



Federal Reserve Bank
of San Francisco

How Public Engagement Supports the Fed's Mission

November 2022



We Are the U.S. Central Bank

12 Federal Reserve Banks + the Board
of Governors in Washington, D.C.

=the Federal Reserve System



What We Do

The Federal Reserve fulfills its mission by:

- conducting the nation's monetary policy
- promoting the stability of the financial system
- promoting the safety and soundness of individual financial institutions
- fostering payment and settlement system safety and efficiency
- promoting consumer protection and community development

Our Goal

A Healthy, Inclusive, Sustainable Economy

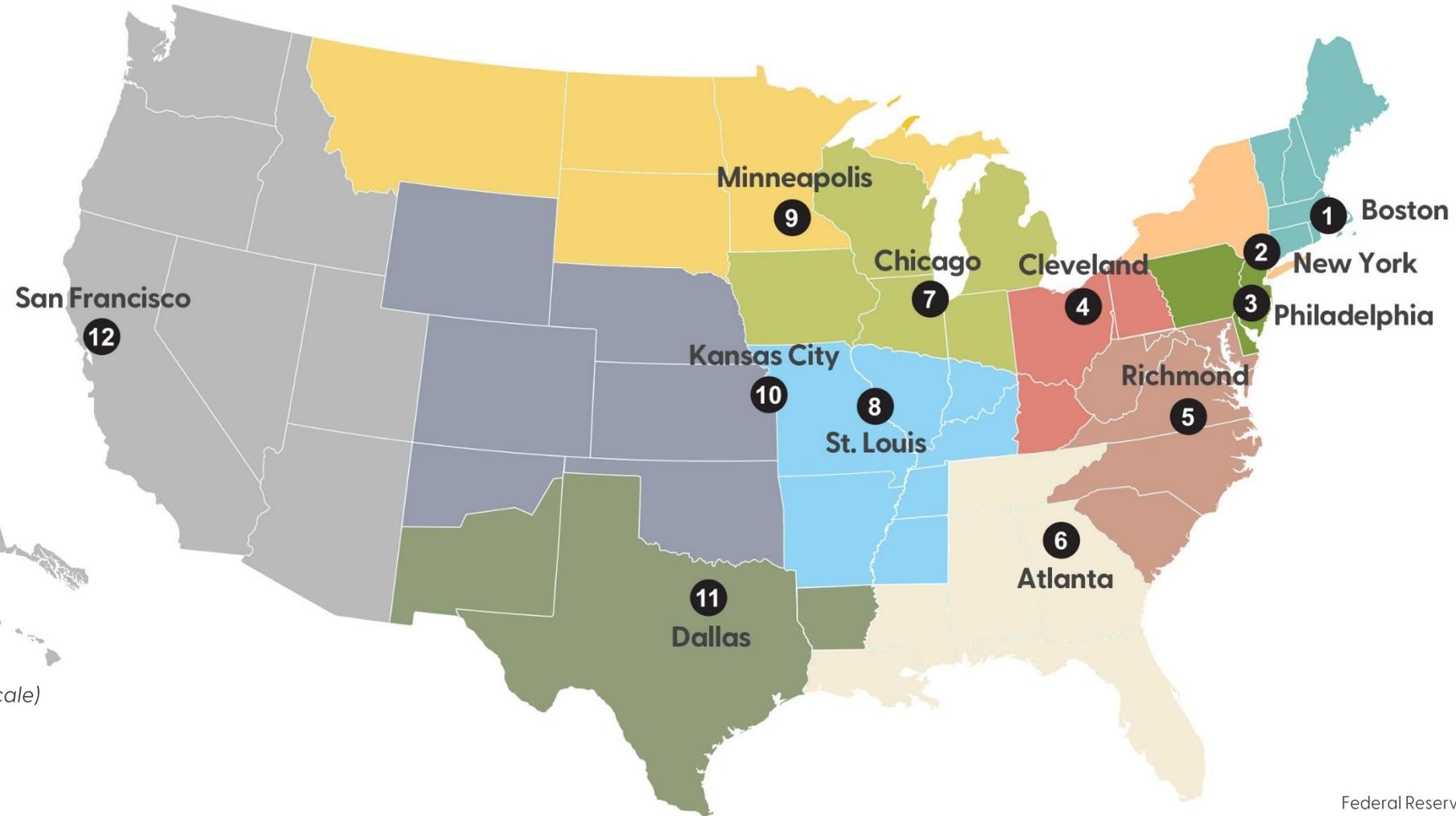
- + Everyone who wants a job can get a job
- + The dollar in your pocket has a consistent value
- + The financial and payment systems work day-to-day

The Fed Has Two Mandates





A National (and Local) System



(map not to scale)



The SF Fed

- + Largest and most diverse of the 12 districts
- + Includes nine most western states and the Pacific territories
- + Covers nearly 20% of US economy
- + Operates out of 6 locations including: the San Francisco head office, 4 branches, and one cash processing center



A Community Engaged Bank

Federal Reserve Bank of San Francisco



Mary Daly
President and Chief
Executive Officer



Sarah Devany
First Vice President and
Chief Operating Officer



Darlene Wilczynski
Vice President and Seattle
Regional Executive

Seattle Branch Board of Directors Appointed by the Board of Governors



Sheila Edwards Lange (2022)
Chair of the Board
Chancellor
University of Washington
Tacoma
Tacoma, Washington



Pallavi Mehta Wahi (2024)
New Director
Co-Managing Partner, United
States and Managing Partner,
Seattle Office
K&L Gates LLP
Seattle, Washington



John Wolfe (2023)
Chief Executive Officer
Northwest Seaport Alliance
(NWSA)
Tacoma, Washington

Appointed by the Board of Directors



Robert (Bob) Donegan (2022)
President
Ivar's Restaurants
Seattle, Washington



Carol Gore (2023)
President and Chief Executive Officer
Cook Inlet Housing Authority
Anchorage, Alaska



Michael Senske (2024)
New Director
Chairman and Chief Executive Officer
Pearson Packaging Systems
Spokane, Washington



Laura (Laurie) Lee Stewart (2023)
President and Chief Executive Officer
Sound Community Bank and
Sound Financial Bancorporation
Seattle, Washington

How We Engage

- + Listening sessions
- + Meeting with business and community leaders
- + Rapid response
- + Roundtables
- + Nonprofit partnerships



The Beige Book

- + Summary of Commentary on Current Economic Conditions by Federal Reserve District- a.k.a. the Beige Book
- + Each Federal Reserve Bank gathers anecdotal information on current economic conditions in its District
- + Published 8x a year
- + Info comes from bank and branch directors and interviews with key business contacts, economists, market experts, and other sources
- + New this year, some Reserve Banks added a community-oriented section

The screenshot shows the top of the Federal Reserve website. At the top, it says "Board of Governors of the Federal Reserve System" with the tagline "The Federal Reserve, the central bank of the United States, provides the nation with a safe, flexible, and stable monetary and financial system." Below this is a navigation menu with links for "About the Fed", "News & Events", "Monetary Policy", "Supervision & Regulation", "Financial Stability", "Payment Systems", "Economic Research", "Data", and "Consumers & Communities". The breadcrumb trail reads "Home > Monetary Policy > Beige Book". The main heading is "Beige Book - October 19, 2022" with a PDF download icon. Below the heading are two buttons: "Full Report" (highlighted) and "National Summary". A disclaimer box states: "This report was prepared at the Federal Reserve Bank of Dallas based on information collected on or before October 7, 2022. This document summarizes comments received from contacts outside the Federal Reserve System and is not a commentary on the views of Federal Reserve officials."

Prices

Price levels remained highly elevated despite reported moderation in the rate of increase. Reports noted persistent inflation across industries and products, including prices for food, insurance, health care, legal services, packaging, and some manufacturing products, such as plastic and cardboard, due to continued cost pressures from materials and labor. Lumber prices also rose recently but were still significantly below their pandemic highs. Energy prices, although notably down since June, ticked up in recent weeks, and several contacts said fuel surcharges were still widespread in freight and manufacturing. Nevertheless, cooling overall demand helped alleviate some price pressures, and contacts noted more stable prices for used vehicles, construction materials, and airfares. Contacts generally expected cost pressures to persist over the coming months.

Community Conditions

Housing affordability, homelessness, and food insecurity continued to challenge communities across the district. Contacts emphasized the uneven impact of ongoing inflationary pressures and overall economic uncertainty on lower-income households and communities. Nonprofit organizations reported challenges meeting demand for behavioral health and substance misuse services. Contacts also reported an undersupply of basic shelter needs which have increased due to hiring difficulties and a notable drop in donations in recent months. Several contacts also raised concerns about worsened academic performance during the pandemic across all groups, particularly among lower-income students.

Retail Trade and Services

Retail sales grew moderately on balance. High tourism volumes in large metropolitan areas supported strong demand for retail goods, while other parts of the District saw signs of cooling due to further declines in consumers' discretionary spending. Reports indicated that demand has picked up for home improvement goods as homeowners invested more in

Monetary Policy: The Path

Community Engagement and Economic Research

Directors and Council members, along with economists, share insight into current business conditions and the future outlook. Business and community leaders share perspectives with Regional Execs

Policy in Action

Monetary policy influences the amount of money and credit in the U.S. economy, with the aim of achieving price stability and max employment



SF Fed to the FOMC

President Daly represents the Twelfth District perspective on the Federal Open Market Committee in Washington D.C., the Fed’s monetary policy-making body

FOMC

The FOMC, which includes the seven Board of Governors, the president of the New York Fed, and four rotating Fed District presidents, votes on monetary policy



