

Five myths about the Federal Reserve

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Perspective by [Betsey Stevenson](#)

The Federal Reserve lowered the benchmark interest rate this past week by a quarter-point to just under 2.25 percent, the first rate cut since December 2008. President Trump had been hectoring the bank to do this for months, as had many Wall Street analysts. But stock markets had a mixed reaction to the news, and it remains unclear whether more cuts are ahead. For many Americans, the Fed's role in the economy is shrouded in myths. Here are some of the most prevalent.





