullish” factors for the U.S. economy going into 2023, including forecasts of above-trend GDP growth for the fourth quarter of 2022, which would bring GDP for the second half of 2022 more in line with the strong labor market, he said. Bullard also cited household wealth and improved global economic prospects.

Bullard answered questions about the Fed's quantitative tightening program, supply chain constraints and money supply.

- **January 5, 2023.** Presentation. "[The Prospects for Disinflation in 2023](#)," CFA Society St. Louis. [Presentation \(PDF\) \(bullard-cfa-society-st-louis-05-jan-2023pdfsc_langenhash81e5e141aae1a2860d0c69d148d21621\)](#) | [Press Release](#) | [Video](#).

The Prospects for Disinflation in 2023

January 5, 2023