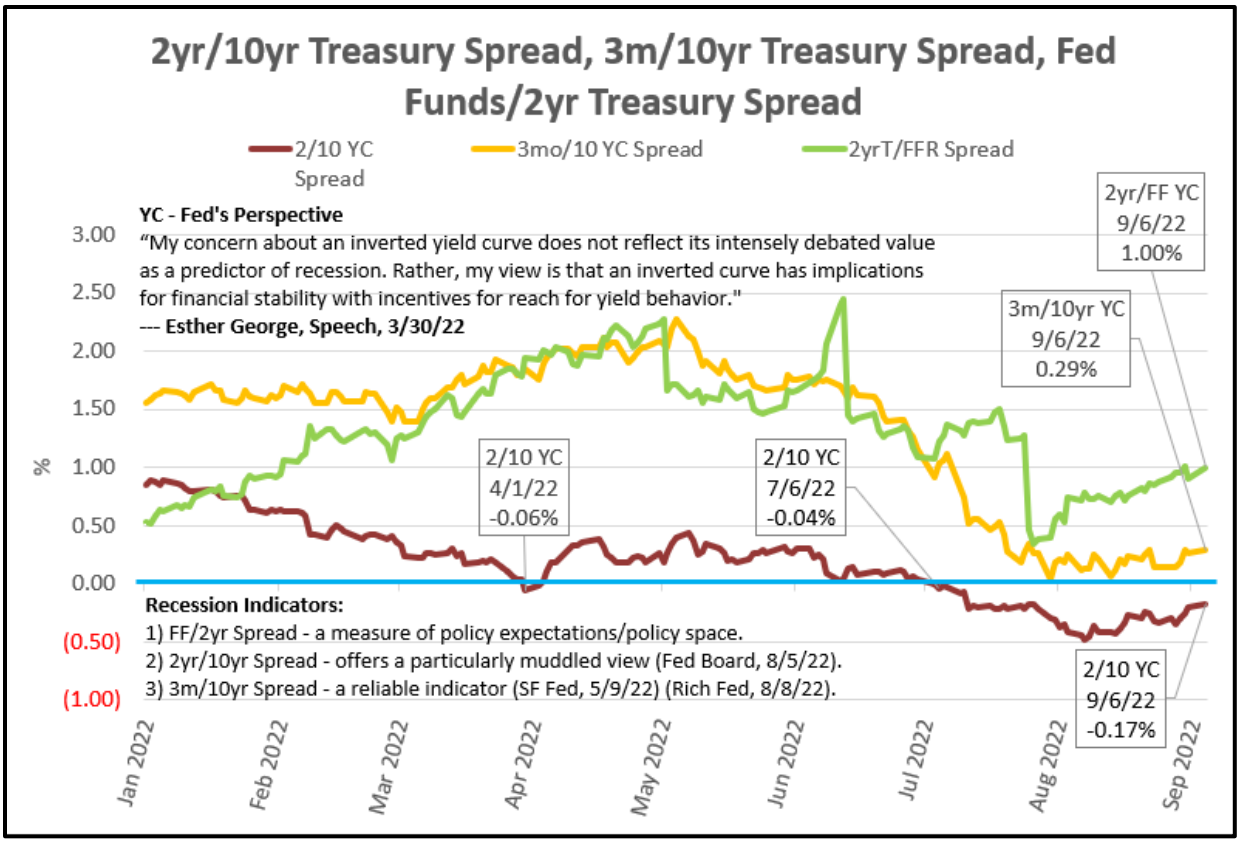
2yr/10yr Treasury Spread, 3m/10yr Treasury Spread, Fed Funds/2yr Treasury Spread
2/10 YC Spread
3mo/10 YC Spread
2yrT/FFR Spread
YC - Fed's Perspective
"My concern about an inverted yield curve does not reflect its intensely debated value as a predictor of recession. Rather, my view is that an inverted curve has implications for financial stability with incentives for reach for yield behavior."
--- Esther George, Speech, 3/30/22
Recession Indicators:
1) FF/2yr Spread - a measure of policy expectations/policy space.
2) 2yr/10yr Spread - offers a particularly muddled view (Fed Board, 8/5/22).
3) 3m/10yr Spread - a reliable indicator (SF Fed, 5/9/22) (Rich Fed, 8/8/22).
2yr/FF YC 9/6/22 1.00%
3m/10yr YC 9/6/22 0.29%
2/10 YC 4/1/22 -0.06%
2/10 YC 7/6/22 -0.04%
2/10 YC 9/6/22 -0.17%
%
3.00
2.50
2.00
1.50
1.00
0.50
0.00
(0.50)
(1.00)
Jan 2022
Feb 2022
Mar 2022
Apr 2022
May 2022
Jun 2022
Jul 2022
Aug 2022
Sep 2022