

Knightley: We'll be waiting months for the next Fed rate cut

There was a lot of economic optimism when Donald Trump entered the White House. But as hopes for a sustained recovery fade - there's even some talk of recession - what does that mean for US interest rates? ING's Chief International Economist, James Knightley, has some answers



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We don't think the US economy is headed for recession but concern about America's economic prospects is growing. There are fears of substantial job losses, tariffs are threatening near-term higher prices, and equity markets are down. There are expectations that the Federal Reserve may have to step in and cut rates again. But with inflation still above target, ING's James Knightley thinks we'll be waiting at least until September for the first rate reduction.

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