

FEDERAL RESERVE BANK *of* NEW YORK

33 LIBERTY STREET, NEW YORK, NY 10045-0001

Minutes of the Investor Advisory Committee on Financial Markets

October 15, 2025

Federal Reserve Bank of New York

Committee Attendees:

Naïm Abou-Jaoudé, New York Life Investment
Management

Michael Arougheti, Ares Management

Dmitry Balyasny, Balyasny Asset Management

Greg Davis, Vanguard

Stanley Druckenmiller, Duquesne

Hari Hariharan, NWI Management

Kim Lew, Columbia Investment Management

Holly H. MacDonald, Bessemer Trust

Belita Ong, Dalton Investments

Chris Rokos, Rokos Capital Management

Jeffrey Talpins, Element Capital

Anastasia Titarchuk, New York State Common
Retirement Fund

Anne Walsh, Guggenheim Partners Investment
Management

Federal Reserve Attendees:

John C. Williams

Kartik Athreya

Tiffany Hewlin

Matthew Lieber

Rebecca McCaughrin

Timothy C. Nash, Jr.

Anna Nordstrom

Roberto Perli

Suraj Prasanna

Julie Remache

Navya Sharma

Maneesha Shrivastava

Ben Wensley

Discussion of the U.S. Economic and Monetary Policy Outlook

Committee members were highly attentive to recent U.S. trade policy developments and the implications for the economic outlook. Members viewed these developments, together with ongoing uncertainty about the trajectory of trade policy, as contributing to their expectations for slower economic growth and higher inflation this year. Several members expressed more concern about downside risks to growth and employment than the risk of elevated inflation. Members generally expected the Federal Reserve to keep interest rate policy unchanged, given higher expected inflation in the near term, until economic activity and labor market data potentially started to weaken.

Discussion of the International Economic and Monetary Policy Outlook

Committee members noted that the economic and monetary policy outlook for advanced foreign economies varied by jurisdiction. Members highlighted market expectations for governments in Japan and Germany to boost spending, which had pushed up longer-term government bond yields in those countries. Members continued to view the U.S. economic outlook more favorably than some other advanced

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economies, driven by AI investment, which had contributed to the recent relative strength of the dollar against other major currencies.

Discussion of Artificial Intelligence Use Cases

In a roundtable discussion, Committee members described various ways that AI was contributing to different segments of their businesses. Members separated the augmentation of analysis and other related types of work from the automation of processes. These use cases required varying levels of investment and staff training and were expected to contribute to greater efficiencies and scale. More broadly, members also highlighted that AI tools were helping drive some rationalization of external software services or offshore labor that were currently in place. Members expected productivity gains from AI to take place over a longer horizon while expecting some parts of the labor market to be impacted in the near term, with firms across industries reportedly implementing hiring freezes and others reporting reduced junior-level hiring.