

Predicting the Markets: Topical Study #1 Updated Charts

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March 8, 2024

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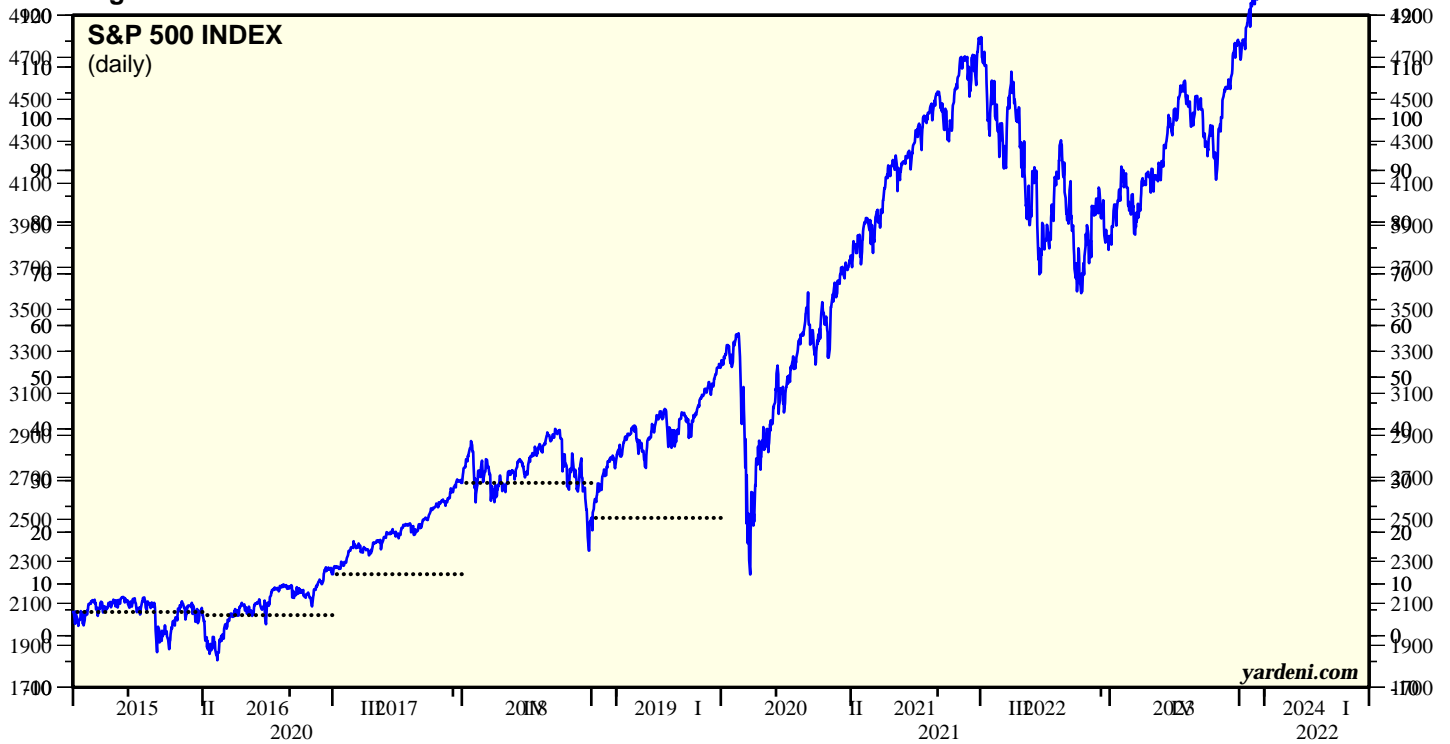
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thinking outside the box

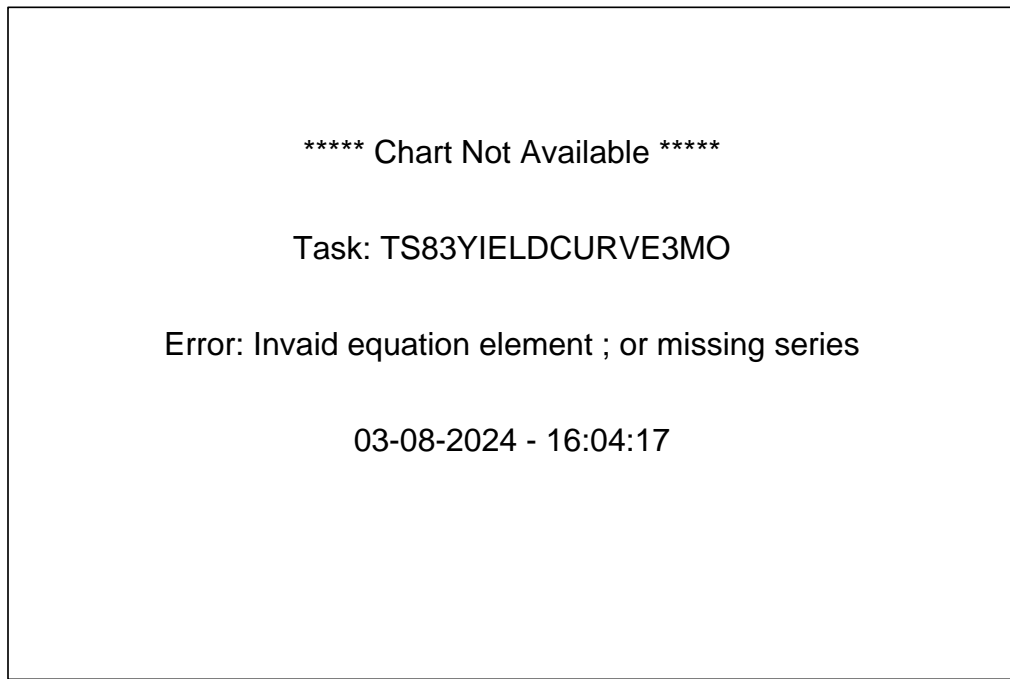
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Figure 1.



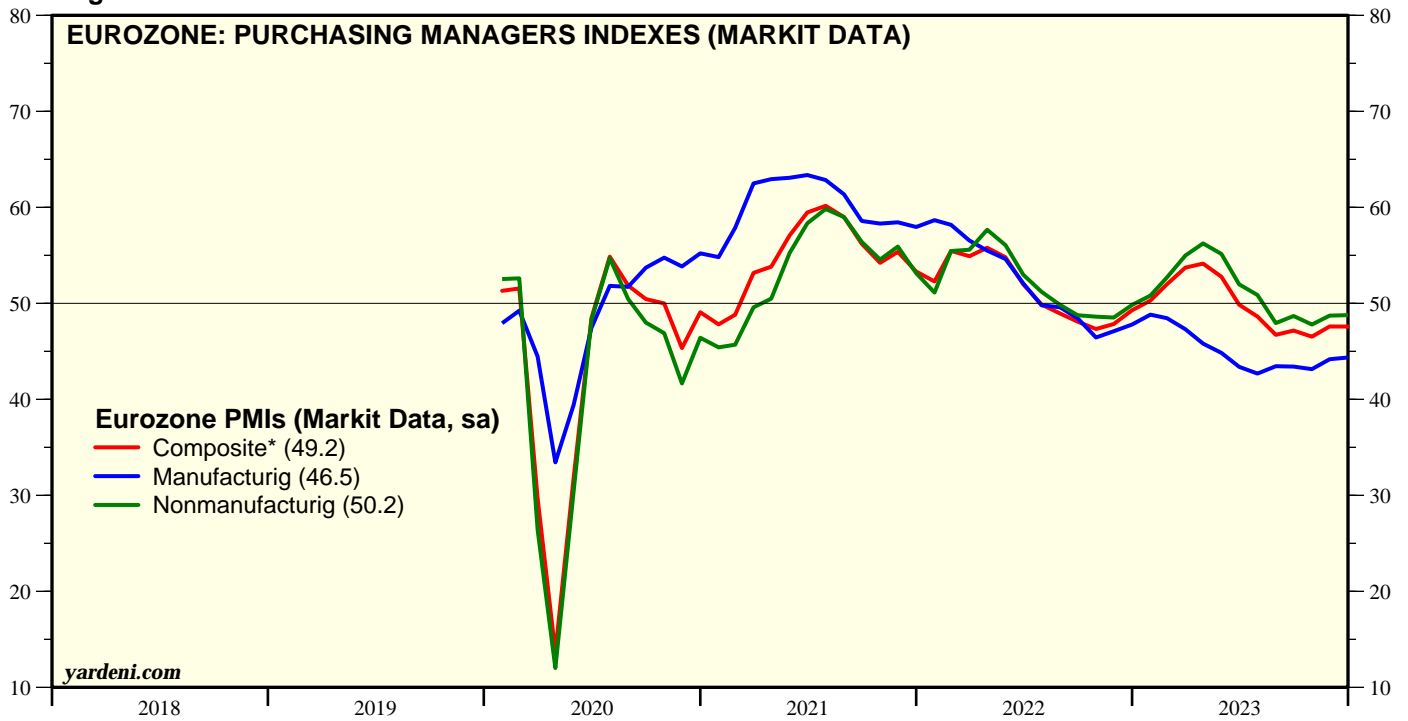
Source: Standard & Poor's. Source: Standard & Poor's.

Figure 2.



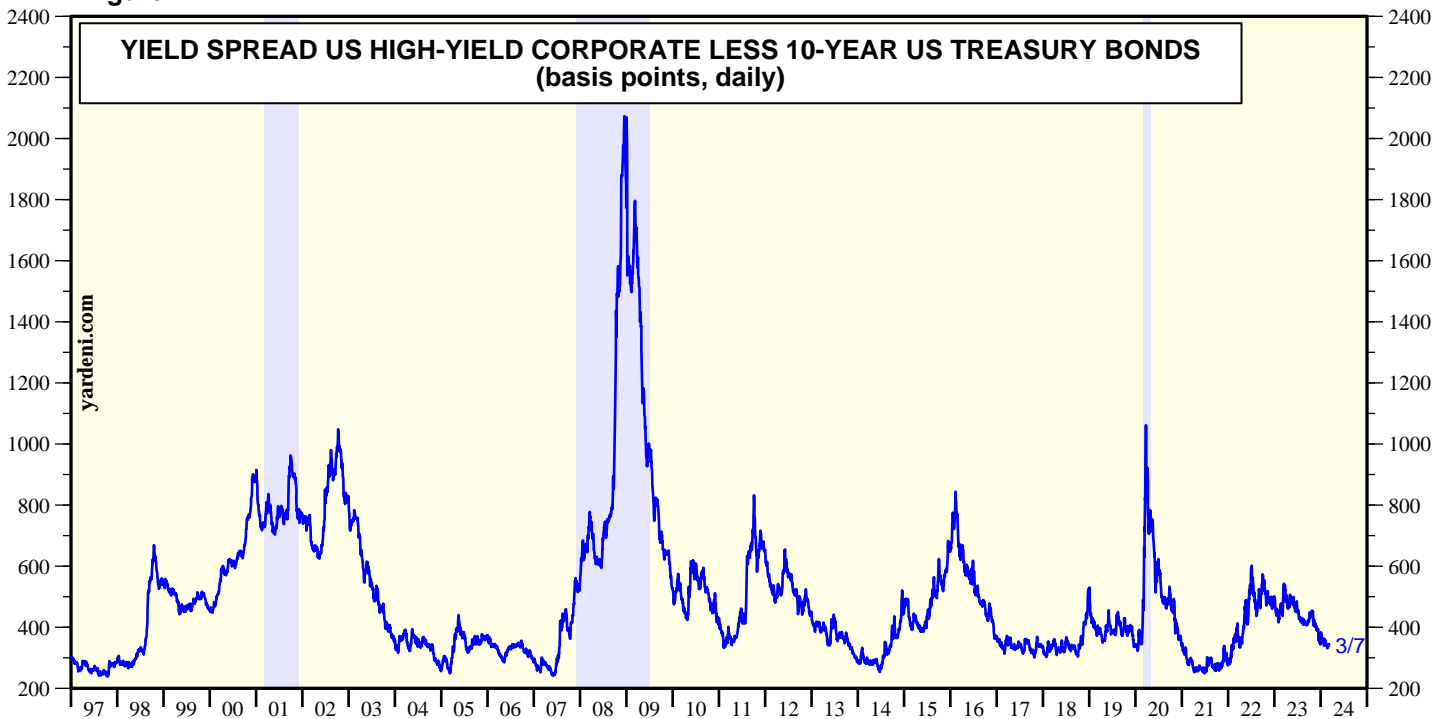
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Figure 3.



* Composite of M-PMI and NM-PMI.
Source: Markit and Haver Analytics.

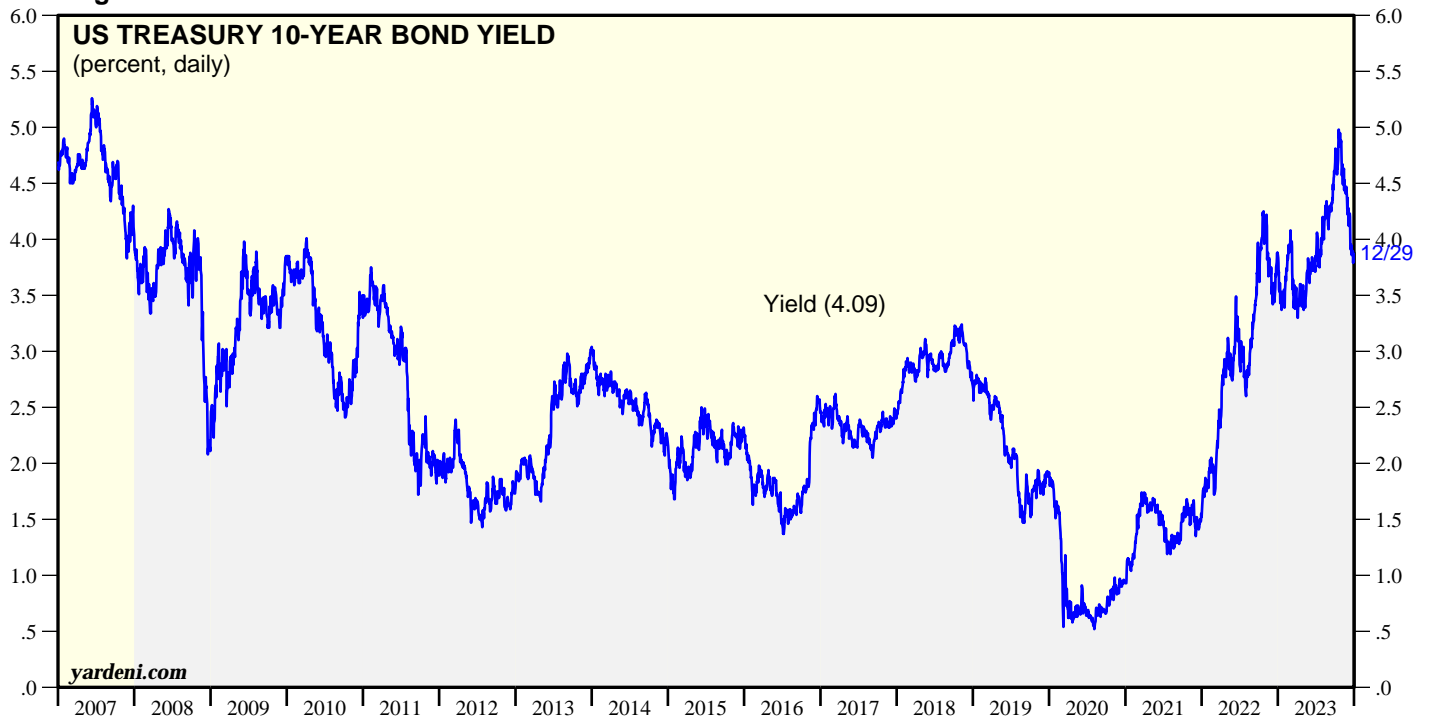
Figure 4.



Note: Shaded areas are recessions according to the National Bureau of Economic Research.
Source: Bank of America Merrill Lynch and Federal Reserve Board.

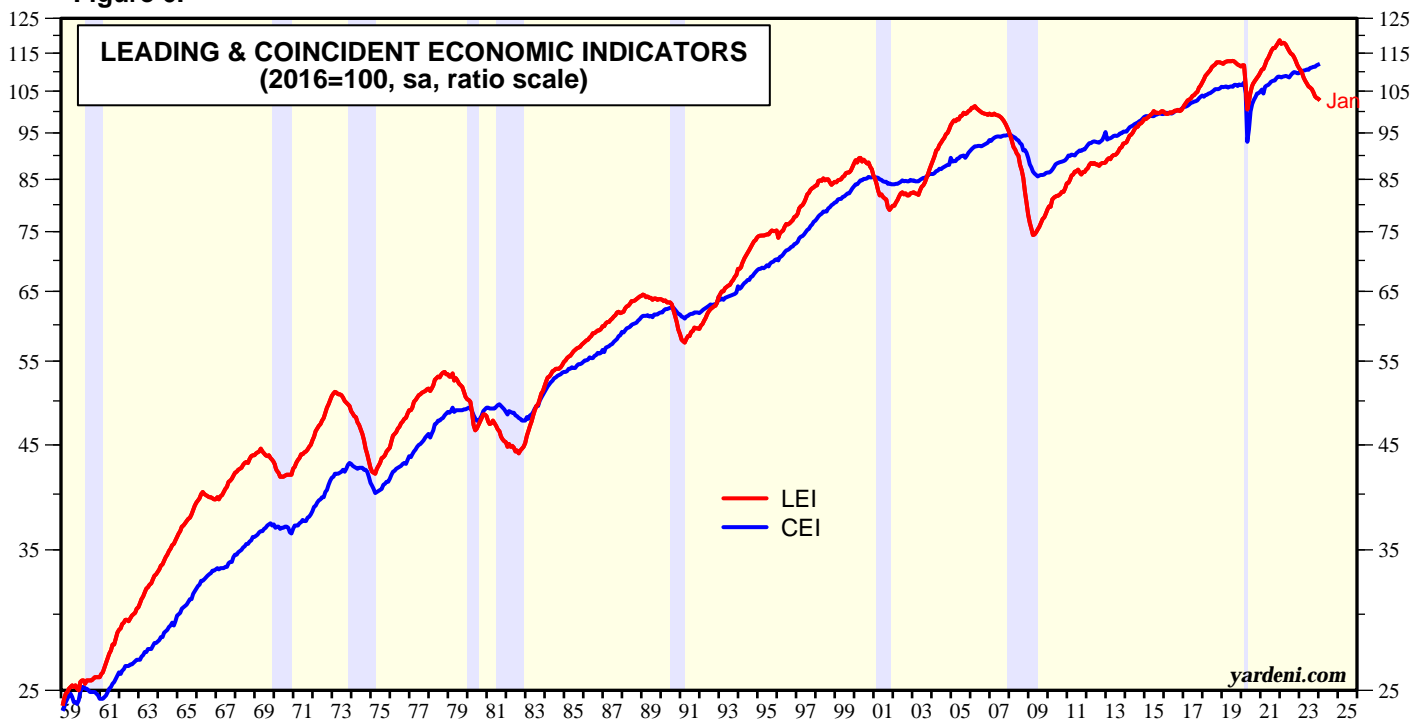
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Figure 5.



Source: Federal Reserve Board.

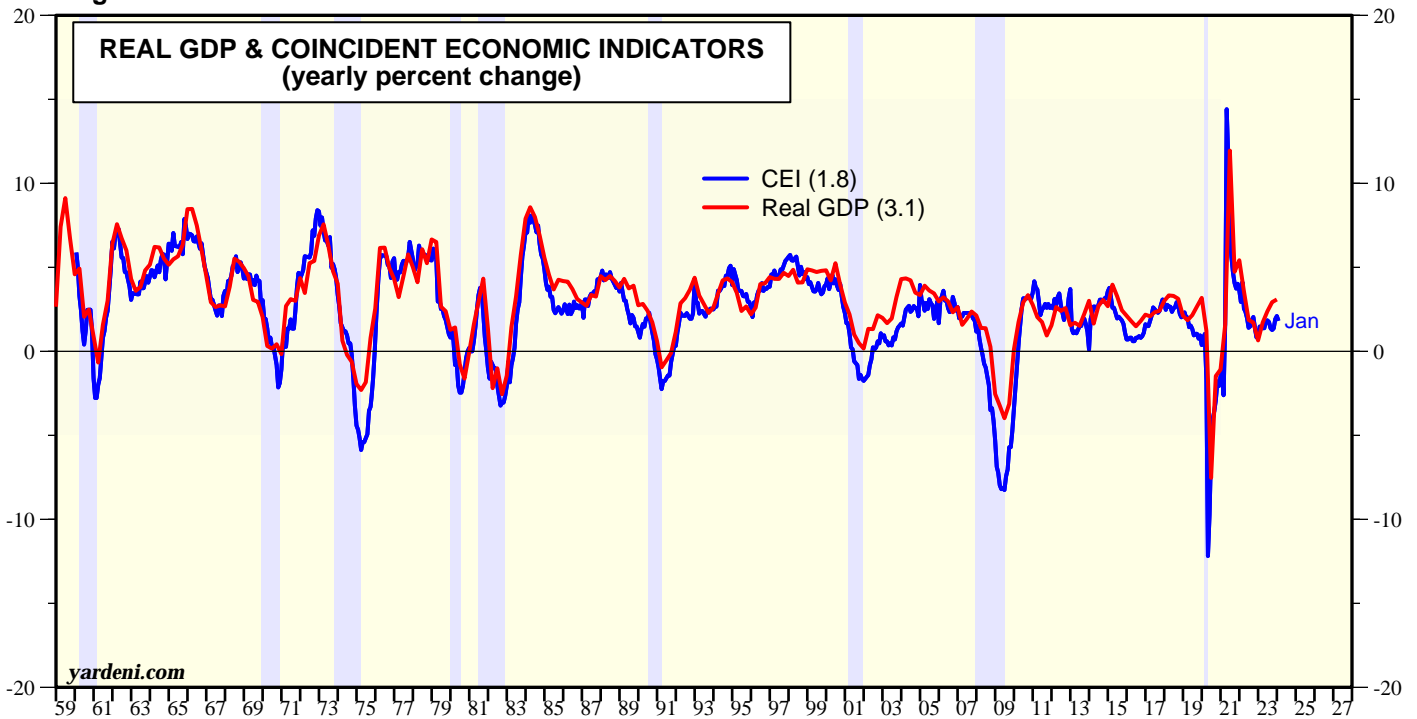
Figure 6.



Note: Shaded areas are recessions according to the National Bureau of Economic Research.
Source: The Conference Board.

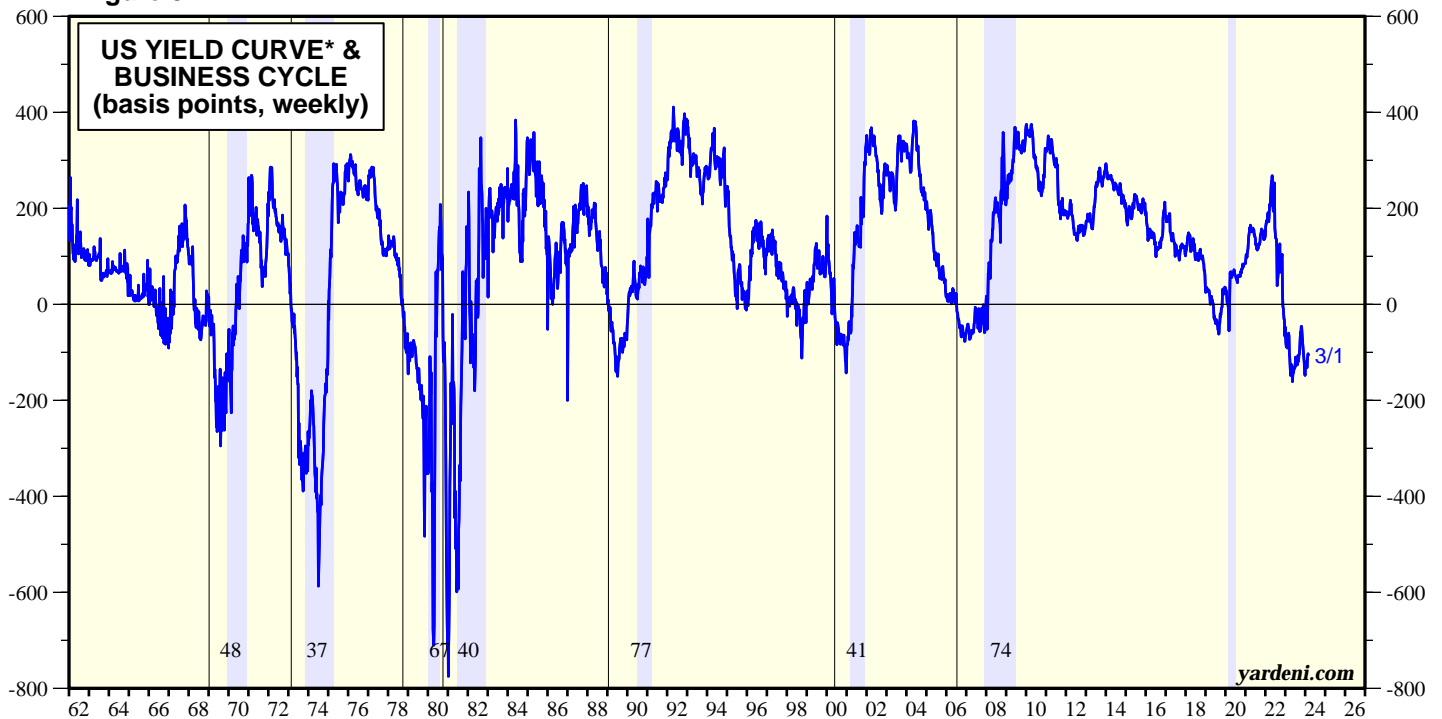
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Figure 7.



Note: Shaded areas are recessions according to the National Bureau of Economic Research.
 Source: Bureau of Economic Analysis and Conference Board.

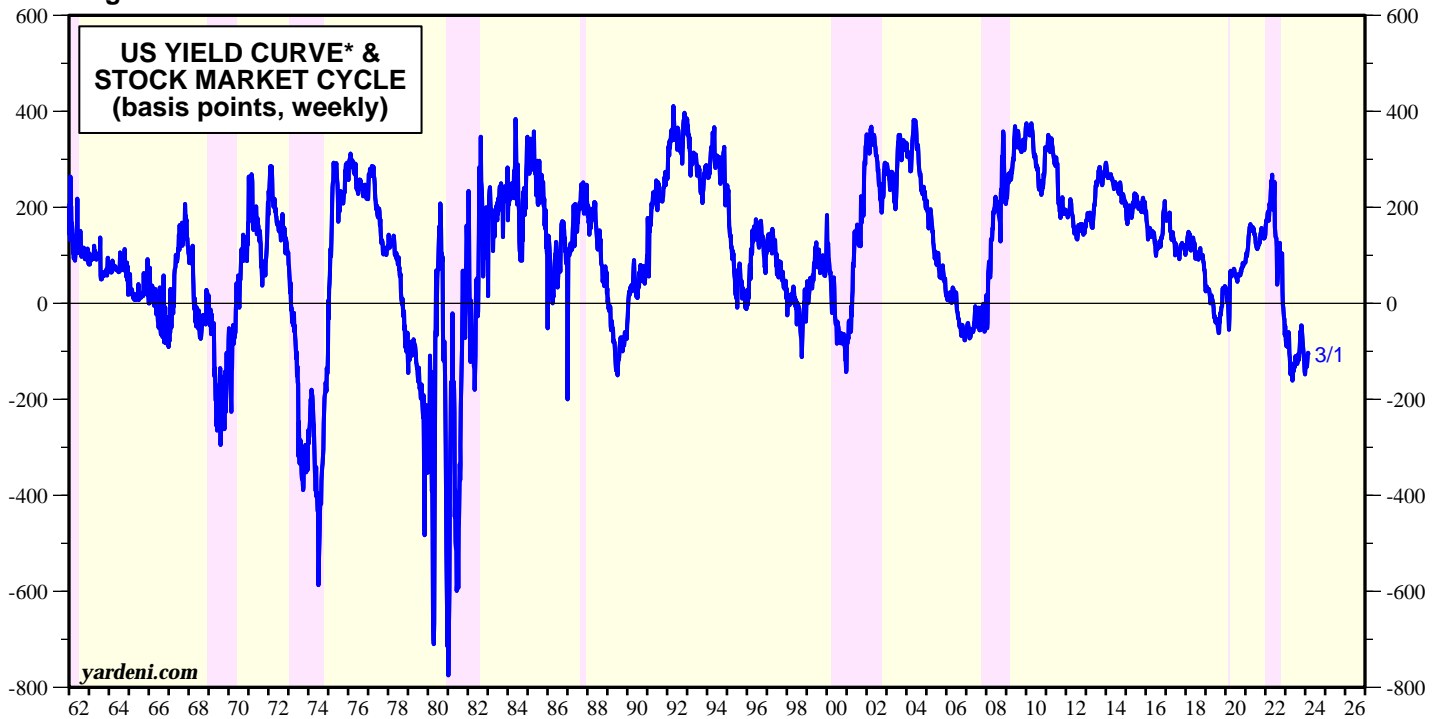
Figure 8.



* 10-year US Treasury yield less federal funds rate.
 Note: Numbers near time scale show weeks between yield curve inversion and start of recession.
 Note: Shaded areas are recessions according to the National Bureau of Economic Research.
 Source: Federal Reserve Board.

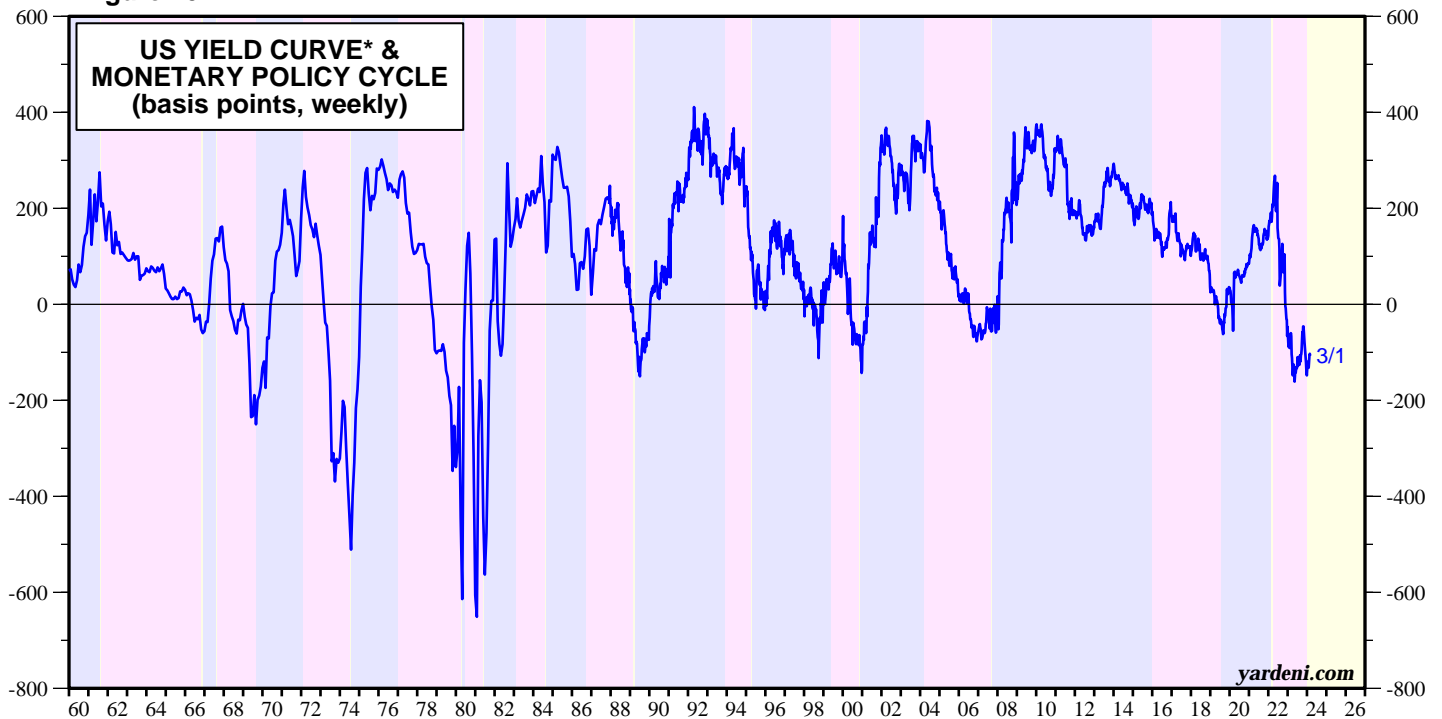
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Figure 9.



* 10-year US Treasury yield less federal funds rate.
 Note: Shaded red areas denote S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: Federal Reserve Board.

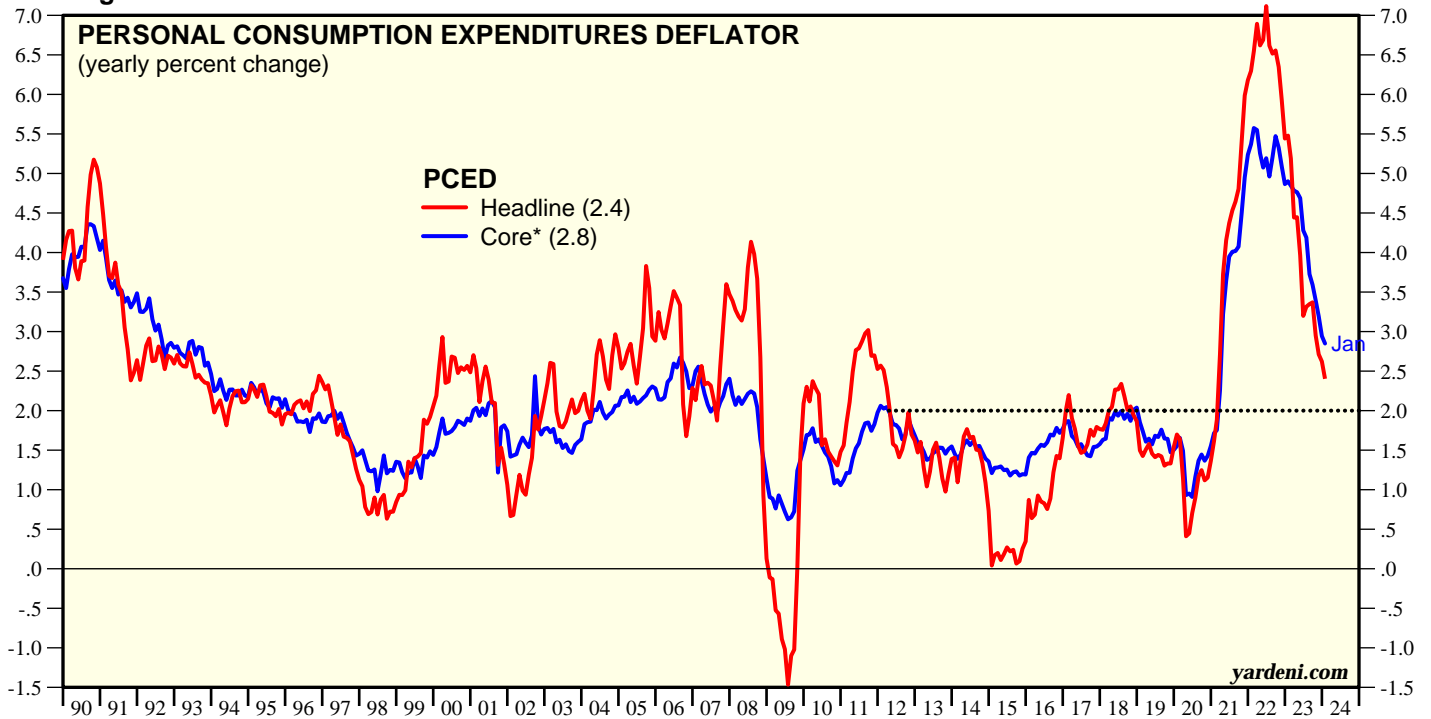
Figure 10.



* 10-year Treasury yield less federal funds rate. Monthly through 1987, then weekly.
 Note: Blue shaded areas denote periods of monetary easing between cyclical peaks and troughs in the federal funds rate. Red shaded areas denote monetary tightening periods.
 Source: Federal Reserve Board.

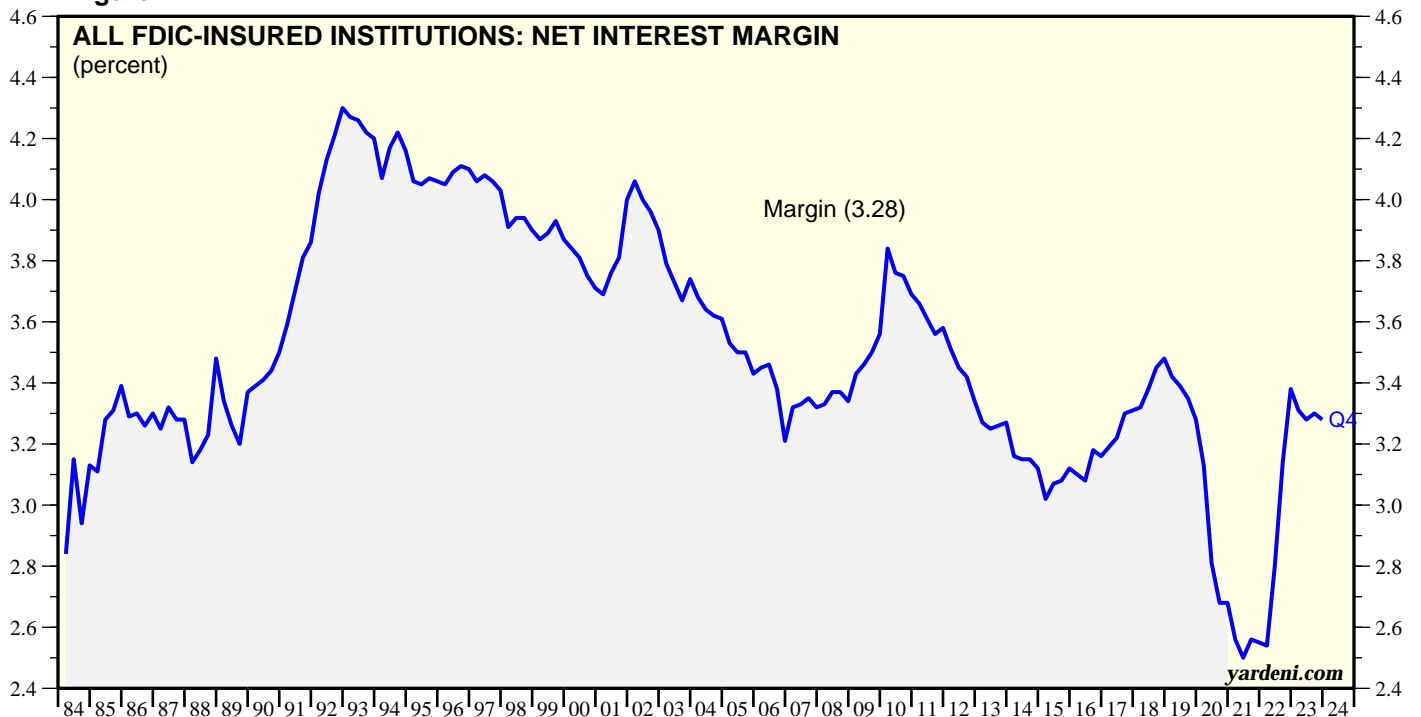
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Figure 11.



* Excluding food and energy prices.
Note: Dotted line is the Fed's official target set during January 2012.
Source: Bureau of Economic Analysis.

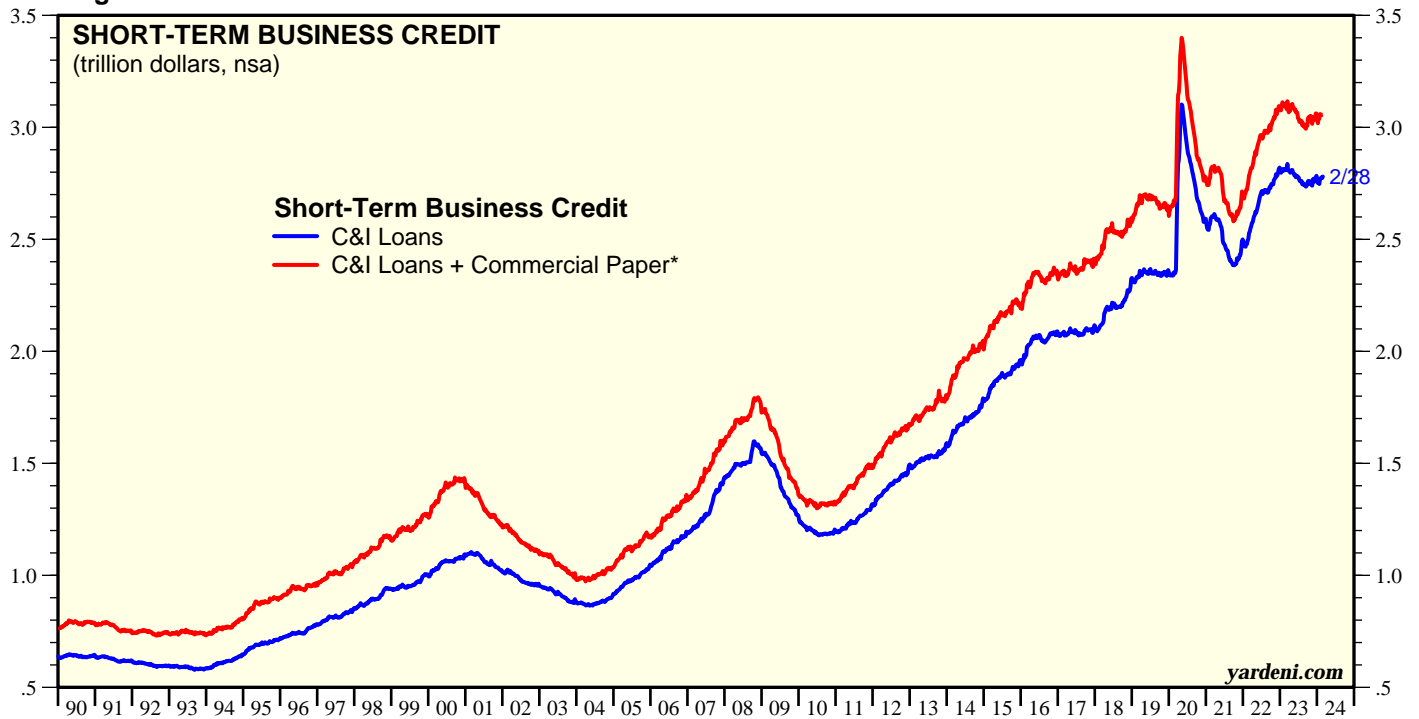
Figure 12.



Source: Federal Deposit Insurance Corporation, Quarterly Banking Profile.

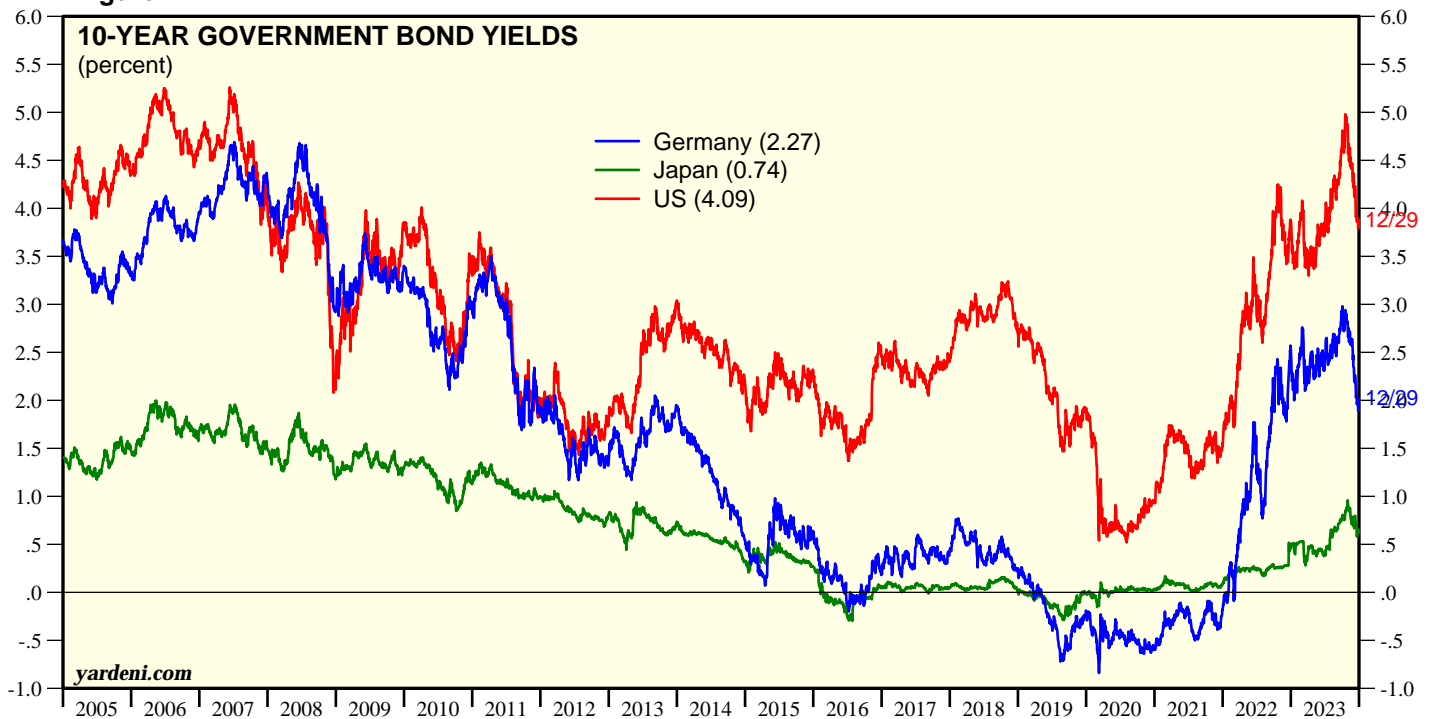
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Figure 13.



* Nonfinancial corporate.
Source: Federal Reserve Board.

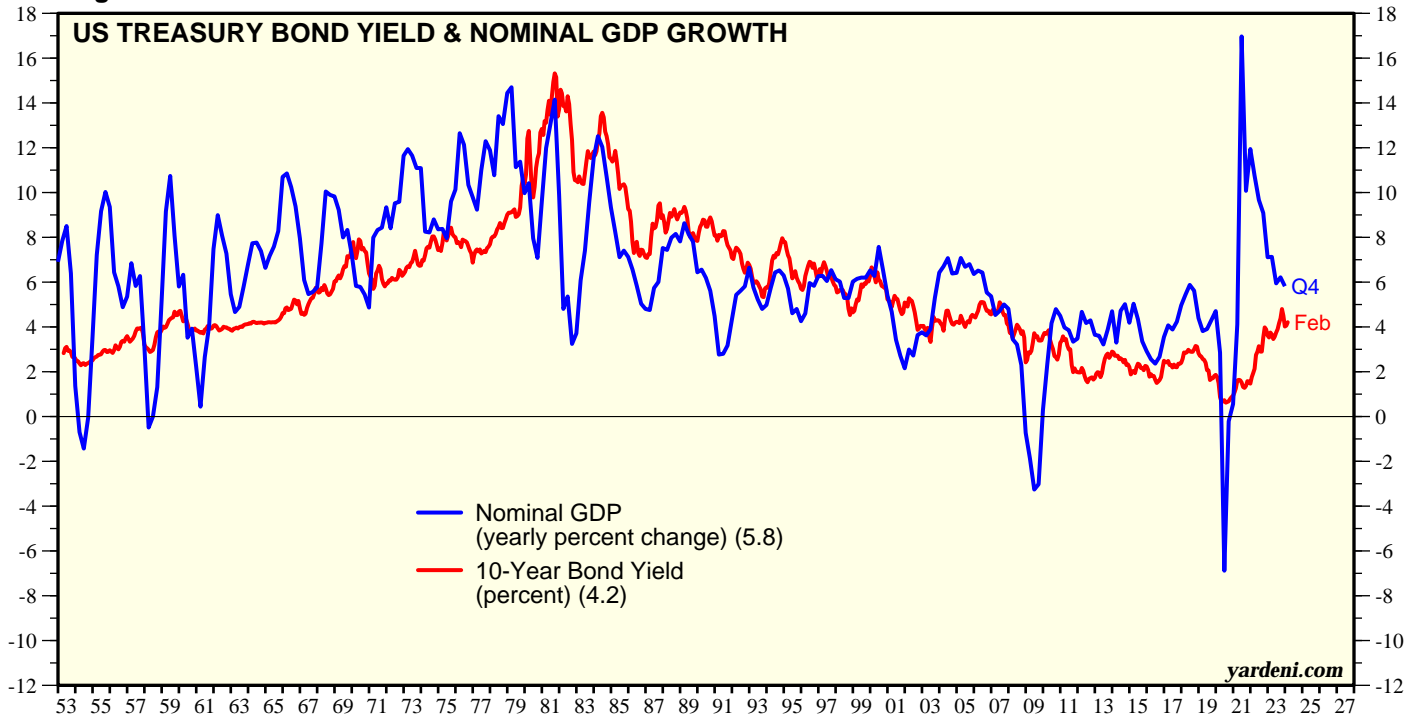
Figure 14.



Source: Haver Analytics.

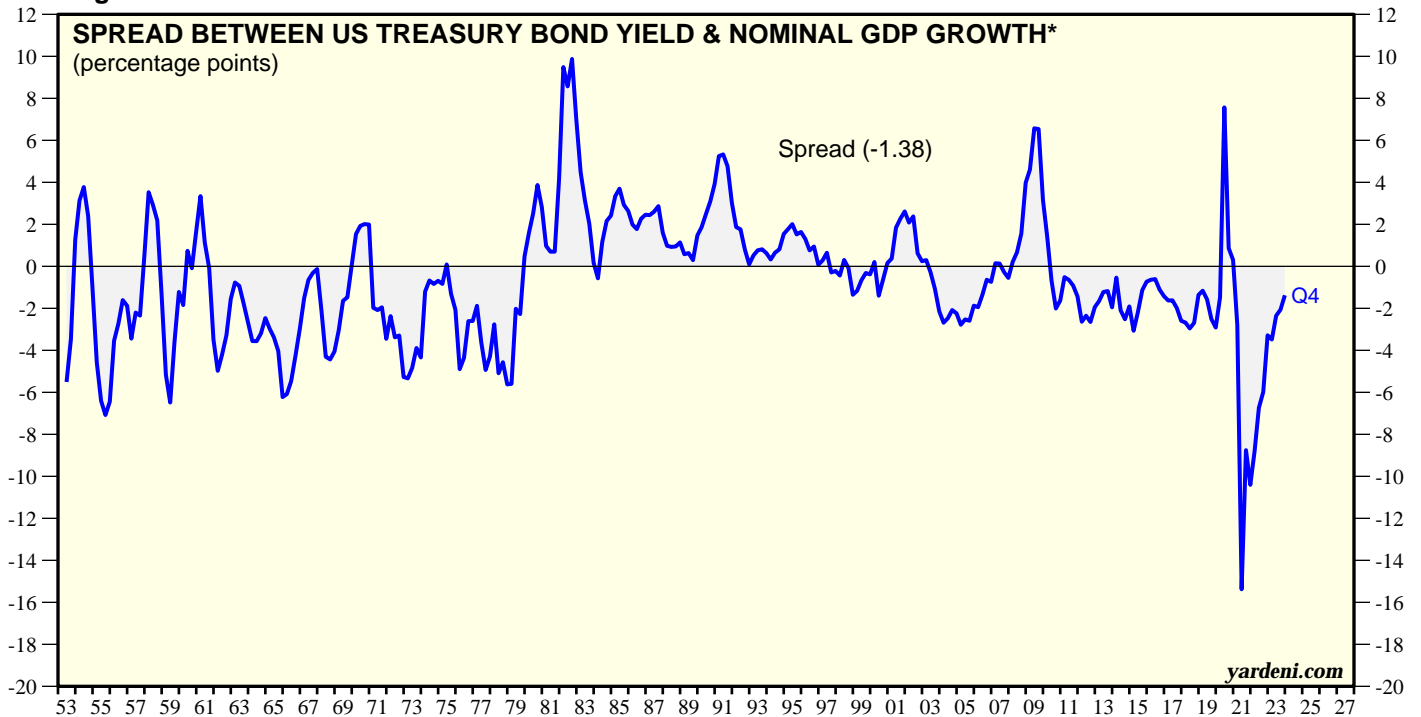
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Figure 15.



Source: Bureau of Economic Analysis and Federal Reserve Board.

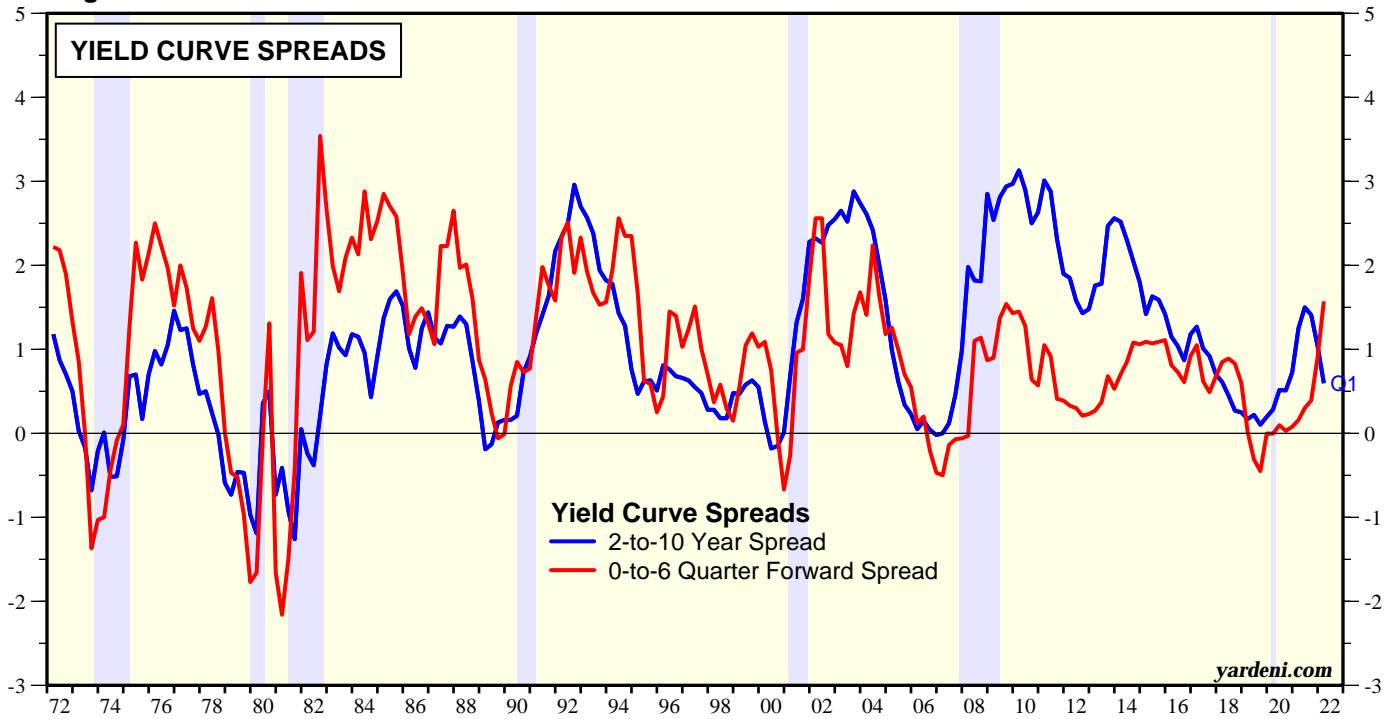
Figure 16.



* US Treasury 10-year bond yield minus yearly percent change in nominal GDP.
 Source: Bureau of Economic Analysis and Federal Reserve Board.

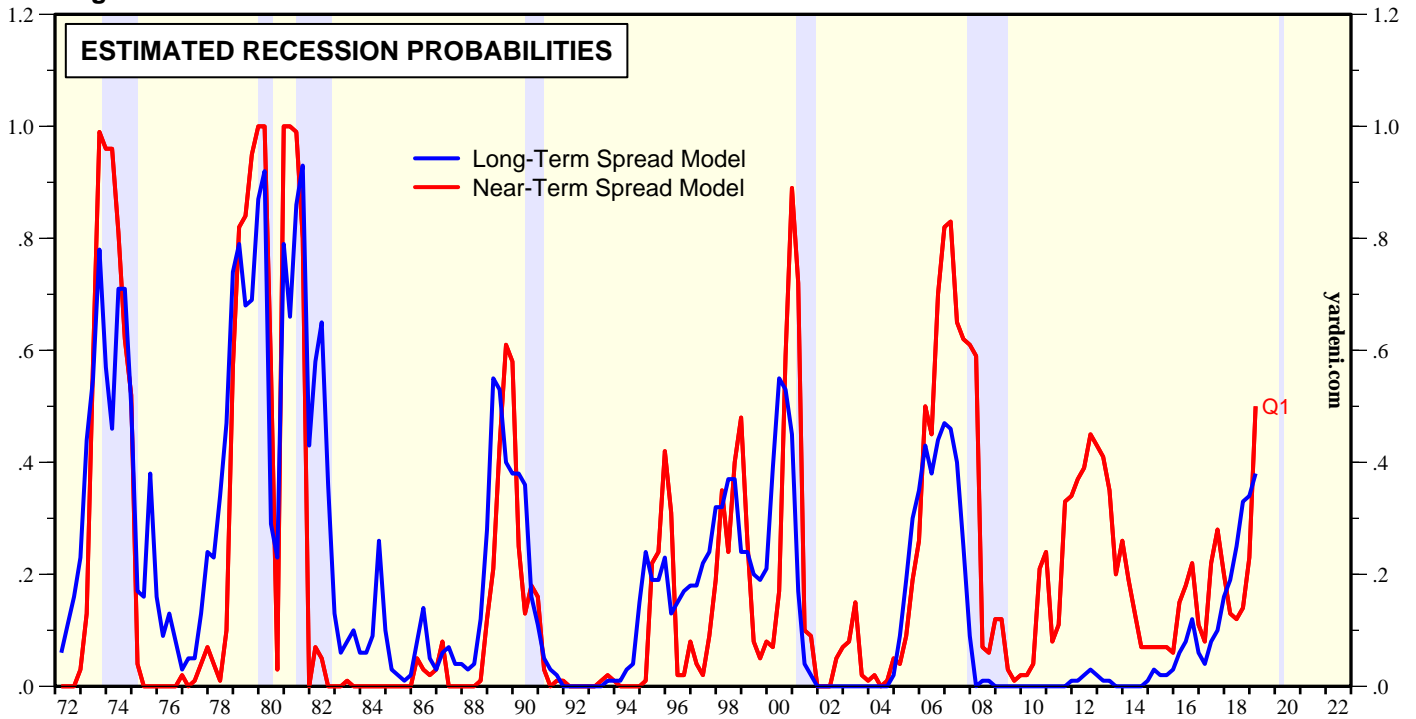
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Figure 17.



* Data for Q1-2019 is an FRB estimate based on data through January.
 Note: Shaded areas are recessions according to the National Bureau of Economic Research.
 Source: Federal Reserve Board.

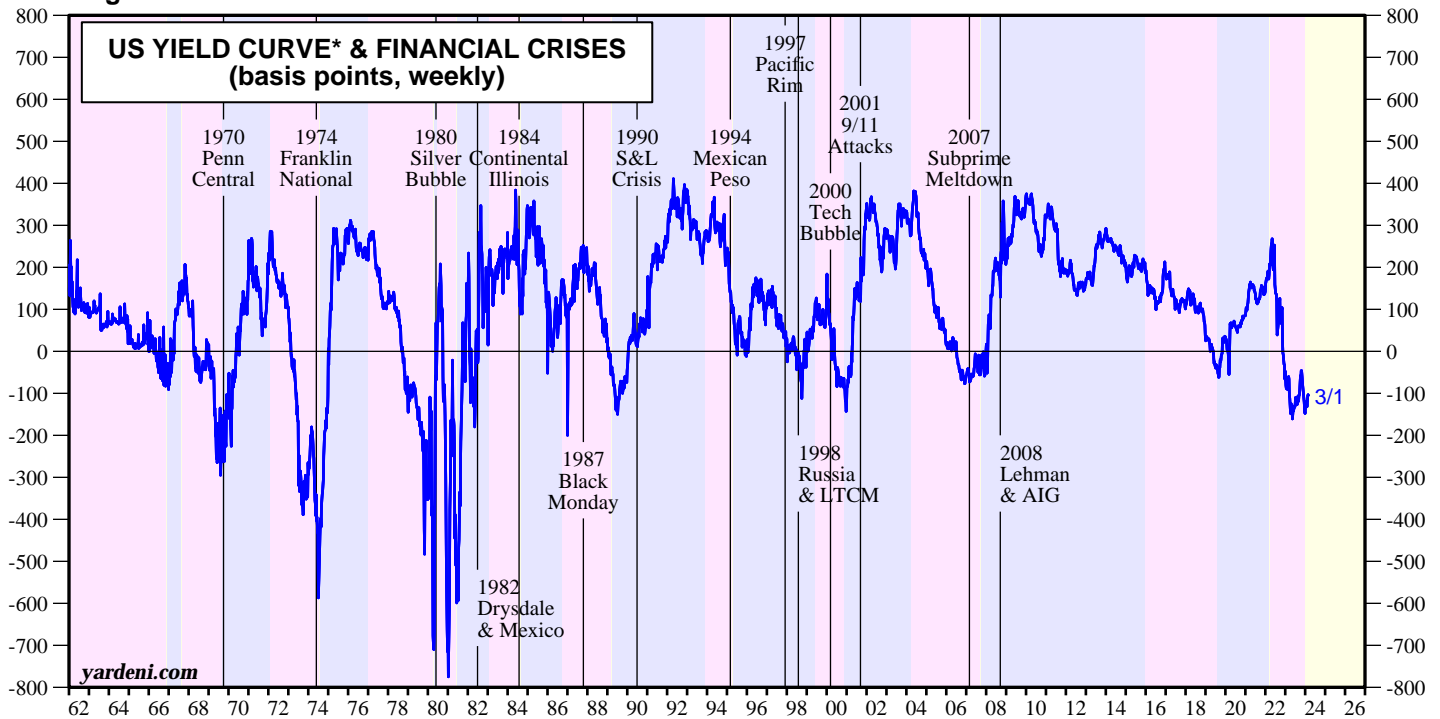
Figure 18.



* Data for Q1 2019 is an FRB estimate based on data through January.
 Note: Shaded areas are recessions according to the National Bureau of Economic Research.
 Source: Federal Reserve Board.

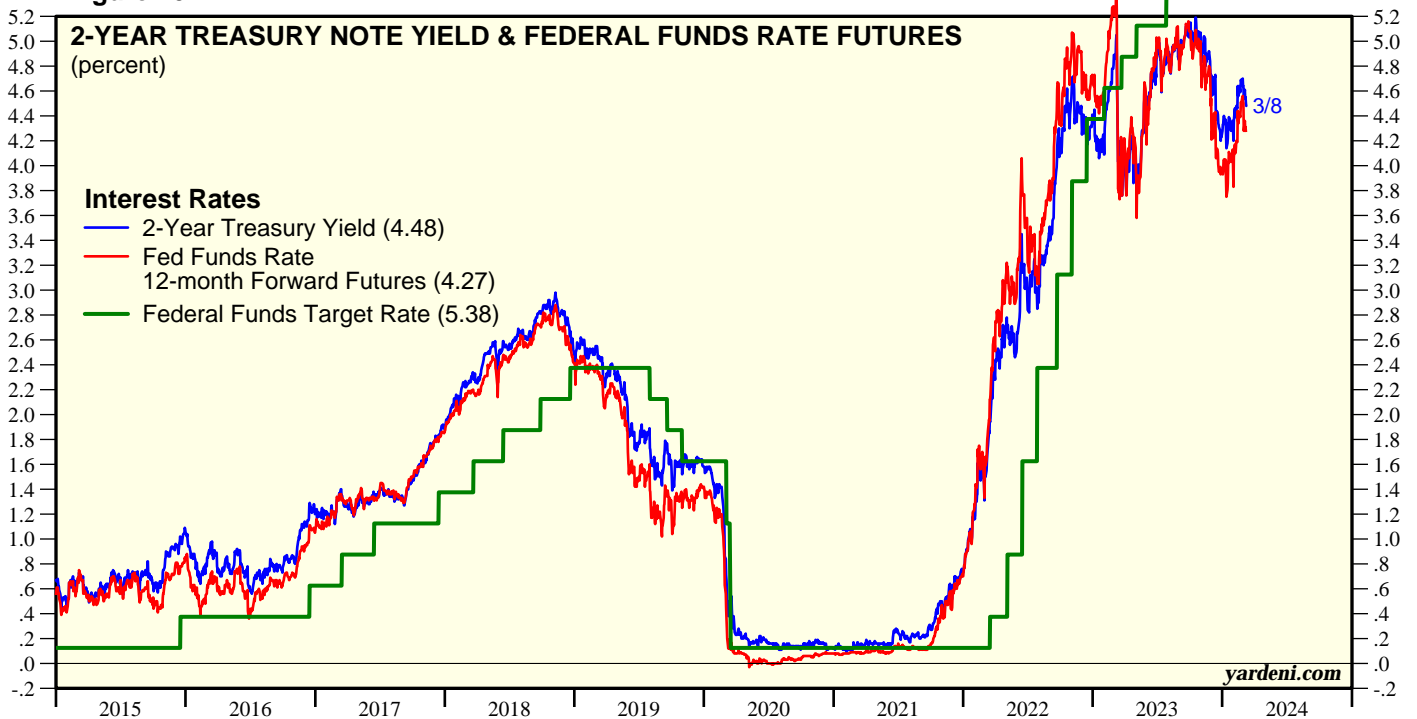
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Figure 19.



* 10-year US Treasury yield less federal funds rate.
 Note: Blue shaded areas denote periods of monetary easing between cyclical peaks and troughs in the federal funds rate. Red shaded areas denote monetary tightening periods.
 Source: Federal Reserve Board.

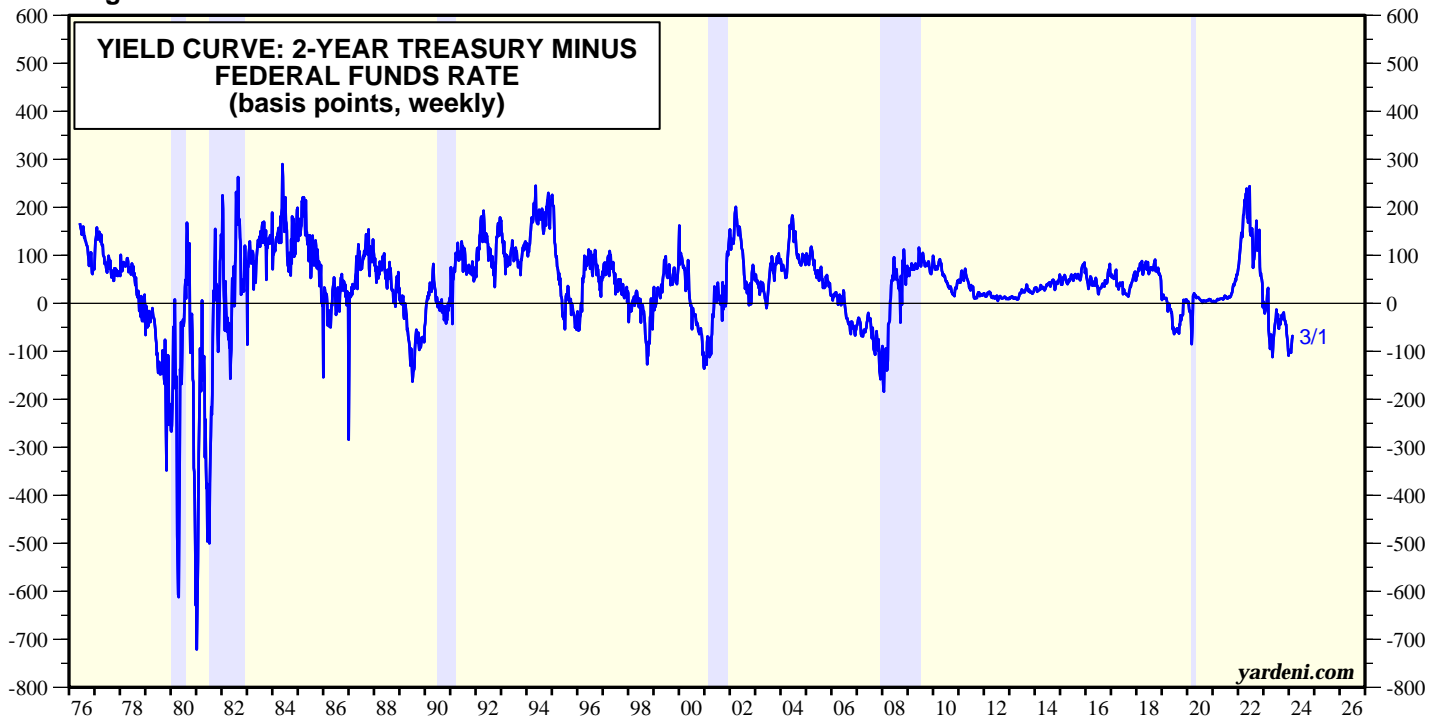
Figure 20.



Source: US Treasury & Chicago Mercantile Exchange.

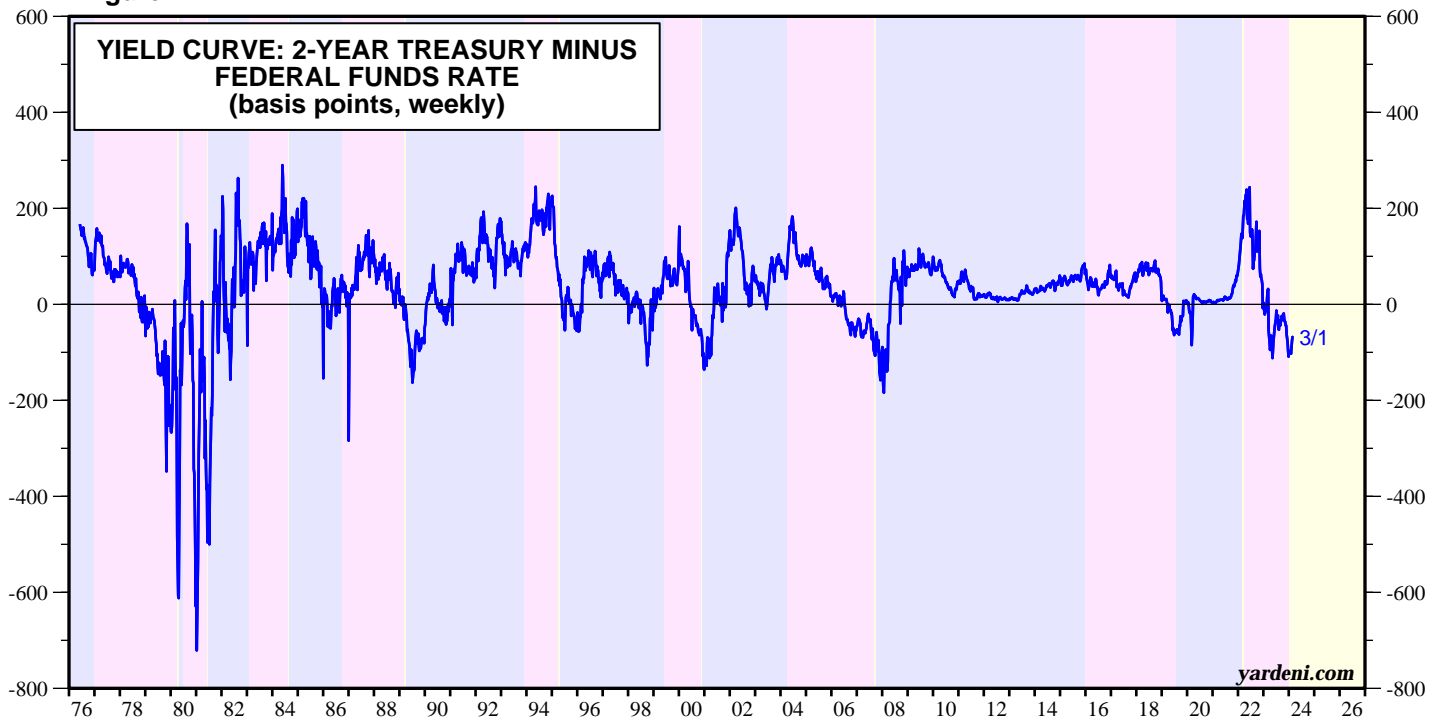
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Figure 21.



Note: Shaded areas are recessions according to the National Bureau of Economic Research.
 * 2-year Treasury yield less federal funds rate.
 Source: Board of Governors of the Federal Reserve System.

Figure 22.



Note: Blue shaded areas are periods of monetary easing between cyclical peaks and troughs in the federal funds rate. Red shaded areas denote monetary tightening periods.
 * 2-year Treasury yield less federal funds rate.
 Source: Board of Governors of the Federal Reserve System.

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