

Fed Unfiltered

DAILY TRENDS

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2-year Treasury, 10-year Treasury, Fed Funds

- The 2yr was up 3bps. Settling somewhat after a 28bps increase over the last five days. It's possible the market is waiting on Thursday's GDP numbers and Friday's Core PCE numbers.
- The 10yr was up another 9bps (28bps in two days) – possibly due to the ramped up QT, although with the 10yr it's difficult to truly know.

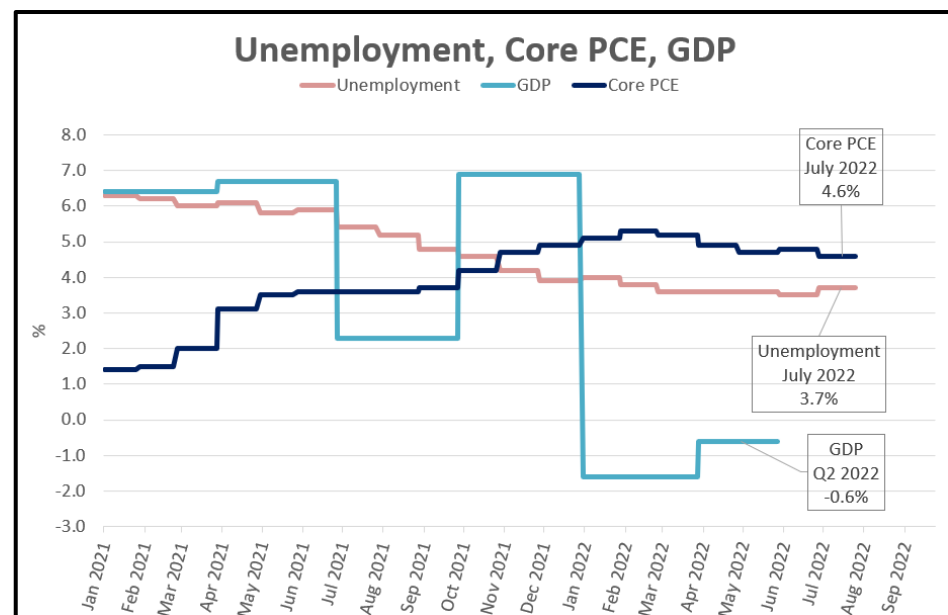
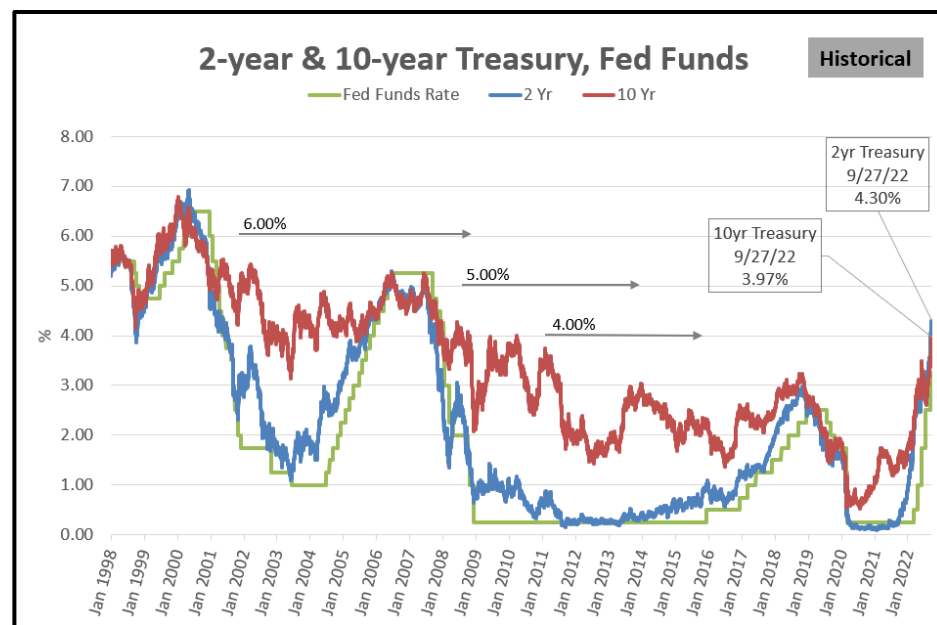
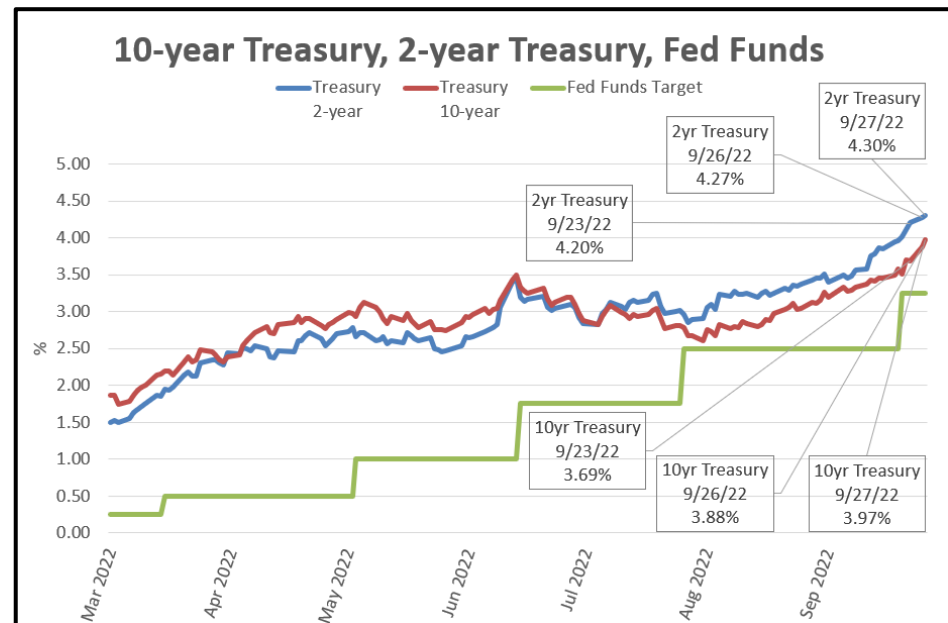
Historical

- Historically speaking, rates are still fairly low. However, we are approaching the 5.00% range of 2007, likely to be the upper end of our current run, possibly ending mid to late 2023.

Unemployment, Core PCE, GDP

- This week we'll see GDP's 3rd estimate for Q2 and August's Core PCE numbers.

The Meaning of the Daily Rate Change is a Best Guess --- Treasury rates reflect a lot of different conditions, including: (1) where people expect the economy to go; (2) where they expect interest rates to go; and (3) the amount of risk they associate with the uncertainty of #1 and #2.



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