

# Predicting the Markets Topical Study #3 Updated Charts

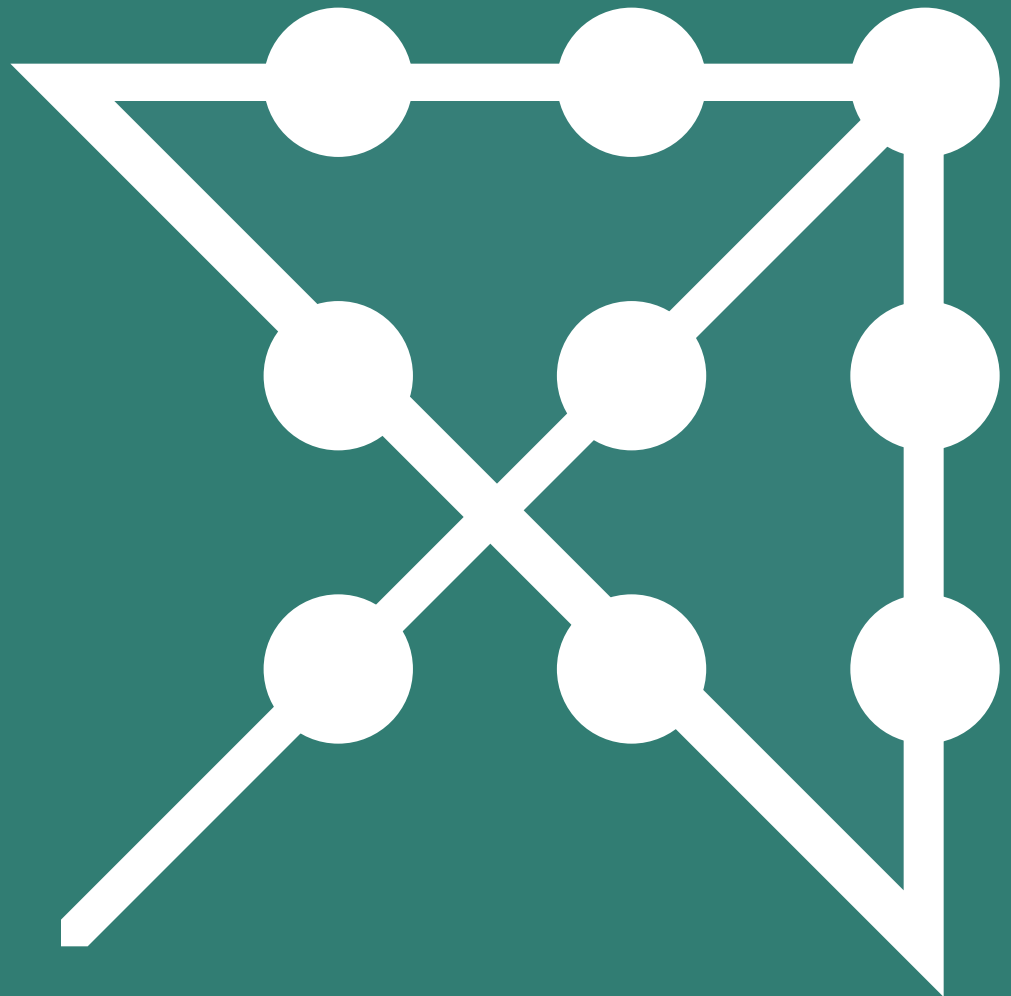
Yardeni Research, Inc.

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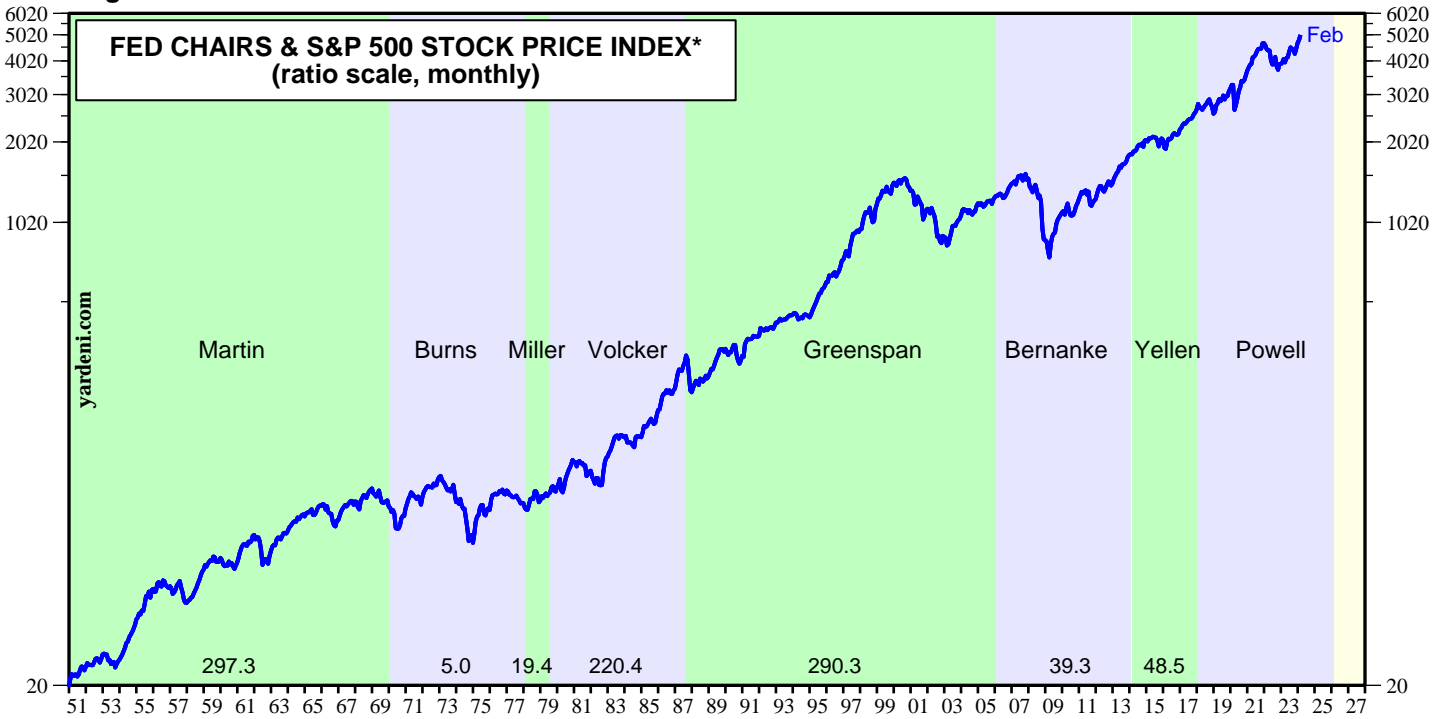


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*thinking outside the box*

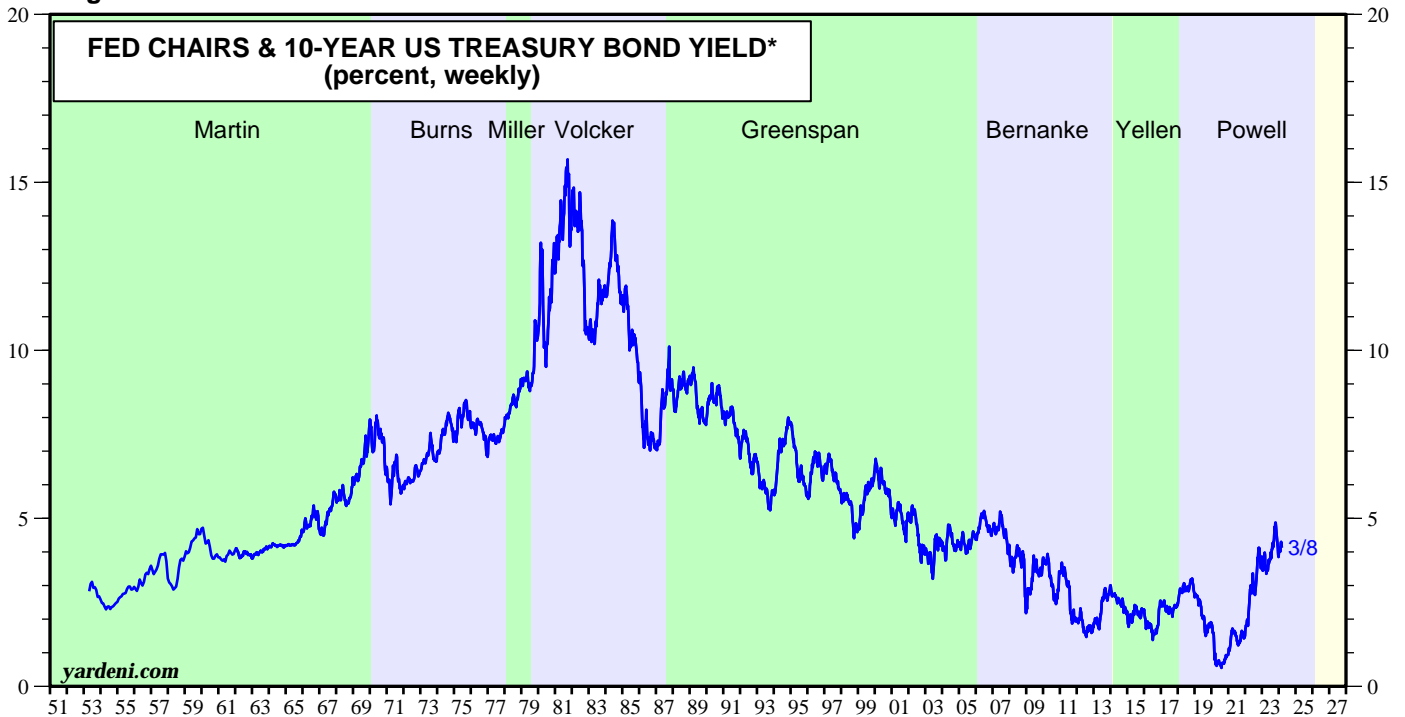
# Topical Study #3 Updated Charts

Figure 1.



\* Data above timeline are percentage changes in the S&P 500 index under each Fed chair.  
Note: Shades denote terms of Fed chairs.  
Source: Standard & Poor's.

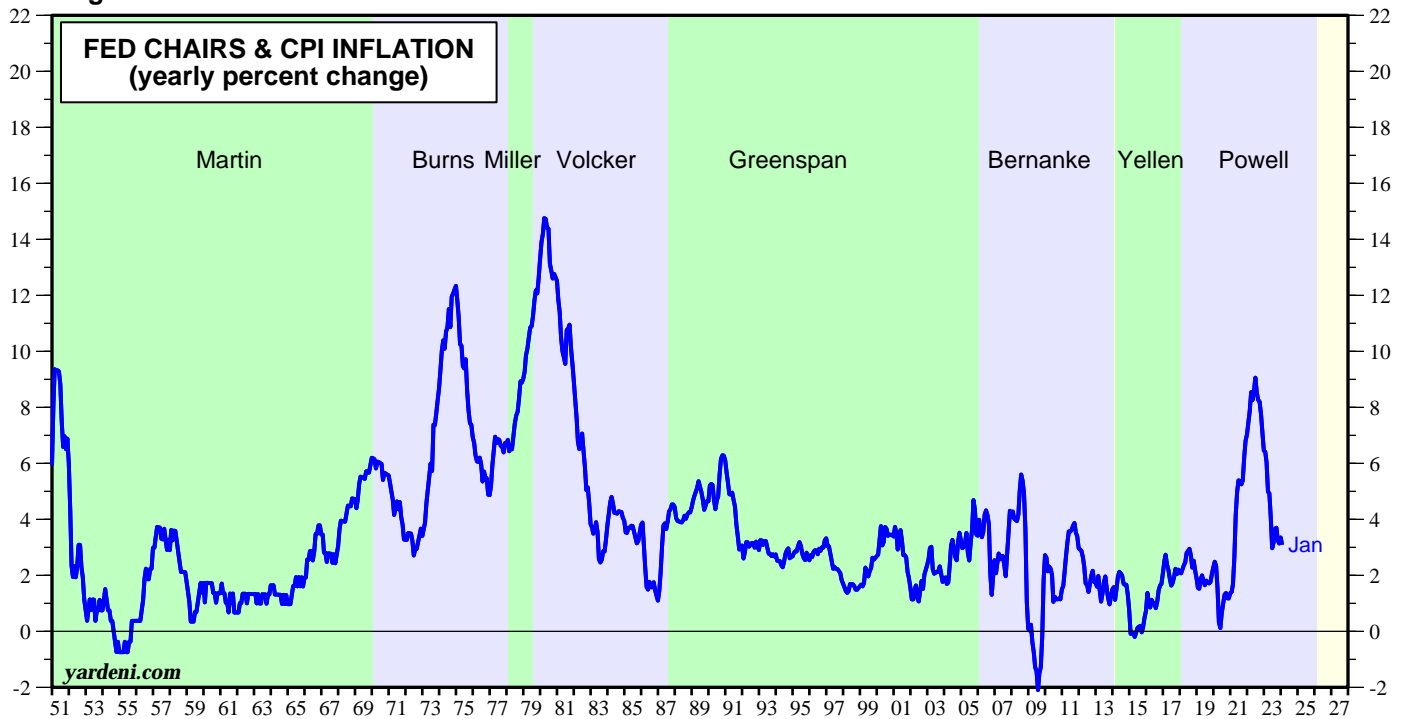
Figure 2.



\* Monthly data from April 1953 to December 1961, then weekly.  
Note: Shades are terms of Fed chairs.  
Source: US Treasury.

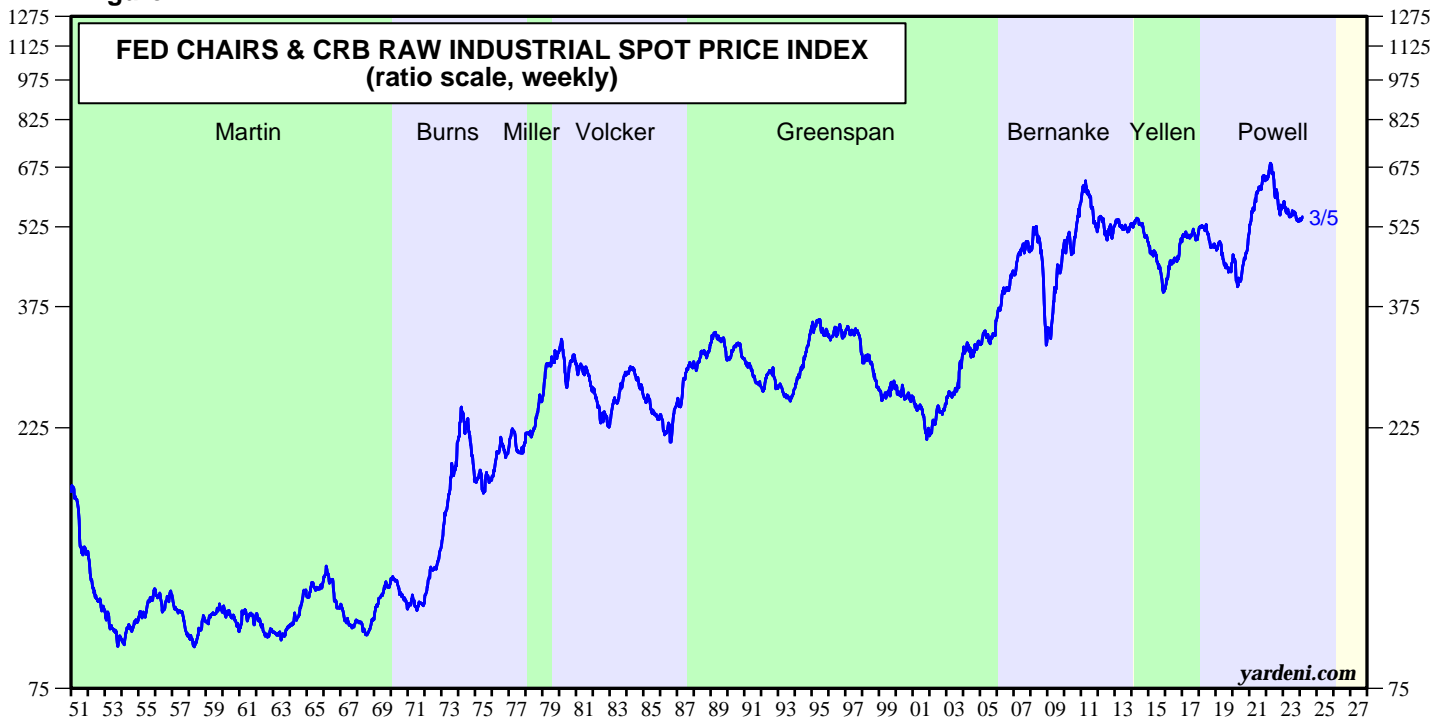
# Topical Study #3 Updated Charts

Figure 3.



Note: Shades denote terms of Fed chairs.  
Source: Bureau of Labor Statistics.

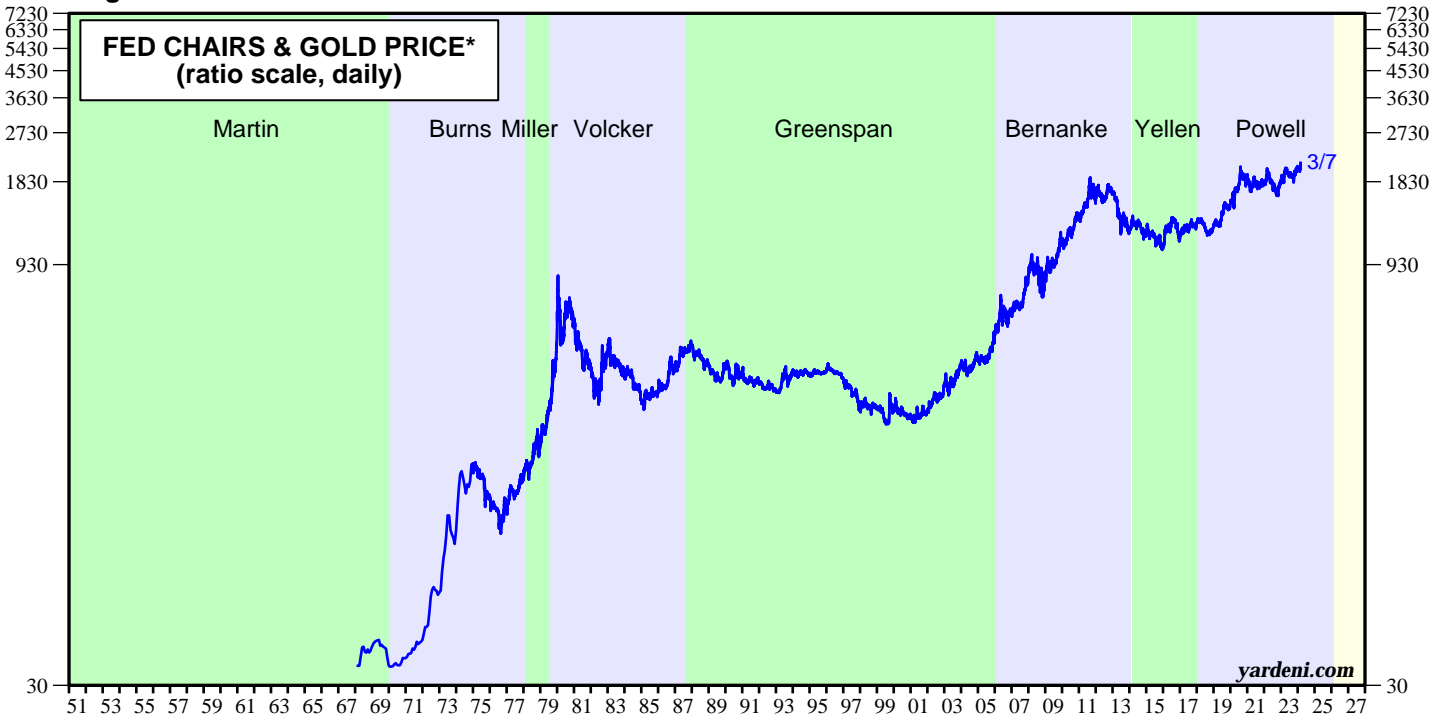
Figure 4.



Note: Shades denote terms of Fed chairs.  
Source: Commodity Research Bureau.

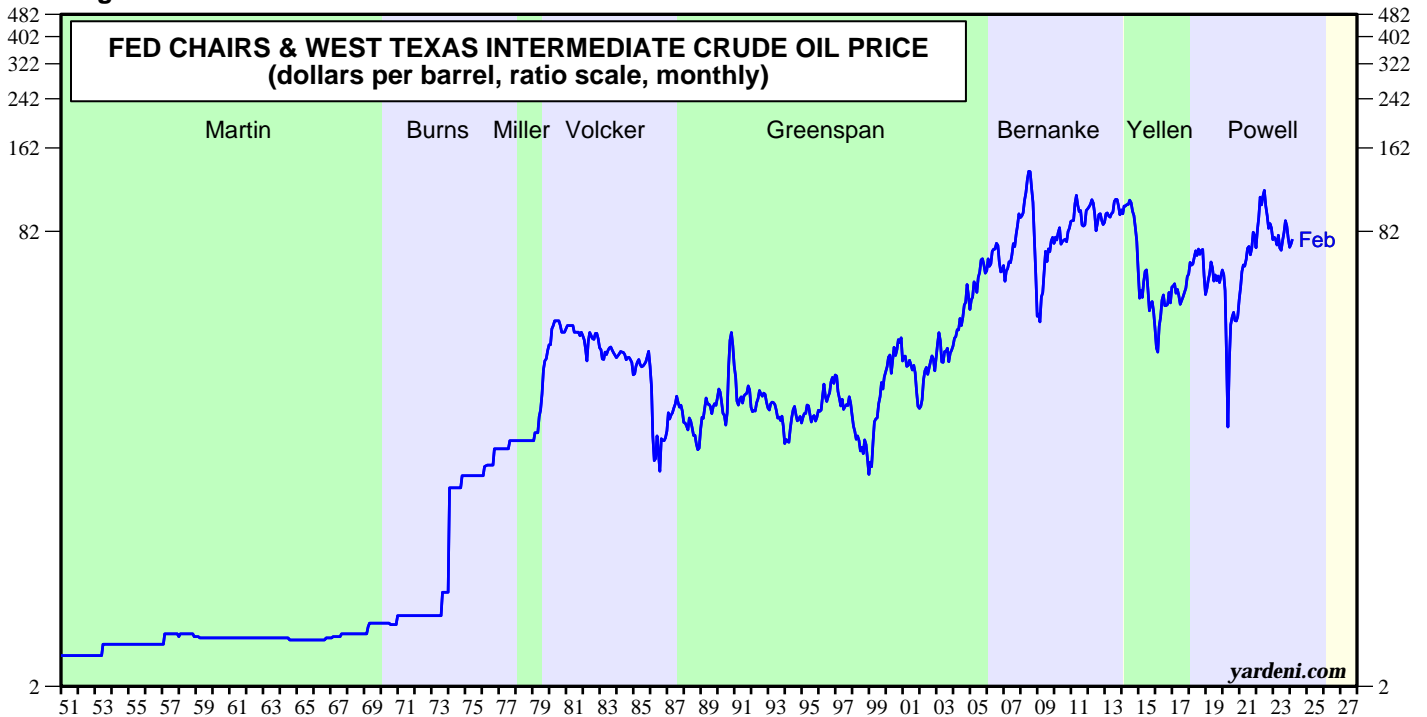
# Topical Study #3 Updated Charts

Figure 5.



\* Cash price. London gold bullion, PM Fix. Monthly from 1968 through 1974, then daily.  
 Note: Shades denote terms of Fed chairs.  
 Source: Commodity Research Bureau.

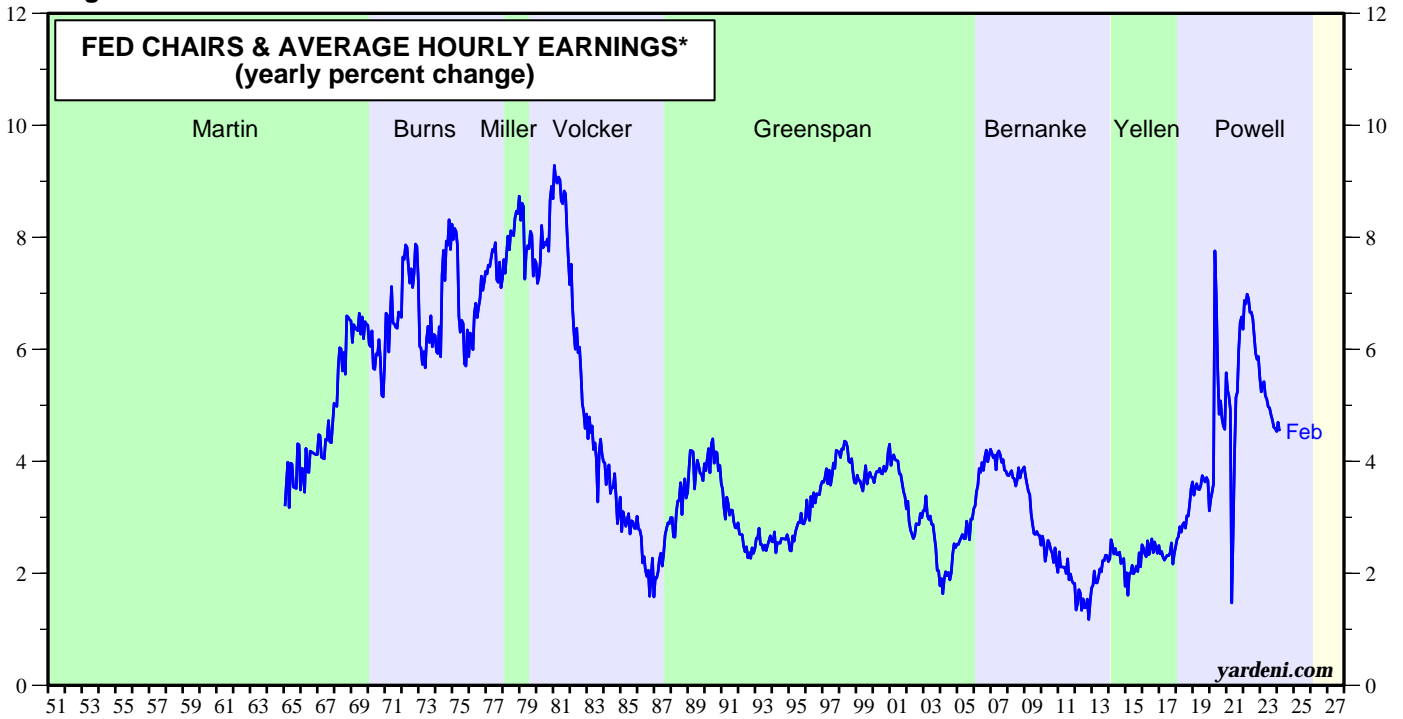
Figure 6.



Note: Shades denote terms of Fed chairs.  
 Source: Haver Analytics.

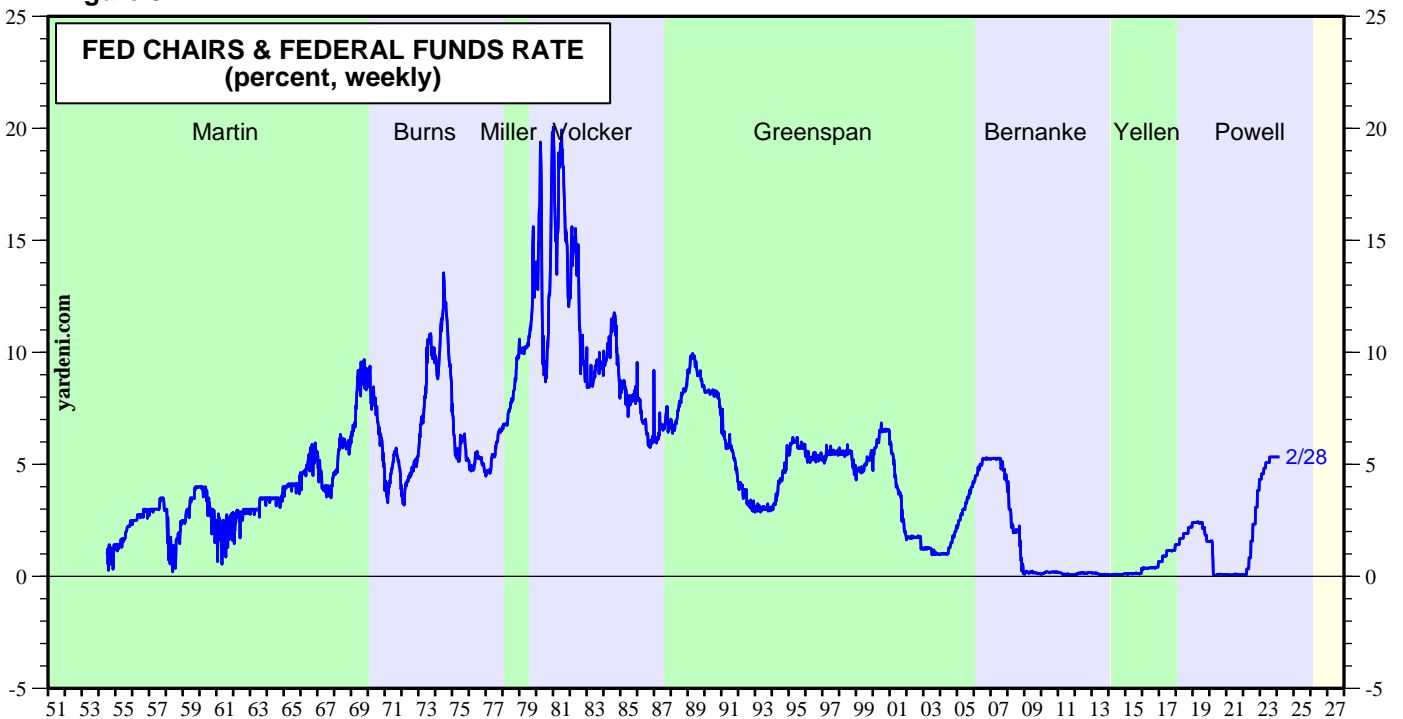
# Topical Study #3 Updated Charts

Figure 7.



\* Production & nonsupervisory workers.  
 Note: Shades denote terms of Fed chairs.  
 Source: Bureau of Labor Statistics.

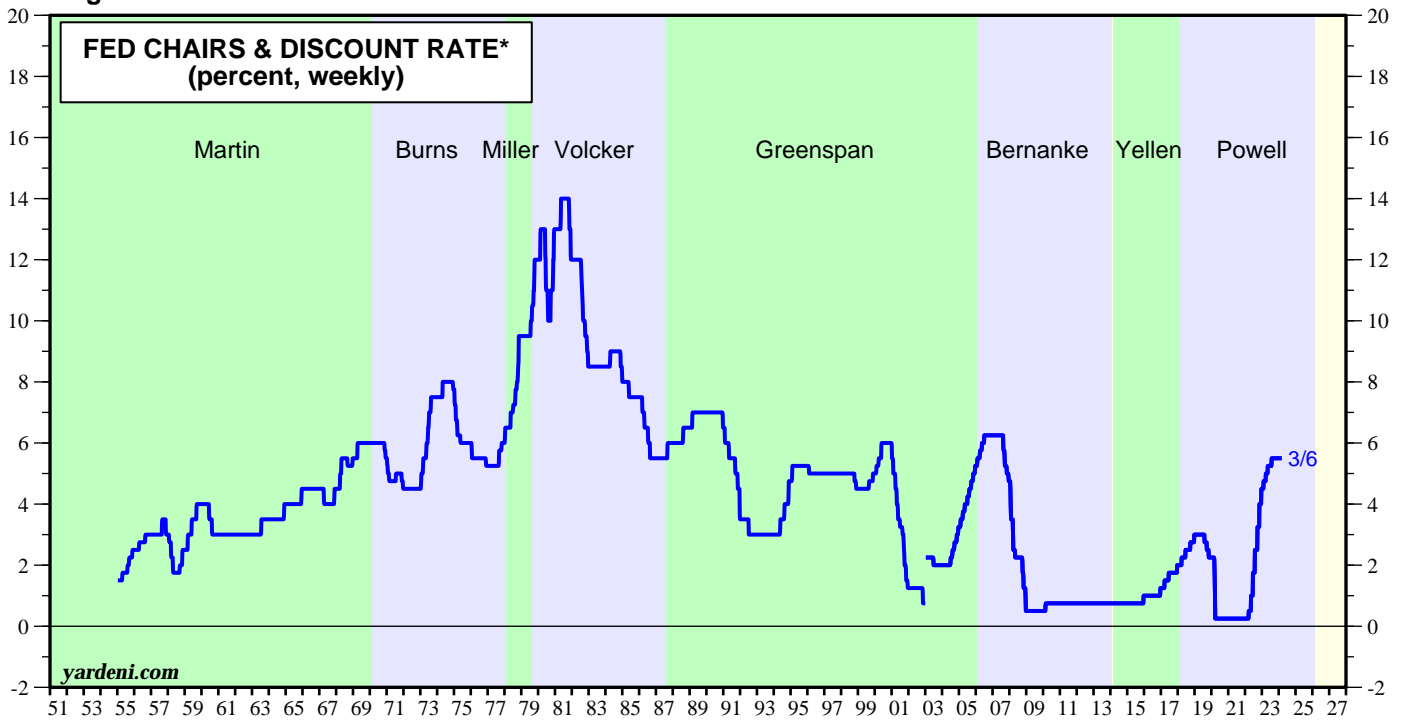
Figure 8.



Note: Shades denote terms of Fed chairs.  
 Source: Federal Reserve Board.

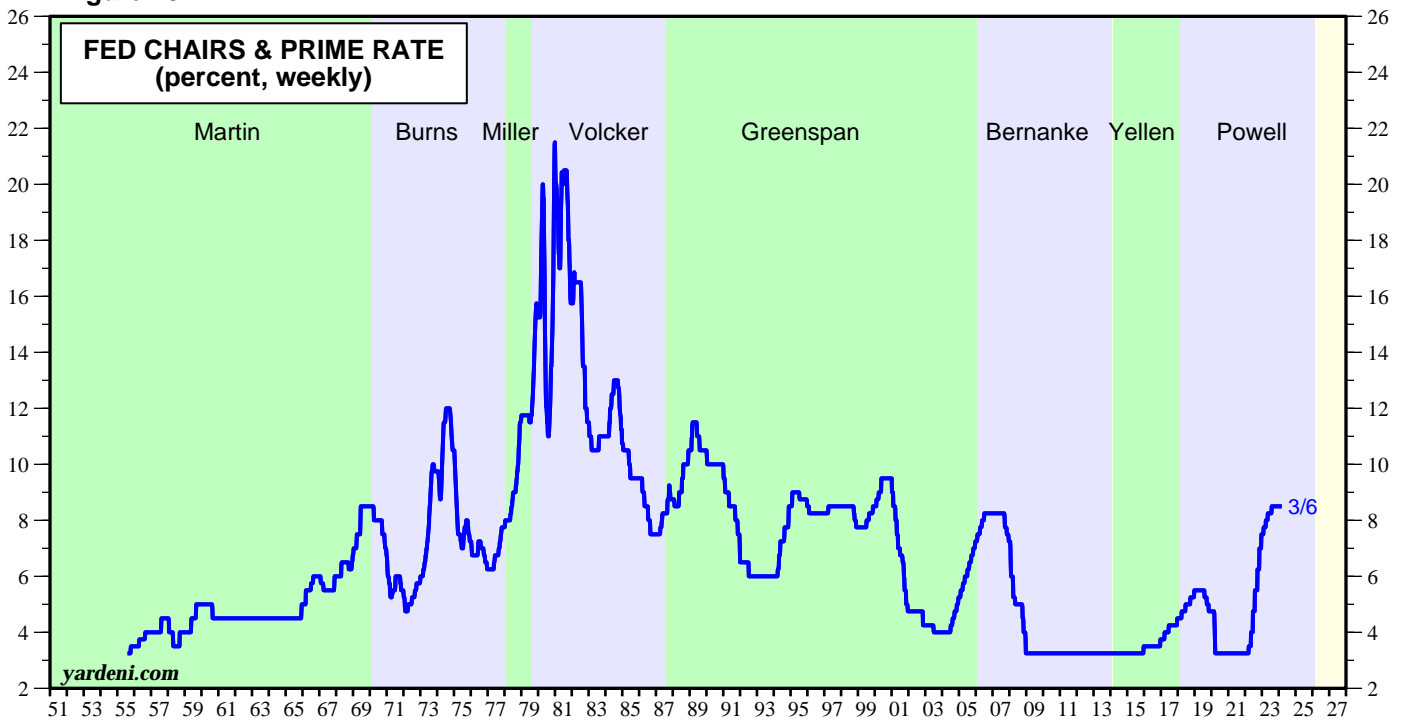
# Topical Study #3 Updated Charts

Figure 9.



\* Discount window borrowing rate at the Federal Reserve Bank of New York was discontinued after January 8, 2003 and replaced by the rate charged for primary credit.  
 Note: Shades denote terms of Fed chairs.  
 Source: Federal Reserve Board.

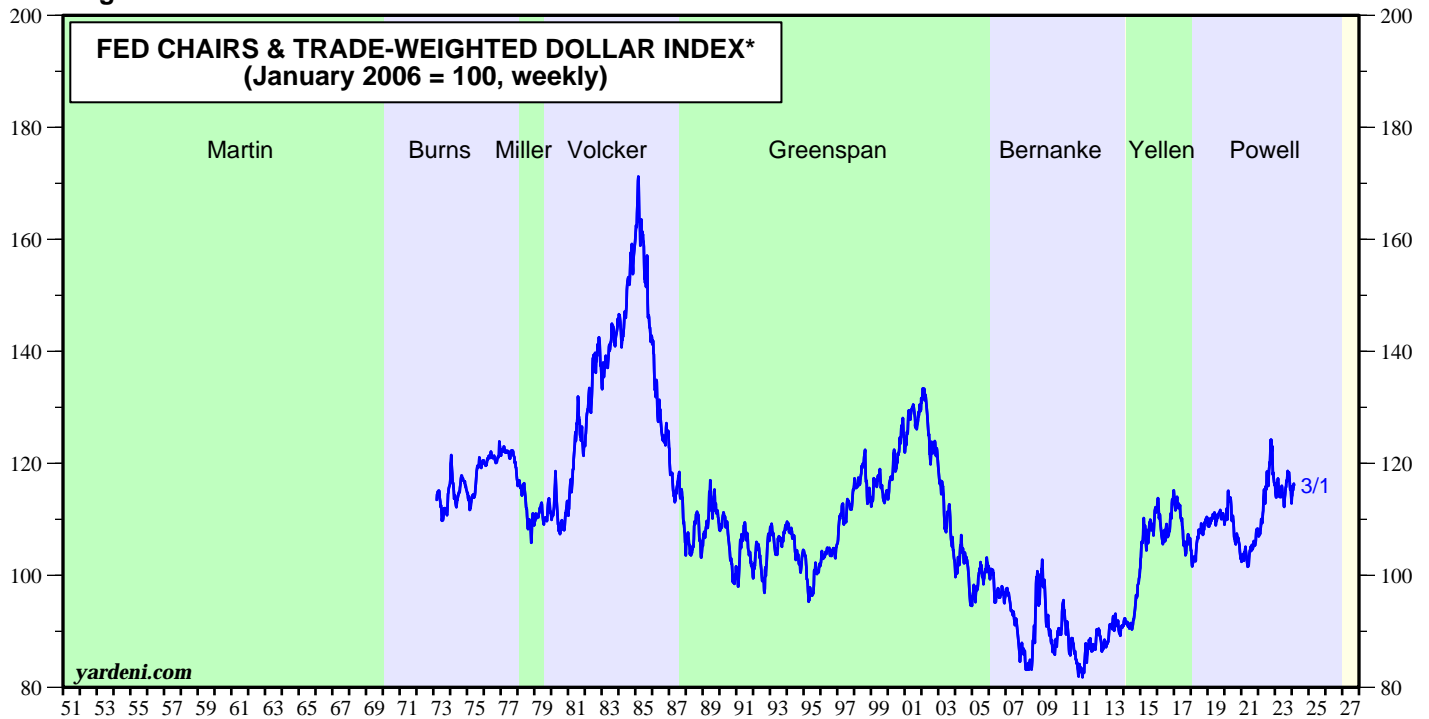
Figure 10.



Note: Shades denote terms of Fed chairs.  
 Source: Federal Reserve Board.

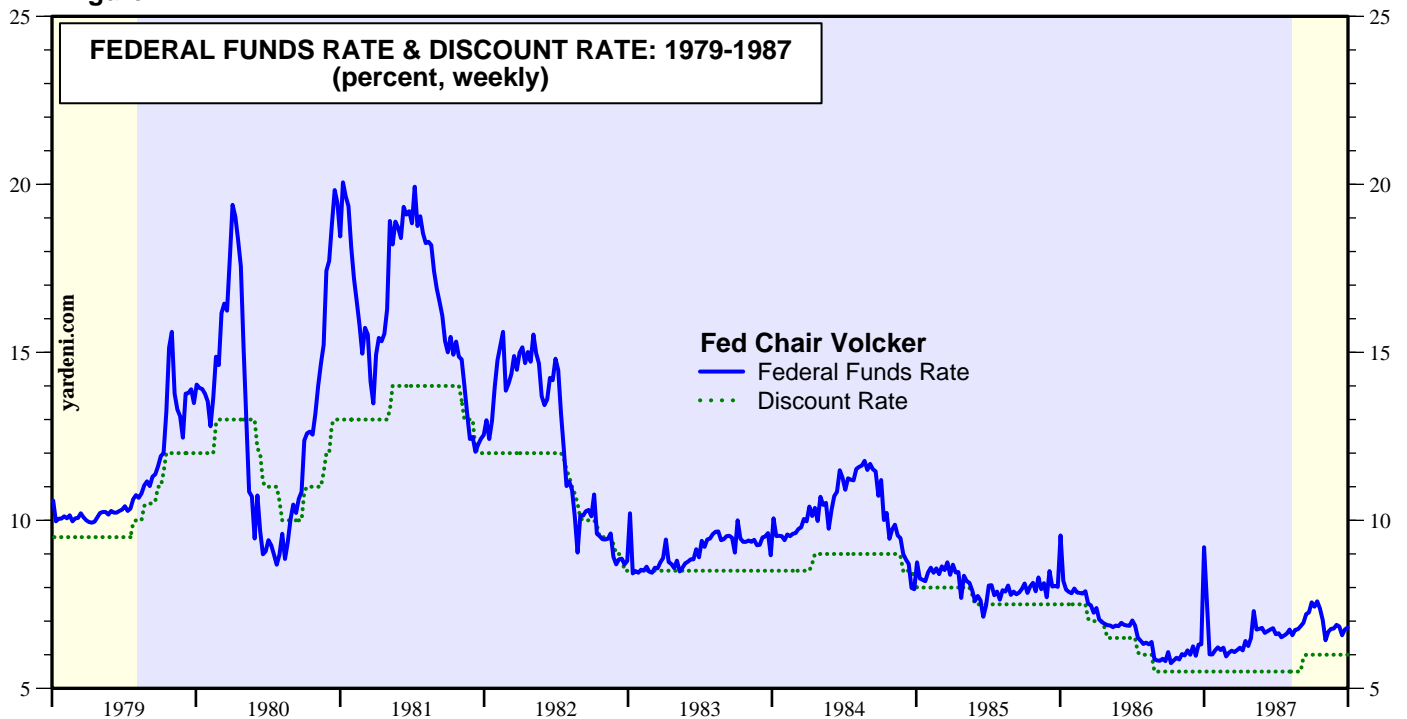
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Figure 11.



\* Countries included in the Advanced Foreign Economies (AFE) index: Australia, Canada, Euro Area, Japan, Sweden, Switzerland, and the United Kingdom.  
Note: Shades denote terms of Fed chairs.  
Source: Federal Reserve Board.

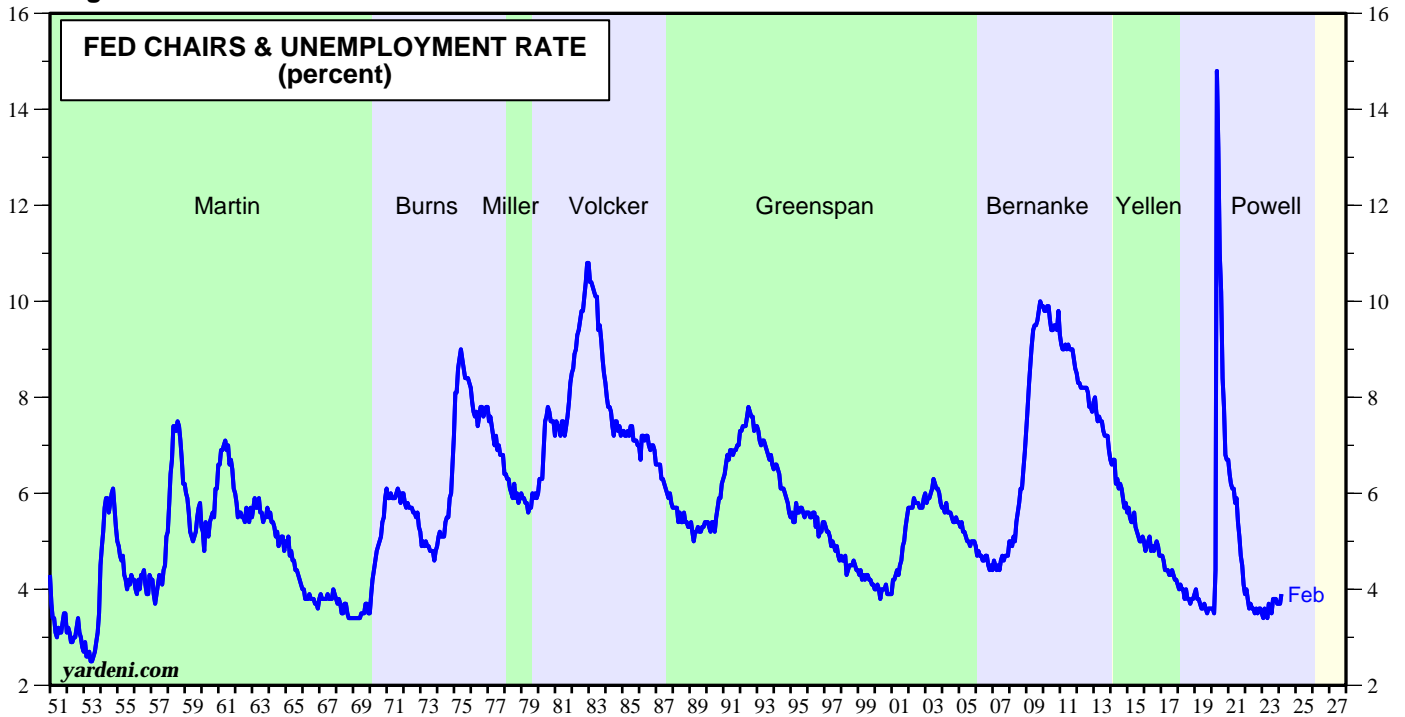
Figure 12.



Source: Federal Reserve Board.

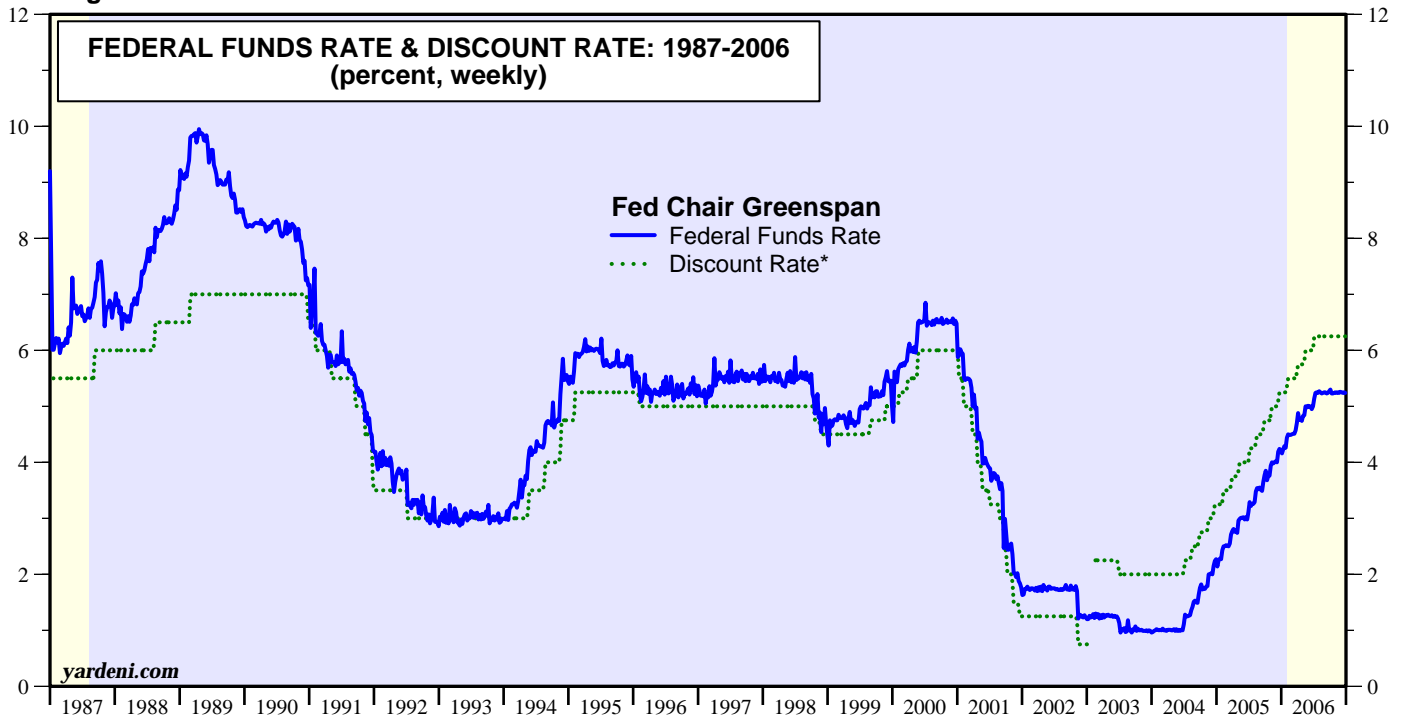
# Topical Study #3 Updated Charts

Figure 13.



Note: Shades denote terms of Fed chairs.  
Source: Bureau of Labor Statistics.

Figure 14.

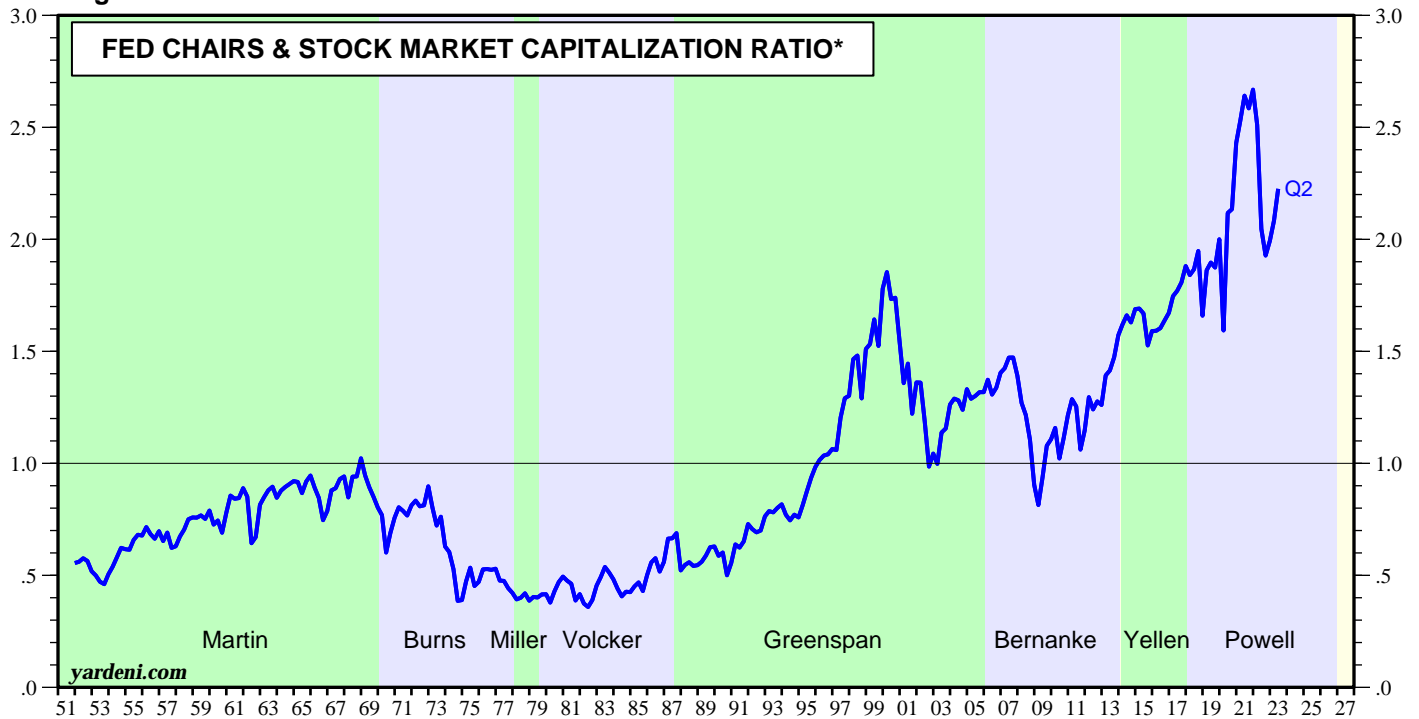


\* Discount window borrowing rate at the Federal Reserve Bank of New York was discontinued after January 8, 2003 and replaced by the rate charged for primary credit.  
Source: Federal Reserve Board.



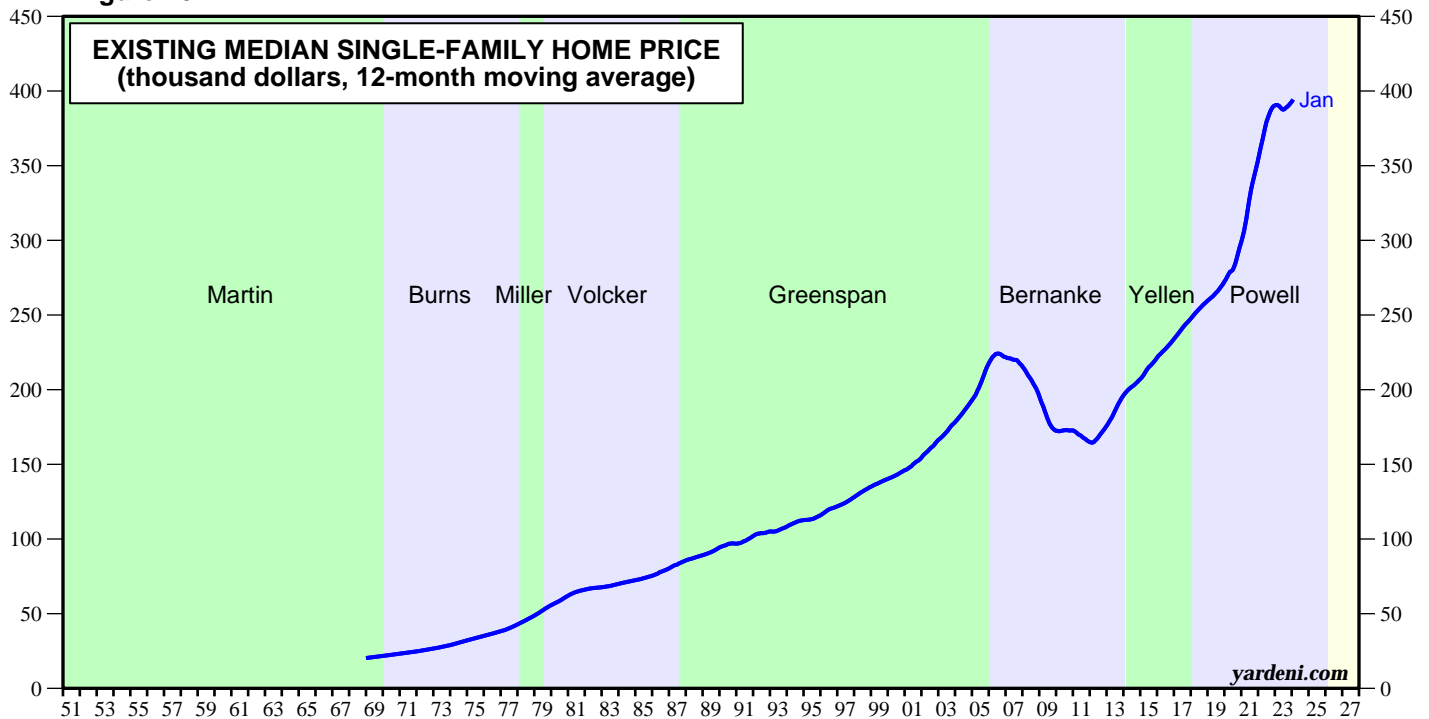
# Topical Study #3 Updated Charts

Figure 15.



\* US equity market capitalization excluding foreign issues as a ratio of nominal GDP.  
 Note: Shades denote terms of Fed chairs.  
 Source: Federal Reserve Board Financial Accounts of the United States and Standard & Poor's.

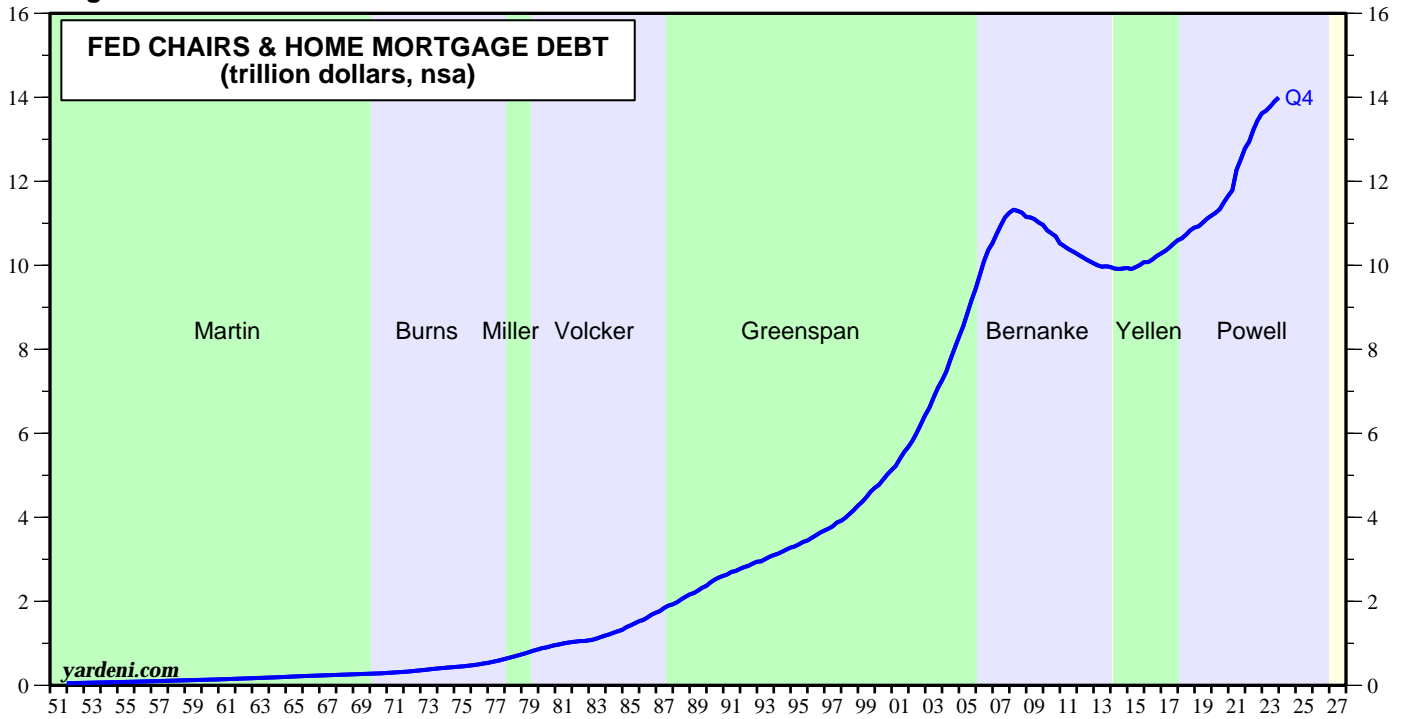
Figure 16.



Note: Shades are terms of Fed chairs.  
 Source: National Association of Realtors.

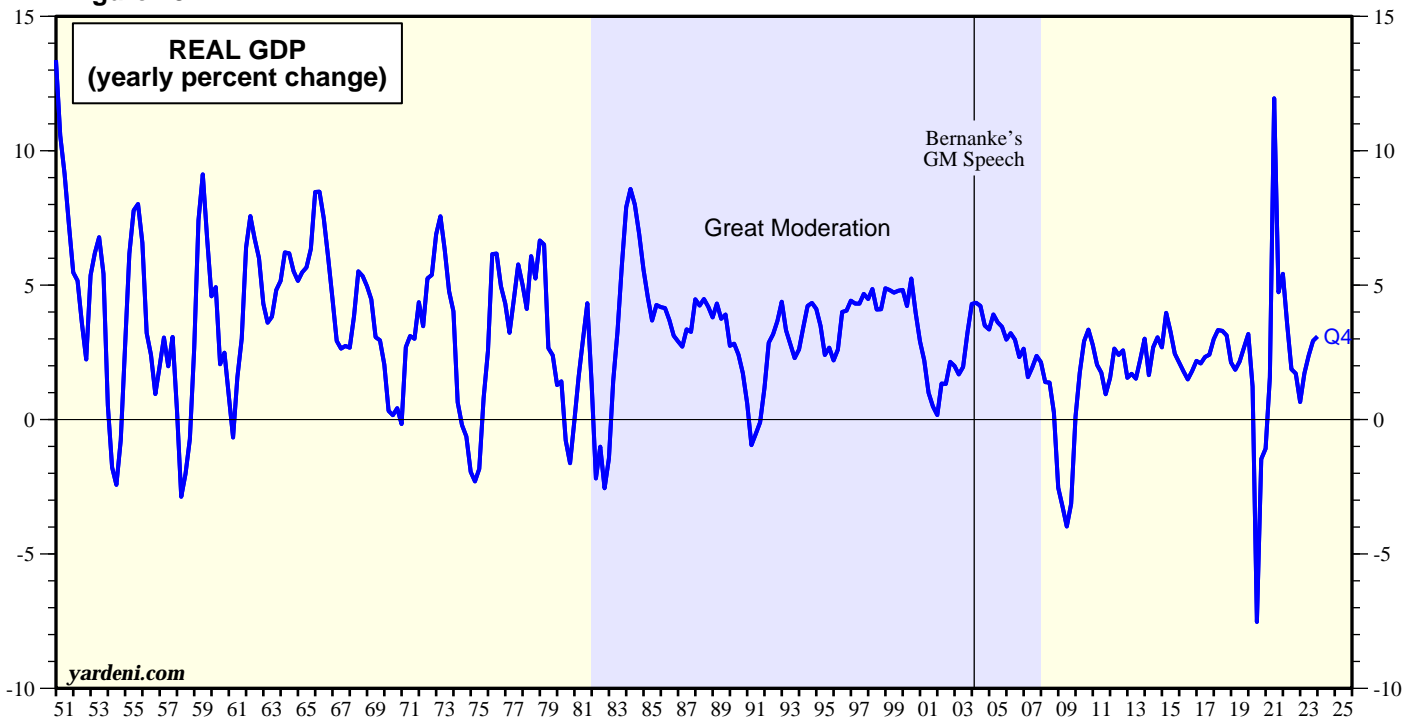
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Figure 17.



Note: Shades denote terms of Fed chairs.  
Source: Federal Reserve Board Financial Accounts of the United States.

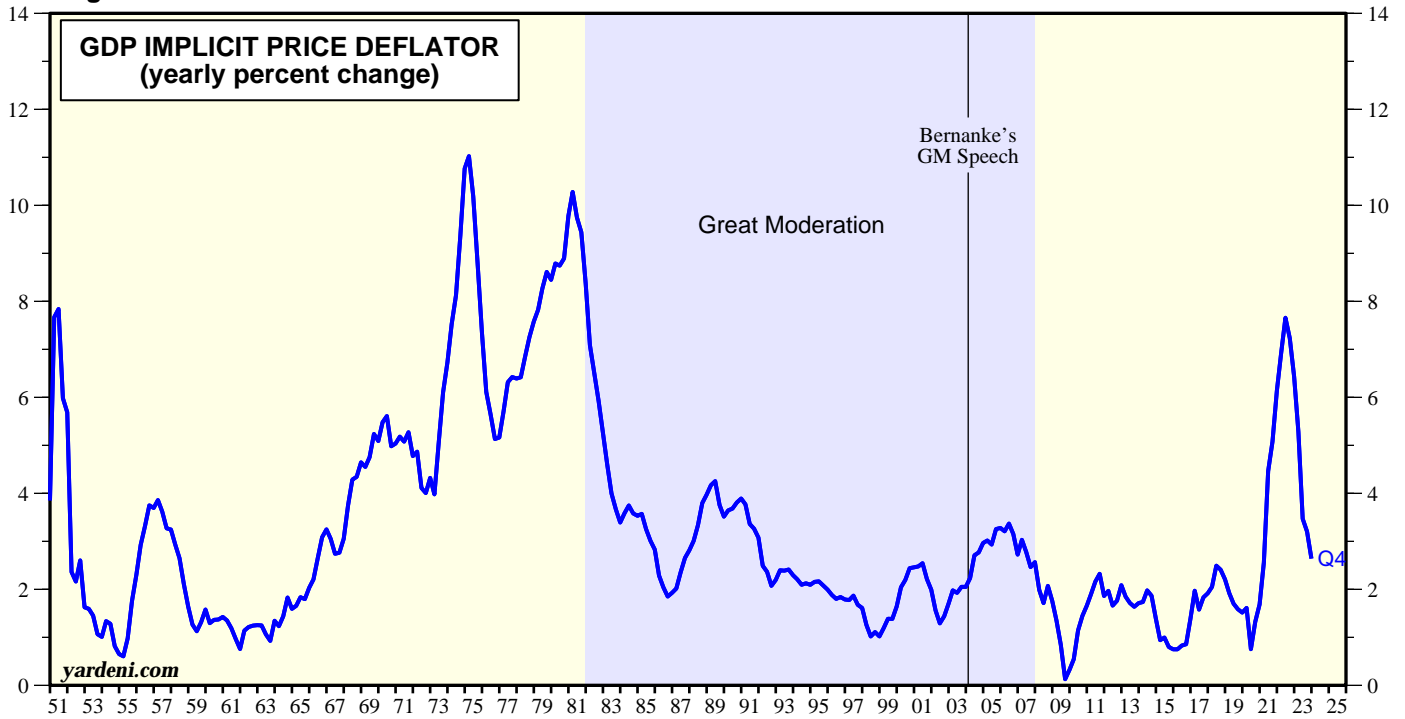
Figure 18.



Source: Bureau of Economic Analysis.

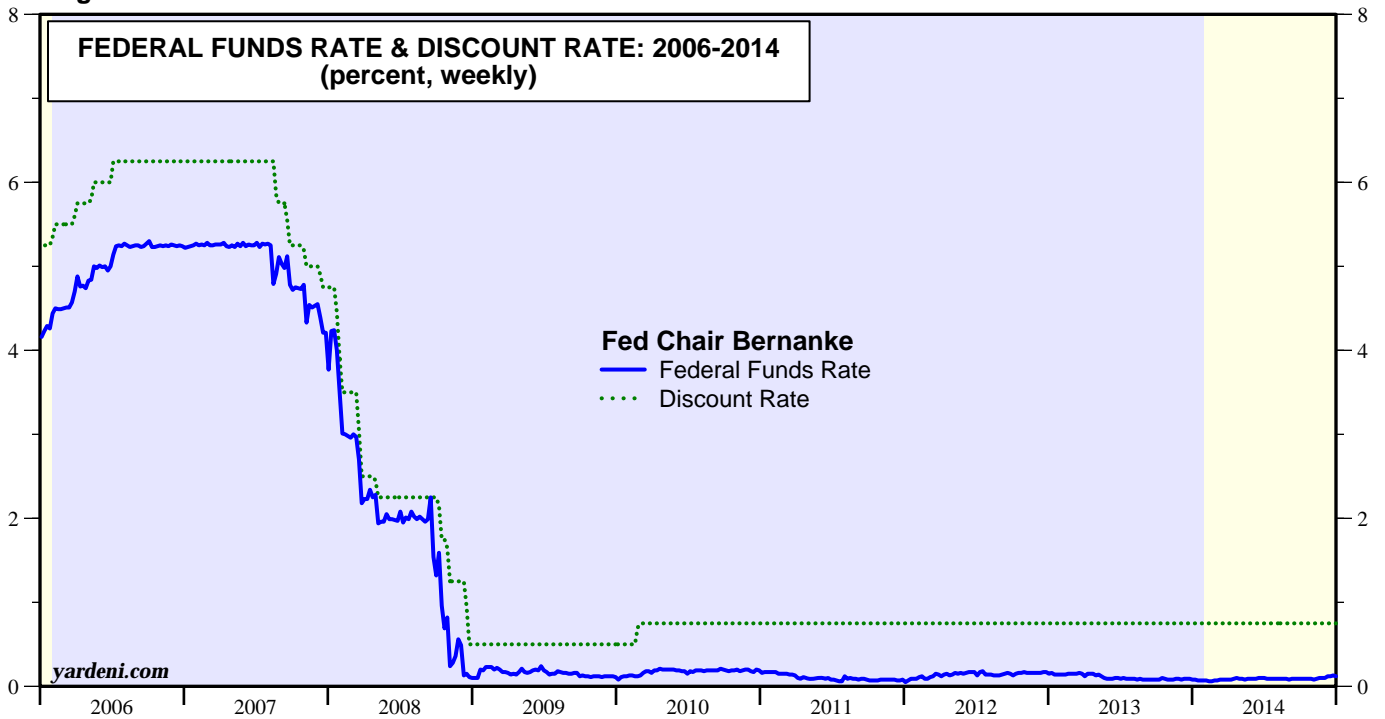
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Figure 19.



Source: Bureau of Economic Analysis.

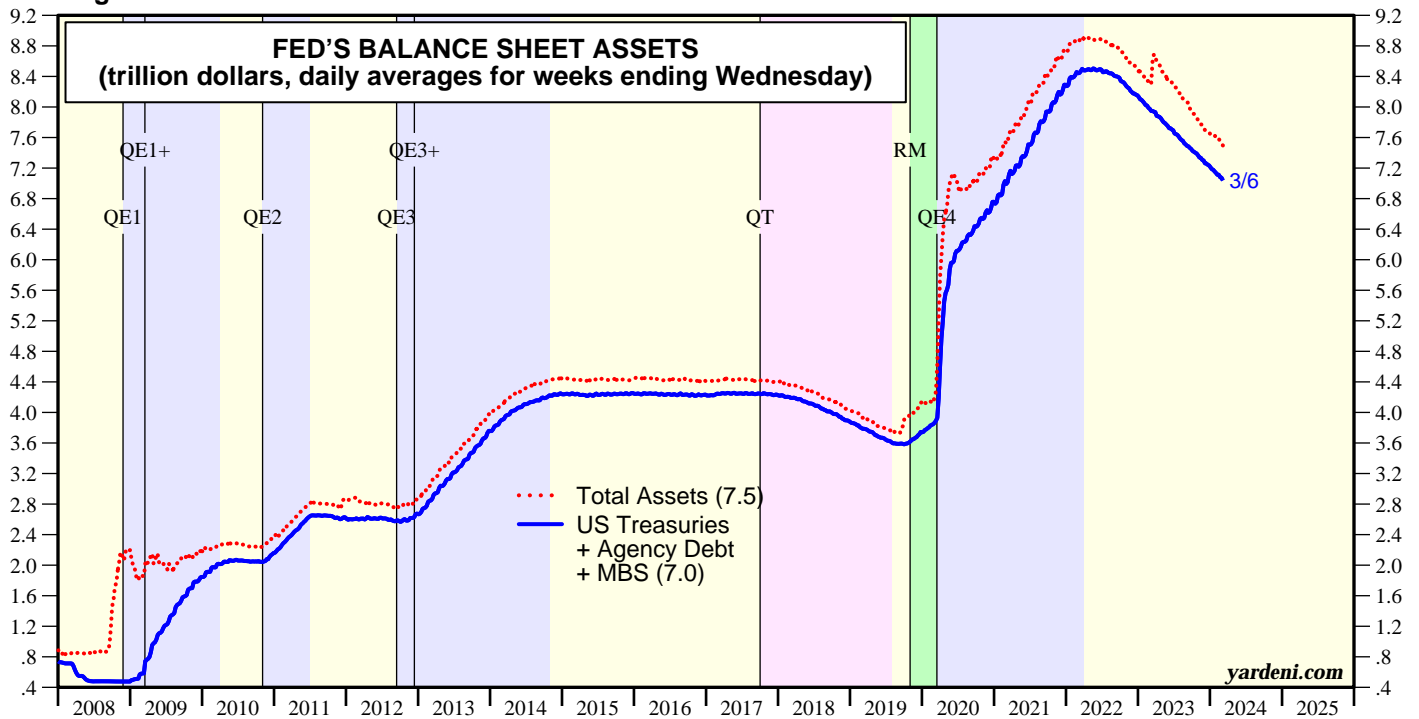
Figure 20.



Source: Federal Reserve Board.

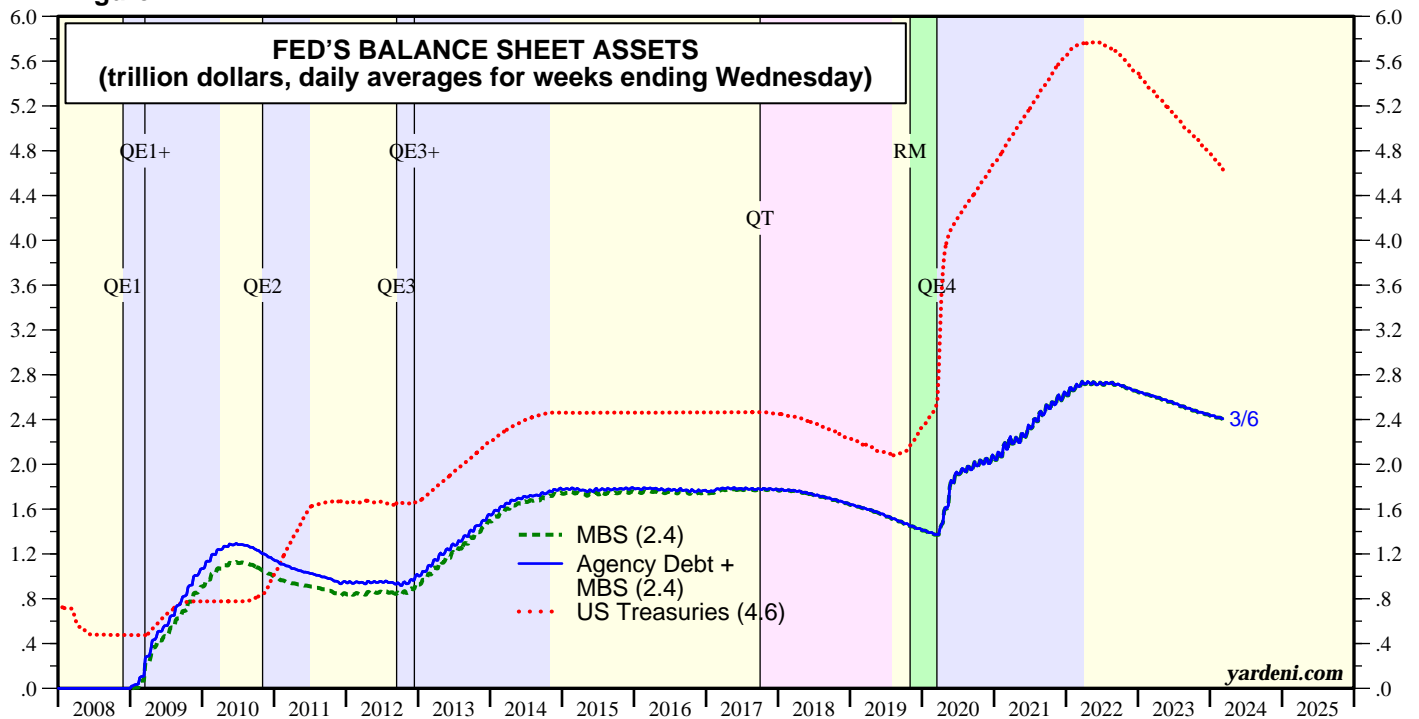
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Figure 21.



Note: QE1 (11/25/08-3/31/10) = \$1.24tn in mortgage securities; expanded (3/16/09-3/31/10) = \$300bn in Treasuries. QE2 (11/3/10-6/30/11) = \$600bn in Treasuries. QE3 (9/13/12-10/29/14) = \$40bn/month in mortgage securities (open ended); expanded (12/12/12-10/1/14) = \$45bn/month in Treasuries. QT (10/1/17-7/31/19) = balance sheet pared by \$675bn. RM (11/1/19-3/15/20) = reserve management, \$60bn/month in Treasury bills. QE4 (3/16/20-infinity). Source: Federal Reserve Board.

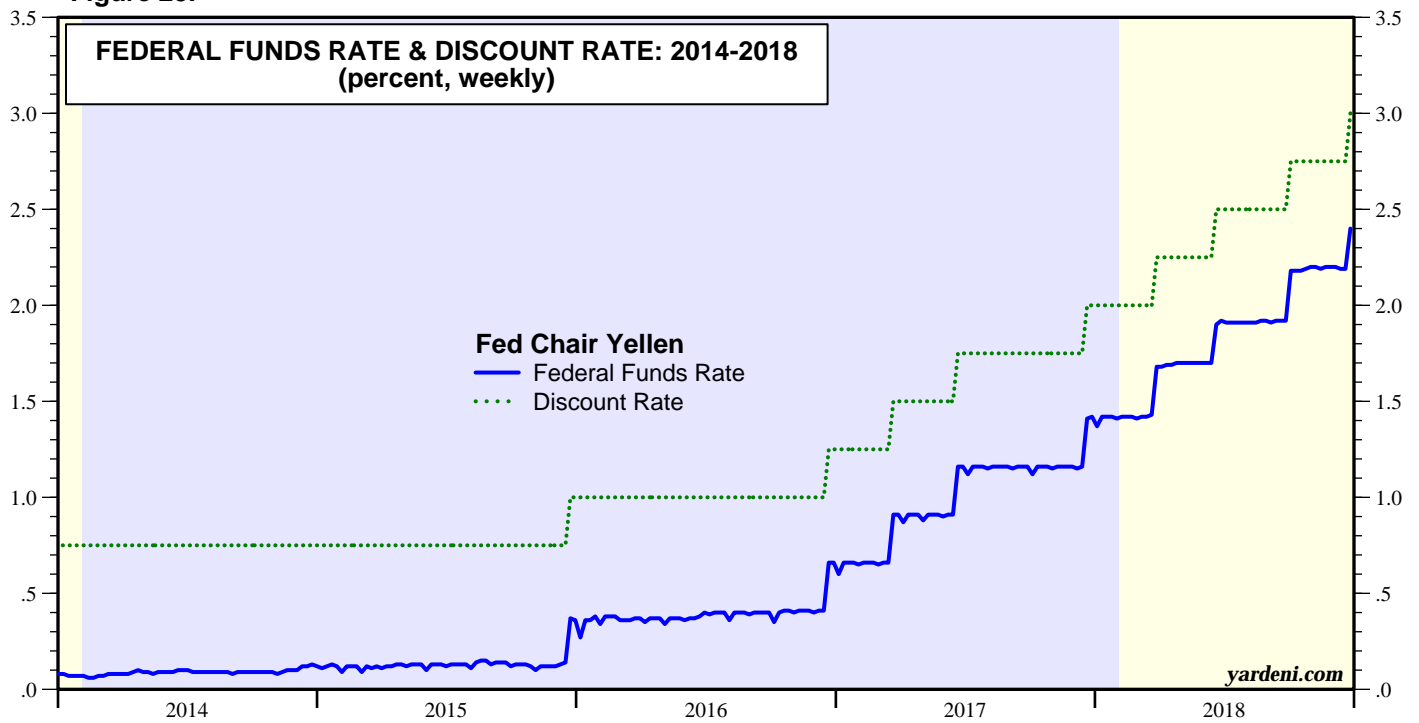
Figure 22.



Note: QE1 (11/25/08-3/31/10) = \$1.24tn in mortgage securities; expanded (3/16/09-3/31/10) = \$300bn in Treasuries. QE2 (11/3/10-6/30/11) = \$600bn in Treasuries. QE3 (9/13/12-10/29/14) = \$40bn/month in mortgage securities (open ended); expanded (12/12/12-10/1/14) = \$45bn/month in Treasuries. QT (10/1/17-7/31/19) = balance sheet pared by \$675bn. RM (11/1/19-3/15/20) = reserve management, \$60bn/month in Treasury bills. QE4 (3/16/20-infinity). Source: Federal Reserve Board.

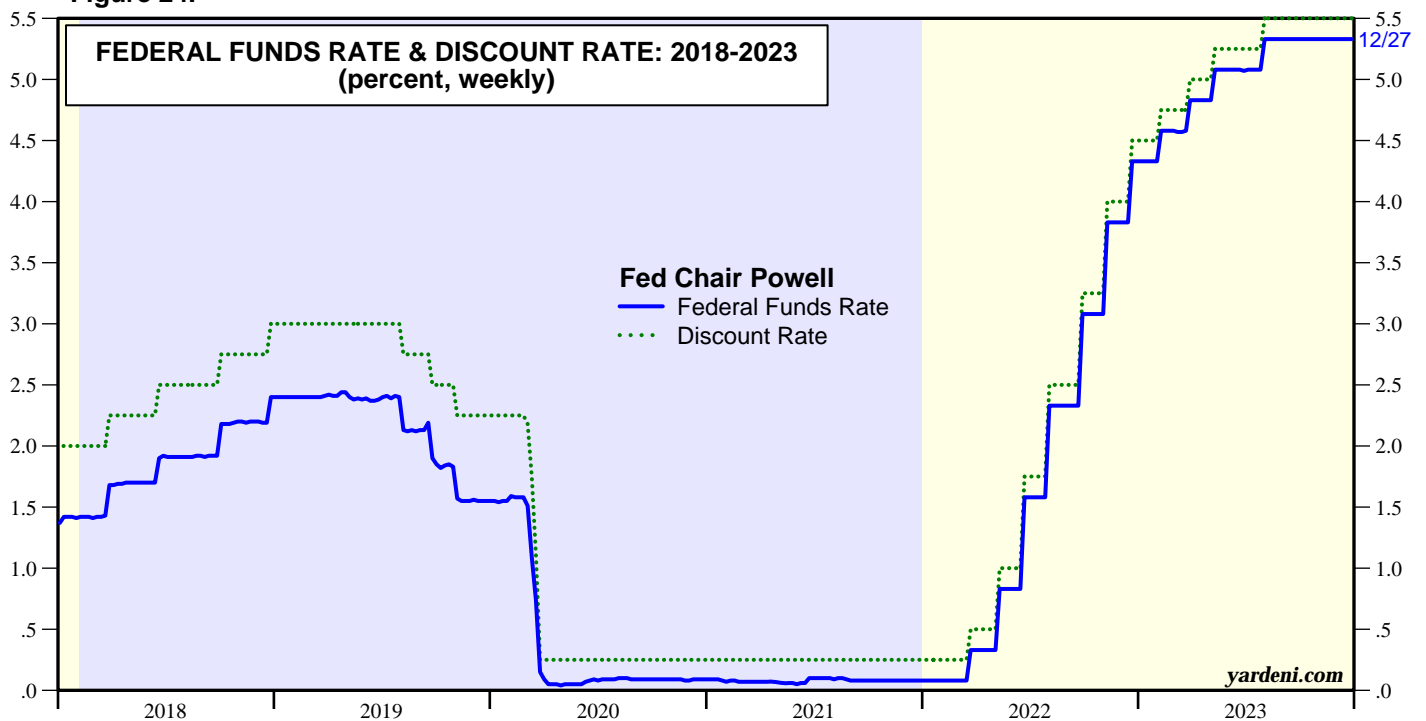
# Topical Study #3 Updated Charts

Figure 23.



Source: Federal Reserve Board.

Figure 24.



Source: Federal Reserve Board.

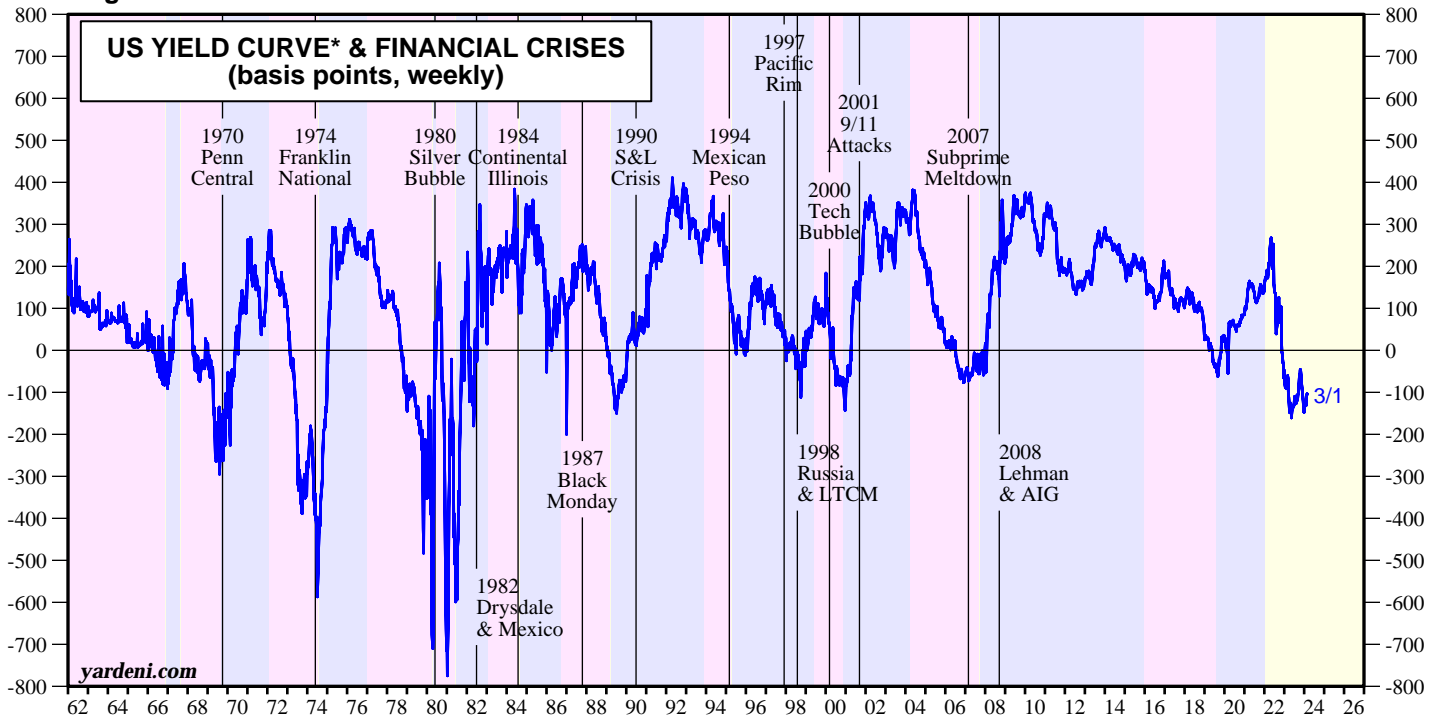
# Topical Study #3 Updated Charts

Figure 25.



Source: Standard & Poor's.

Figure 26.



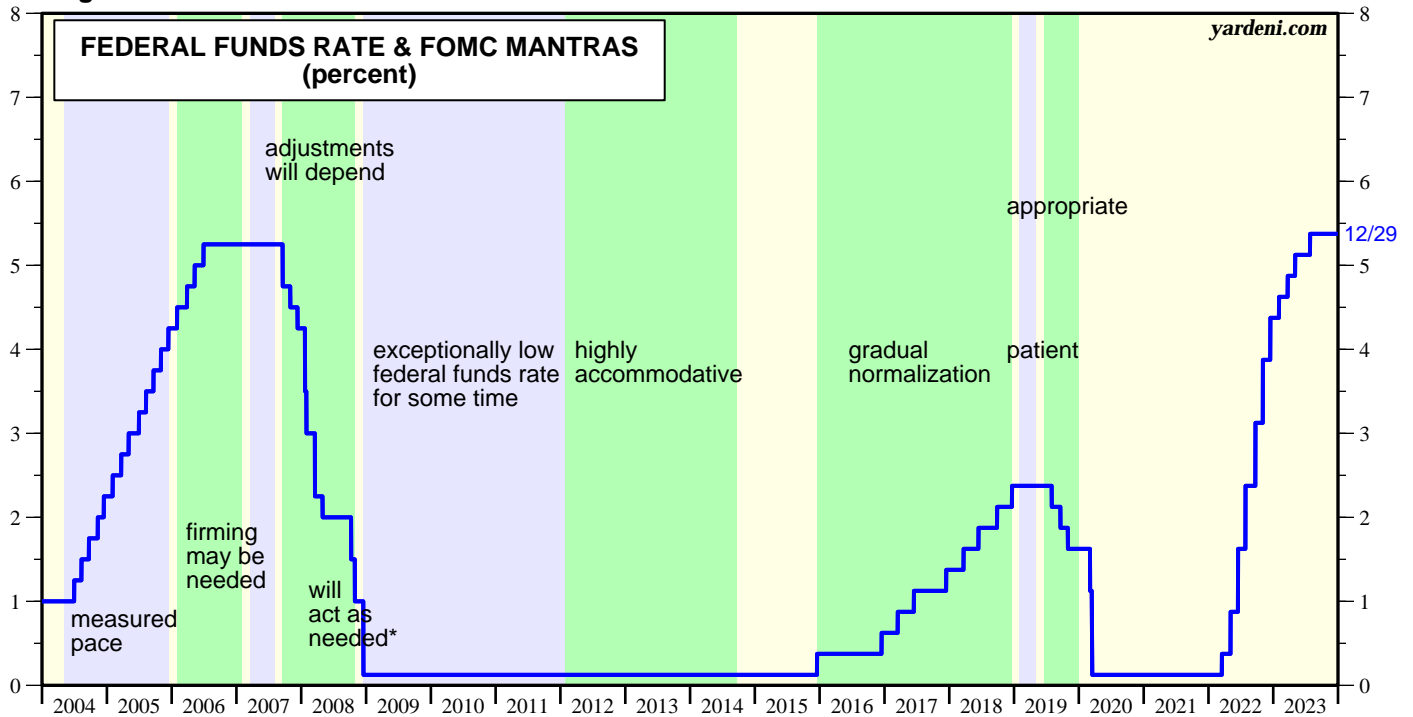
\* 10-year US Treasury yield less federal funds rate.

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.

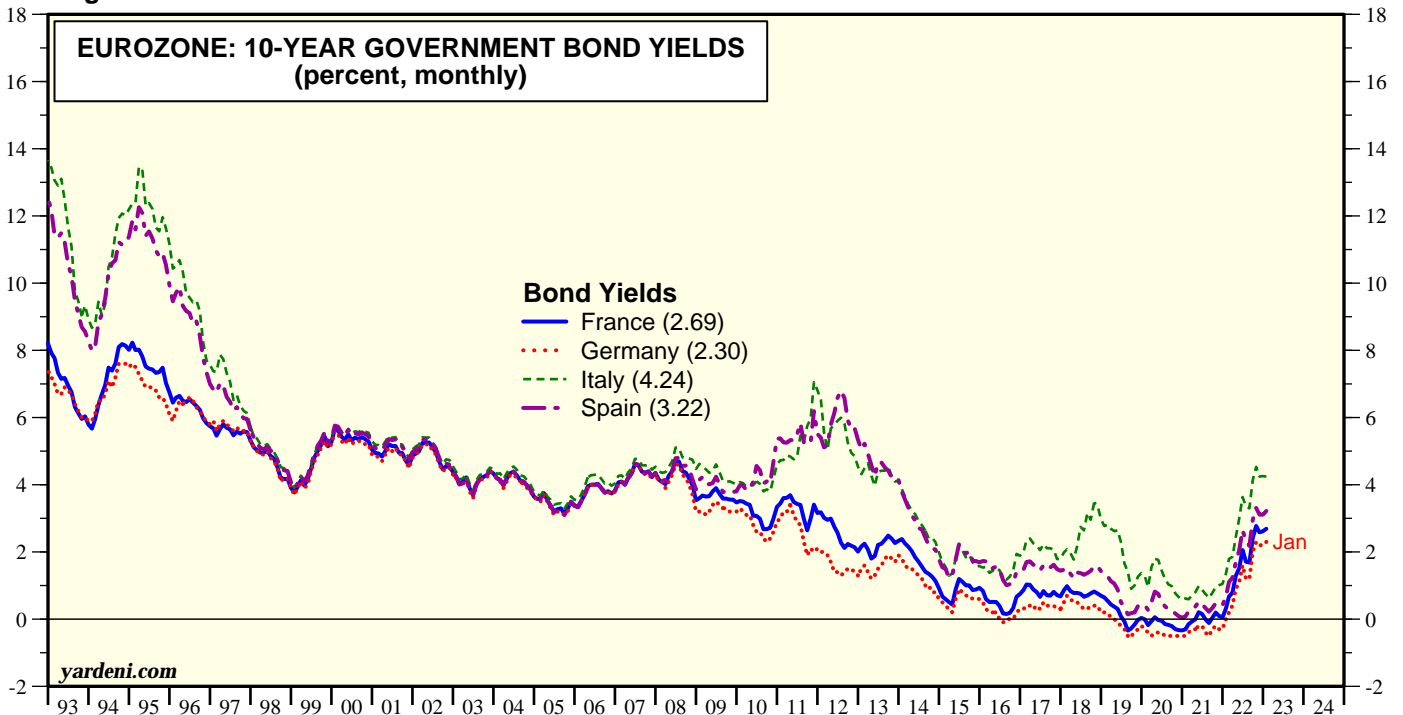
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Figure 27.



\* Will act in a timely manner as needed from 1/21/08 to 3/18/08.  
Source: Federal Reserve Board.

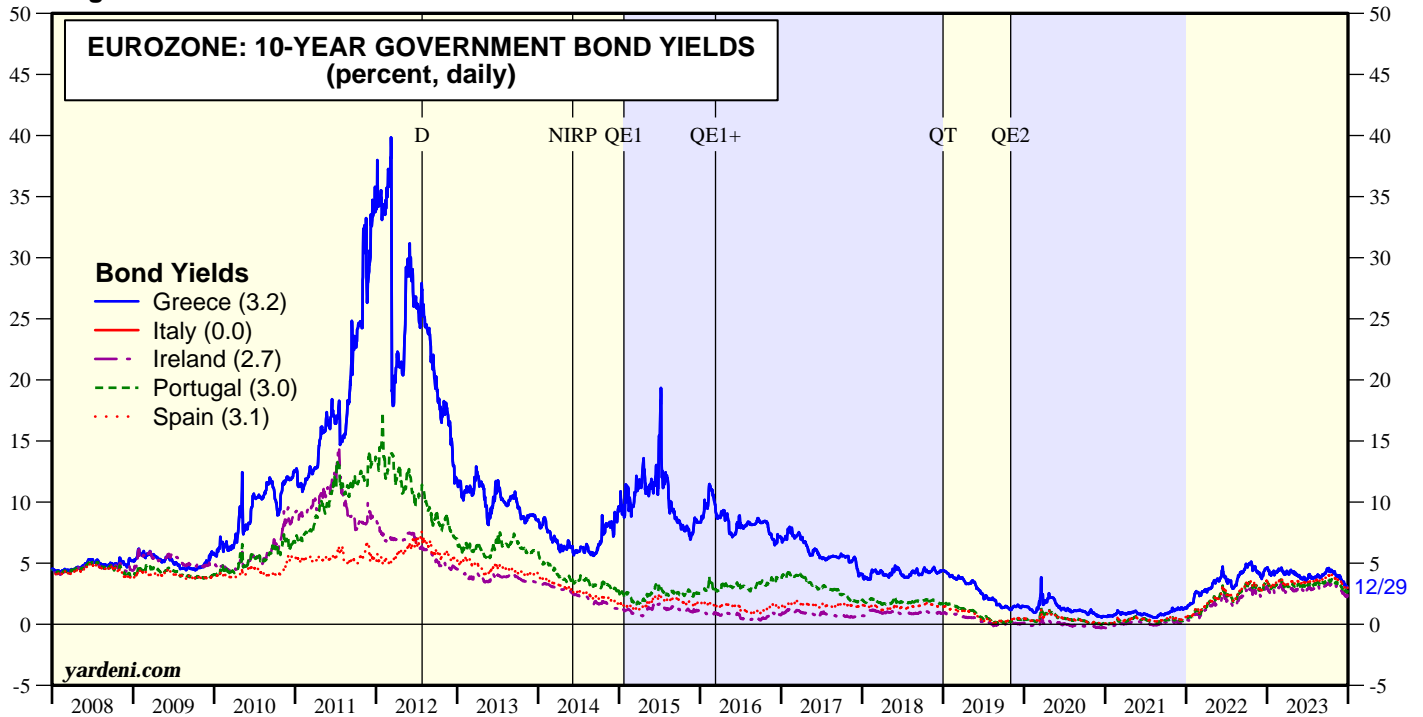
Figure 28.



Note: D (7/26/12) = Draghi pledged to do "whatever it takes" to defend the euro. NIRP (6/5/14) = negative interest-rate policy. QE1 (1/22/15-12/31/18). QE1+ (3/10/16) = QE1 expanded and extended, corporate bond purchases started 6/2/16. QT (12/31/18) = QE1 terminated. QE2 (11/1/19) = 20bn euros/month open ended.  
Source: Financial Times.

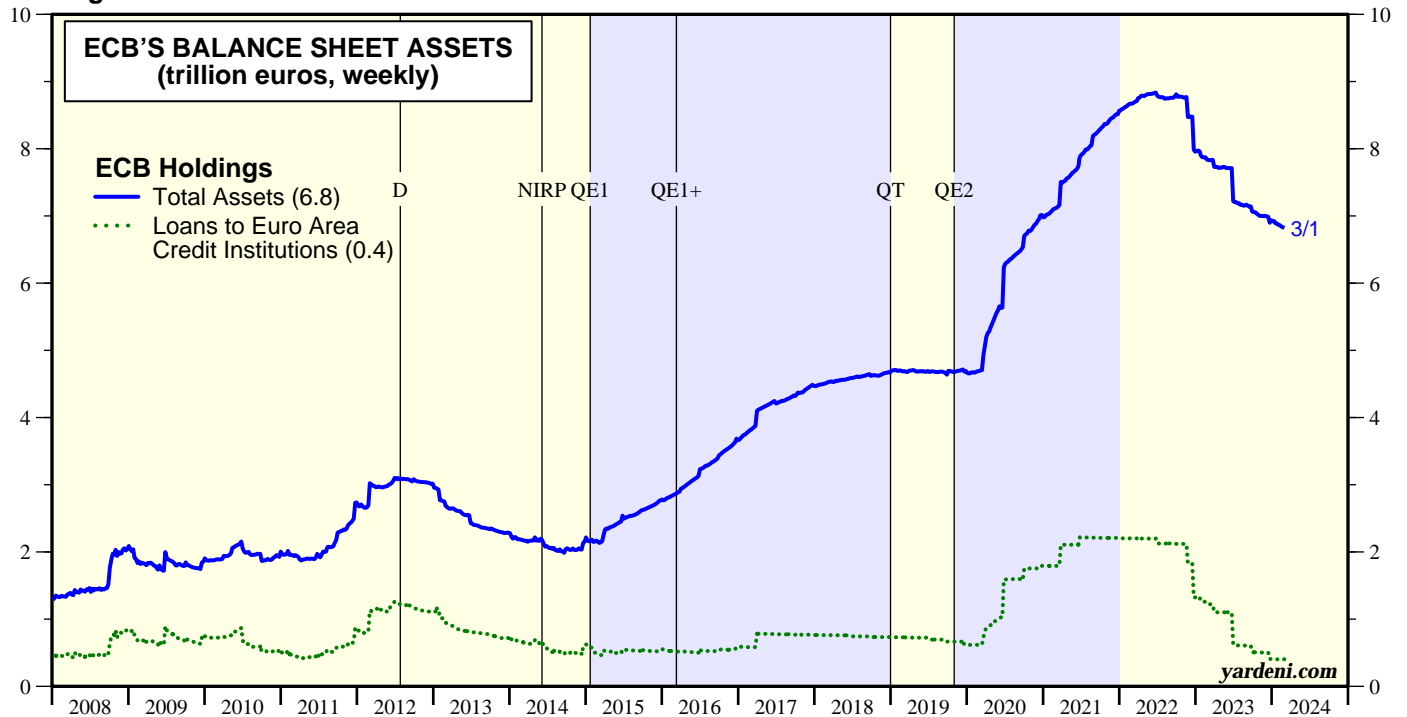
# Topical Study #3 Updated Charts

Figure 29.



Note: D (7/26/12) = Draghi pledged to do "whatever it takes" to defend the euro. NIRP (6/5/14) = negative interest-rate policy. QE1 (1/22/15-12/31/18). QE1+ (3/10/16) = QE1 expanded and extended, corporate bond purchases started 6/2/16. QT (12/31/18) = QE1 terminated. QE2 (11/1/19) = 20bn euros/month open ended.  
Source: Financial Times.

Figure 30.

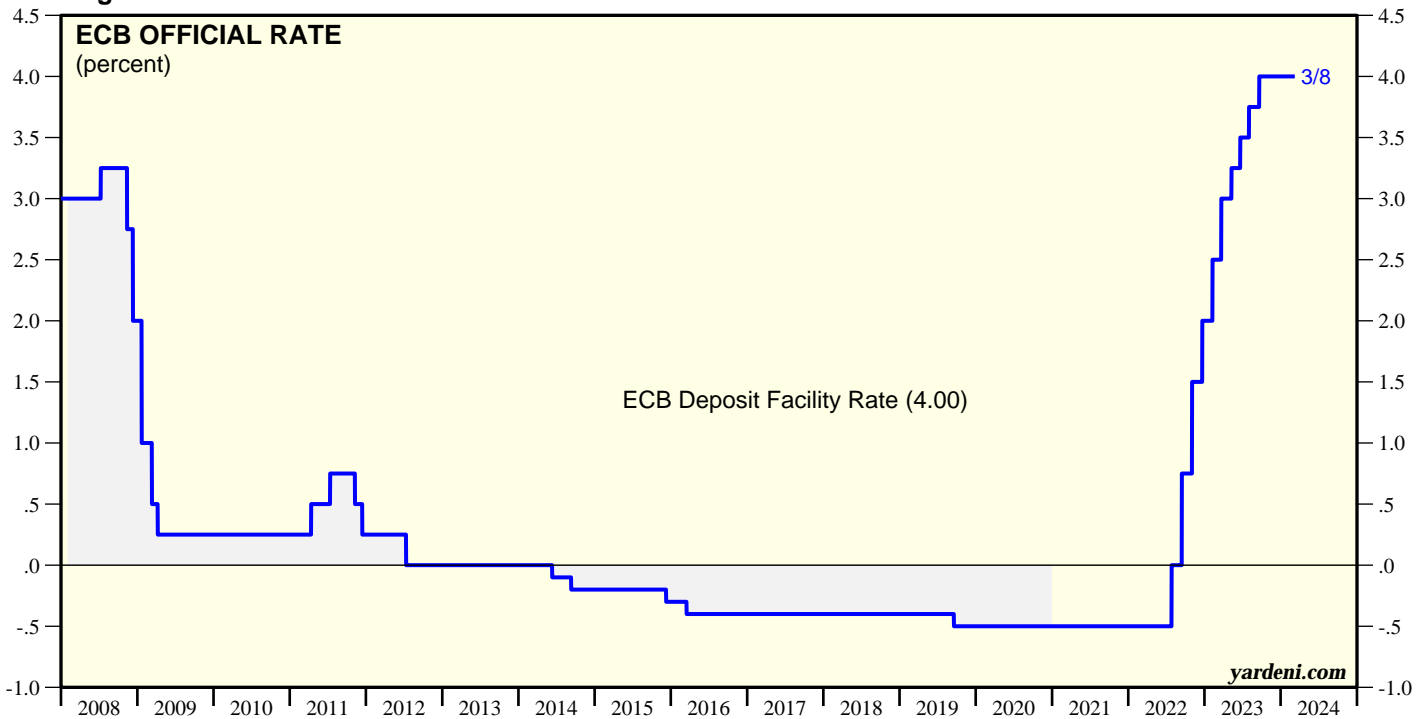


Note: D (7/26/12) = Draghi pledged to do "whatever it takes" to defend the euro. NIRP (6/5/14) = negative interest-rate policy. QE1 (1/22/15-12/31/18). QE1+ (3/10/16) = QE1 expanded and extended, corporate bond purchases started 6/2/16. QT (12/31/18) = QE1 terminated. QE2 (11/1/19) = 20bn euros/month open ended.  
Source: European Central Bank.



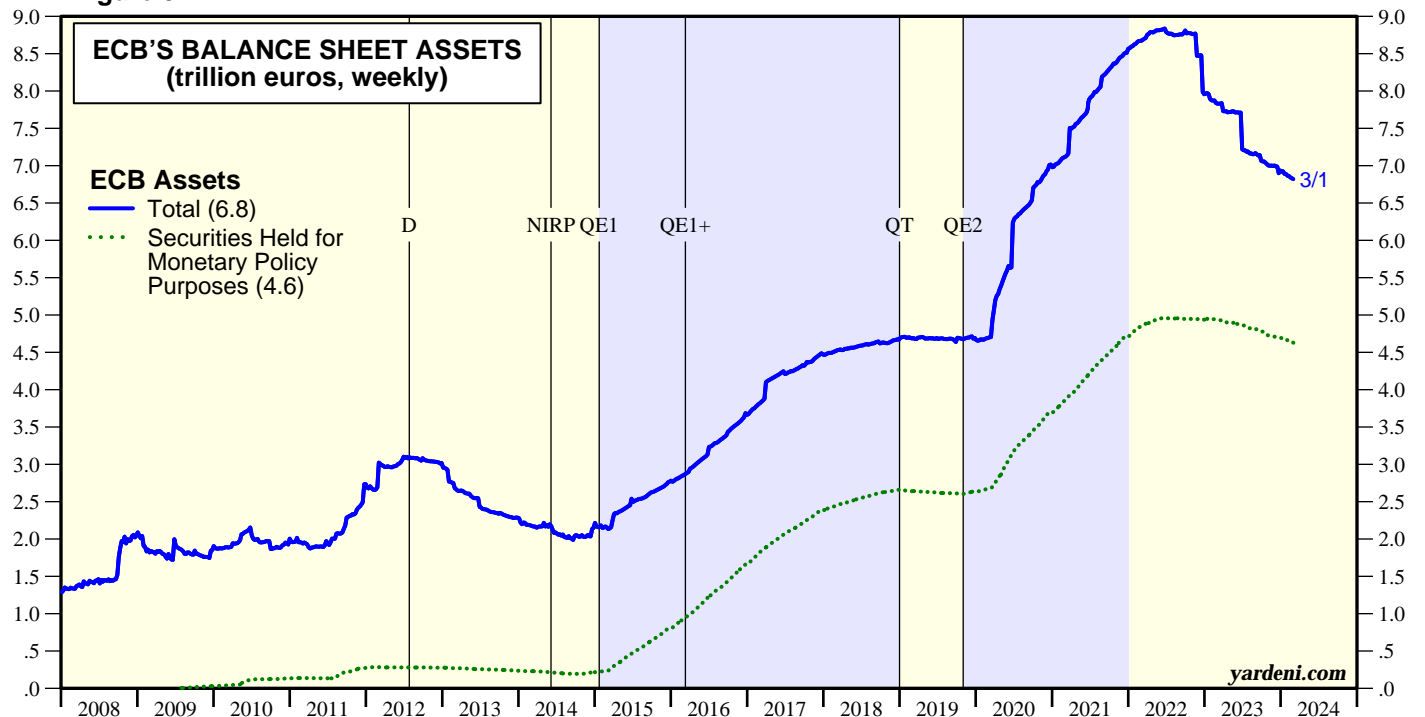
# Topical Study #3 Updated Charts

Figure 31.



Source: European Central Bank.

Figure 32.

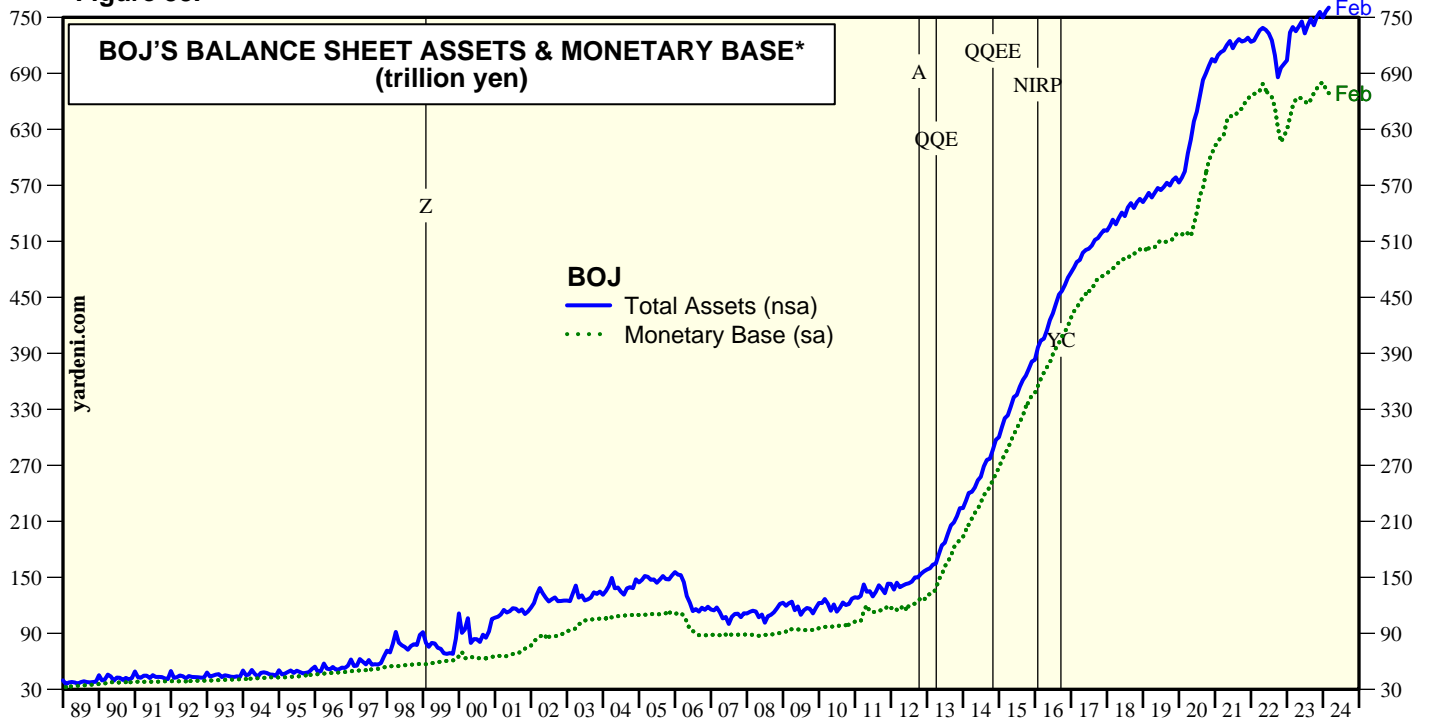


Note: D (7/26/12) = Draghi pledged to do "whatever it takes" to defend the euro. NIRP (6/5/14) = negative interest-rate policy. QE1 (1/22/15-12/31/18). QE1+ (3/10/16) = QE1 expanded and extended, corporate bond purchases started 6/2/16. QT (12/31/18) = QE1 terminated. QE2 (11/1/19) = 20bn euros/month open ended.

Source: European Central Bank.

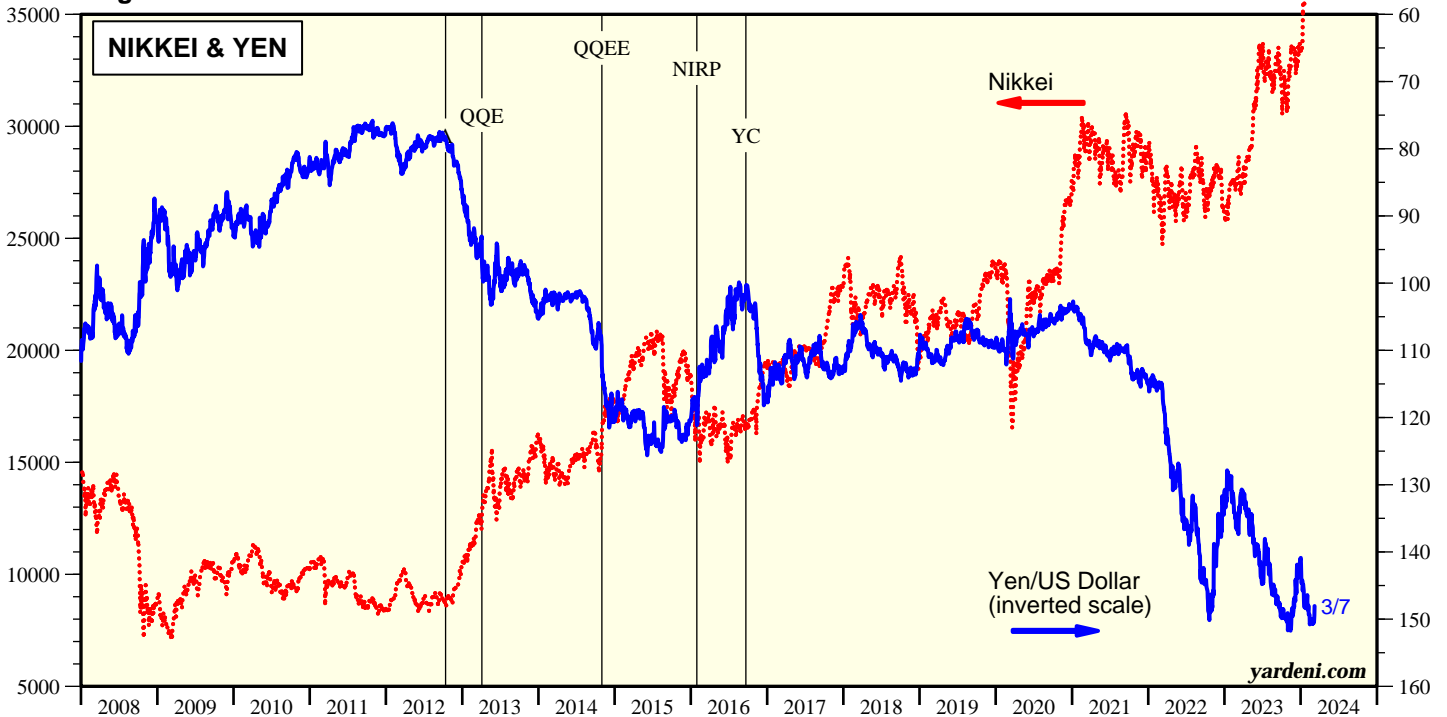
# Topical Study #3 Updated Charts

Figure 33.



\* Adjusted for change in reserve requirements.  
 Note: Z (2/12/99) = Zero interest rate policy. A = (10/12/12) = Markets start to anticipate Abenomics. QQE (4/4/13) = Quantitative and Qualitative Easing. QQEE (10/31/14) = expanded and extended version of QQE. NIRP = (1/29/16) = Negative interest rate policy. YC (9/21/16) = Yield curve targeting.  
 Source: Bank of Japan.

Figure 34.



Note: A (10/12/12) = Markets start to anticipate Abenomics. QQE (4/4/13) = Quantitative and Qualitative Easing. QQEE (10/31/14) = expanded and extended version of QQE. NIRP (1/29/16) = Negative interest rate policy. YC (9/21/16) = Yield curve targeting.  
 Source: Haver Analytics.

# Topical Study #3 Updated Charts

Figure 35.

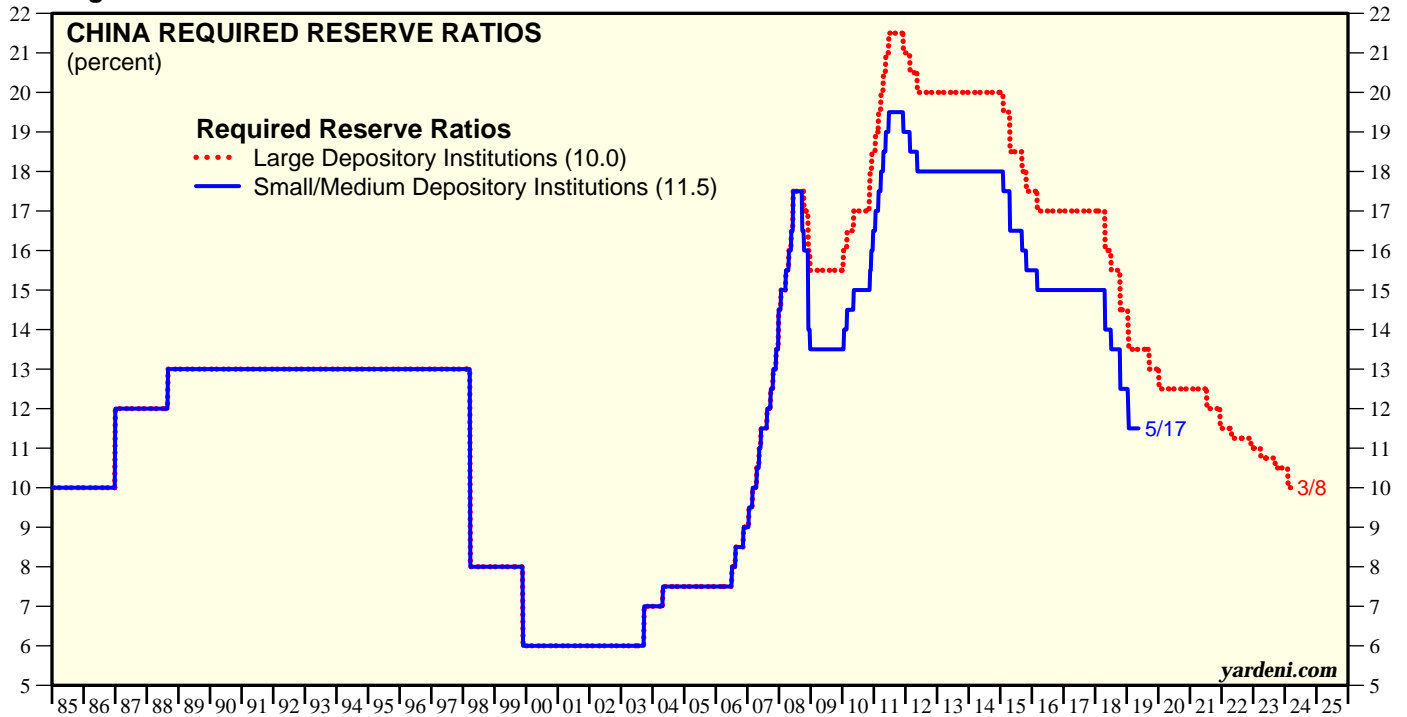
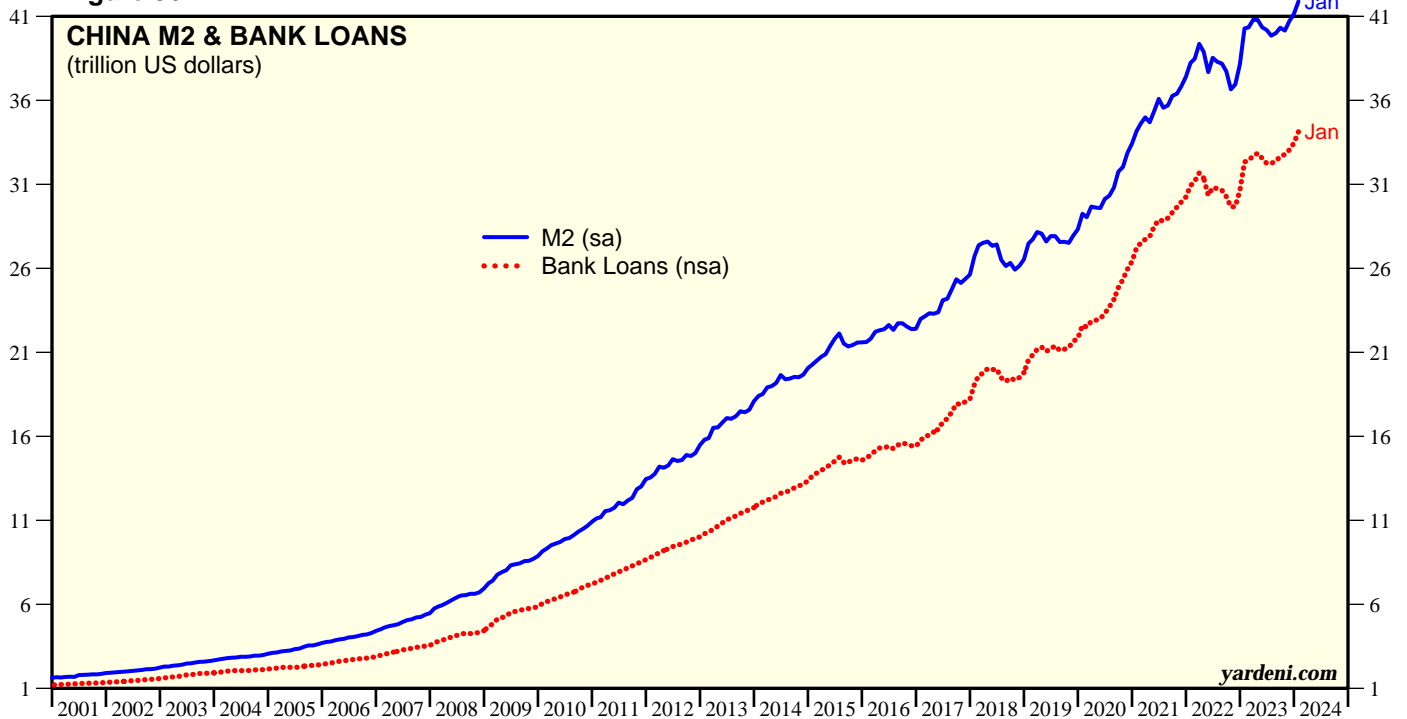
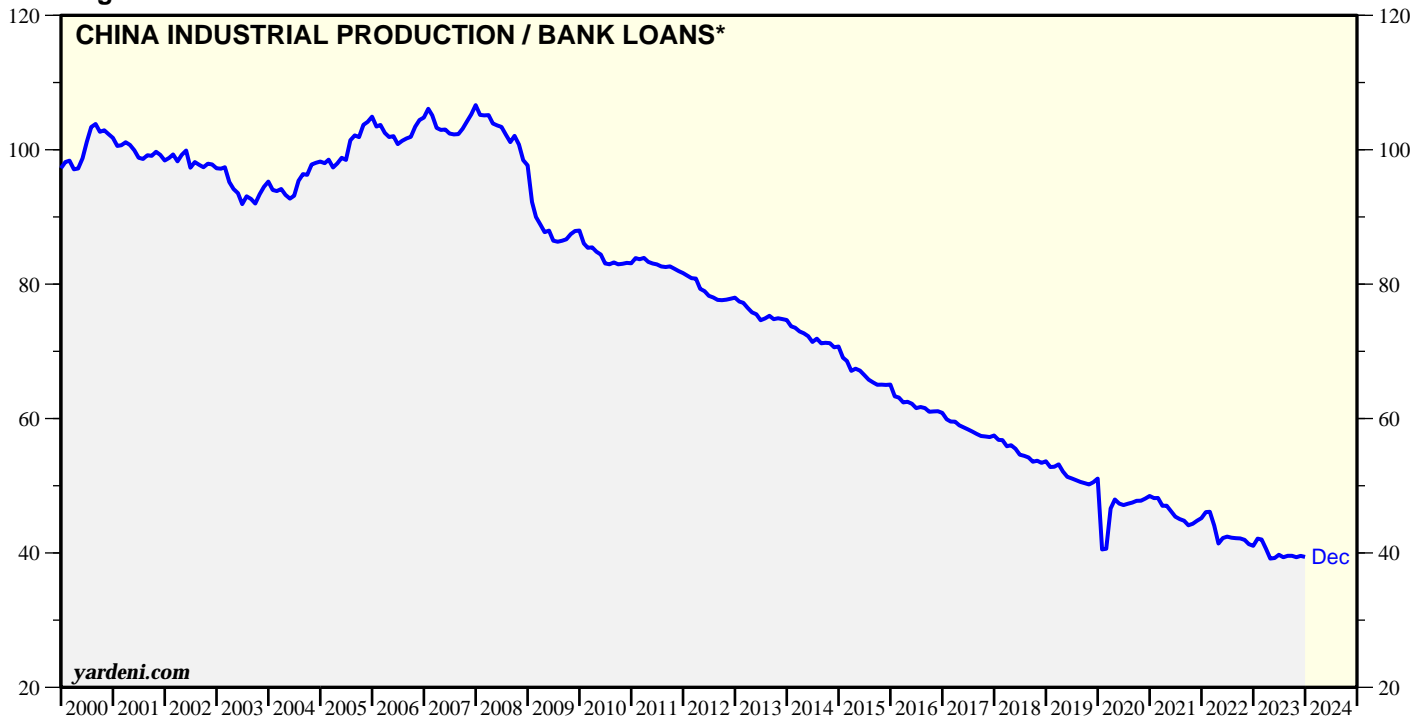


Figure 36.



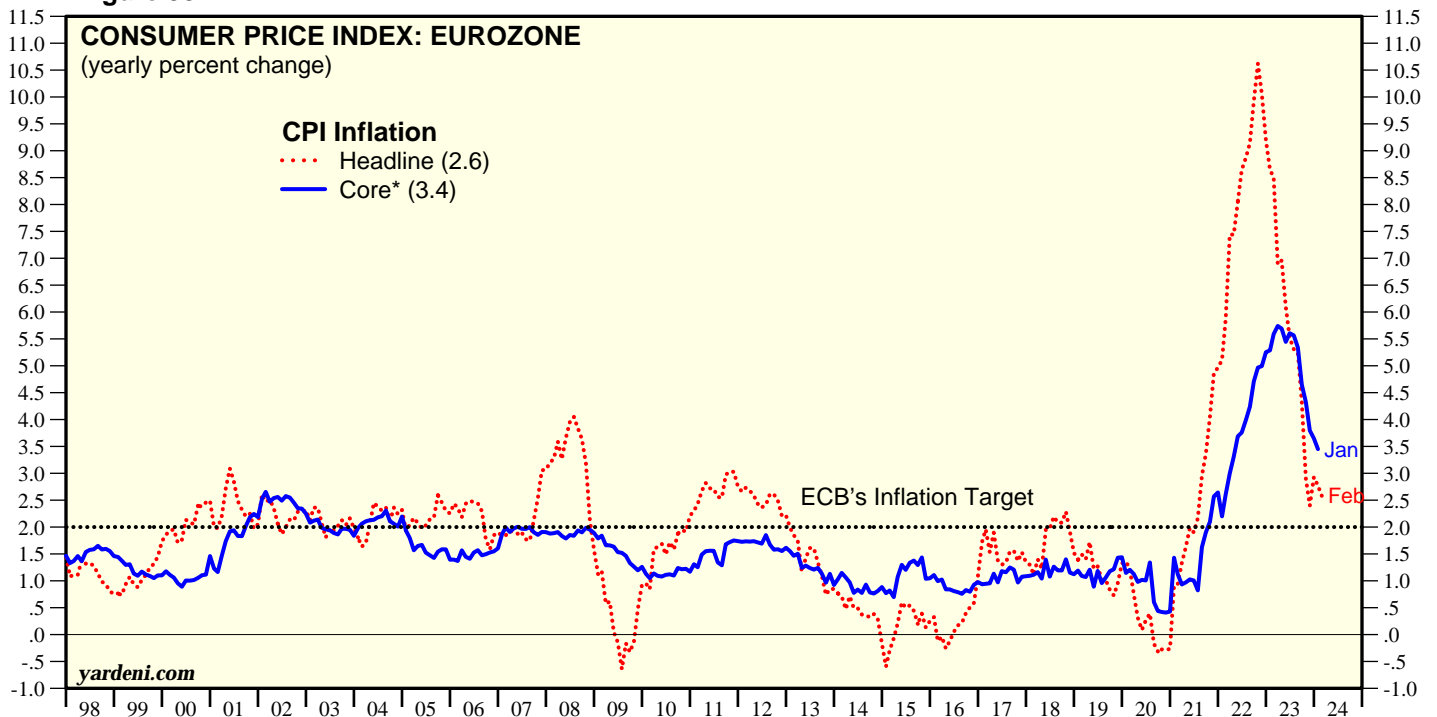
# Topical Study #3 Updated Charts

Figure 37.



\* In yuan.  
Source: People's Bank of China.

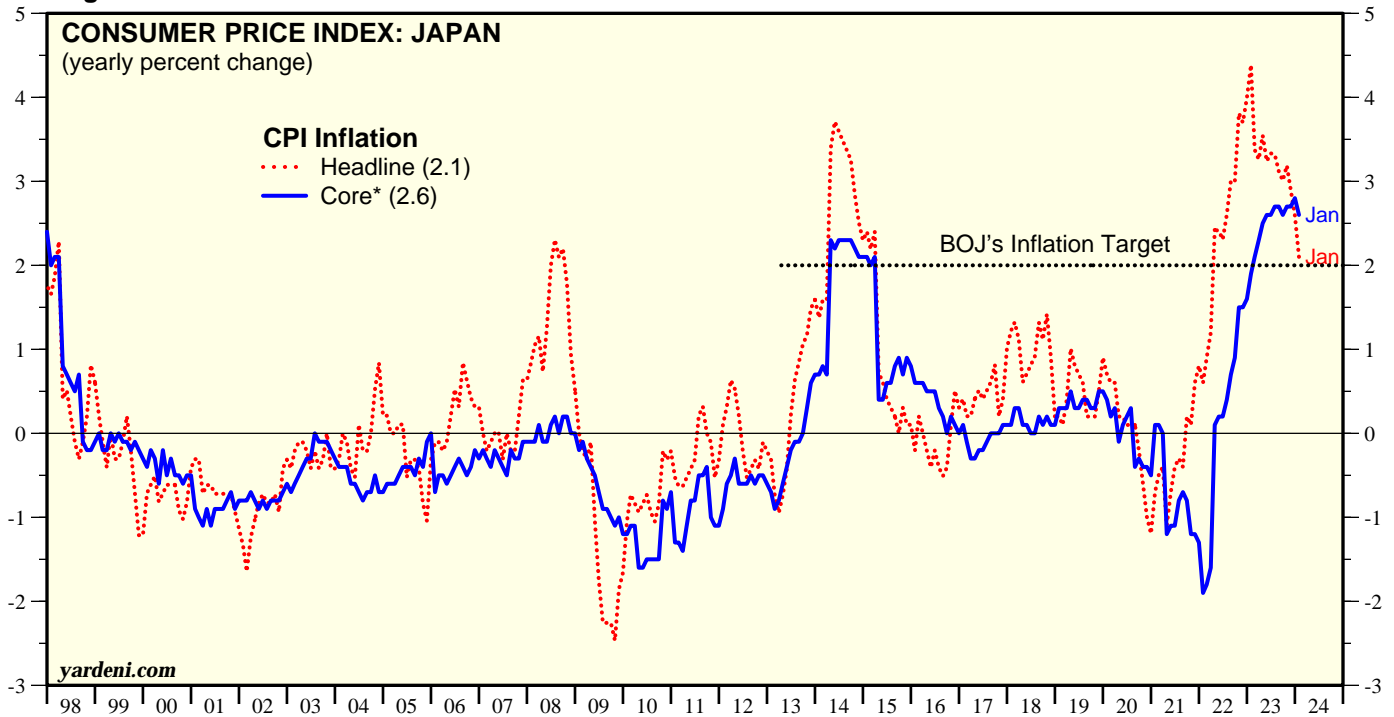
Figure 38.



\* Excluding energy and unprocessed food.  
Source: Haver Analytics.

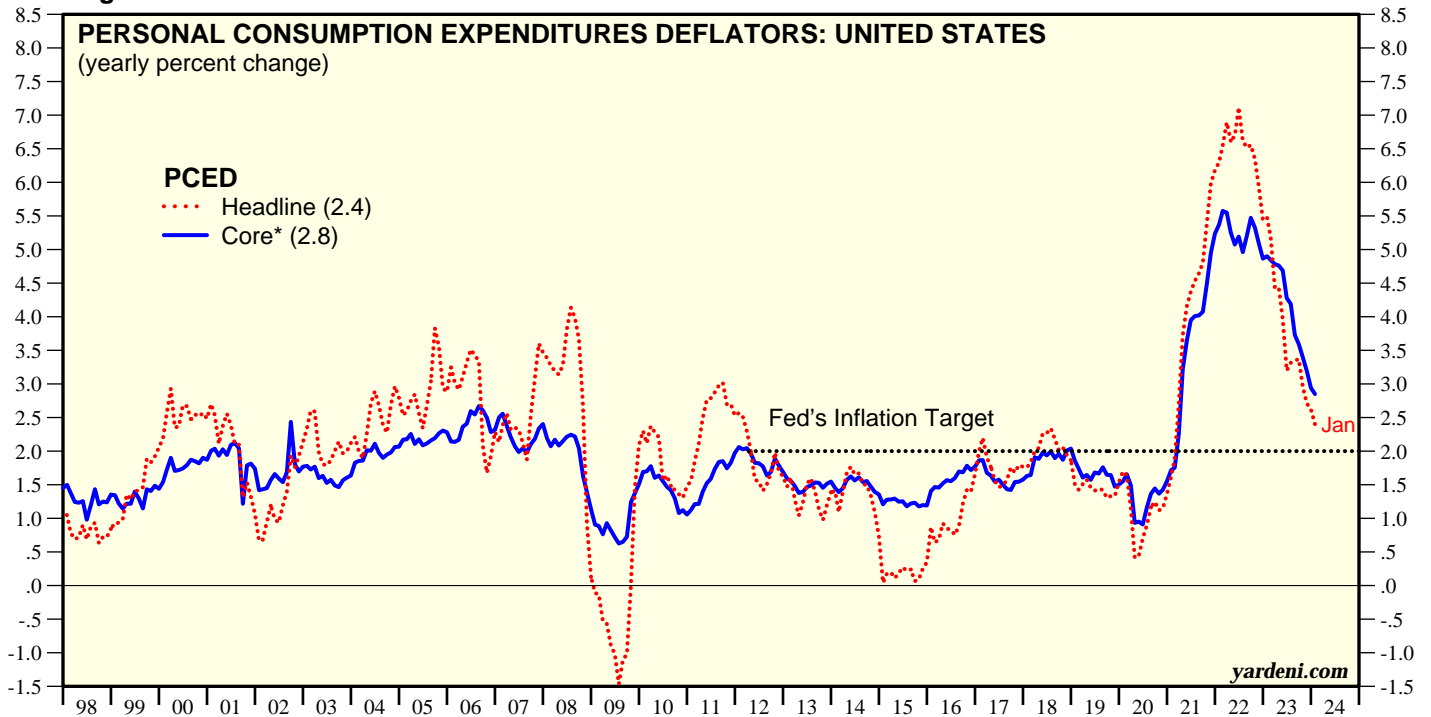
# Topical Study #3 Updated Charts

Figure 39.



\* Excluding energy, food, alcohol.  
Source: Ministry of Internal Affairs and Communications.

Figure 40.



\* Excluding food and energy prices.  
Source: Bureau of Economic Analysis.

# Topical Study #3 Updated Charts

Figure 41.

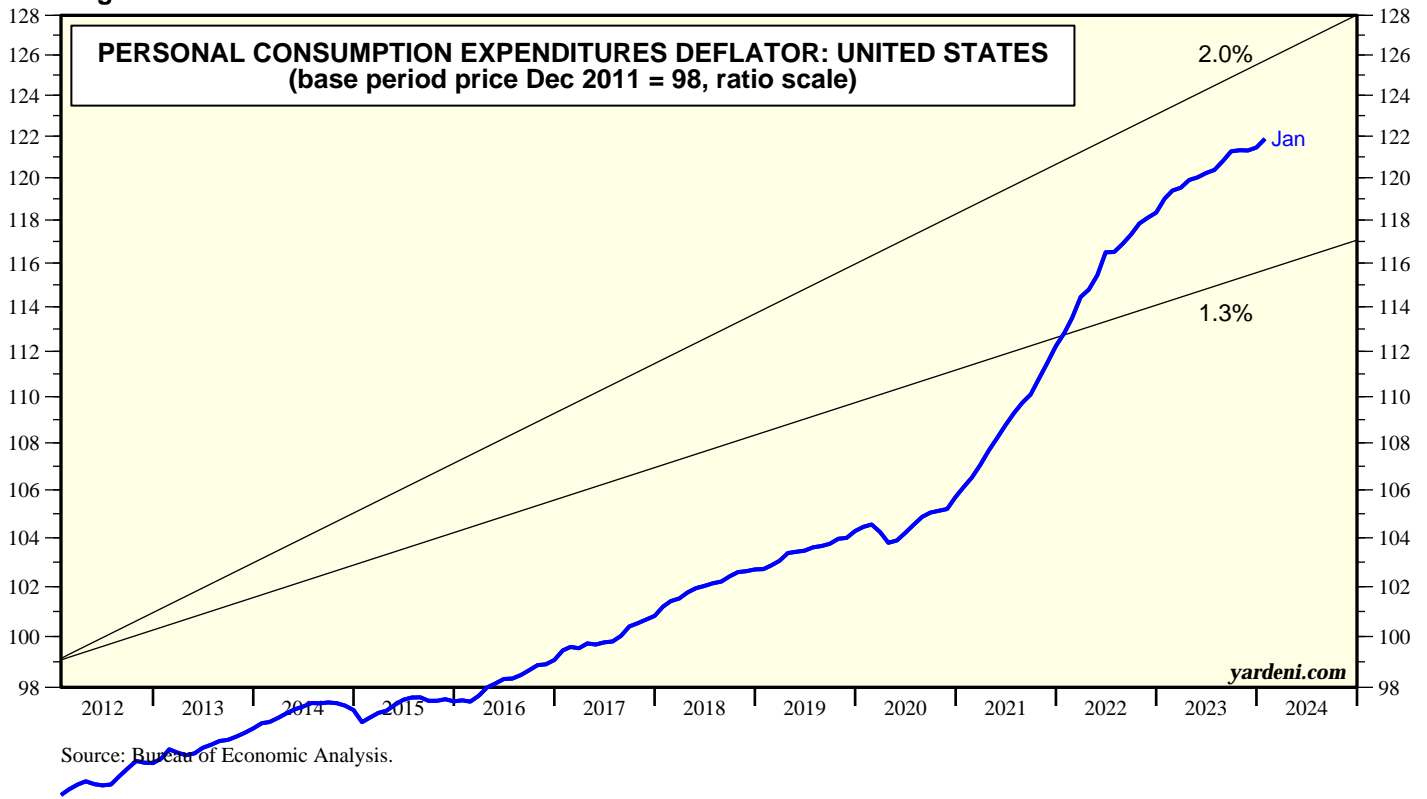
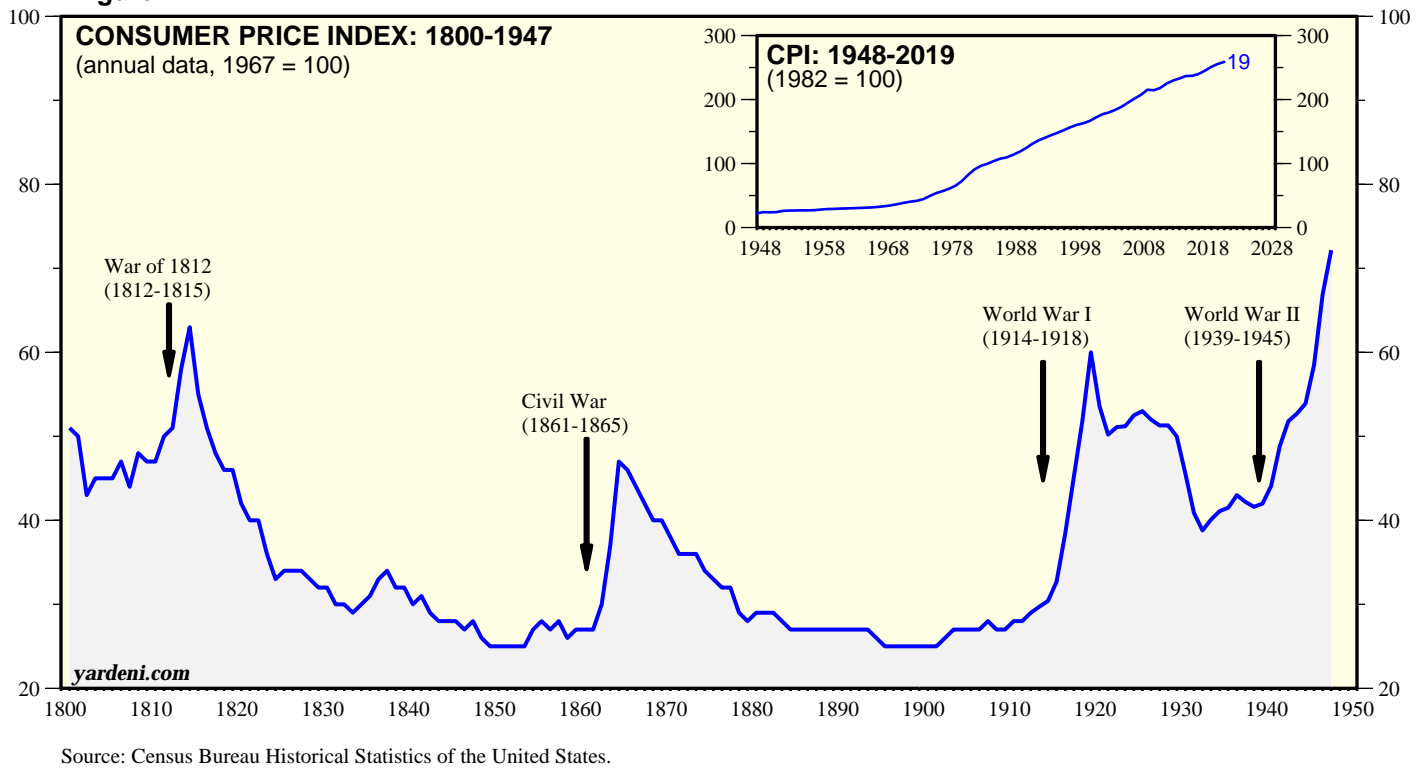
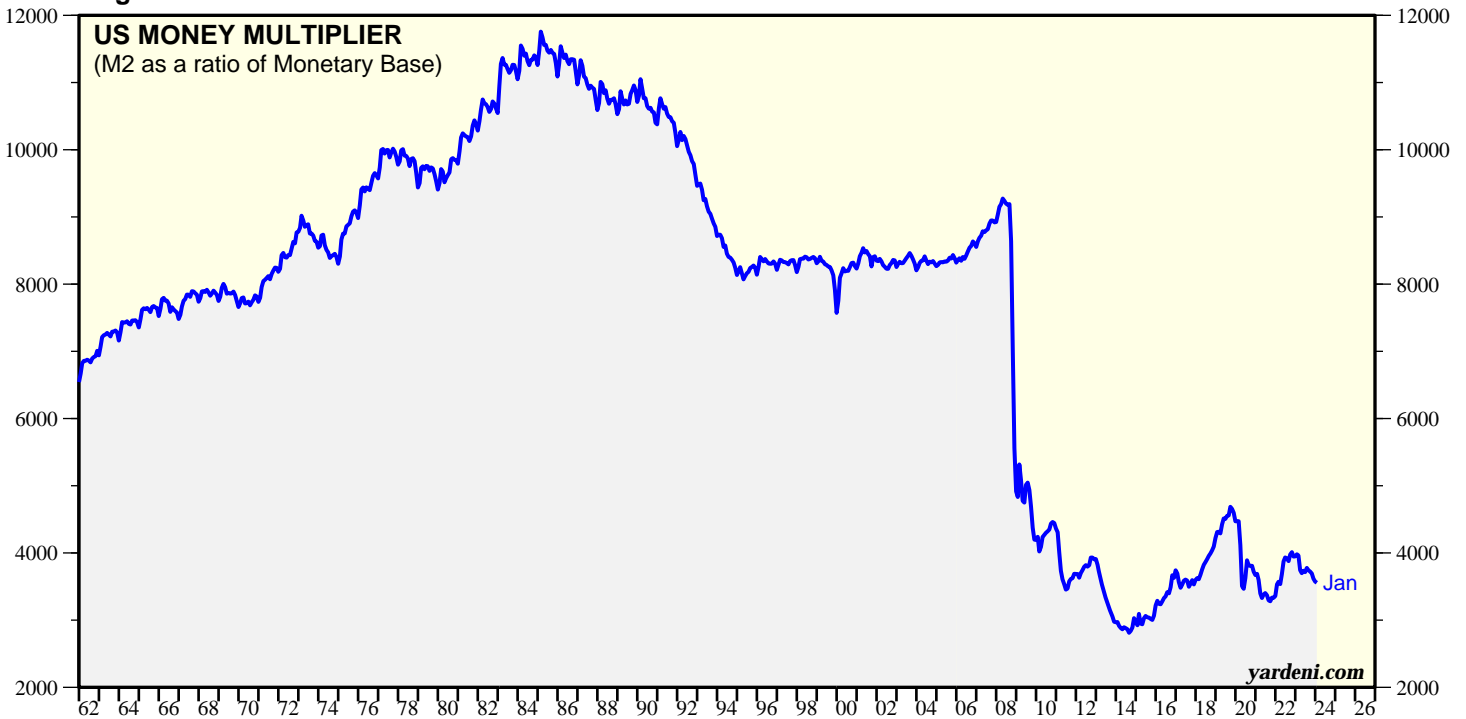


Figure 42.



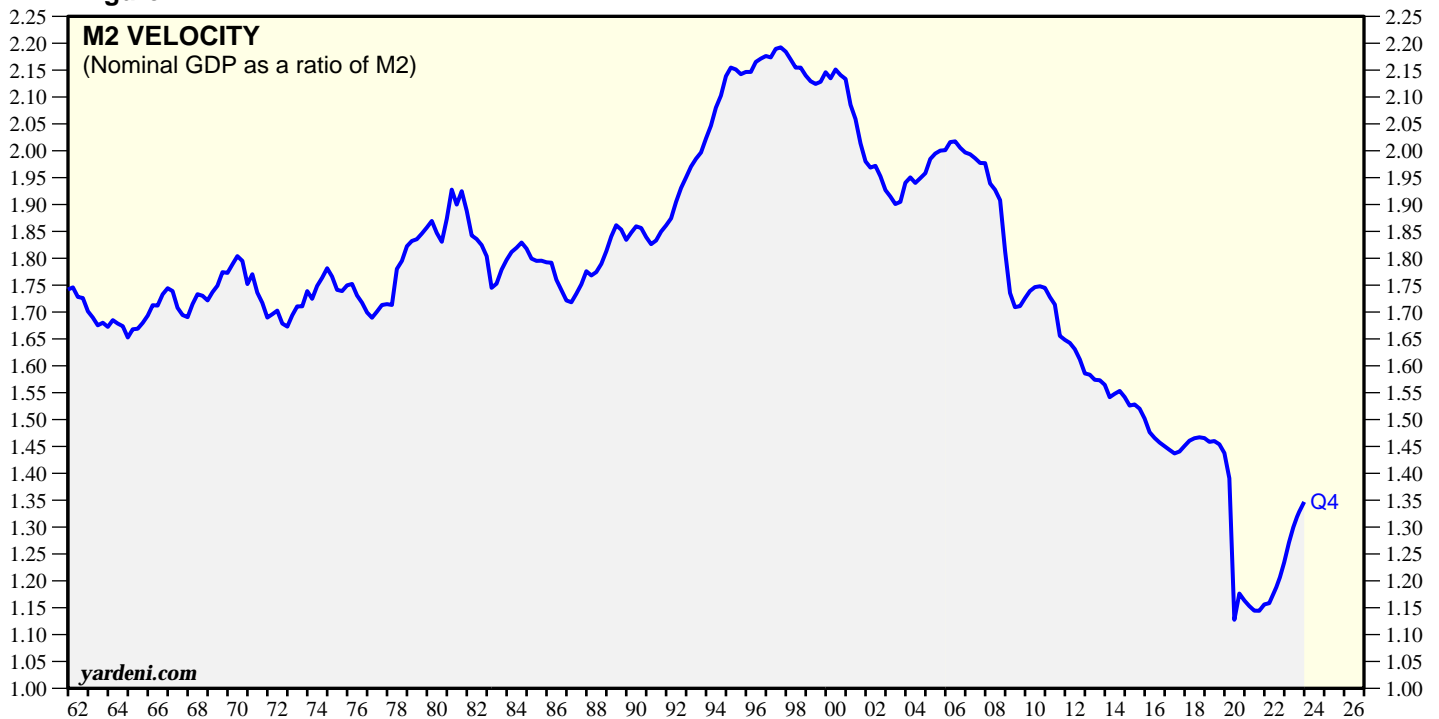
# Topical Study #3 Updated Charts

Figure 43.



Source: Federal Reserve Board.

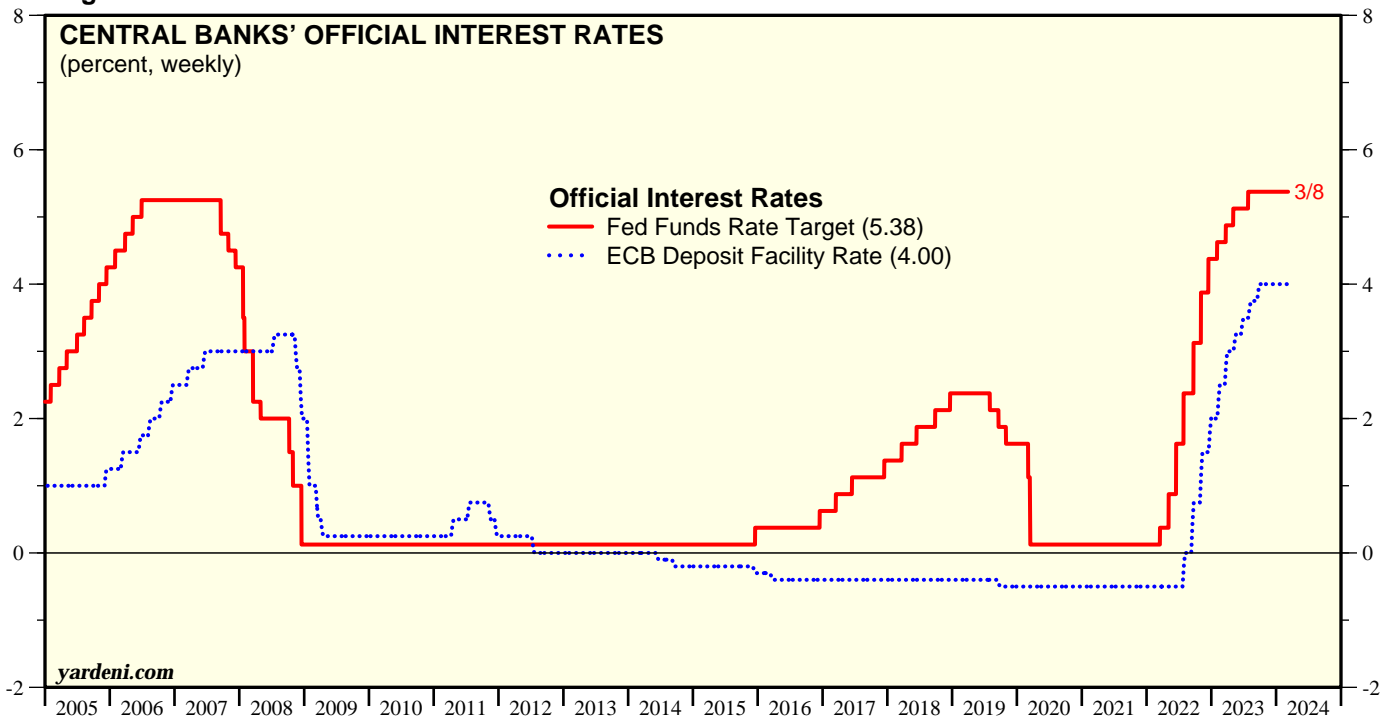
Figure 44.



Source: Federal Reserve Board.

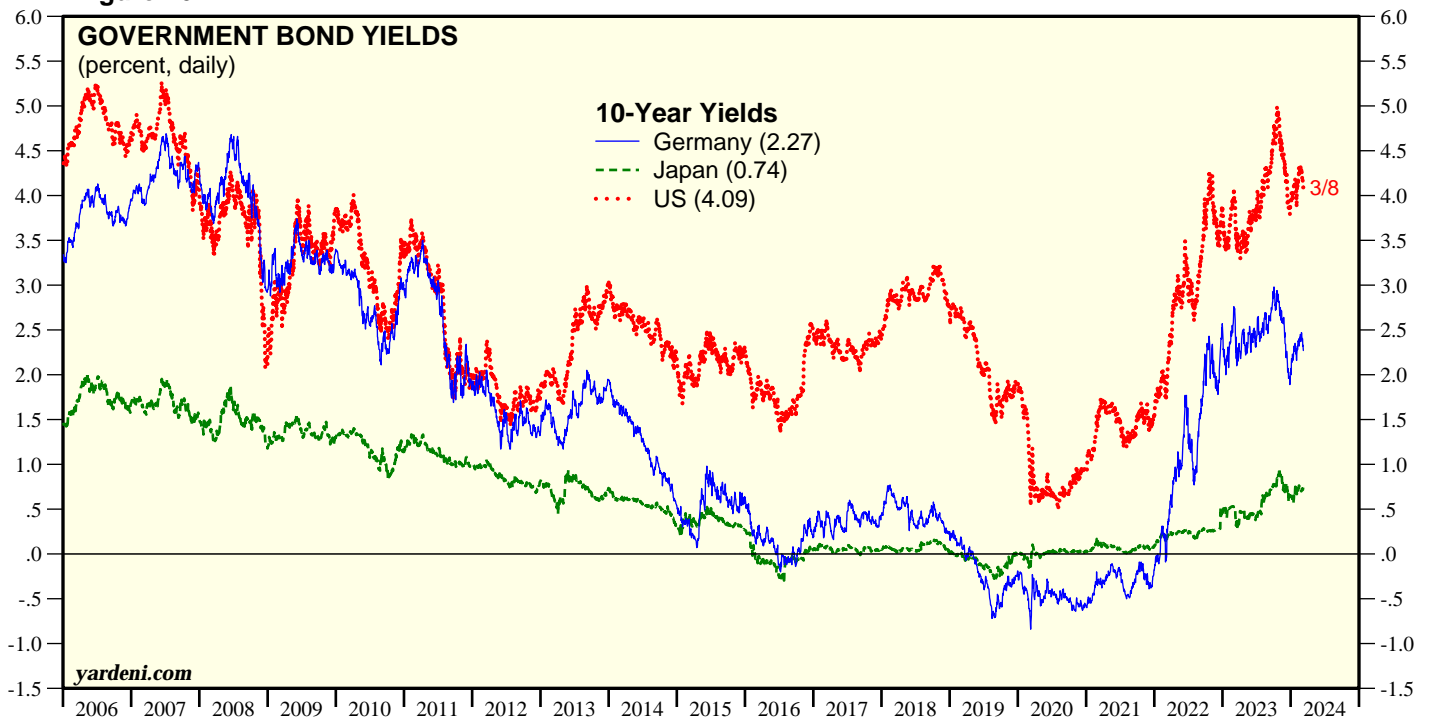
# Topical Study #3 Updated Charts

Figure 45.



Source: Federal Reserve Board, European Central Bank, and Bank of Japan.

Figure 46.

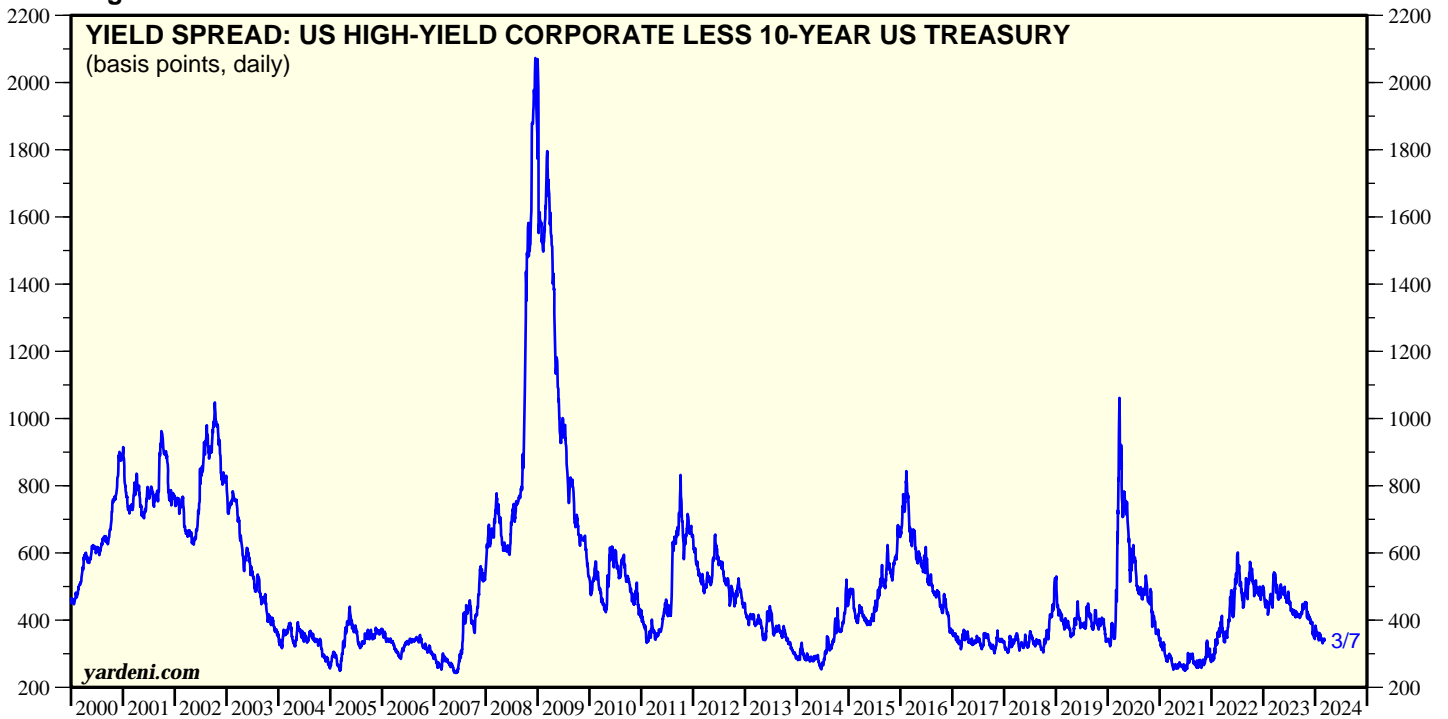


Source: Haver Analytics.



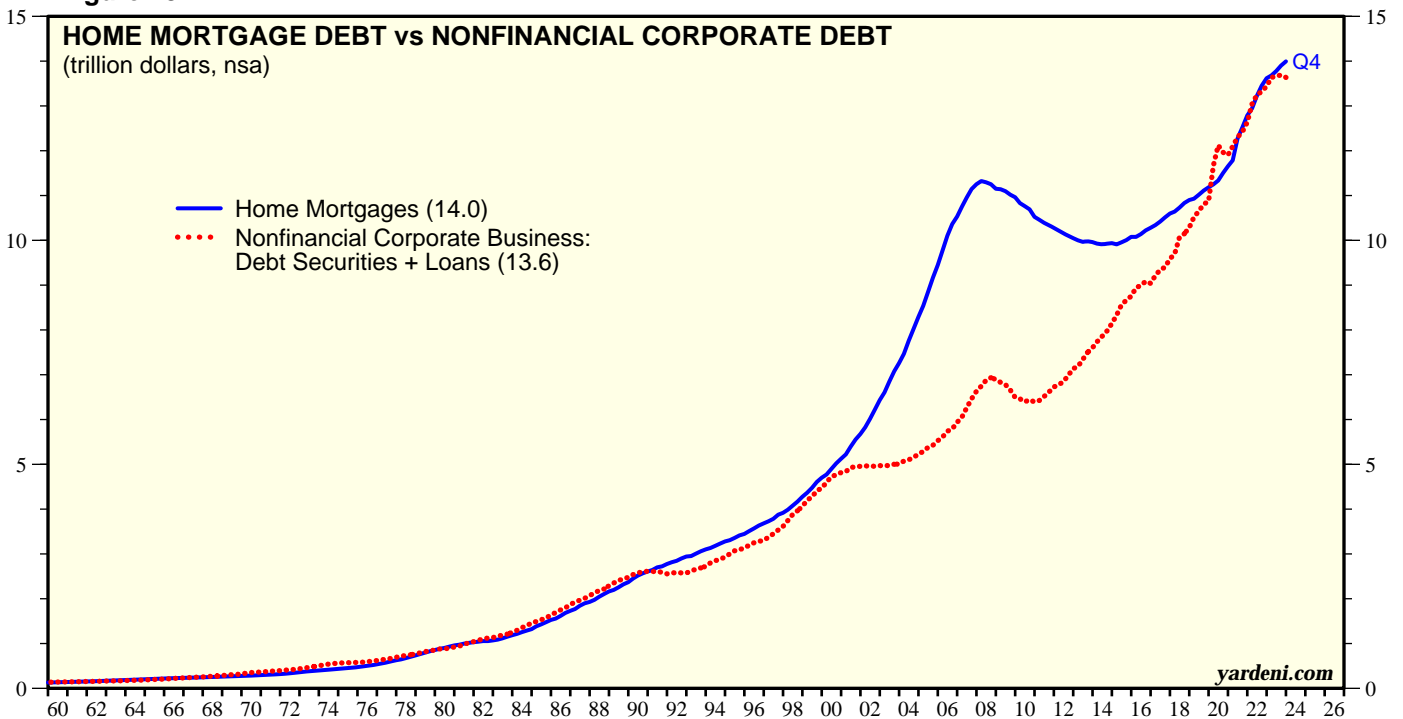
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Figure 47.



Source: Bank of America Merrill Lynch and Federal Reserve Board.

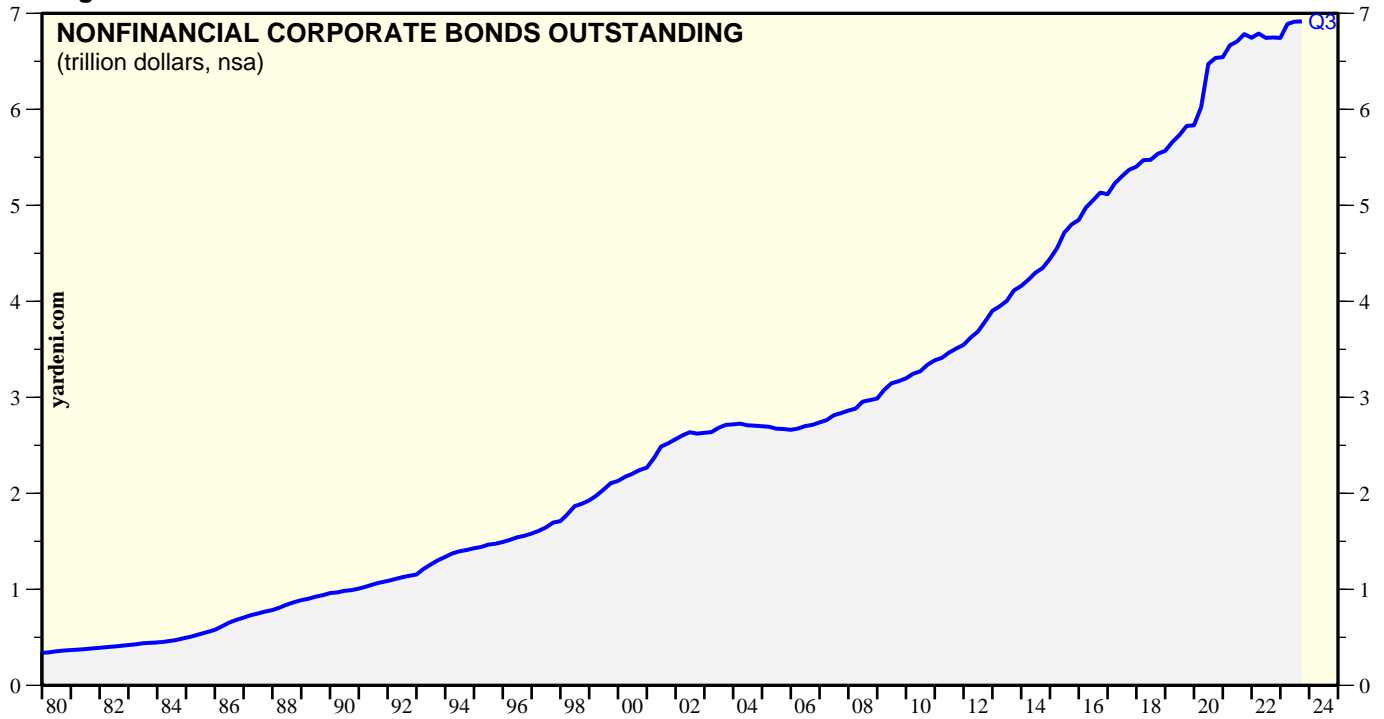
Figure 48.



Source: Federal Reserve Board Financial Accounts of the United States.

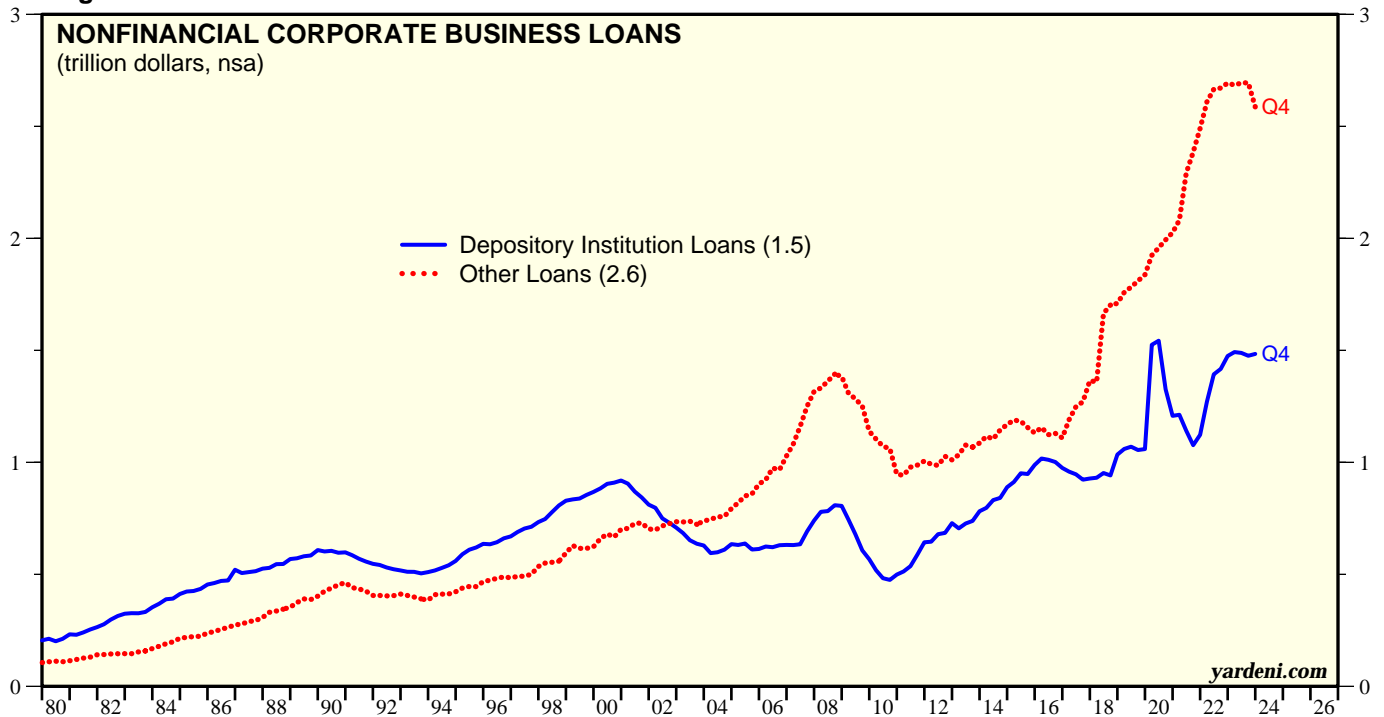
# Topical Study #3 Updated Charts

Figure 49.



Source: Federal Reserve Board Financial Accounts of the United States.

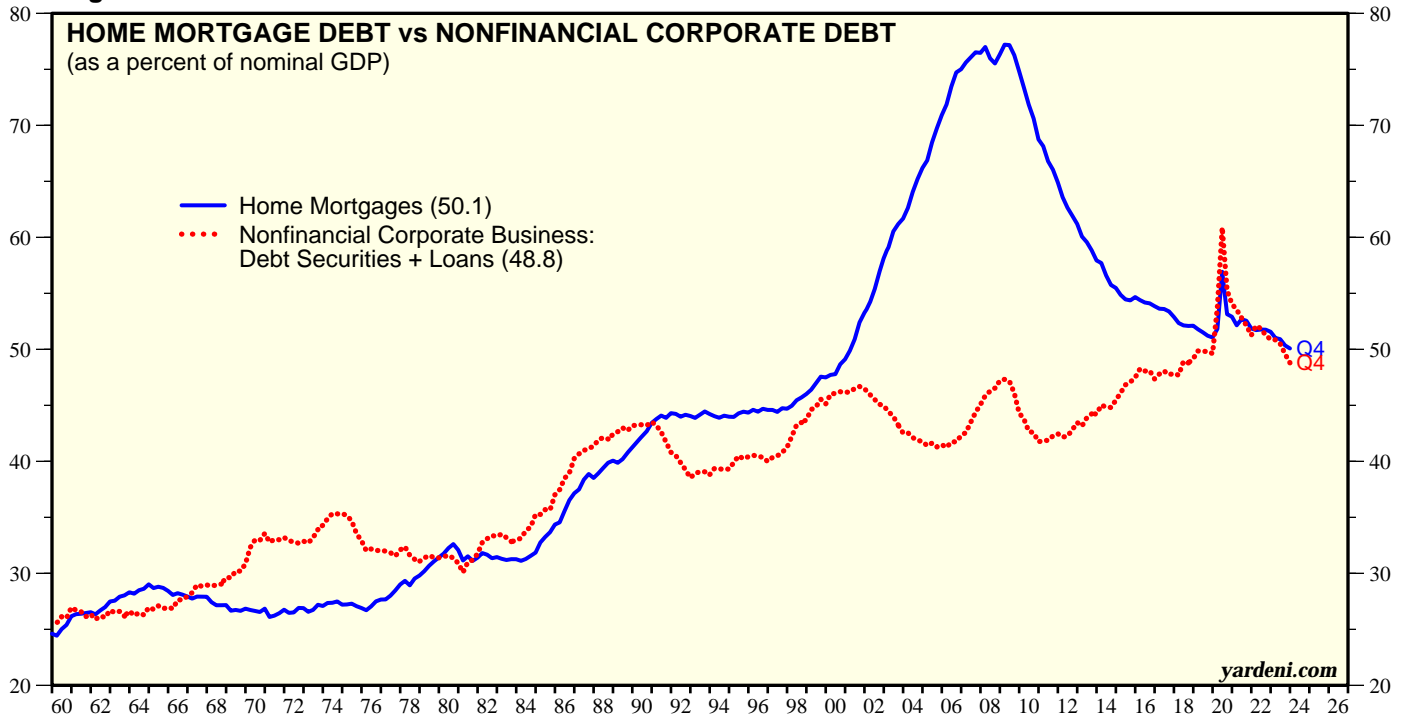
Figure 50.



Source: Federal Reserve Board Financial Accounts of the United States.

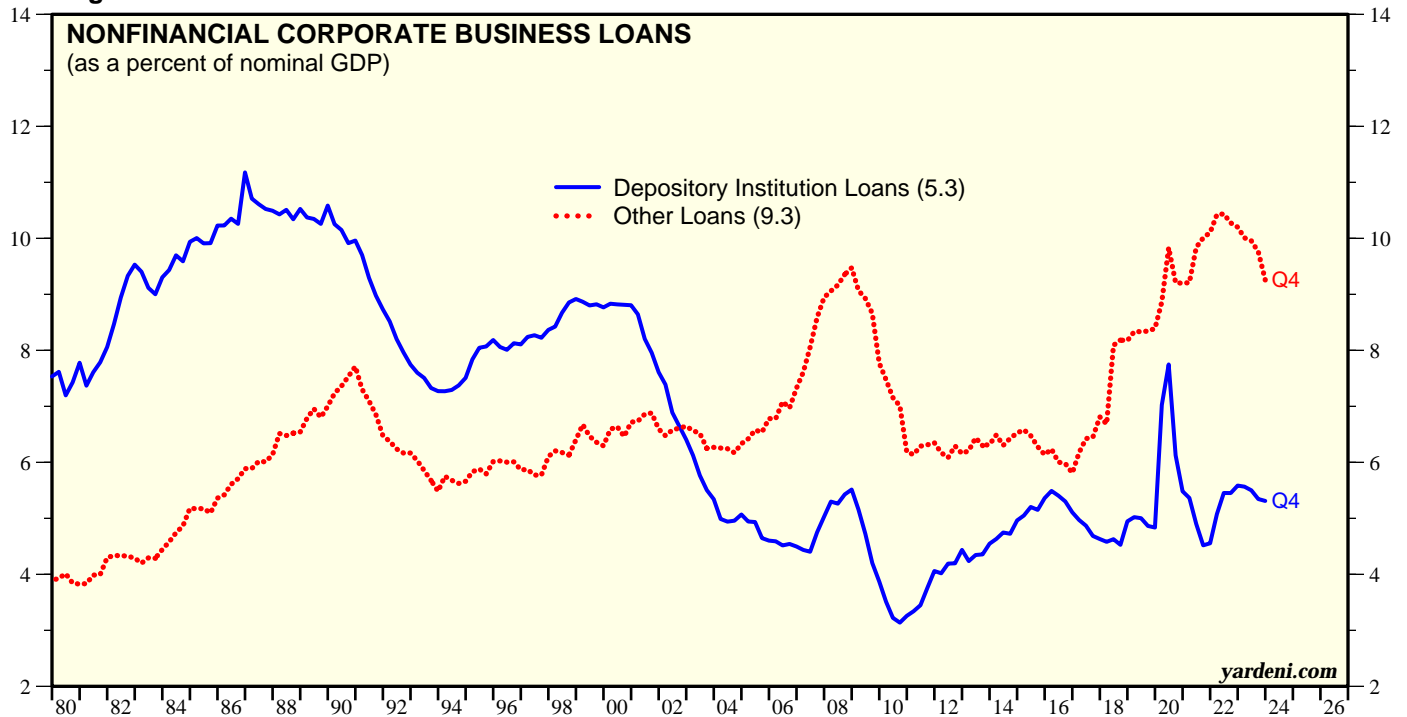
# Topical Study #3 Updated Charts

Figure 51.



Source: Federal Reserve Board Financial Accounts of the United States.

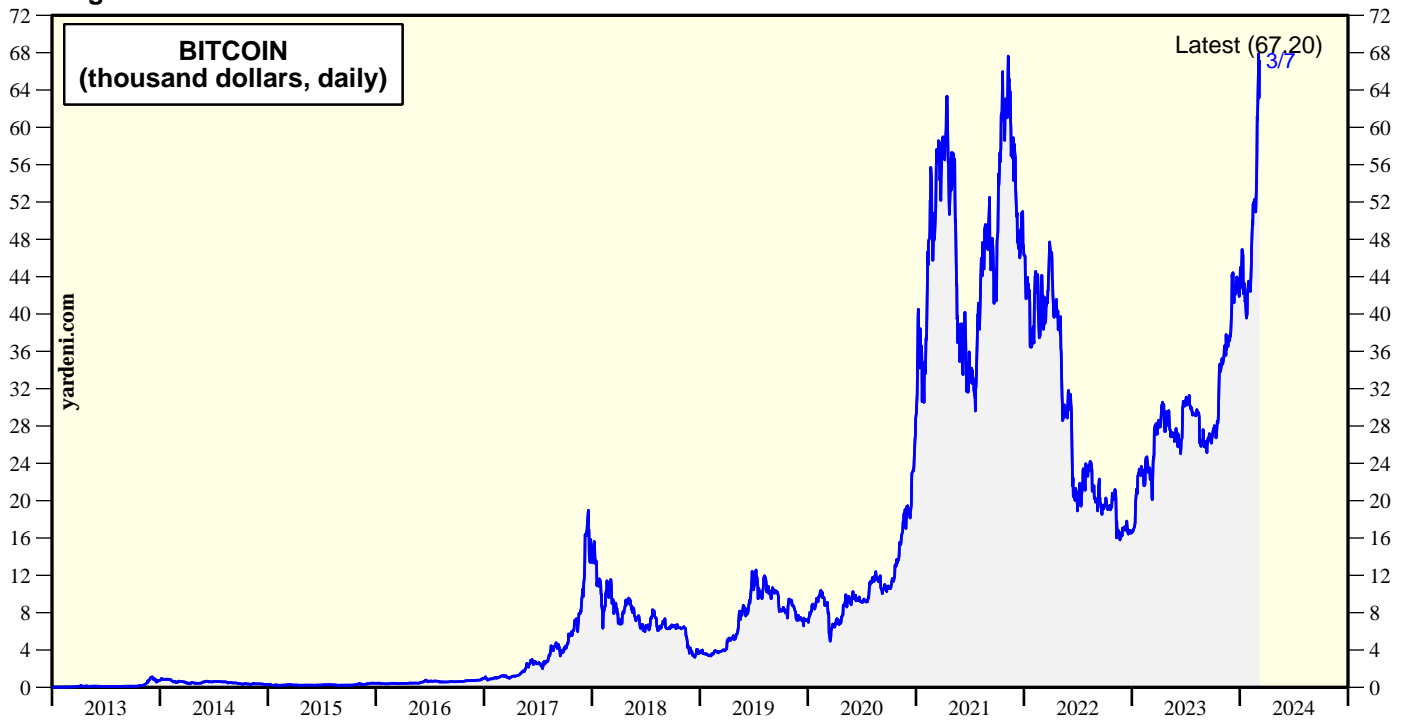
Figure 52.



Source: Federal Reserve Board Financial Accounts of the United States.

# Topical Study #3 Updated Charts

Figure 53.



Source: CoinDesk and Haver Analytics.

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