



AUSTIN

“Austin’s job growth slowed in May. In addition, unemployment ticked up and wages declined slightly, suggesting further weakening in the labor market. Austin’s music scene continued to mature, with the average performer’s age shifting upward, and **the metro population grew in 2022.”** – Jul 2023 – Austin Economic Indicators – Dallas Fed

TEXAS

“The Texas economy expanded further in June, albeit at a slower pace. Employment grew in most sectors and across all major metros.

The July Dallas Fed’s Texas Manufacturing Outlook Survey (TMOS) indicated that **wage pressures eased** but remained elevated in the manufacturing sector.

Existing-home sales fell, and housing permits rose. Construction contract values increased for the third straight month based on a five-month moving average. **Texas exports rose in May.”** – Jul 2023 – Texas Economic Indicators – Dallas Fed

UNITED STATES

“Consumer spending was unchanged over the month [May] and the personal saving rate rose. Real disposable income recovered in May after falling in April. New home sales in May were up substantially over the year, while existing home sales were down.

Payroll growth was solid in June and the unemployment rate fell slightly. The employment-to-population ratio for prime-aged workers was above its pre-pandemic level.

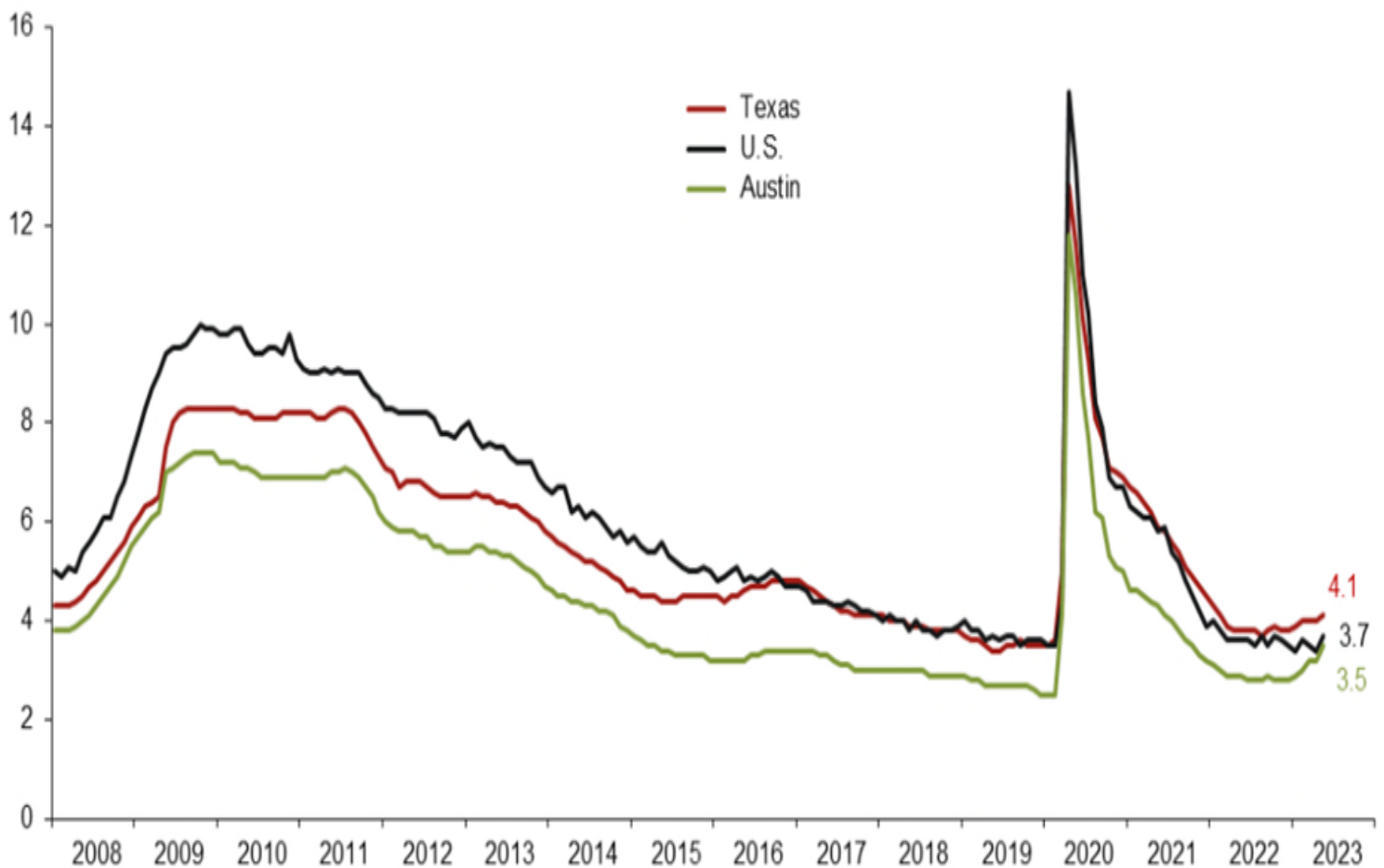
Core CPI inflation over the year fell in June, with declines in both core services and core goods inflation.” – Jul 2023 – U.S. Economy in a Snapshot – NY Fed

JOBS – UNEMPLOYMENT RATES – AUSTIN MSA, TEXAS, U.S.

“Austin’s unemployment rate increased to 3.5 percent in May but remained below the state’s rate of 4.1 percent and the nation’s rate of 3.7 percent.” – Jul 2023 – Austin Economic Indicators – Dallas Fed

Unemployment rate

Percent, seasonally adjusted



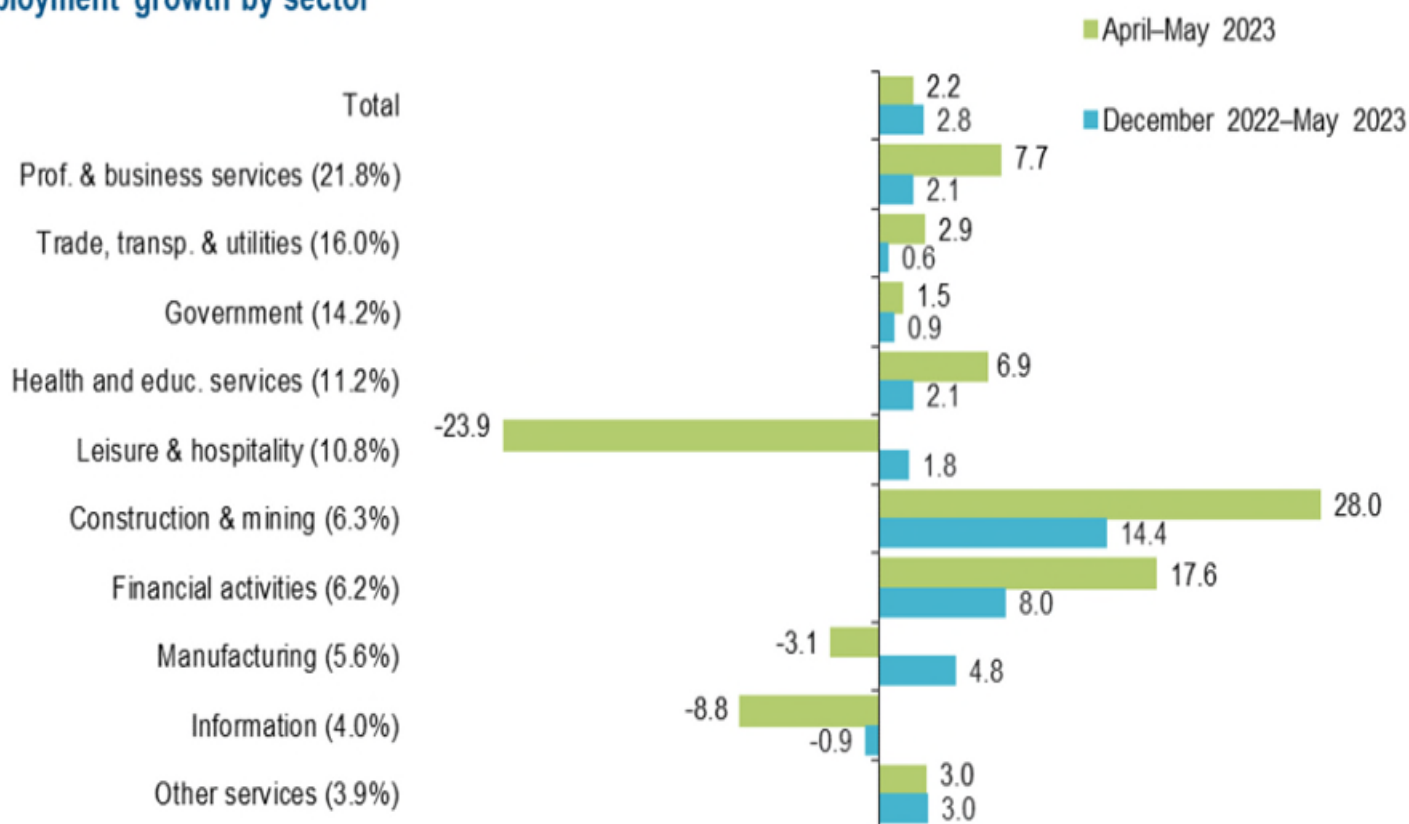
SOURCE: Bureau of Labor Statistics.

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Jul 2023

JOBS – EMPLOYMENT GROWTH BY SECTOR – AUSTIN

“Austin employment increased 2.2 percent in May, slower than April’s 5.6 percent annualized gain. Sectors with the greatest improvement for the second month in a row were construction and mining (28.0 percent, or 1,670 jobs), and financial services (17.6 percent, or 1,091 jobs). Sectors with declines were leisure and hospitality (23.9 percent, or 3,266 jobs), and information (8.8 percent, or 411 jobs). Year to date, Austin’s payroll employment has grown 2.8 percent, less than Texas’ 3.6 percent increase but more than the nation’s 2.5 percent rise.” – Jul 2023 – Austin Economic Indicators – Dallas Fed

Employment growth by sector



NOTE: Data show seasonally adjusted and annualized percentage employment growth by industry. Numbers in parentheses represent the share of total employment and may not sum to 100 due to rounding.

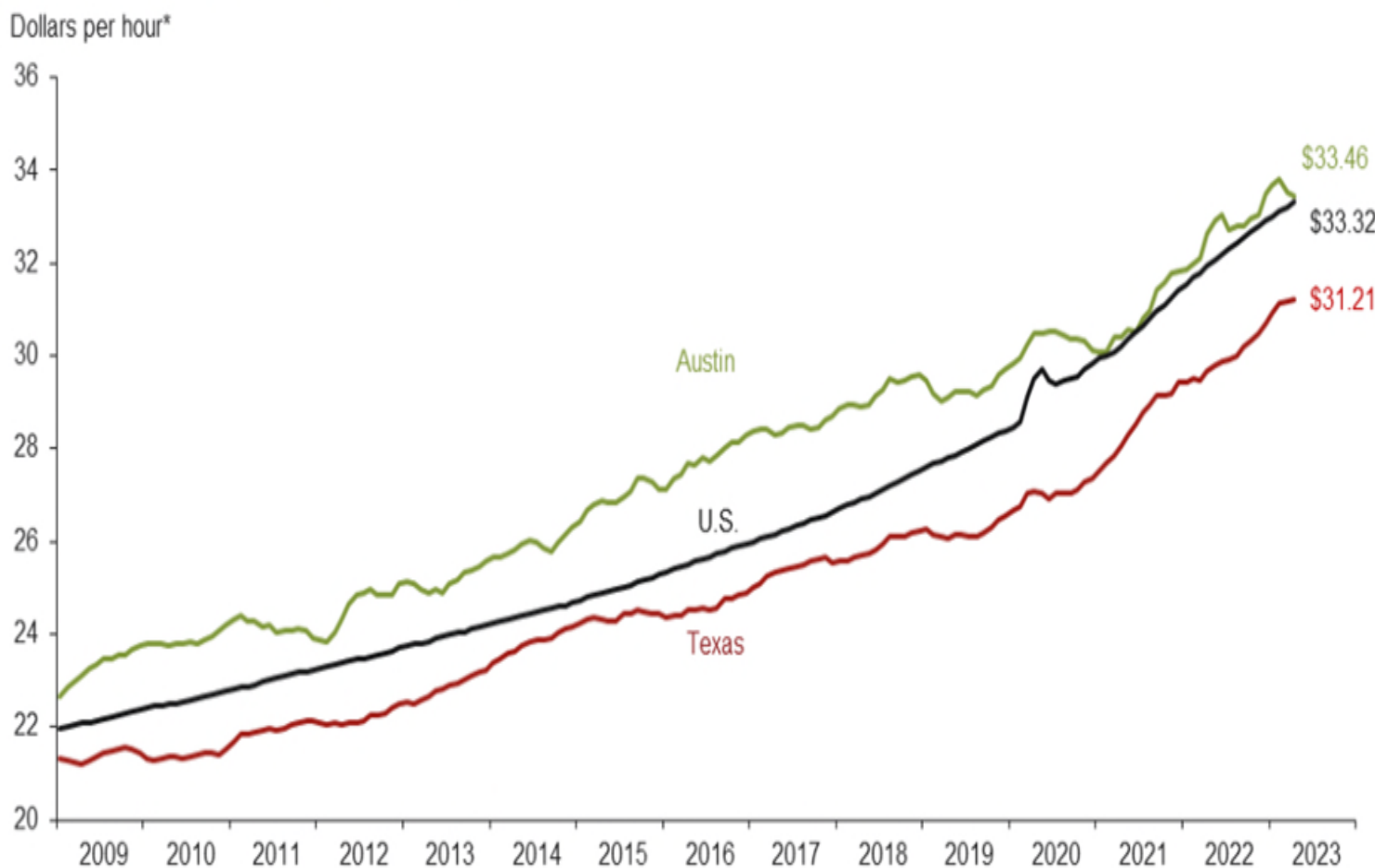
SOURCE: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Jul 2023

JOBS – PRIVATE SECTOR AVERAGE HOURLY EARNINGS – AUSTIN

“The three-month moving average of Austin wages declined 2.1 percent in May. Austin’s hourly earnings of \$33.46 were still above the state average of \$31.21 and the national average of \$33.32. In the past year, Austin wages declined 0.3 percent, compared with growth of 4.2 percent for the nation and 4.3 percent for the state.” – Jul 2023 – Austin Economic Indicators – Dallas Fed

Private sector average hourly earnings



*Seasonally adjusted, three-month centered moving average.

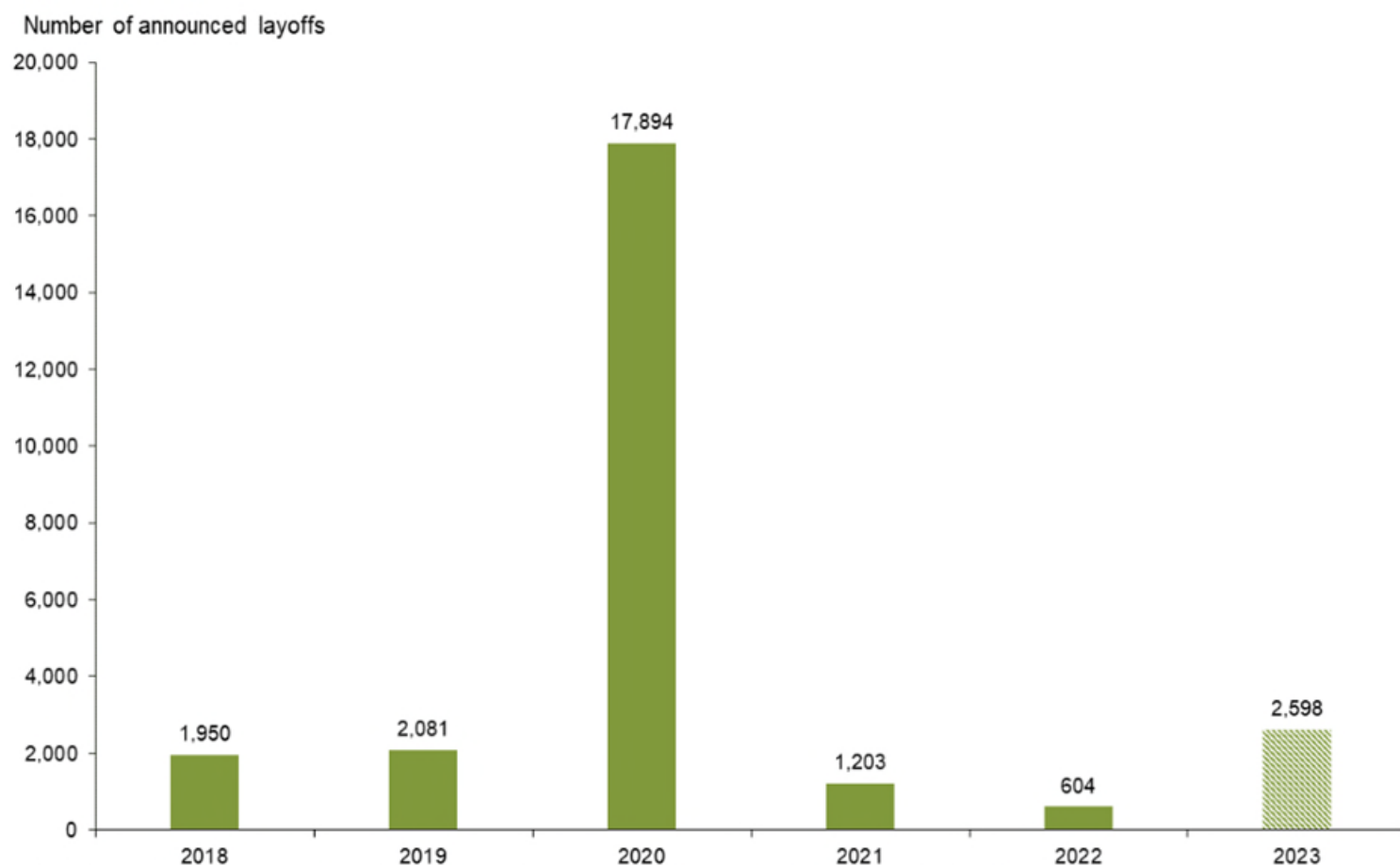
SOURCE: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Jul 2023

JOBS – NOTICES OF CLOSURES OR LAYOFFS – AUSTIN

“As of May 22, 2,598 employees had received layoff notices in the Austin metropolitan statistical area this year. This is greater than the announced layoffs each of the prior two years and the average number from 2012 to 2019 of about 2,122 workers per year. Still, the amount remains well below the historic layoffs seen during 2020. **The sector with the largest layoffs this year has been high-tech-related professional, scientific and technical services.”** – Jun 2023 – Austin Economic Indicators – Dallas Fed

WARN notices



NOTE: WARN refers to the advance layoff warnings employers must give under the Worker Adjustment and Retraining Notification Act. Data reflect the date of the actual layoff, not when the notice was received. Data are as of May 22, 2023. A partially shaded bar indicates an incomplete year, and the value is year to date.

SOURCE: Texas Workforce Commission.

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Jun 2023

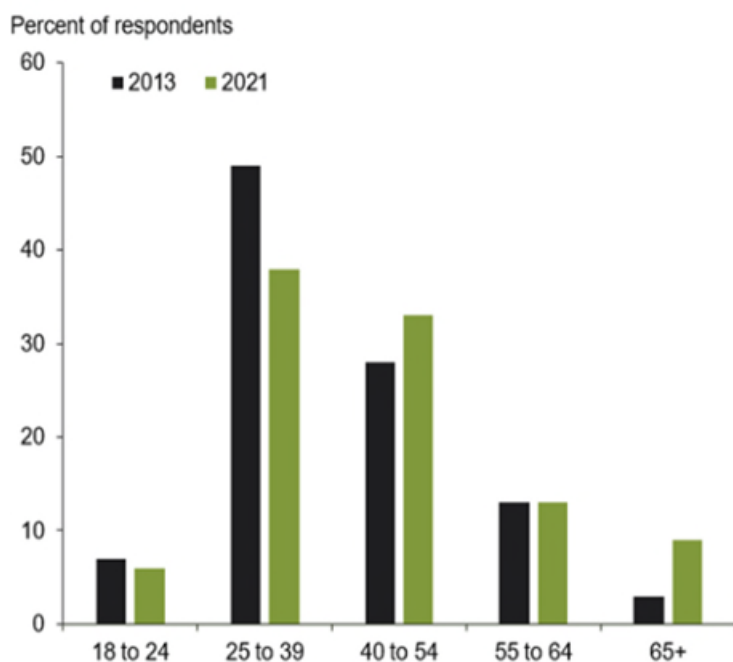
JOBS – MUSIC INDUSTRY MATURING – AUSTIN

“From 2013 to 2021, the average age of Austin musicians began to shift from 25–39 to 40–54. Furthermore, the size of venues in Austin are becoming concentrated at the ends: Most venues are small, but large venues are increasing their presence, with fewer serving medium-sized audiences.

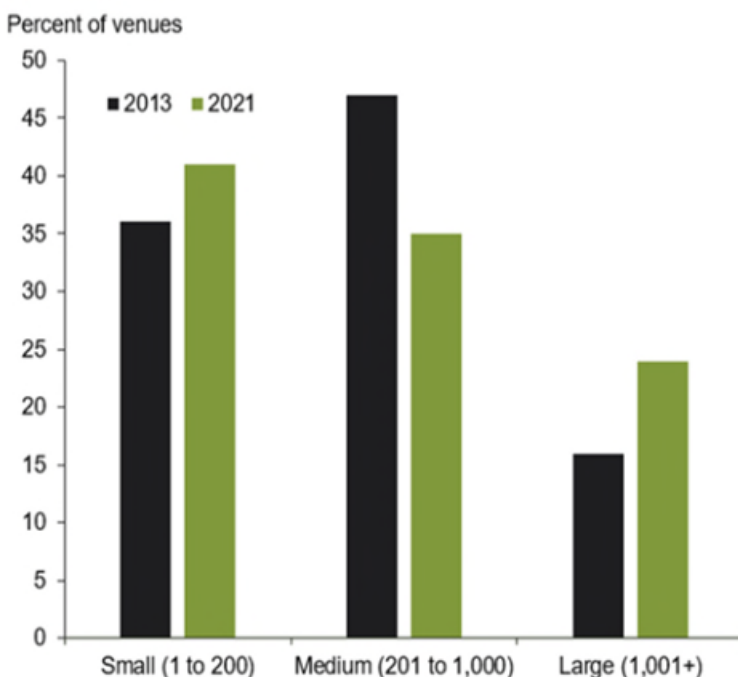
According to the 2022 Greater Austin Music Census, some changes in the music scene can be attributed to the sharp increase in housing costs in Austin proper, the expansion of the industry past Austin’s city limits and the growing recognition of Austin as a music capital, making the industry relatively self-contained.” – Jul 2023 – Austin Economic Indicators – Dallas Fed

Austin music industry maturing

A. Age of musicians



B. Size of venues



NOTE: Data for the 2022 census were collected in the summer of 2021, and for the 2014 census, data were collected in the summer of 2013.
SOURCE: Greater Austin Music Census 2022.

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Jul 2023

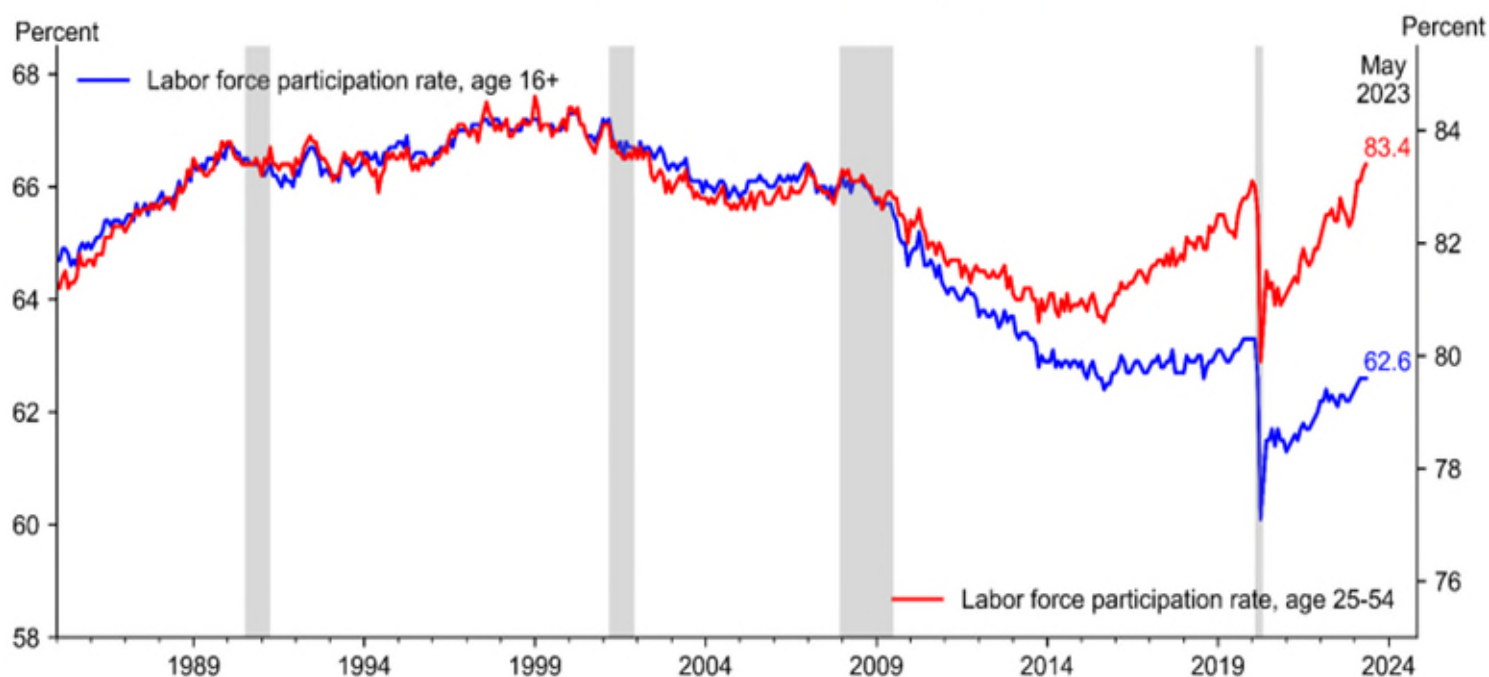
JOBS – LABOR PARTICIPATION RATE IN THE U.S.

“In June, the labor force participation rate was 62.6 percent for the fourth consecutive month, and the employment-population ratio, at 60.3 percent, was unchanged over the month.

The number of persons employed part time for economic reasons increased by 452,000 to 4.2 million in June, partially reflecting an increase in the number of persons whose hours were cut due to slack work or business conditions. Persons employed part time for economic reasons are individuals who would have preferred full-time employment but were working part time because their hours had been reduced or they were unable to find full-time jobs.

The number of persons not in the labor force who currently want a job was 5.4 million in June, little changed from the prior month. These individuals were not counted as unemployed because they were not actively looking for work during the 4 weeks preceding the survey or were unavailable to take a job.” – The Employment Situation – Bureau of Labor Statistics

Labor Force Participation



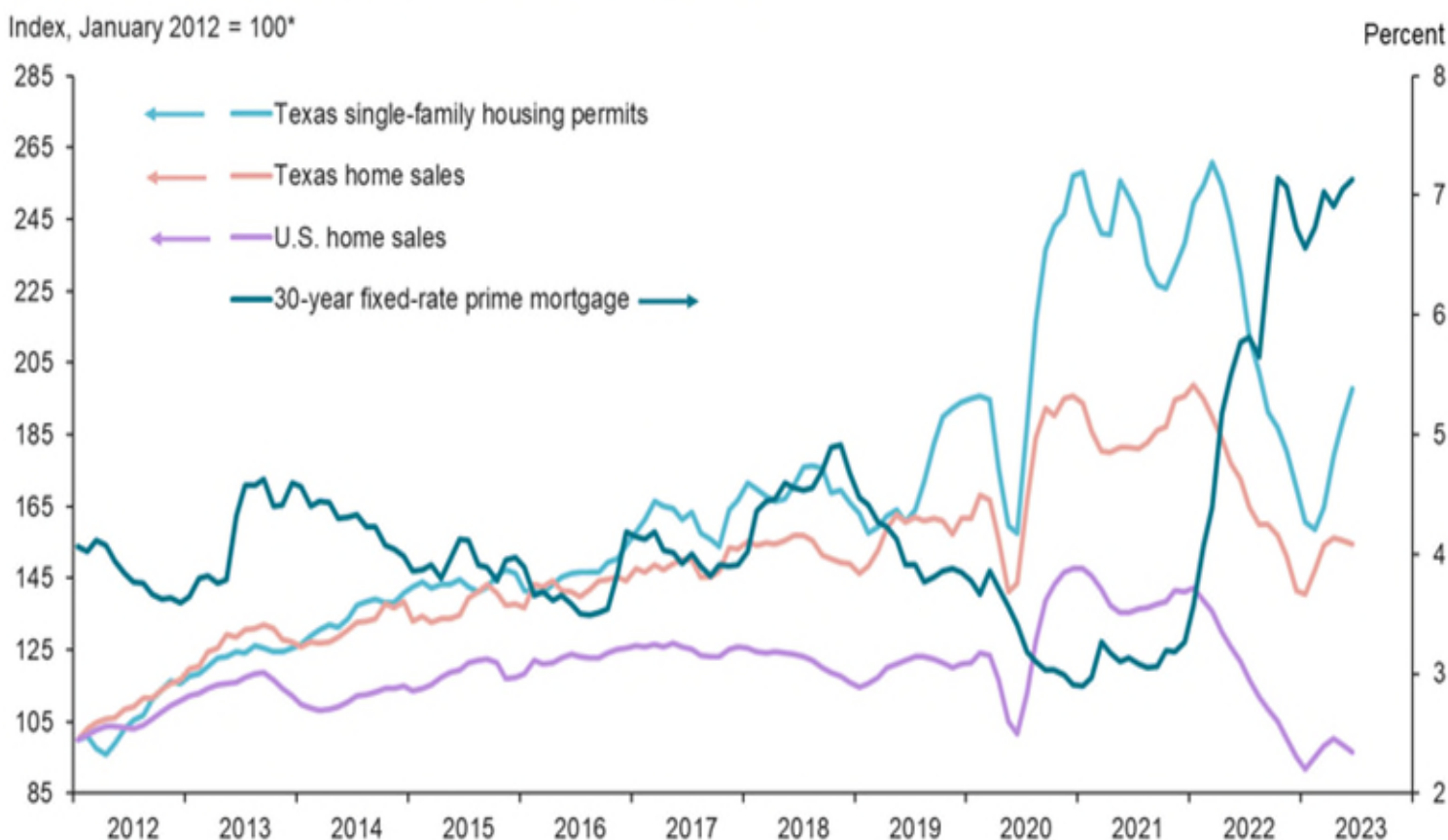
SOURCES: Bureau of Labor Statistics.

Provided by Federal Reserve of Dallas – U.S. Economy Charts – Jul 2023

HOUSING – EXISTING HOME SALES, PERMITS, MORTGAGE RATES – TEXAS

“In June, Texas existing-home sales fell by 3.9 percent month over month amid low home inventories, resulting in a total of 28,000 sales. During the same period, U.S. home sales dropped 3.3 percent, marking the slowest pace for June since 2009. High mortgage rates persisted—averaging 7.1 percent in June—and continued to impact housing affordability. Texas single-family housing construction permits increased for a fifth consecutive month—up 5.1 percent in June.” – Jul 2023 – Texas Economic Indicators – Dallas Fed

Existing-home sales, housing permits and mortgage rates



*Seasonally adjusted, three-month moving average.

NOTE: Data are through June 2023.

SOURCE: Real Estate Center at Texas A&M University; Multiple Listing Service; Freddie Mac Primary Mortgage Market Survey; Census Bureau.

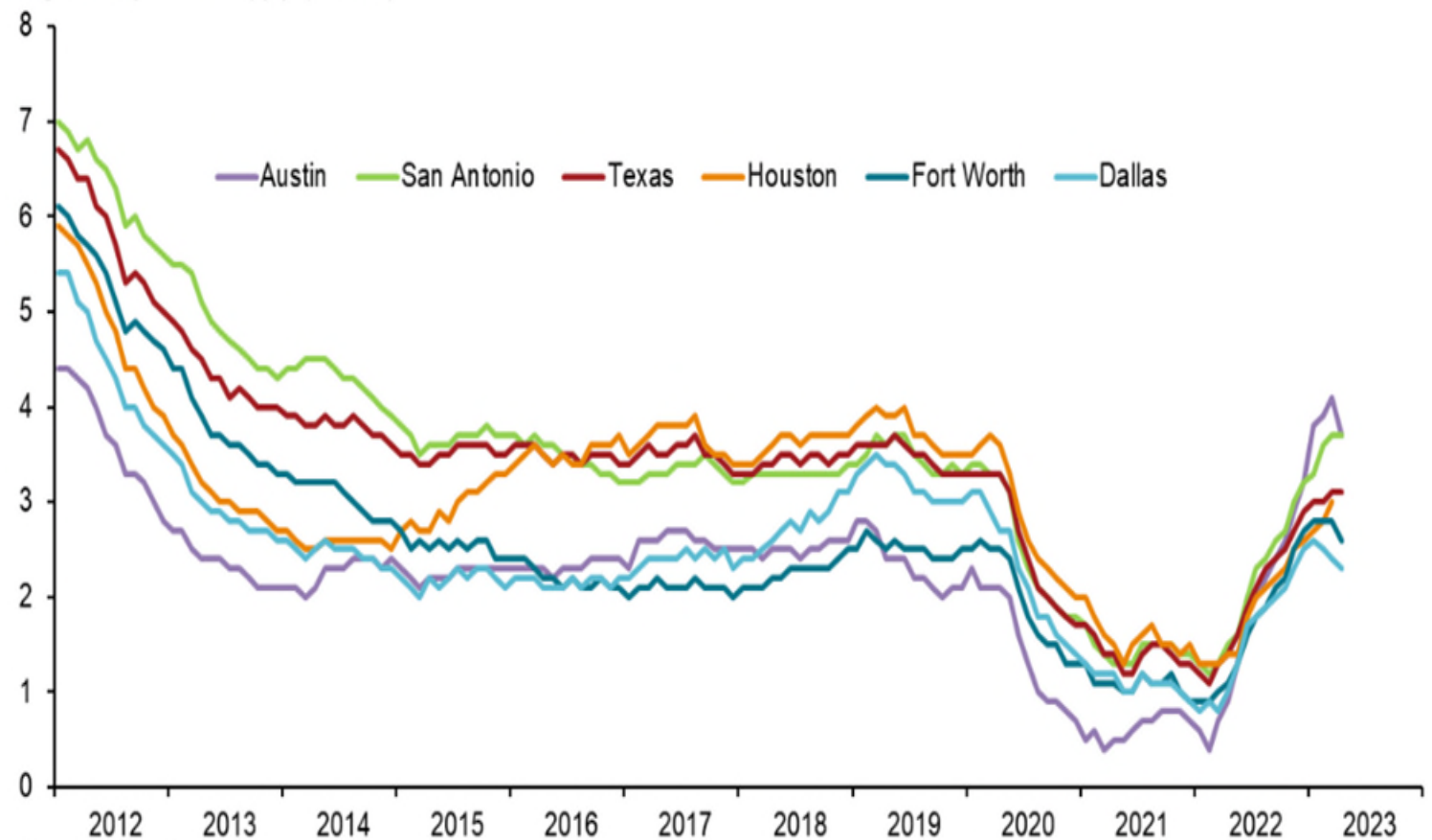
Provided by Federal Reserve of Dallas – Texas Economic Indicators – Jul 2023

HOUSING INVENTORY – TEXAS

“In April, housing supply was flat in Texas at 3.1 months and remained well below the six months considered a balanced market. **Existing-home inventories were flat to down in most major Texas metros, with Austin showing the largest decline, now at 3.7 months of supply.** Fort Worth and Dallas inventories ticked down to 2.6 months and 2.3 months, respectively. San Antonio’s inventory remained unchanged at 3.7 months.” – May 2023 – Texas Economic Indicators – Dallas Fed

Housing inventory

Single-family home supply (months)*



*Seasonally adjusted.

NOTE: Houston data are through March 2023; other data are through April 2023.

SOURCE: Texas A&M Real Estate Center; Multiple Listing Service.

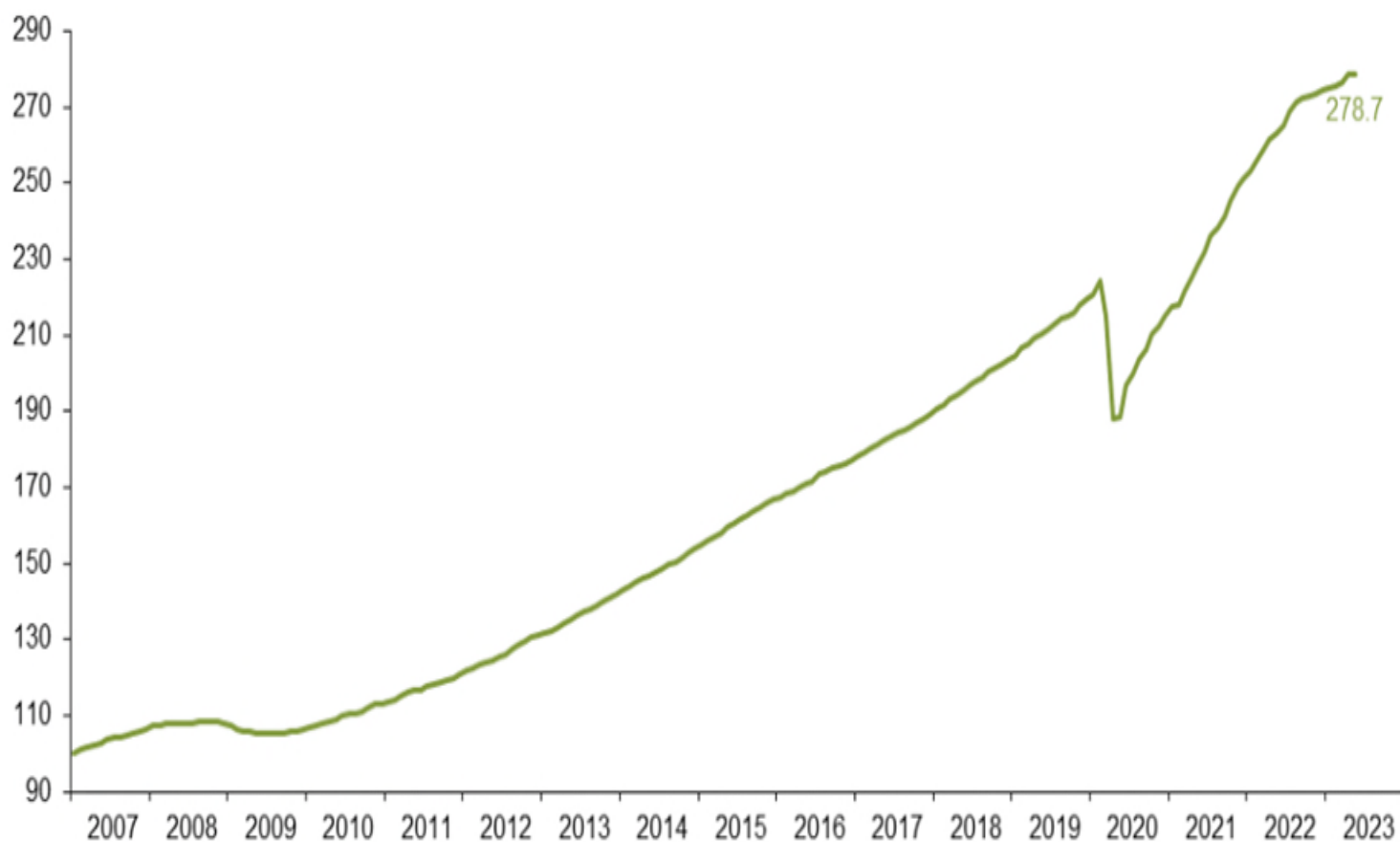
Provided by Federal Reserve of Dallas – Texas Economic Indicators – May 2023

BUSINESS CYCLE – AUSTIN

“The Austin Business-Cycle Index—a broad measure of economic activity—grew at an annualized 1.9 percent rate in May, slower than the 9.4 percent rate in April.” – Jul 2023
– Austin Economic Indicators – Dallas Fed

Austin Business-Cycle Index

Index, January 2007 = 100



SOURCE: Dallas Fed.

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Jul 2023

TEXAS MANUFACTURING OUTLOOK SURVEY – TEXAS

“Manufacturing price pressures eased in June, according to the Dallas Fed’s Texas Manufacturing Outlook Survey. The survey’s input and selling prices indexes fell further below their long-term averages in June. The raw materials prices index dropped to 1.4, suggesting no change in input costs. For the first time since July 2020, the prices received for finished goods index fell into negative territory, registering a reading of -1.9 and suggesting selling prices ticked down in June.” – Jun 2023 – Texas Economic Indicators – Dallas Fed

Texas Manufacturing Outlook Survey price indexes



*Seasonally adjusted.

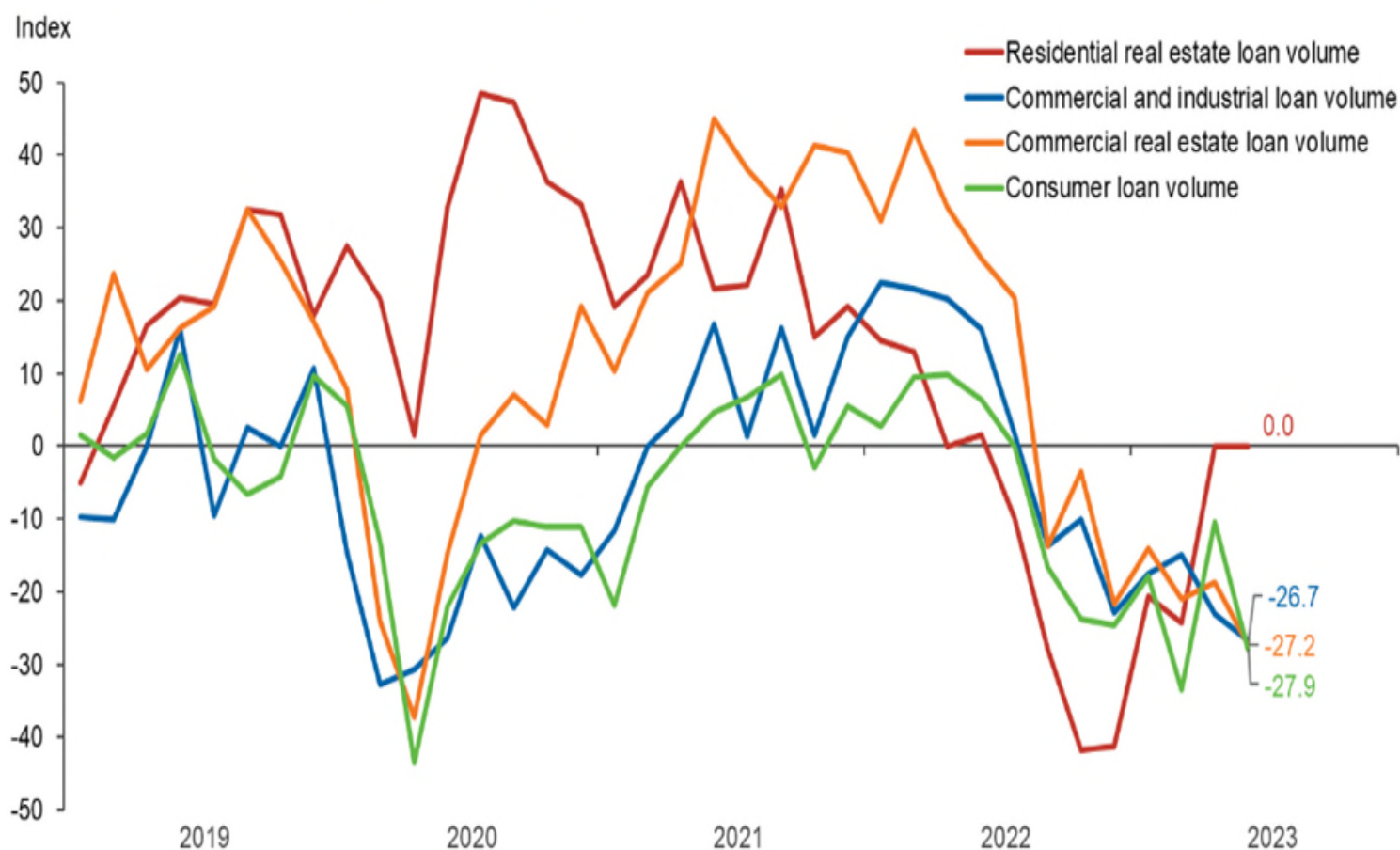
SOURCE: Dallas Fed's Texas Manufacturing Outlook Survey.

Provided by Federal Reserve of Dallas – Texas Economic Indicators – Jun 2023

BANKING CONDITIONS SURVEY – TEXAS

“The Dallas Fed's Banking Conditions Survey in June indicated continued declines in loan volumes. The commercial real estate loan volume index dropped to -27.2, and the commercial and industrial loan volume index fell 3.6 points to -26.7. The consumer loan volume index plunged 17.4 points to -27.9, while **the residential real estate loan volume index remained at zero, indicating no growth in residential real estate lending.**”– Jun 2023 – Texas Economic Indicators – Dallas Fed

Banking Conditions Survey loan volume by type



SOURCE: Dallas Fed's Banking Conditions Survey.

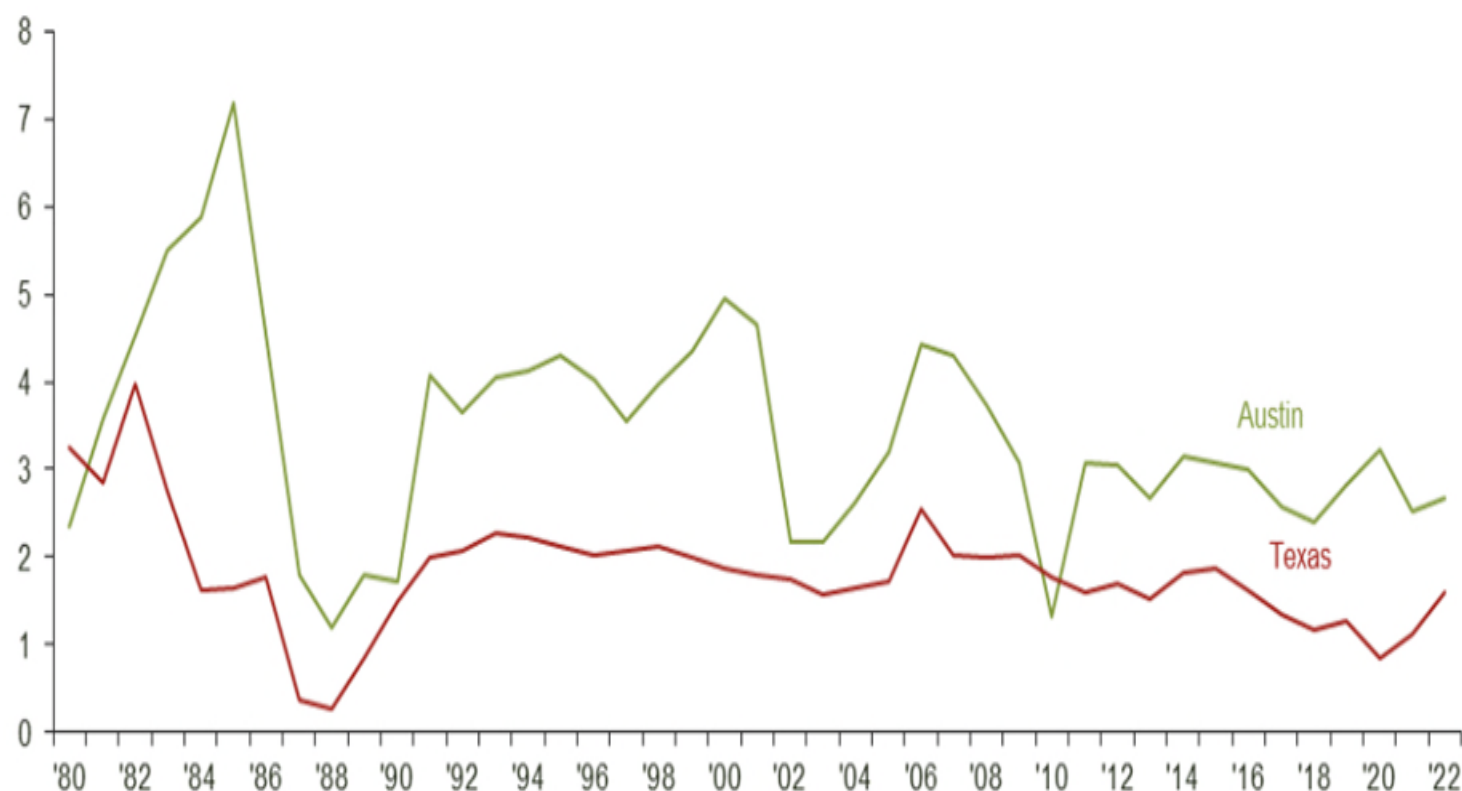
Provided by Federal Reserve of Dallas – Texas Economic Indicators – Jun 2023

POPULATION GROWTH – AUSTIN

“Census data show that Austin’s population increased 2.7 percent in 2022, reversing a trend from the year prior and outpacing the state’s 1.6 percent growth. According to the Austin Chamber of Commerce, growth in the past few years has largely been driven by domestic migration. Over half of migrants have come from other parts of Texas, followed by 8.7 percent from California.” – Jul 2023 – Austin Economic Indicators – Dallas Fed

Population growth

Percent change, year/year



SOURCE: Census Bureau.

Provided by Federal Reserve of Dallas – Austin Economic Indicators – Jul 2023

CONSUMER CONFIDENCE AND SENTIMENT – U.S.

“The Conference Board Consumer Confidence Index® increased in June to 109.7 (1985=100), up from 102.5 in May.” **“Consumer confidence improved in June to its highest level since January 2022,** reflecting improved current conditions and a pop in expectations,” said Dana Peterson, Chief Economist at The Conference Board. “Greater confidence was most evident among consumers under age 35, and consumers earning incomes over \$35,000.” – Jun 2023 – The Confidence Board

“Consumer sentiment rose 9% this month, a consensus improvement across all demographic groups. **The year-ahead economic outlook soared 28% over last month, and long-run expectations rose 11% as well.** Overall, this striking upswing reflects a recovery in attitudes generated by the early-month resolution of the debt ceiling crisis, along with more positive feelings over softening inflation. Views of their own personal financial situation were unchanged, however, as persistent high prices and expenses continued to weigh on consumers.”– Jun 2023 – Survey of Consumers – University of Michigan

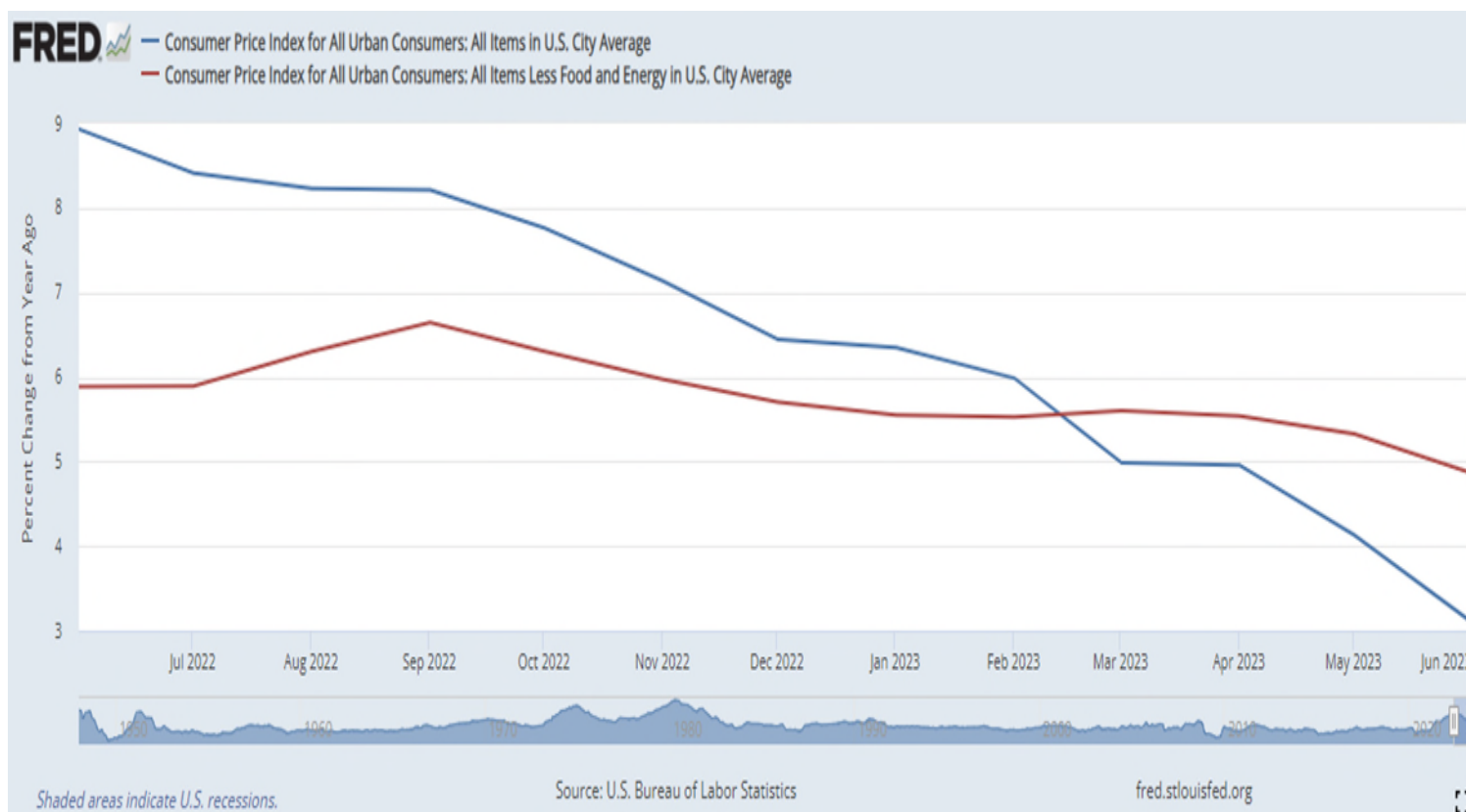
Consumer Confidence



CONSUMER PRICE INDEX

“The all items index increased 3.0 percent for the 12 months ending June; this was the smallest 12-month increase since the period ending March 2021. The all items less food and energy index rose 4.8 percent over the last 12 months. The energy index decreased 16.7 percent for the 12 months ending June, and the food index increased 5.7 percent over the last year.” – Jun 2023 – Economic News Release – Bureau of Labor Statistics

Consumer Price Index - 12 Month Percentage Change



Source: Bureau of Labor Statistics, not seasonally adjusted, 1982-84=100 Provided by the St. Louis Fed

According to the Bureau of Labor Statistics (BLS), “There are a variety of CPI numbers generated each month. In the graph above, two numbers are compared. The first is the **Official CPI Number** that is reported to the media. It is the broadest and most comprehensive CPI and is called the **All Items CPI for All Urban Consumers**. The second one is called the **All items less food and energy**.” The BLS mentions that “Some users of CPI data use this index because food and energy prices are relatively volatile, and these users want to focus on what they perceive to be the ‘core’ or ‘underlying’ rate of inflation.”

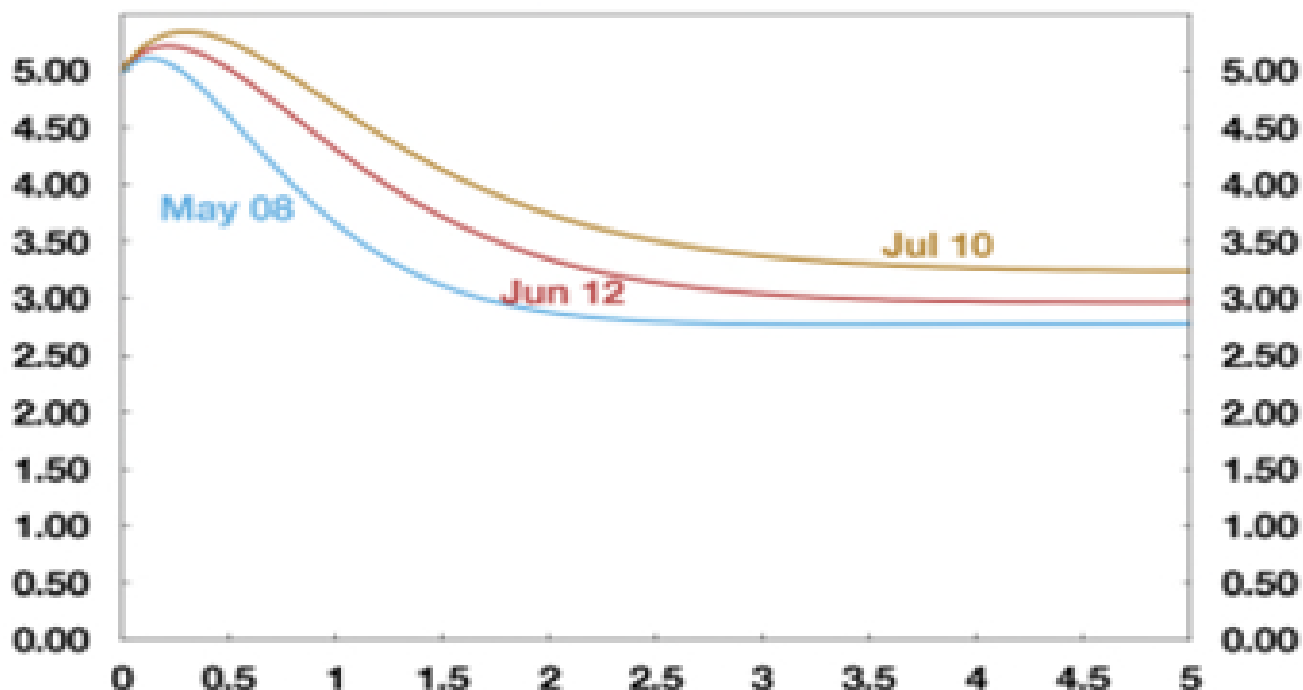
IMPLIED FED FUNDS RATE

“Between June 12 and July 10, the expected path of the federal funds rate implied by overnight indexed swaps increased for all maturities. **The curve has a downward slope after about 5 months.**

The market-implied federal funds rate at the end of 2024 was around 4.1%, which is below the median value of 4.6% in the FOMC’s Summary of Economic Projections (SEP) from June 2023.

At the five-year horizon, the market-implied federal funds rate was at around 3.2%, which is above the median SEP longer-run federal funds rate of 2.5%.” – Jul 2023 – New York Fed

Implied Fed Funds Rate



Source: NY Fed calculations, Bloomberg Finance L.P.

Note: Estimated using OIS quotes.

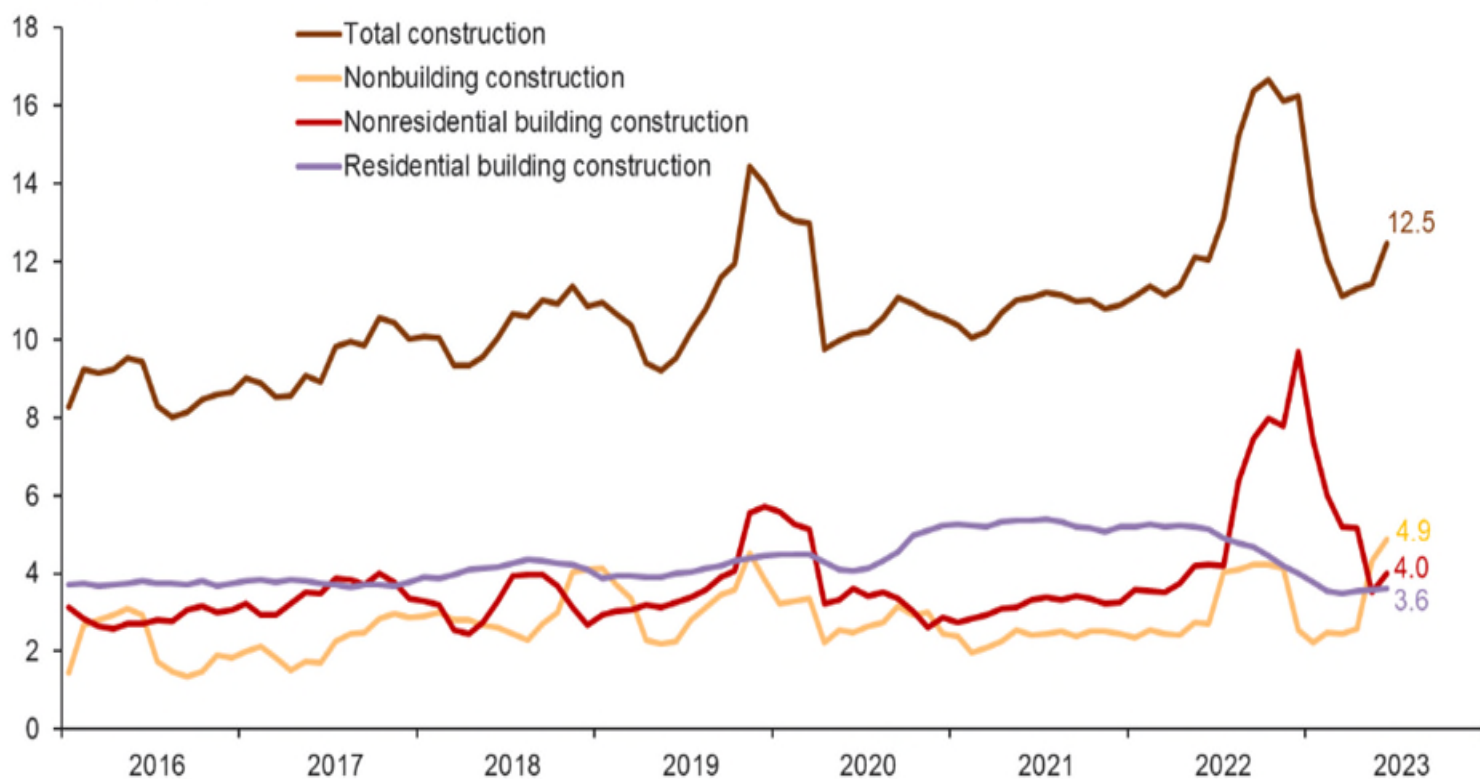
Provided by Federal Reserve of New York – U.S. Economy in a Snapshot – Jul 2023

CONSTRUCTION CONTRACT VALUES - TEXAS

“Construction contract values fell in June, though the five-month moving average increased for a third straight month—increasing 9.1 percent to \$12.5 billion. Based on a five-month moving average, nonbuilding and residential building construction values increased for the third consecutive month—reaching \$4.9 billion and \$3.6 billion, respectively. Following a five-month decline, nonresidential values saw an upturn, increasing to \$4.0 billion. Year to date through June, total construction contract values were down 2.6 percent compared with the same period in 2022.” – Jul 2023 – Texas Economic Indicators – Dallas Fed

Contract values

Real dollars (billions)*



*Five-month moving average; seasonally adjusted.

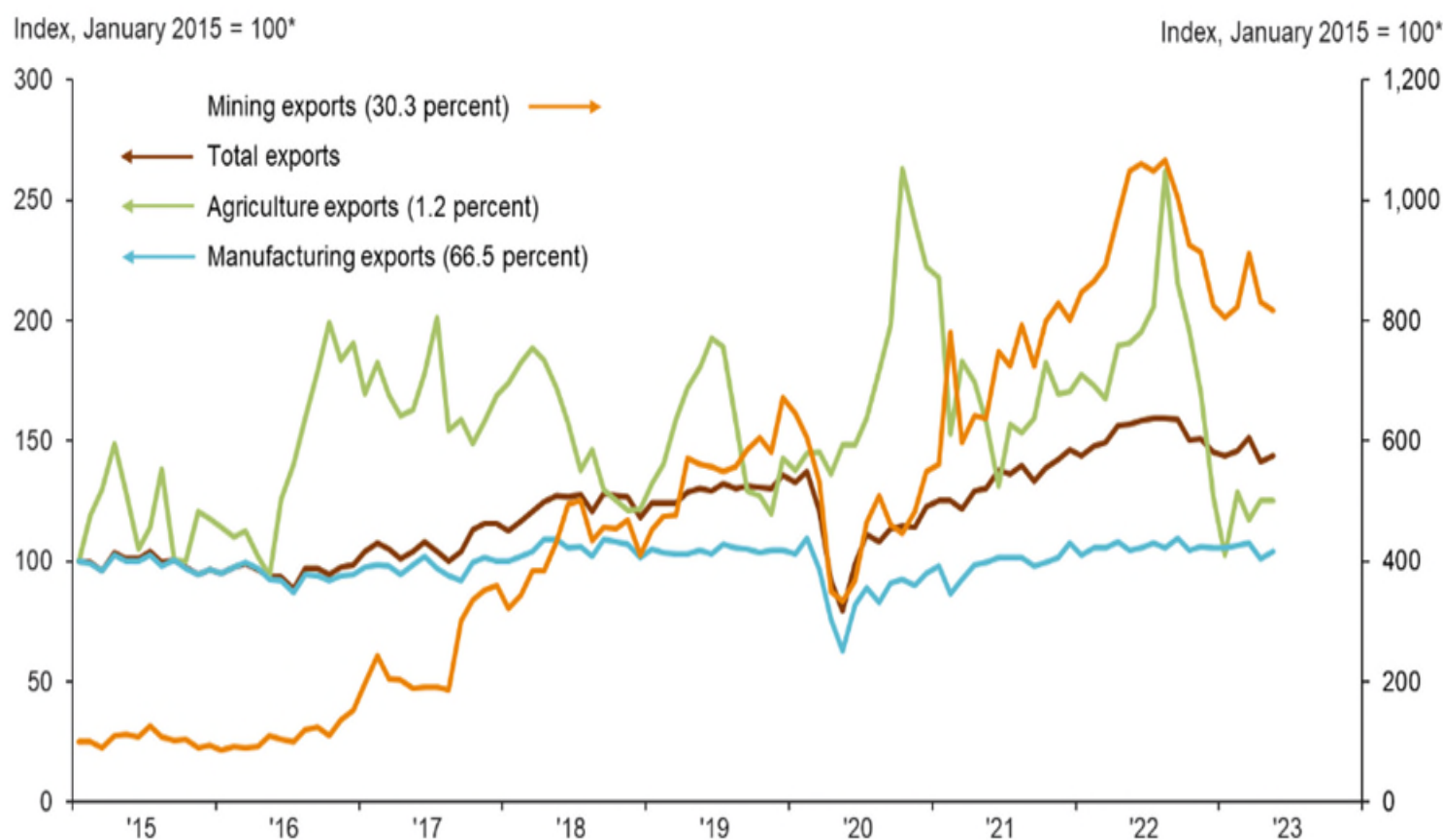
SOURCE: F.W. Dodge.

Provided by Federal Reserve of Dallas – Texas Economic Indicators – Jul 2023

TEXAS EXPORTS

“Texas exports rose 1.8 percent in May, partly driven by an increase in manufacturing exports. Mining exports fell 1.6 percent and were 22 percent lower than the same period in 2022. Agricultural exports were flat in May and were 34.3 percent lower than last May. Manufacturing exports increased 3.4 percent in May and were slightly lower than May 2022 by 0.5 percent. U.S. exports rose 2.8 percent in May over April.” – Jul 2023 – Texas Economic Indicators – Dallas Fed

Texas exports



*Seasonally adjusted, real dollars.

NOTE: Numbers in parentheses refer to share of May 2023 exports.

SOURCE: Census Bureau; Bureau of Labor Statistics.

Provided by Federal Reserve of Dallas – Texas Economic Indicators – Jul 2023

SUSTAINABLE BUSINESS - ONE CHANGE COULD SAVE 10 MILLION TREES

“Doctors and pharmacists receive lengthy pamphlets for all prescription drugs that can stretch as long as a dining-room table. Efforts to go digital in this heavily regulated industry are finally making headway, offering drugmakers the chance to provide up-to-date information while also saving money, trees and greenhouse-gas emissions.



A pile of booklets for prescribing medication.
PHOTO: ALLAN COUKELL/CIVICARX THE WALL STREET JOURNAL

A bill working its way through Congress could reverse the rules that make the paper inserts, which provide dosing instructions, warnings and other details to medical professionals, a necessary requirement.

Advocates arguing such prescription information should go fully digital say the instructions are only for medical professionals, who often already consult up-to-date electronic versions and leave the papers unread and discarded. Proponents of keeping paper say the printed instructions are consulted frequently enough to help ensure medicine is used safely.

If the U.S. follows Japan and other countries in switching to digital information, it would mean around 90 billion sheets of paper would be saved a year, according to green-advocacy nonprofit Environmental Paper Network’s estimates, which used figures provided by lobbyist Alliance to Modernize Prescribing Information. That equals more than 3.8 million metric tons of emissions from the production and disposal of the paper, or about 10.9 million trees.” – Mar 2023 – The Wall Street Journal

TICKETMASTER TO SHOW FULL TICKET PRICES UP FRONT

“Two of the biggest U.S. ticket sellers plan to change how they display prices to concertgoers, the White House said Thursday, moves aimed at simplifying the process of buying tickets.

The Biden administration announced commitments by Live Nation and its Ticketmaster unit as well as SeatGeek to make pricing more transparent on their ticket-buying platforms later this year. Last year, **President Biden urged for a crackdown on so-called ‘junk fees’ that are tacked on to goods from concert and sporting-event tickets to hotel stays and airline tickets.**

The live-event ticket fees in question are typically added at checkout and inflate the final price consumers pay compared with what they see when tours are advertised and while selecting seats. The changes announced Thursday would push the ticketing business closer to the ‘all in’ pricing that many companies in the sector say they support, but want mandated industrywide.



The Cure’s Robert Smith, among other artists, has called for more transparency in ticket pricing. PHOTO: DANIEL BOCKWOLDT/ZUMA PRESS THE WALL STREET JOURNAL

Critics of **the hidden fees**, which often cover venue rentals and other ancillary costs, say that in addition to being a nuisance, they **make it hard for consumers to accurately compare prices and ultimately hinder competition.** Despite calls by fans and artists including The Cure for more transparency, few changes have been made unless states mandated them.” – Mar 2023 – The Wall Street Journal

“The White House sought to position the announcements as the latest progress in the president’s effort to crack down on hidden fees, pointing to policy changes by airlines after his State of the Union address in which he proposed further action on the, at times, ambiguous surcharges tacked onto concert tickets, cable bills, banking services, hotel bookings and other purchases.” – Mar 2023 – The Wall Street Journal

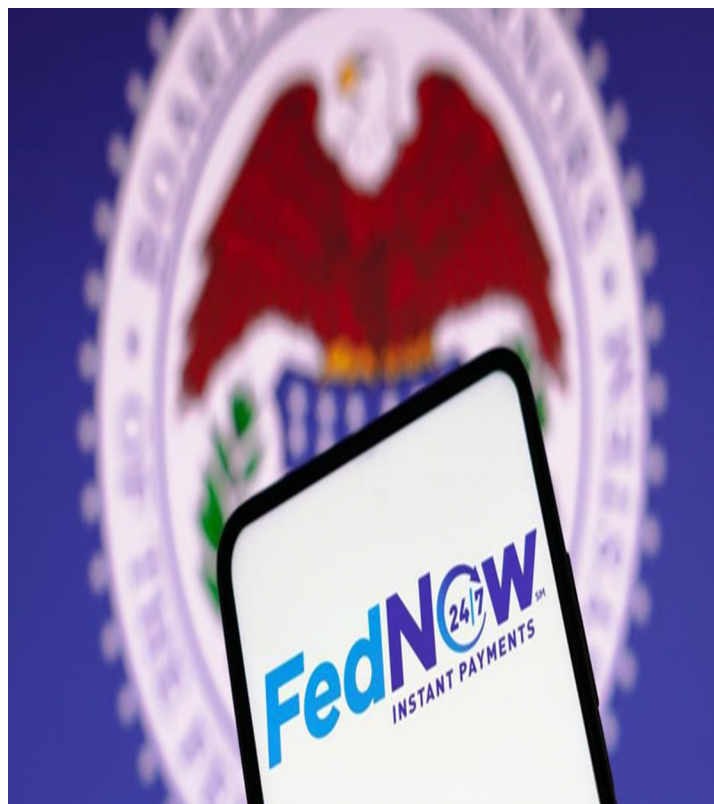
IN DEPTH - FEDNOW

WHAT IS FEDNOW?

“FedNow is the first U.S. government-created and backed portal allowing banks to send and receive funds almost instantly.” – Jul 2023 – Forbes

“FedNow is the Federal Reserve’s new instant payment service that will enable customers at participating banks and credit unions to send and receive money within seconds, 24/7 and every day. You’d be able to complete payments or transfers on weekends, holidays and after banks’ business hours, which isn’t the case for standard online transfers such as those through the Automated Clearing House (ACH) network. ACH transfers are processed in batches and tend to take one to three business days to complete.”

“What FedNow will do is it will enable all the banks, any bank in the United States — not just the big ones — to offer instantly available funds and real-time payments to their customers,” said Fed Chair Jerome Powell before the House Financial Services Committee on March 8.”



“The Federal Reserve has launched their instant payment service, FedNow, which allows banks and credit unions to sign up to send real-time payments between them.” - AP

PHOTO: GETTY PROVIDED BY : FORBES

“FedNow will be available to all banks and credit unions, but there’s no requirement for them to join. Consumers, businesses and non-bank payment providers won’t be able to use FedNow directly, but they can use the service through a participating financial institution. Neobanks, which aren’t banks, would need to partner with a bank that’s a participant.”– Jul 2023 – Nerdwallet

IN DEPTH - FEDNOW

WHEN DID FEDNOW LAUNCH?

“The Federal Reserve launched FedNow on July 20, 2023. More than 120 banks and payment providers have been part of the pilot program since 2021.” – Jul 2023 – Nerdwallet

WHEN WILL FEDNOW BE AVAILABLE?

“FedNow is now live but it might take months or years for customers to be able to use this service, it all depends on when your bank makes it available.” – Jul 2023 – Associated Press

WHY DID THE FED CREATE FEDNOW?

“By creating FedNow, the Fed is **making it quicker and more accessible for people to send and receive online payments**. The Fed is also catching up with other countries that already have real-time payment systems like FedNow, including England, China, Sweden and India.

FedNow will also equip banks with tools to identify and combat fraud attempts. These tools include the ability for banks to flag suspicious accounts and limit the amount and frequency of payments by those accounts.” – Jul 2023 – Associated Press

WHO CAN USE FEDNOW?

“**Customers, including individuals and businesses, whose banks or credit unions offer FedNow services** will be able to send and receive money in real-time. If, for example, a customer wants to send money to a friend, both people have to bank with institutions that offer FedNow services.” – Jul 2023 – Associated Press

IN DEPTH - FEDNOW

WHAT ARE THE BENEFITS OF FEDNOW?

“Two uses for FedNow at its launch include bill payments and account-to-account transfers. Being able to send money instantly could be helpful, especially if you’re on a tight budget and susceptible to late payment fees.

You could pay right when a bill is due and receive immediate confirmation that a payment is accepted. And there’s typically **no risk of overdrawing your bank account** or paying overdraft fees, since your bank has to verify sufficient funds before initiating an instant payment. Instant account-to-account transfers would allow you to manage your accounts across banks easily.” – Jul 2023 – Nerdwallet

“Given the speed of transactions, this service can be beneficial for customers in many ways.

Here are some examples:

— If your employer sends your paycheck through FedNow, the paycheck will be able to clear in seconds rather than days.

— If you forgot to pay your rent until the last minute, you will be able to send the money late at night without waiting to have it cleared the next business day.” – Jul 2023 – Associated Press

IN DEPTH - FEDNOW

WILL FEDNOW REPLACE VENMO, PAYPAL OR OTHER SERVICES?

“There are key differences between the FedNow service and apps such as Venmo and PayPal. FedNow is a service offered directly to banks and not to customers, which means FedNow does not have an app or website where customers will be able to send money to each other.” – Jul 2023 – Associated Press

“The Fed has made clear that FedNow is not intended to kill or replace other money transfer options like Venmo, Cash App, PayPal or Zelle. Rather, it is meant to work alongside the current systems built by the private sector.

But FedNow could be a game changer because thousands of banks already using the Fed’s current, slower payments system may see FedNow as a safe and faster option that has government backing. There are 35 banks and credit unions as well as 16 payment-processing service providers that are participating in the soft launch, the Fed said in a news release.

There already is a Real-Time Payments (RTP) network, a private service launched in 2017 and used by more than 100 financial institutions to offer instant funds transfers. Zelle is the only app-based payments system that operates within the RTP network. That’s why you might see Zelle’s service offered directly when you log into your bank or credit union.

The financial institutions using the RTP Network can also opt into the FedNow system.” – Jul 2023 – Forbes

IN DEPTH - FEDNOW

WHAT IS THE DIFFERENCE BETWEEN FEDNOW AND ZELLE?

“While both FedNow and Zelle allow customers to make online transactions, there are some key differences. **Zelle is a private app** that works with some financial institutions while FedNow is backed by the Federal Reserve and is envisioned to be adopted by the majority of banks in the country.

Zelle lets you send and receive money instantly but the money might not be available for customers until days after the transaction. With FedNow, the Fed says the money will be available within seconds. **Zelle has a customer-facing platform that allows customers to send money through their app while FedNow will not directly interact with customers but rather offer the services to banks.**” – Jul 2023 – Associated Press

WHAT DOES FEDNOW DO DIFFERENTLY?

“Payments between banks typically require clearing and settlement. Clearing means that banks exchange information about a payment and can include other activities such as checking for fraud. Settlement involves moving money to the recipient’s account. **FedNow will make clearing and settlement occur within seconds,** according to the Fed.

Transfer speed: Instant. The Fed defines an instant payment as a recipient having full access to funds within seconds of the payment being sent.

Cost: As with other Fed payment services, FedNow will charge fees to its participating financial institutions, but it’s unclear if banks will pass on FedNow costs to its customers.

Amount limits: The Fed will cap transfer amounts at \$500,000, and set the default transfer limit at \$100,000 for a financial institution; however, a financial institution can choose to raise or lower its limits.” – Jul 2023 – Nerdwallet

IN DEPTH - FEDNOW

WILL FEDNOW REPLACE CASH?

“No, the FedNow system won’t replace the dollar, or digital currency for that matter. Think of it as a platform that will transfer your dollar online, the same way popular money apps transfer funds. The promise of FedNow is that it will allow financial institutions to make those transfers happen between bank accounts, and in the blink of an eye.

And while there have been claims on YouTube and TikTok and other social media that FedNow will replace the dollar with a new digital currency, these claims are false.

As the Fed puts it, **‘The FedNow Service is neither a form of currency nor a step toward eliminating any form of payment, including cash.’** – Jul 2023 – Forbes

WILL FEDNOW CREATE A DIGITAL CURRENCY?

“Critics have speculated that FedNow will create a digital currency, but the Fed has tried to dispel this false assumption by flatly saying, ‘FedNow is not related to a digital currency.’

Part of the confusion stems from separate discussions on whether the Fed should create what’s called a central bank digital currency (CBDC). The Fed has clarified that it has made no decision on issuing a CBDC, and that it would ‘only proceed with the issuance of a CBDC with an authorizing law.’

Issuing a CBDC is ‘something we would certainly need congressional approval for,’ Fed Chair Jerome Powell told the House Financial Services Committee in March.

Countries including the Bahamas, China, India and Nigeria have launched CBDCs, and more than 100 other nations are exploring the idea, according to the international policy think tank the Atlantic Council.

Some countries are looking at whether a central bank digital currency could be a safer, faster way of transferring funds between banks. Others are considering whether to offer a CBDC as fiat money for the public, with the accounts held at a central or commercial bank.” – Jul 2023 – Forbes

IN DEPTH - FEDNOW

WILL MY PRIVACY BE PROTECTED WITH FEDNOW?

“The Federal Reserve and the FedNow service cannot access people’s bank accounts and it doesn’t have the authority for additional surveillance, according to Fed officials.” – Jul 2023 – Associated Press

WILL FEDNOW DOMINATE THE GLOBAL PAYMENTS SYSTEM?

“Not any time soon. While FedNow will have a significant impact on the global payments system of money transfers among bank accounts throughout the world, it will take years for the platform to be fully tested and adopted by financial institutions.

The Fed’s participating institutions must first opt in, begin testing out FedNow and then adjust their own systems to fully adopt it.

Some banks are likely to want to stand by to see how adoption pans out for the early adopters. This means might not see any immediate change in how you send and receive money in the coming months until the system is fully implemented across banks.

‘Over time, as more banks choose to use this new tool, the benefits to individuals and businesses will include enabling a person to immediately receive a paycheck, or a company to instantly access funds when an invoice is paid,’ said Fed Chair Jerome Powell in the launch announcement on July 20.” – Jul 2023 – Forbes

IN-DEPTH TOPICS LOCATED ON THE COUNTY AUDITOR'S WEBPAGE

5G Network	4th Qtr 2018	Natural Gas – U.S. Exports	4th Qtr 2019
Afterpay	4th Qtr 2020	Negative Interest Policy	2nd Qtr 2016
Alibaba	3rd Qtr 2017	New Silk Road	2nd Qtr 2017
Bitcoin	4th Qtr 2016	Non-Fungible Tokens	1st Qtr 2021
Cashless Society	4th Qtr 2017	Pandemic – Impact	1st Qtr 2020
Chatbots	1st Qtr 2019	Quantitative Easing	1st Qtr 2016
Deep Sea Mining	3rd Qtr 2020	Repurchase Agreements	3rd Qtr 2019
EV Supply Chain	3rd Qtr 2022	Secure Act - Retirement	4th Qtr 2022
Facial Recognition	1st Qtr 2018	Series I Bonds	1st Qtr 2022
FedNow	2nd Qtr 2023	Small Business Reorg Act	2nd Qtr 2020
IRS - Online Platforms	2nd Qtr 2022	Student Loan Update	1st Qtr 2023
Labor Participation Rate	4th Qtr 2015	Texas Imports and Exports	2nd Qtr 2018
Libra, Calibra, Facebook	2nd Qtr 2019	Universal Postal Union	3rd Qtr 2018
Lumber Prices Soaring	4th Qtr 2021	Vehicle Shortage	2nd Qtr 2021
Money Market Reform	3rd Qtr 2016		

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