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**REPUBLICAN CAUCUS**

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**RYAN STATEMENT ON  
FED ACTION, INFLATION CONCERNS**

The Federal Reserve Bank today lowered the federal funds rate by a sizeable 75 basis points to 2.25 percent – the latest in a series of dramatic measures by the Fed to manage the severe disruptions in credit markets that now threaten the economy.

House Budget Committee Ranking Republican Paul Ryan (R-WI) said the following:

*"Americans are painfully aware that prices for everything – from groceries to gas – are on the rise. And inflation expectations among investors and consumers are drifting upward.*

*"So while today's additional sharp rate cuts may, as intended, work to mitigate a further weakening in the economy, they will also further stoke the risk of inflation.*

*"Inflation is a dangerous threat to our economic wellbeing – it wipes away savings, it eats away at the paychecks of working people, and it devalues the quality of life of those living on fixed incomes.*

*"The primary function of our monetary system is to maintain price stability and to keep confidence in the dollar as a reliable store of value. Unfortunately, that confidence has been shaken. Even in these challenging economic times, we must avoid a rush to policies that undermine our prospects for longer-term economic growth."*

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