

---

# Carlsquare weekly letter: Does the Fed know something we don't?

**As expected, Jerome Powell flipped from hawk to dove. We expected that. But we were surprised by the magnitude of the change. Now the market is pricing in a double hike and a long period of cuts. Why so sudden?**

The answer may lie in the US presidential election. People overestimate the impact that the candidates will have on the market. This year, both candidates are talking about spending, so the difference between them will be very small from a stock market perspective

Could it be that Powell sees something we don't (like a looming liquidity crisis in the making), or is he simply positioning himself to be elected for a new term, as wicked tongues whisper?

[Read the weekly letter here](#)

## About Carlsquare

---

Carlsquare is a global research firm and financial advisor, focusing on M&A, Equity Research and Growth Equity. Carlsquare has 150 employees with deep sector knowledge in all 11 GICS sectors. The senior equity research team has extensive experience about the stock environment and several business sectors. The team produces company research reports, independent valuations and trading notes. The group have offices in Canada, Denmark, France, Germany, Poland, Sweden, United Kingdom and United States. [Read more](#)

## Contacts

---

### MARKUS AUGUSTSSON

Head of Equity Research

[markus.augustsson@carlsquare.com](mailto:markus.augustsson@carlsquare.com)

+46 (0)76 235 03 20

### NIKLAS ELMHAMMER

Senior Equity Analyst

[niklas.elmhammer@carlsquare.com](mailto:niklas.elmhammer@carlsquare.com)

+46 (0)70 898 39 59

## Attachments

---

[Carlsquare weekly letter: Does the Fed know something we don't?](#)