

The Axe Method Presents:

Monetary Policy and YOU

"If money moves the world, then you better understand who's moving the money."

What is Monetary Policy?

Monetary policy is the game plan used by a country's central bank to control the money flow. In the U.S., that's the Federal Reserve (a.k.a. "The Fed"). They influence how easy or hard it is to borrow money, how fast prices rise (inflation), and whether businesses hire or fire people.

Why Should YOU Care?

Because it's not just about Wall Street — it's about **YOUR** street.

Every time you swipe your card, apply for a loan, or try to stretch a paycheck, the Fed's decisions are in the background either helping you or silently hurting you.

Understanding monetary policy means understanding how to defend your wallet, your income, and your future.

Tools the Fed Uses (Simplified):

- **Interest Rates** – Raise them to cool inflation. Lower them to boost spending.
 - **Buying/Selling Government Bonds** –
 - Buying = adds cash to the system
 - Selling = pulls it out
 - **Bank Reserve Requirements** – Dictates how much banks must hold back (impacts how much they can lend)
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How It Hits You Personally:

Policy Move	What It Means for YOU
Fed Raises Rates	Loans, credit cards, and mortgages get more expensive
Fed Lowers Rates	Easier borrowing, but prices might rise faster (inflation)
Fed Sells Bonds	Pulls cash out of the economy = less spending, tighter \$\$
Fed Buys Bonds	Injects money = more liquidity, businesses may expand



Real Talk:

When the Fed raised rates in 2022–2023 to combat inflation, it hit everyone:
Mortgage rates jumped. Car loans spiked.
People started getting denied for things they used to qualify for.
That's the Fed in real life.



What You Can Do TODAY:

- Know your interest rates (credit cards, student loans, mortgages)
 - Refinance or consolidate if rates drop
 - Don't just save — **INVEST** to outpace inflation
 - Track the Fed — it literally moves your money game
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FED WATCH NOW:

See what the markets think the Fed will do next:

👉 <https://www.cmegroup.com/tools-information/fedwatch.html>



Final Word from The Axe:

*"You don't have to be an economist to play this game —
but you better know the rules."*

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