

Market Briefing: Bond Yield Drivers

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thinking outside the box

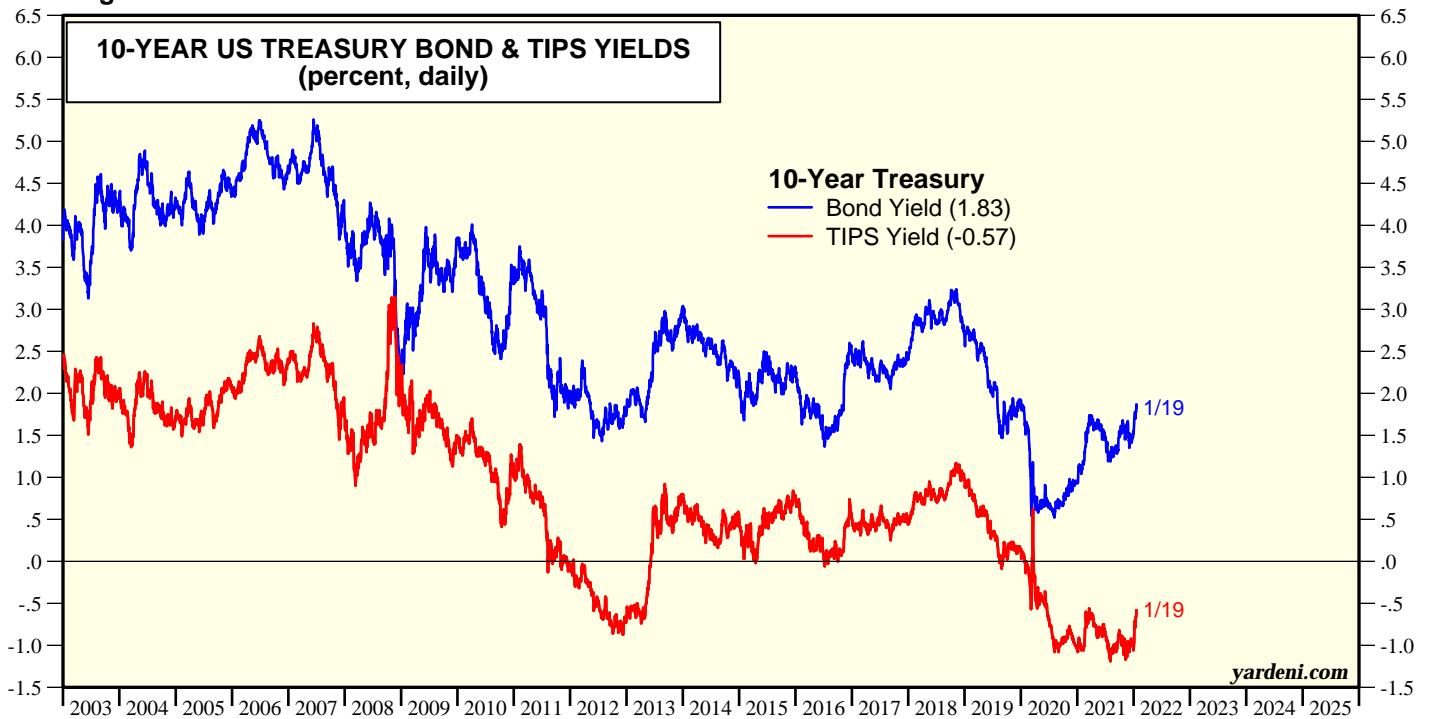
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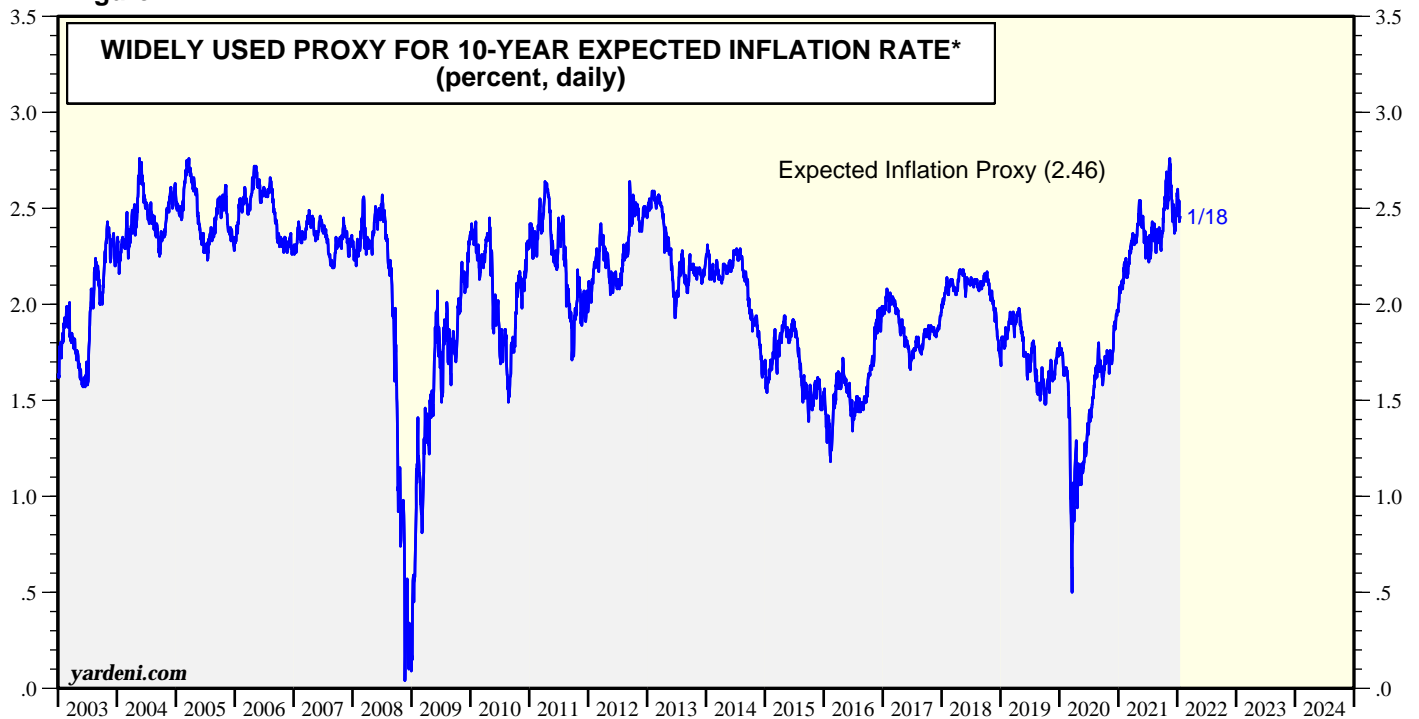
Bond Yield Drivers

Figure 1.



Source: Federal Reserve Board.

Figure 2.



* Nominal 10-year US Treasury bond yield minus 10-year TIPS yield.
 Source: Federal Reserve Board.

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Figure 3.

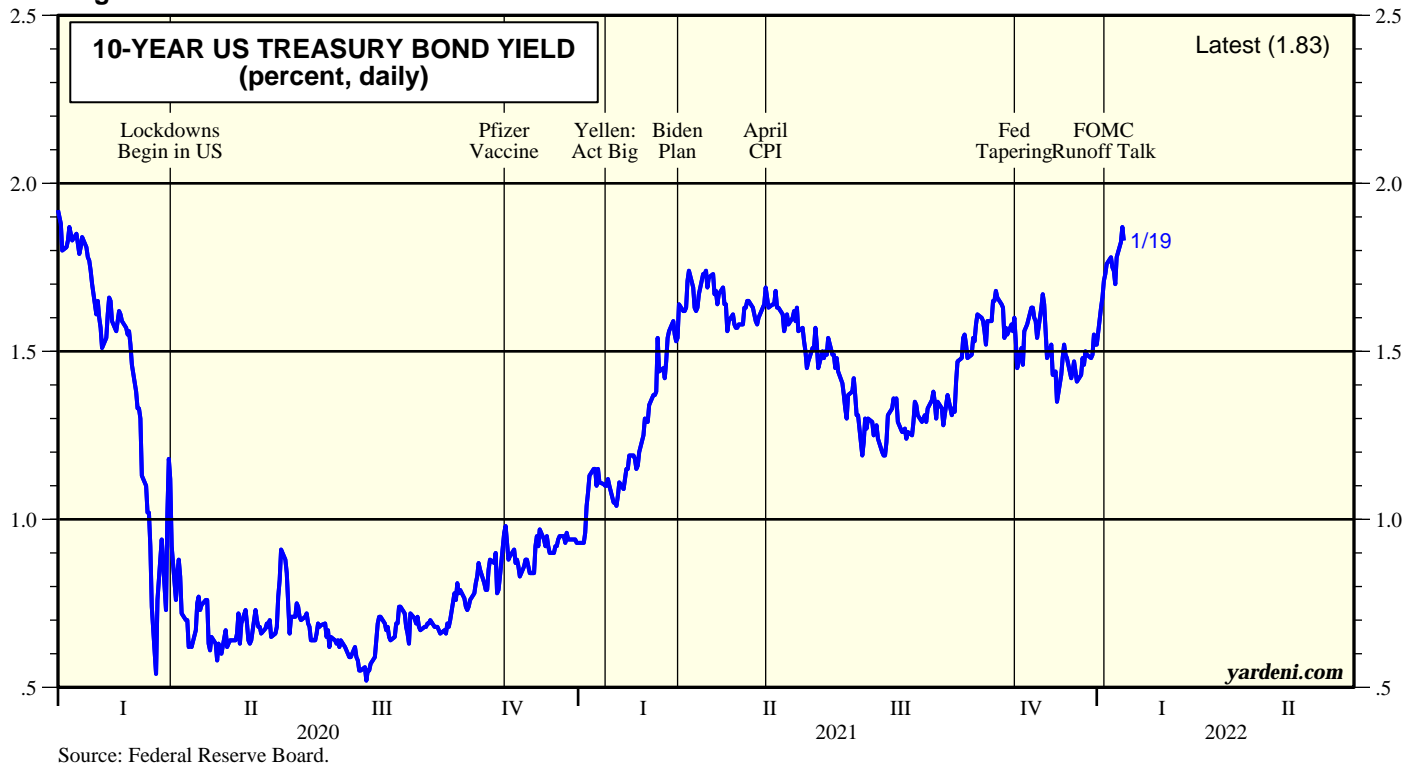
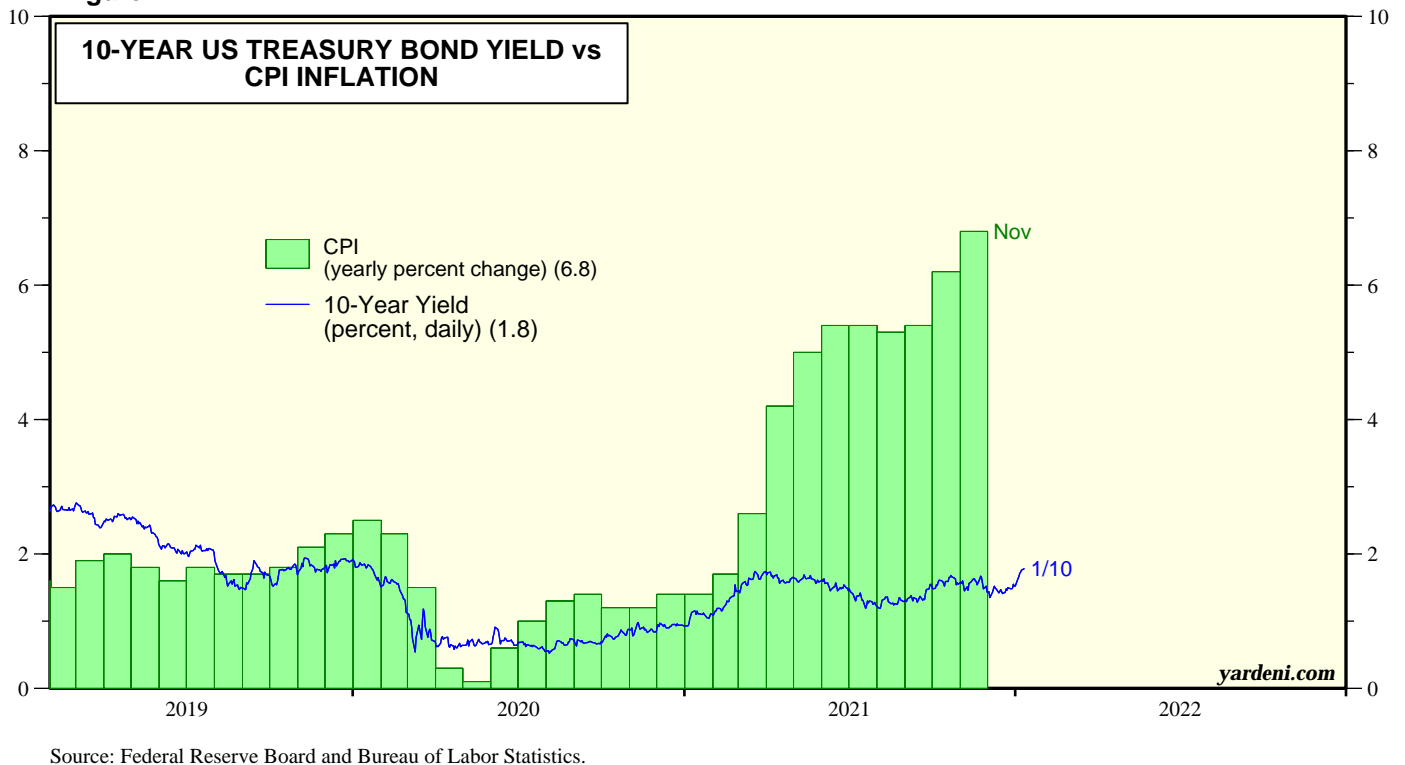
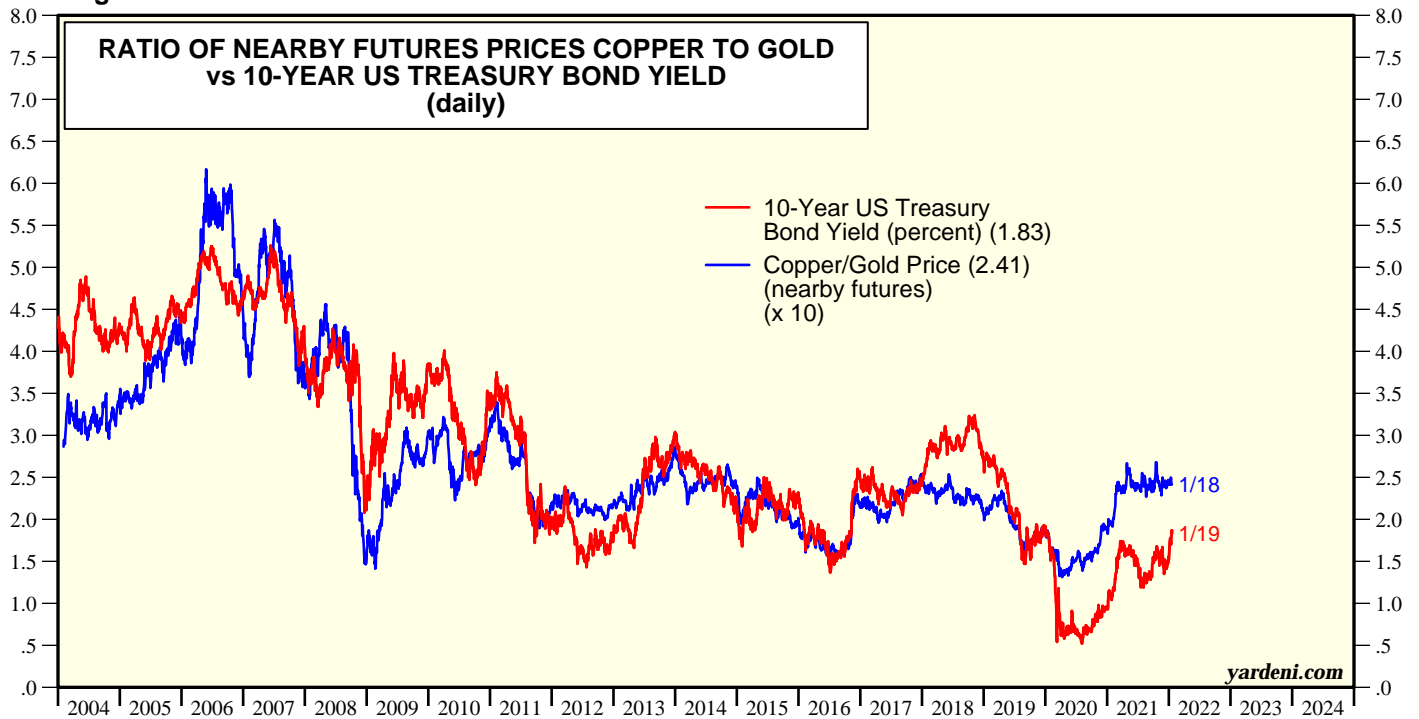


Figure 4.



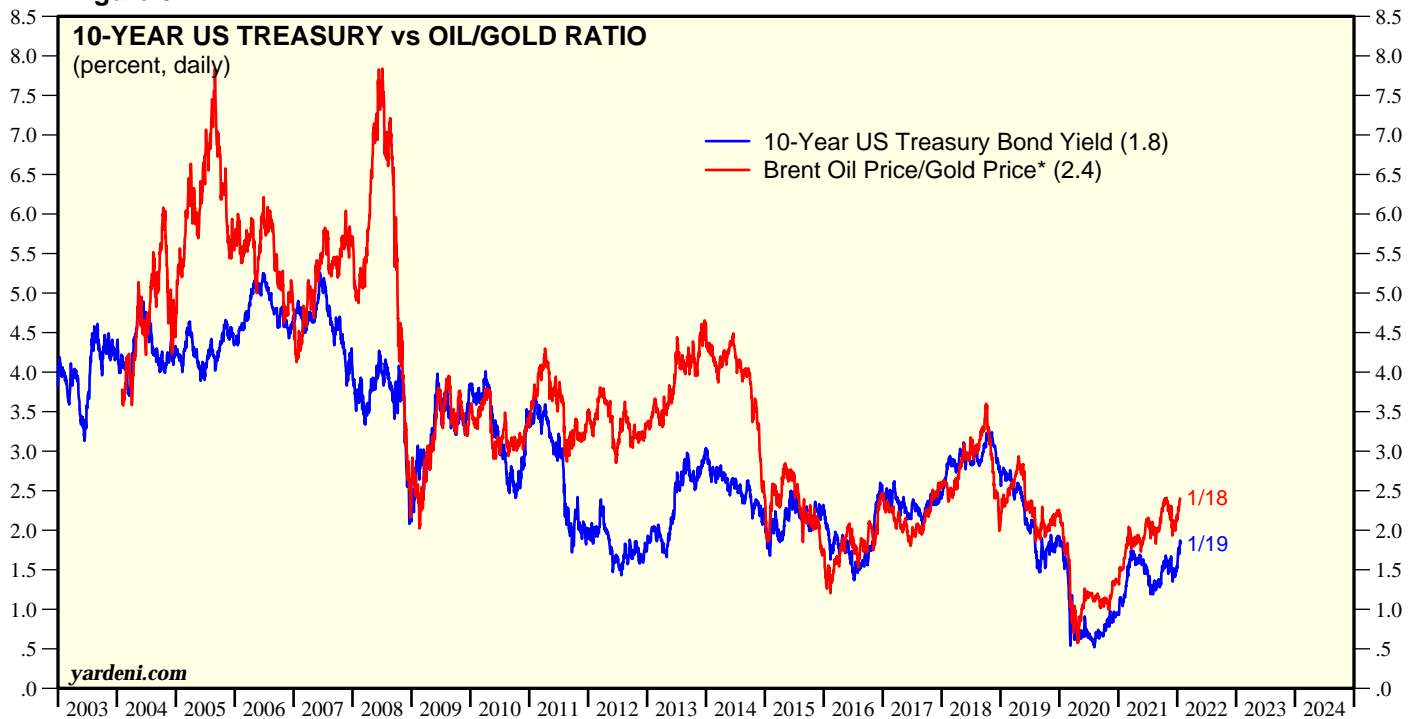
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Figure 5.



Source: Federal Reserve Board and Haver Analytics.

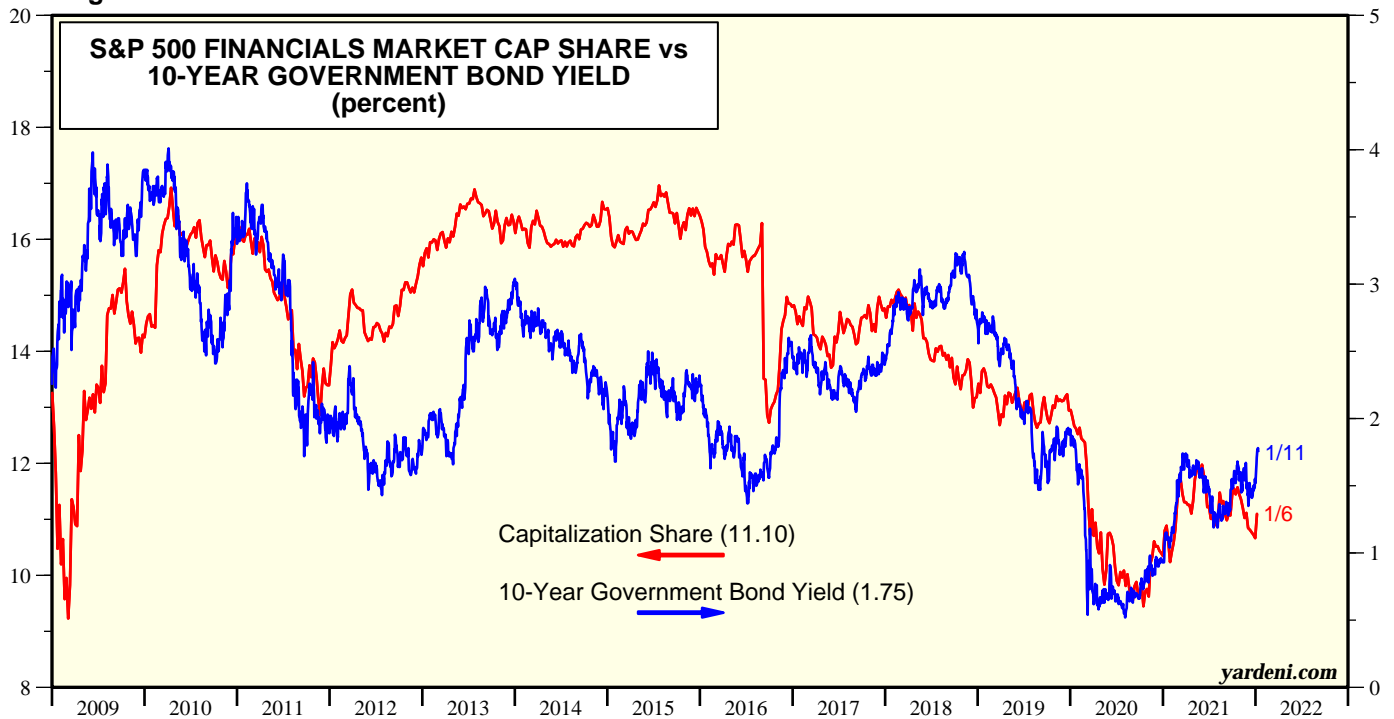
Figure 6.



* Nearby futures prices of Brent crude oil divided by gold multiplied by 50.
Source: Federal Reserve Board and Haver Analytics.

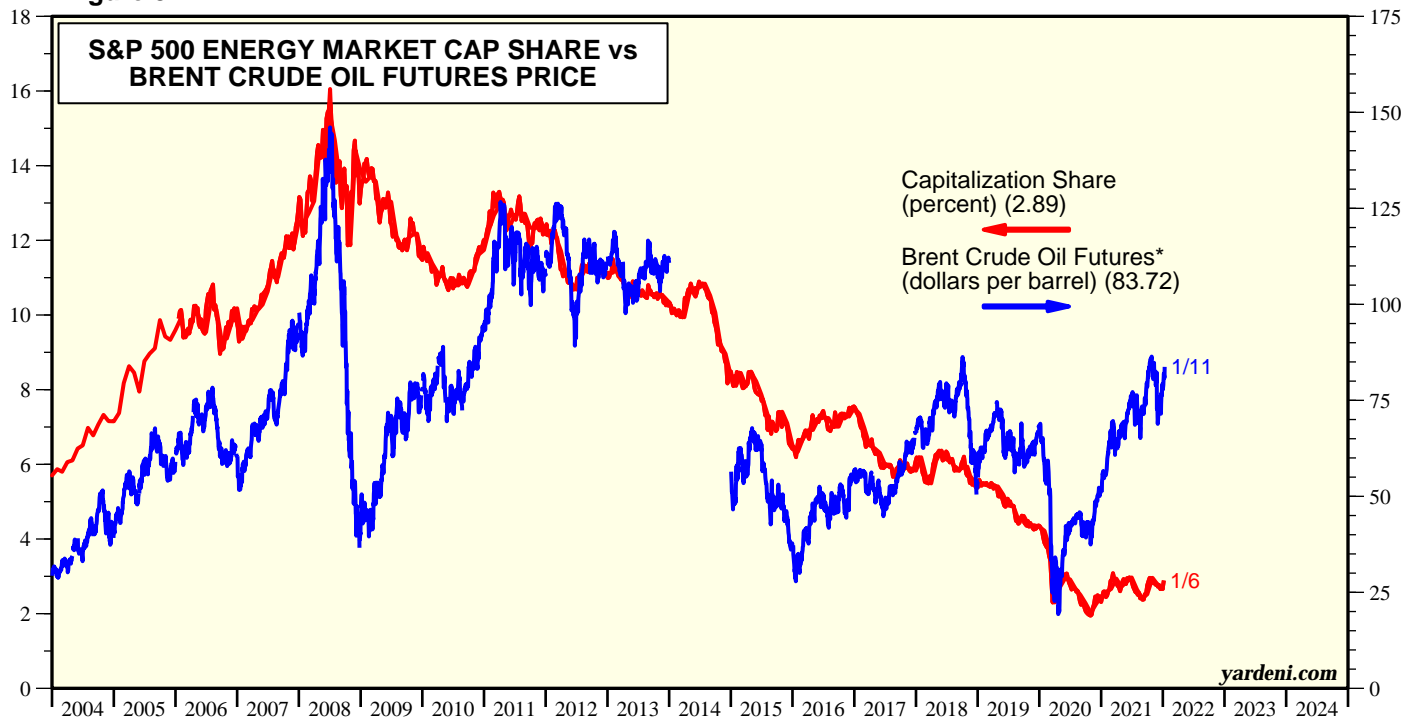
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Figure 7.



Source: I/B/E/S data by Refinitiv and Federal Reserve Board.

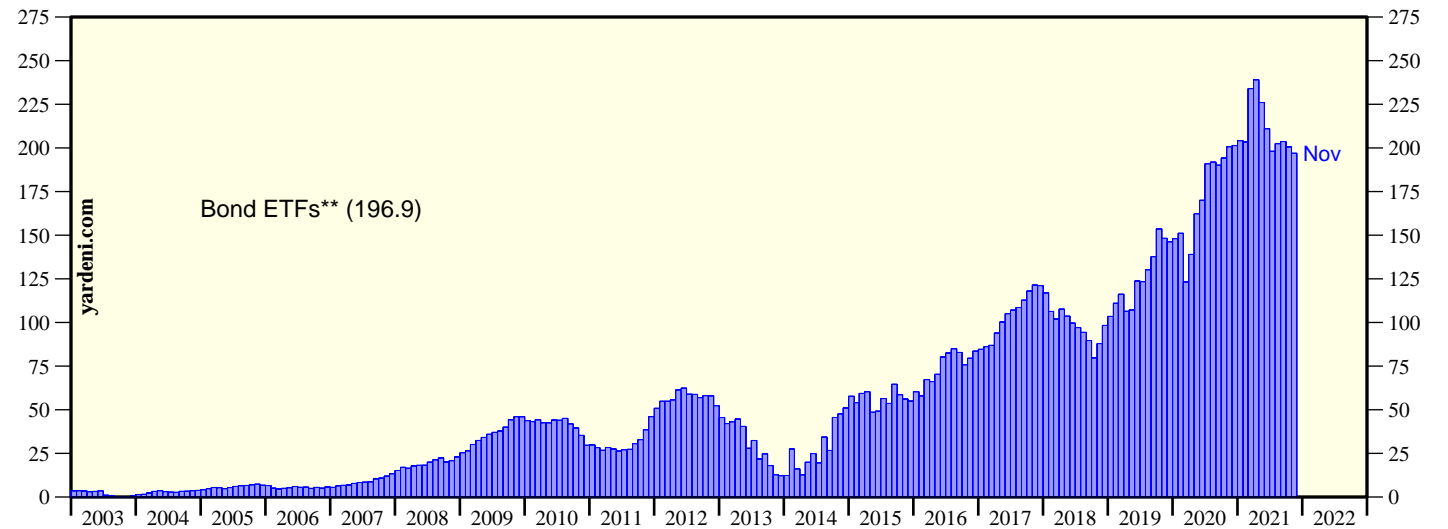
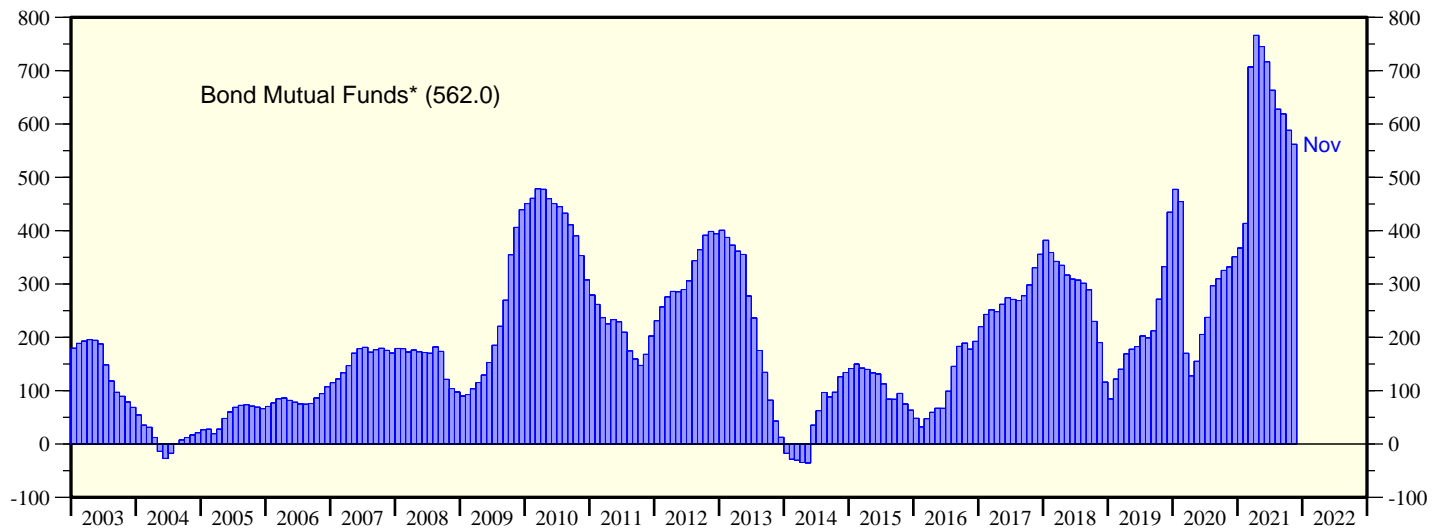
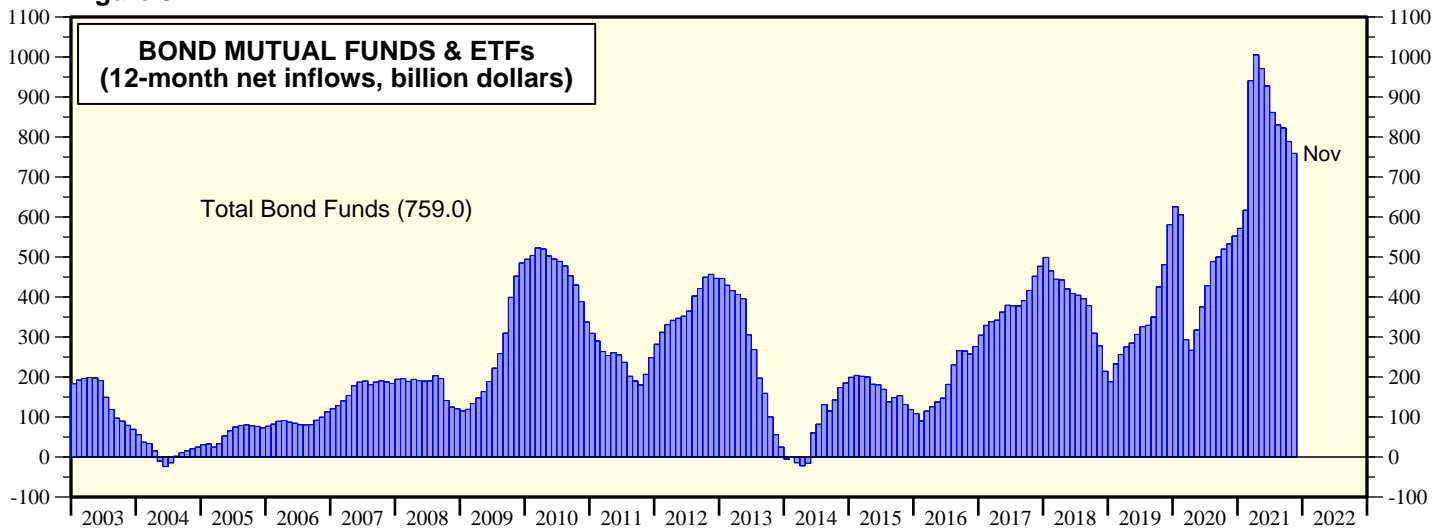
Figure 8.



* Nearby contract.
Source: I/B/E/S data by Refinitiv and Haver Analytics.

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Figure 9.



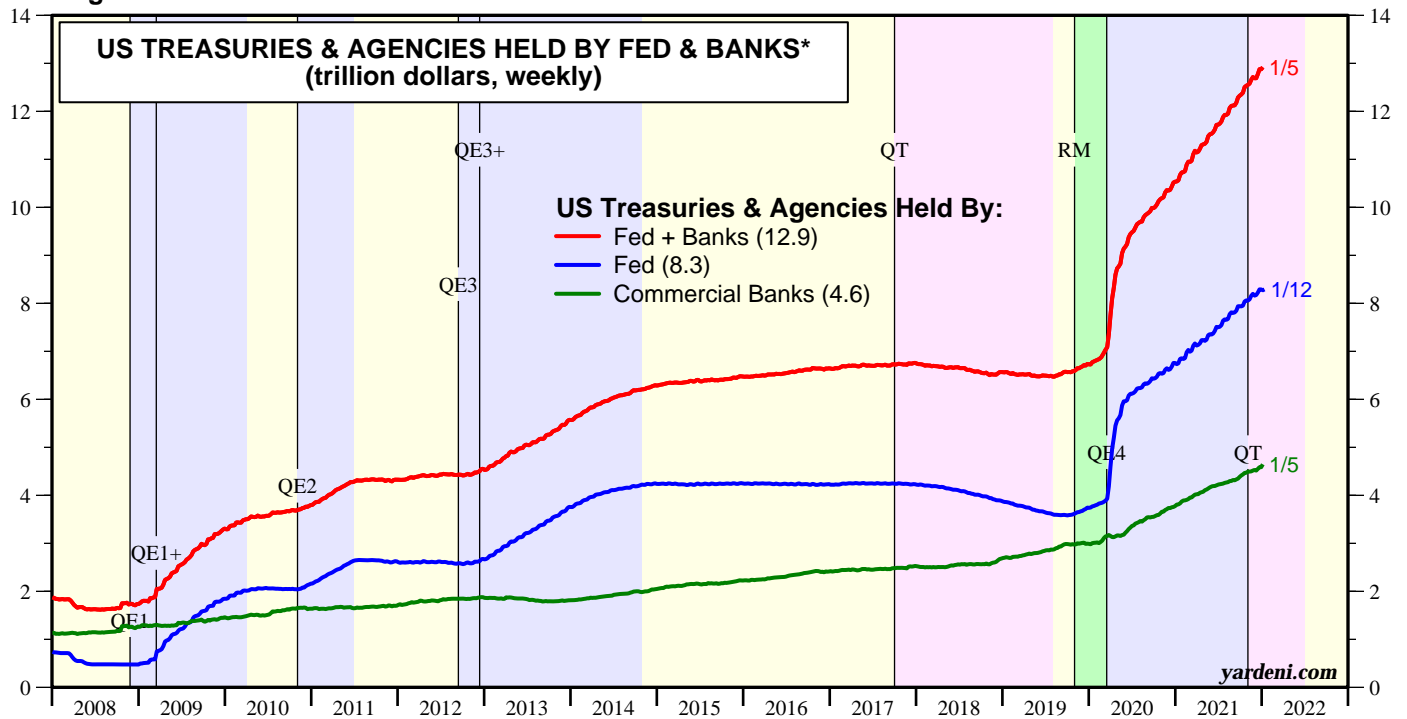
* Net sales (including reinvested dividends) less redemptions plus the net results of fund switches.

** Net share issuance by bond ETFs.

Source: Investment Company Institute.

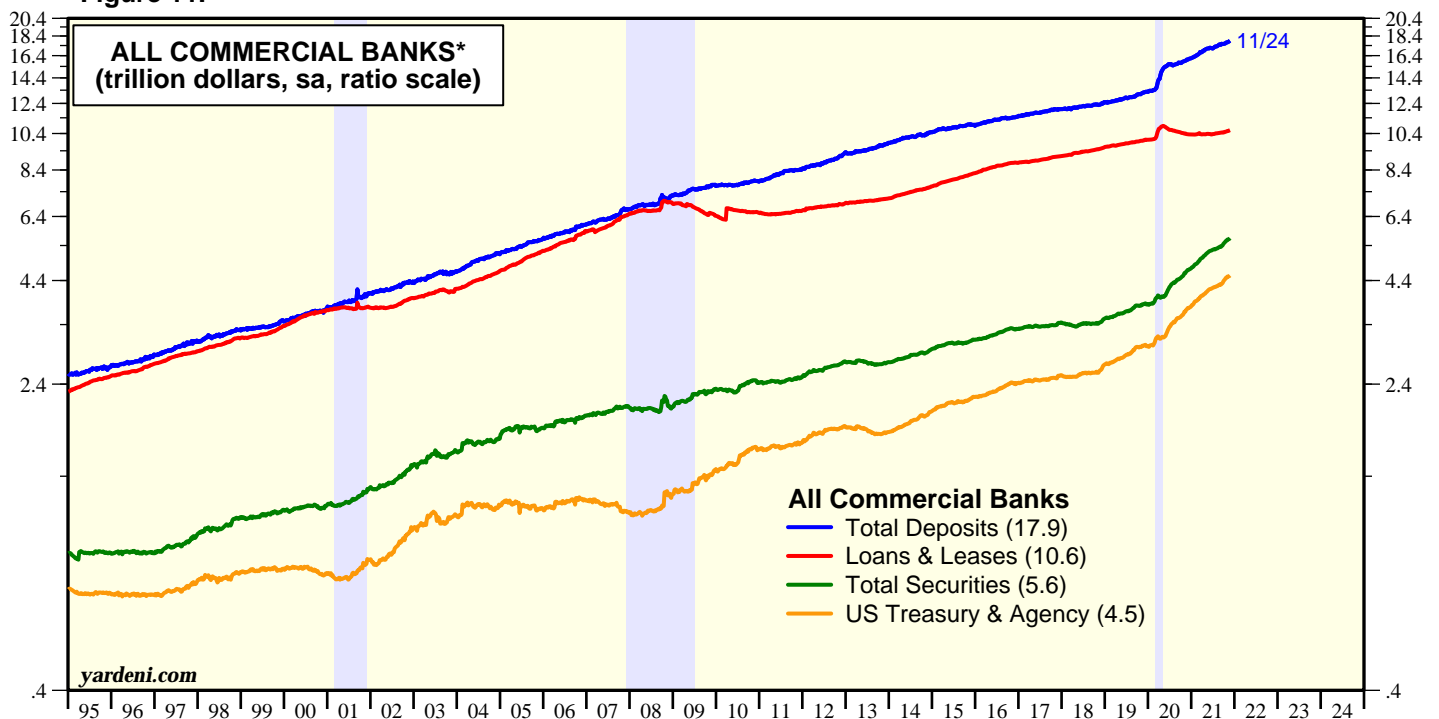
Bond Yield Drivers

Figure 10.



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).
 * Fed data are averages of daily figures for weeks ending Wednesday. Source: Federal Reserve Board.

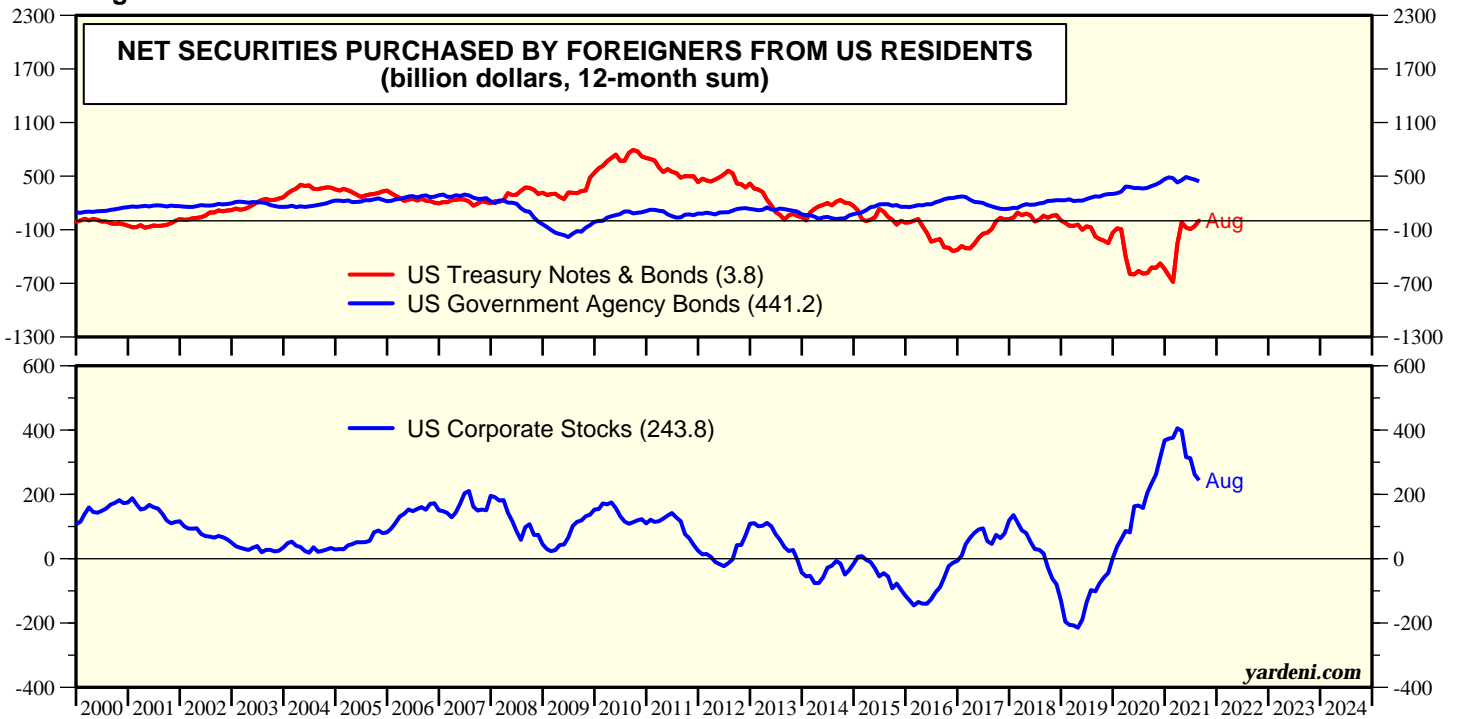
Figure 11.



* Includes domestically chartered commercial banks and foreign-related ones.
 Note: Shaded areas are recessions according to the National Bureau of Economic Research.
 Source: Federal Reserve Board.

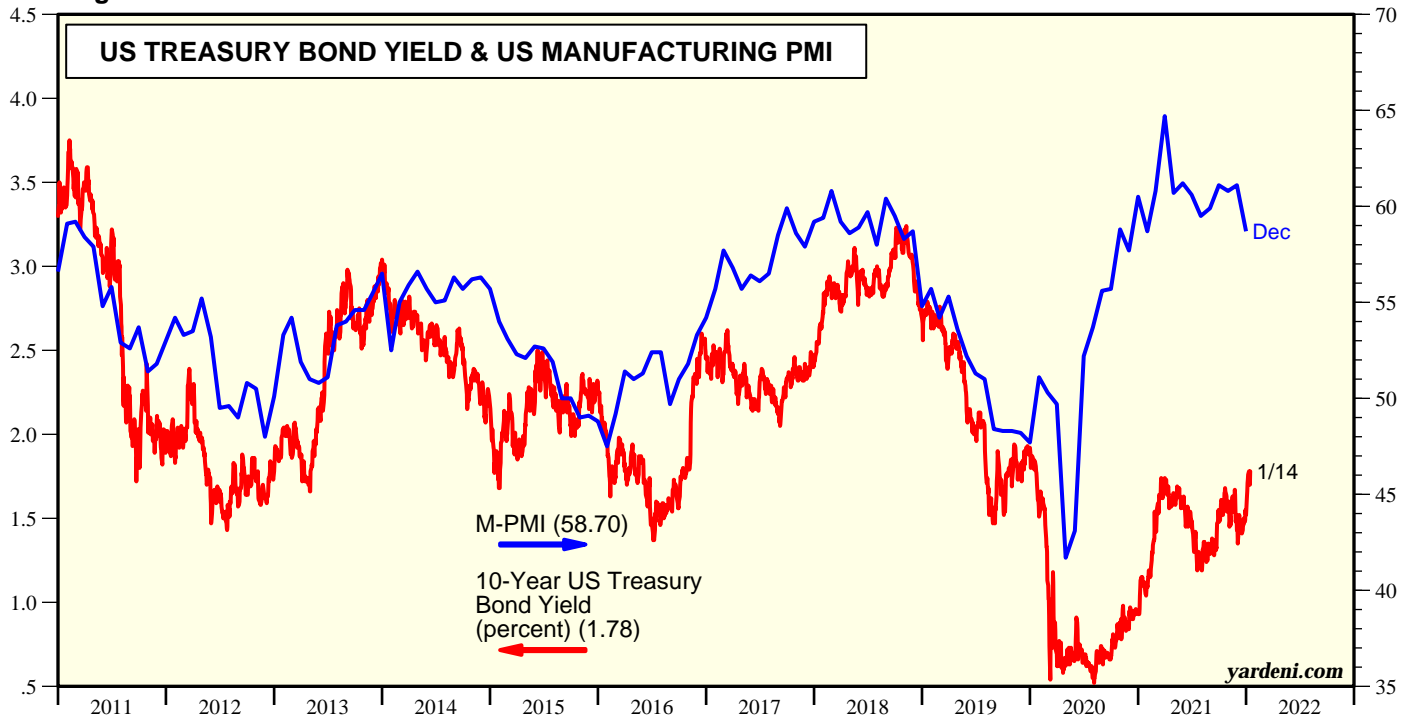
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Figure 12.



Source: US Treasury International Capital System.

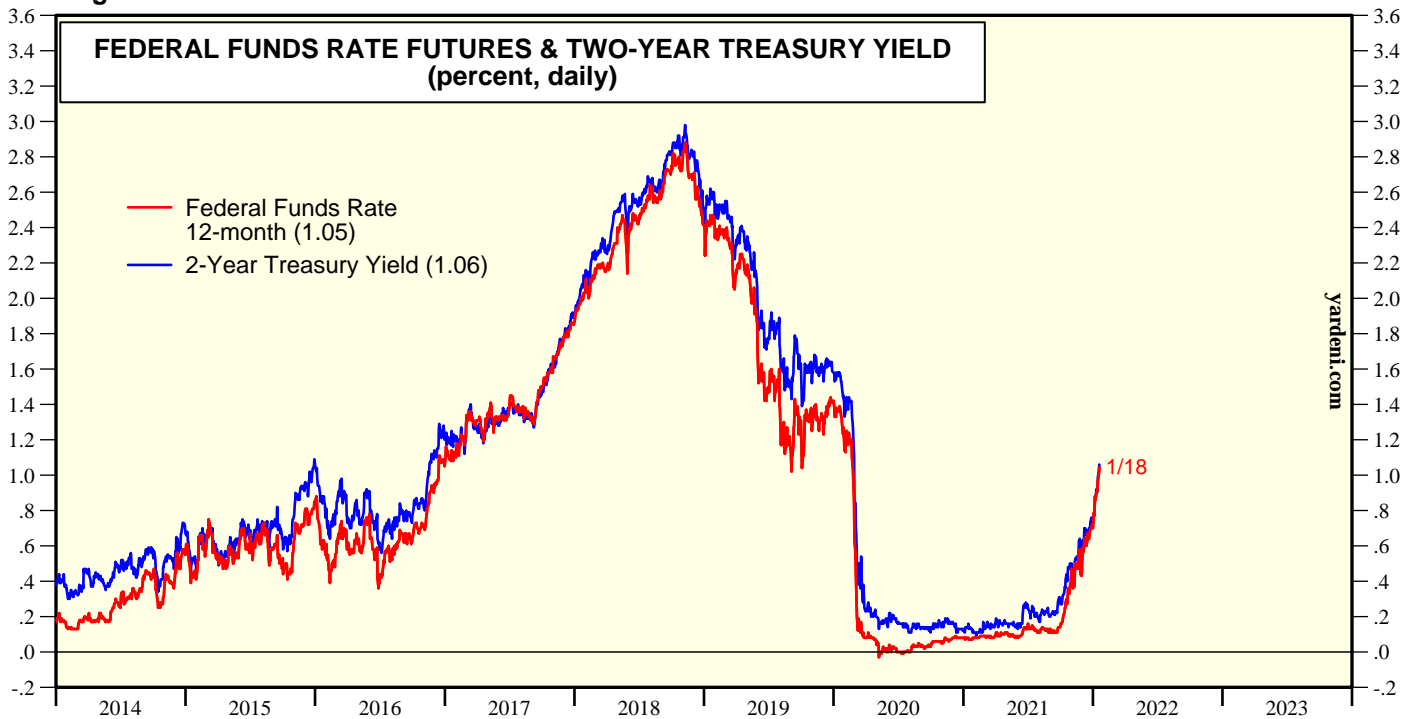
Figure 13.



Source: Federal Reserve Board and Institute for Supply Management.

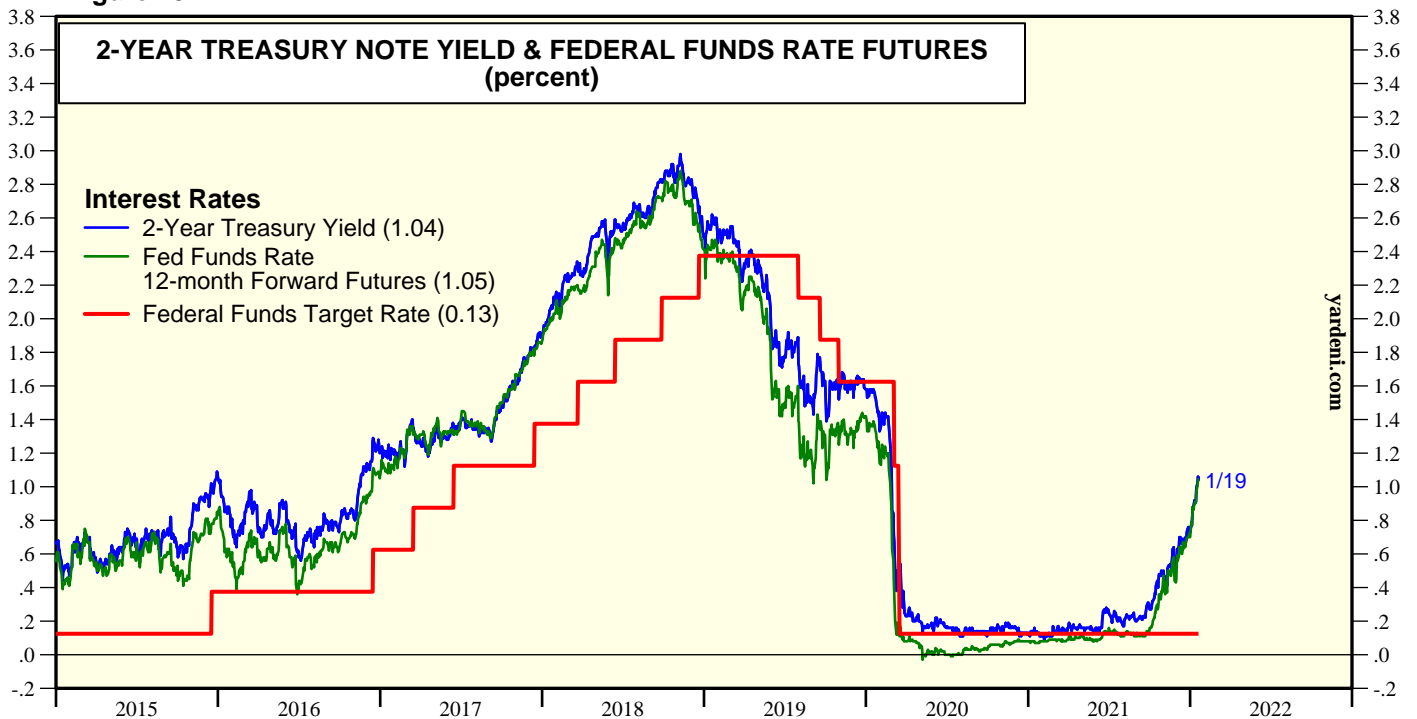
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Figure 14.



Source: Chicago Mercantile Exchange and Federal Reserve Board.

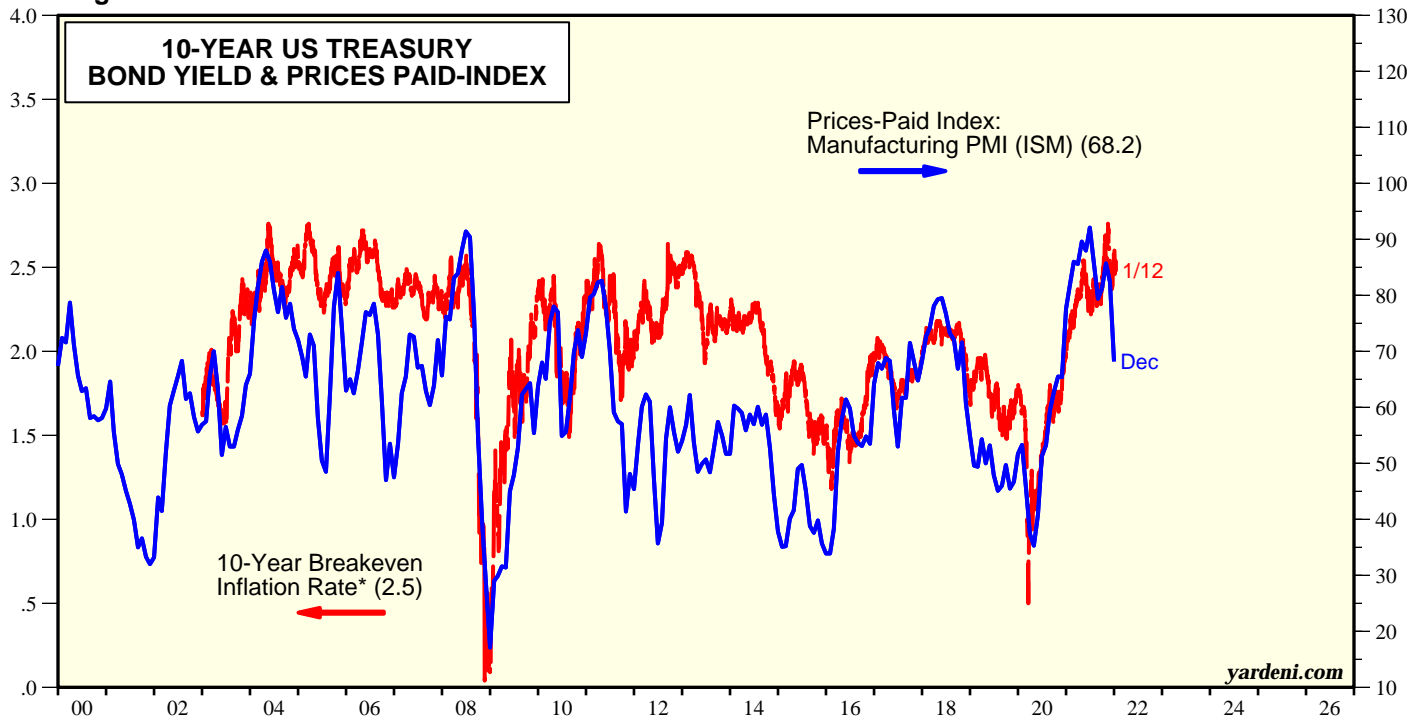
Figure 15.



Source: US Treasury & Chicago Mercantile Exchange.

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Figure 16.



* Ten-year nominal minus Ten-Year TIPs Rate.
Source: Federal Reserve Board and Institute of Supply Management.

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