Although the Fed maintains their pledge to “act as appropriate to sustain the expansion,” last week’s FOMC meeting message was one that suggested that policy makers are not inclined to aggressively pursue additional monetary stimulus based on their current forecasts. But, last week’s review of the Fed’s dot-plot rate projections revealed that the FOMC is not cohesive in terms of the future direction of policy rates. Fed Chairman Powell appears to have a more dovish tilt. In his press conference, Powell stated that the Fed is willing to move based on an evolving risk picture and acknowledged that more extensive cuts may be needed if the economy weakens.

Understanding that U.S. economic growth is expected to be less than 2% in both the third and fourth quarters, job growth is decelerating, geopolitical risks are increasing, and trade tensions have not improved, policy makers may be forced to act more aggressively than some on the policy-setting committee hope. For the reasons stated above, fed funds futures anticipate two additional 25bps rate cuts – one in December and another as early as second quarter of next year.

Your comments/questions are encouraged.

Dennis Zimmerman Jr.
Senior Vice President
Manager – Asset/Liability Services
800 548-2663
dennis.zimmerman@commercebank.com

---

**NEW ISSUE MUNICIPAL CALENDAR**

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount ($)</th>
<th>Description</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/30/2019</td>
<td>$2,655,000</td>
<td>MINNEOLA KS TMP NTS 2019 UT GO BQ</td>
<td>2022</td>
</tr>
<tr>
<td>10/01/2019</td>
<td>$6,500,000</td>
<td>BAYLESS CSD STLCO MO 2019 AA – BQ</td>
<td>2026-2039</td>
</tr>
<tr>
<td>10/01/2019</td>
<td>$16,130,000</td>
<td>GARDEN CITY KS 2019A TAXABLE UT GO</td>
<td>2020-2039</td>
</tr>
<tr>
<td>10/01/2019</td>
<td>$1,420,000</td>
<td>GARDEN CITY KS 2019B UT GO</td>
<td>2020-2029</td>
</tr>
</tbody>
</table>
**About the Author, Dennis Zimmerman**

In 2015, Dennis joined Commerce Bank’s Capital Markets Group as Manager of Asset/Liability Services. With his leadership, the Capital Market’s ALM team provides asset/liability management consulting services to community banks. Prior to joining Commerce, he was employed for nearly 26 years at one of the largest privately-held banks in Kansas. In addition to managing a $775 million bond portfolio, his Asset/Liability Chairman responsibilities included managing margin, interest rate risk, liquidity and capital. Prior to becoming the bank’s Finance Treasury Officer, he was a Registered Investment Representative and Supervising Principal in the bank’s Capital Markets division.

As a seasoned professional, Mr. Zimmerman offers a comprehensive understanding of bank finance treasury, fixed income, complex financial analysis as well as regulatory and operational awareness. As a banker, he understands the challenge of balancing shareholder expectations within appropriate levels of risk.

***If you no longer wish to receive this weekly review, please send an email to CapitalMarketsGroup@commercebank.com***

The Weekly Review is a publication of the Capital Markets Group of Commerce Bank.