

Brief Market Joy Evaporates Post Fed Meeting

Yesterday, confident Fed talk boosted the DOW up 932 points, its biggest single day gain in over two years. Today, a sharp reversal clawed back every point and more. What's particularly unnerving is that there doesn't seem to be a real trigger to the drop. This morning's second-tier economic releases were close to forecasts, and there were no Fed speakers or policy announcements introducing fresh concern. Investors may have wanted to believe Powell's assertion that the FOMC will successfully orchestrate a soft landing, easing inflation gently down without tipping the economy into recession, but after further consideration it suddenly seems too tall an order. The tether we thought Powell had tied down yesterday snapped today, and it didn't take much of a gust to do it.

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