



# The Lyttle Company

Registered Investment Advisory LLC

## NEWSLETTER

Winter 2023-  
February 1, 2023

### Summary

- Economic News – The Fed increased the Fed funds rate 25 additional basis points today.
- Market Events – The S&P 500 lost 10.34% over the past year.

[www.thelyttlecompany.com](http://www.thelyttlecompany.com)

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### Disclaimer:

The information provided here is not to be relied on as investment advice. It is purely educational. Although best efforts are made to ensure all information is accurate and up to date, occasionally unintended errors and misprints may occur.

### Economic News

The US Real GDP increased at an annual rate of 2.9% in the fourth quarter of 2022.

Inflation measured in the 12-month Consumer Price Index (CPI) percentage change was 6.5% in December 2022. The Personal Consumption Expenditure Price Index (PCE) change was 5.0% in December 2022. The Fed's objective for inflation continues to remain at a 2 percent average and they expect to return to this level over time.

The Fed has raised the fed funds rate 25 basis points to a target rate of 4.5 to 4.75 percent in today's meeting. Ongoing rate hikes are expected in order to make monetary policy more restrictive. The Fed believes this will assist in lowering inflation.

The US Dollar slightly sank lower with the US Dollar Index decreasing to 101.81. Oil prices have come down to \$77.97 a barrel.

### Market Events

The S&P 500 closed yesterday 10.34% lower from a year ago. The 10-year treasury rate is at 3.46%.