

# Market Briefing: Federal Funds Rate

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*July 25, 2017*

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*thinking outside the box*

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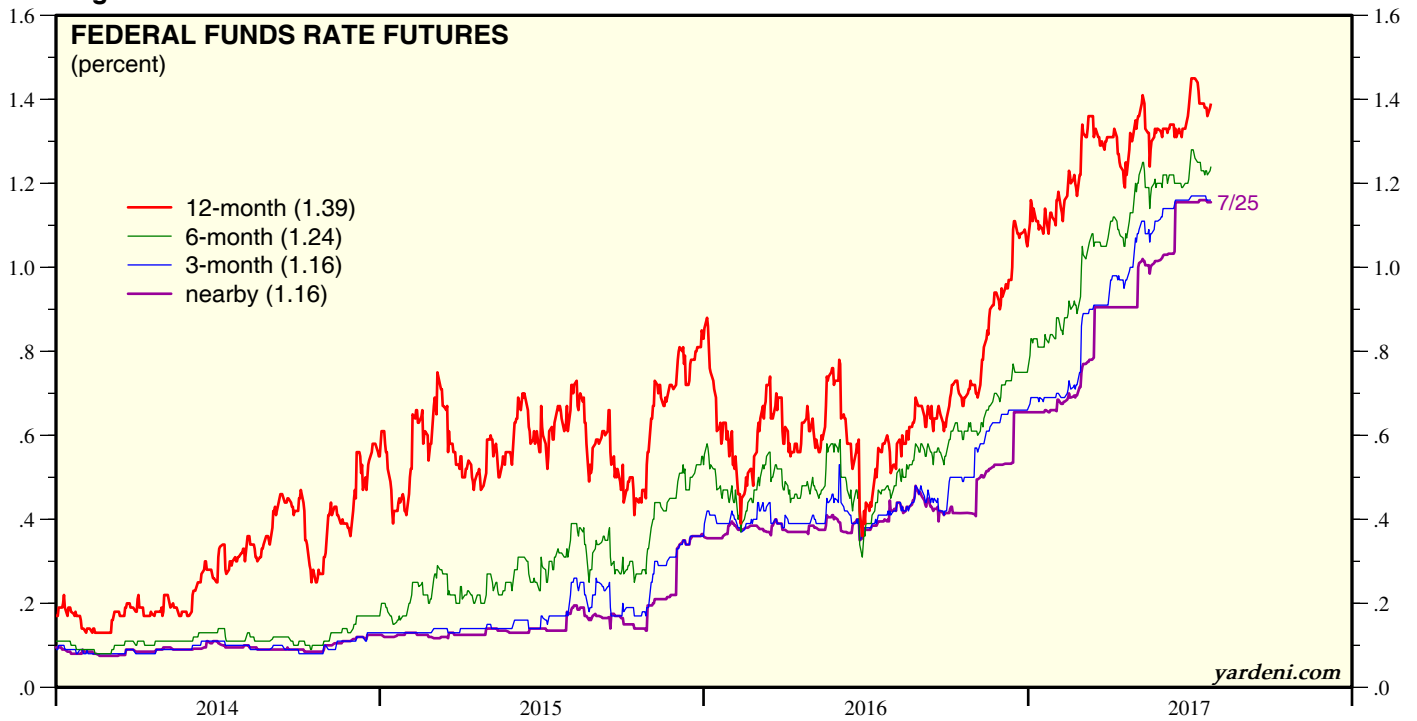
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# Federal Funds Rate Futures

Figure 1.



Source: Chicago Mercantile Exchange.

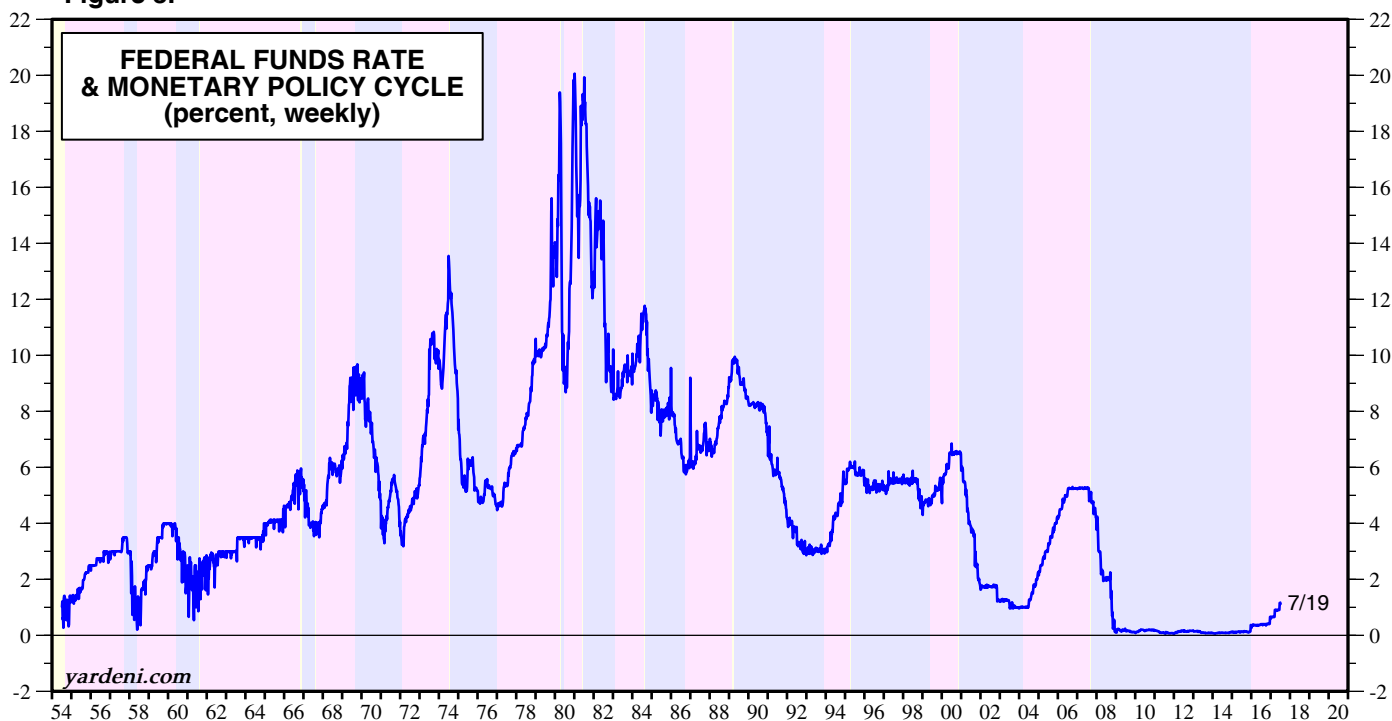
Figure 2.



Source: Chicago Mercantile Exchange.

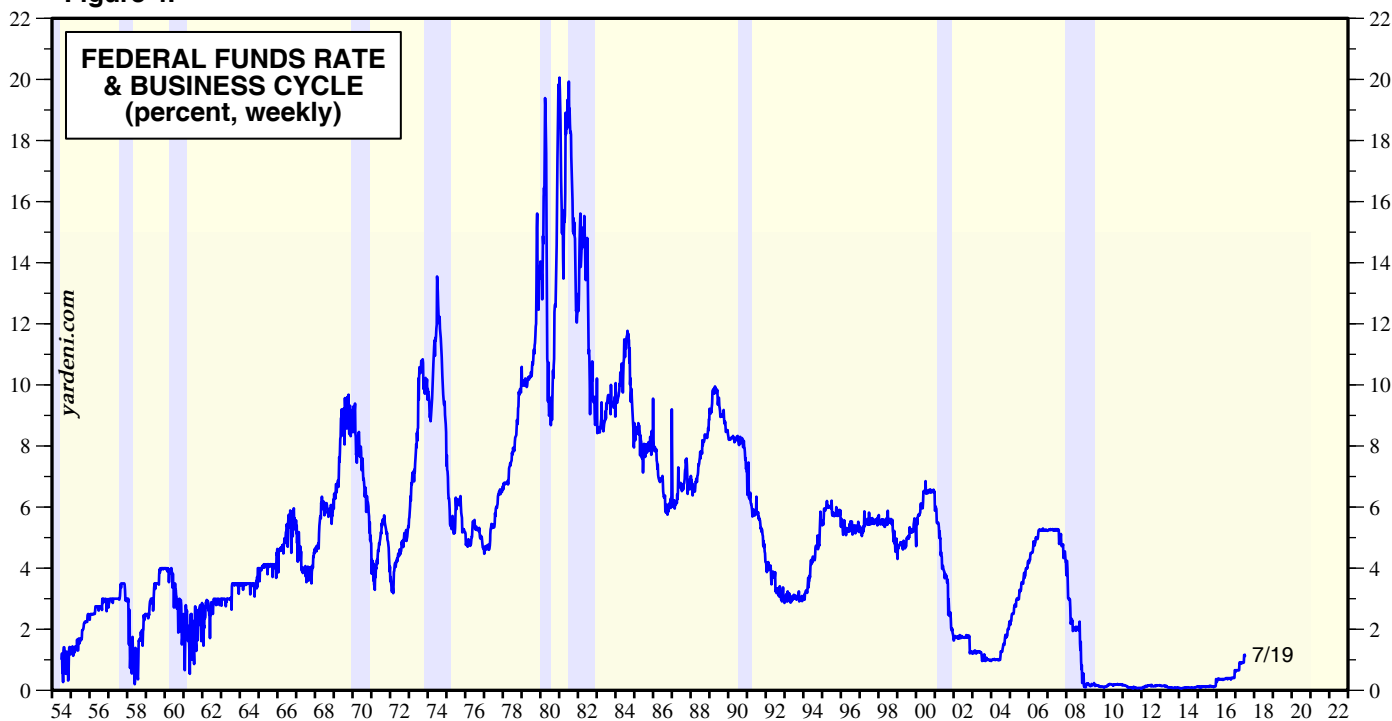
# Federal Funds Rate

Figure 3.



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.

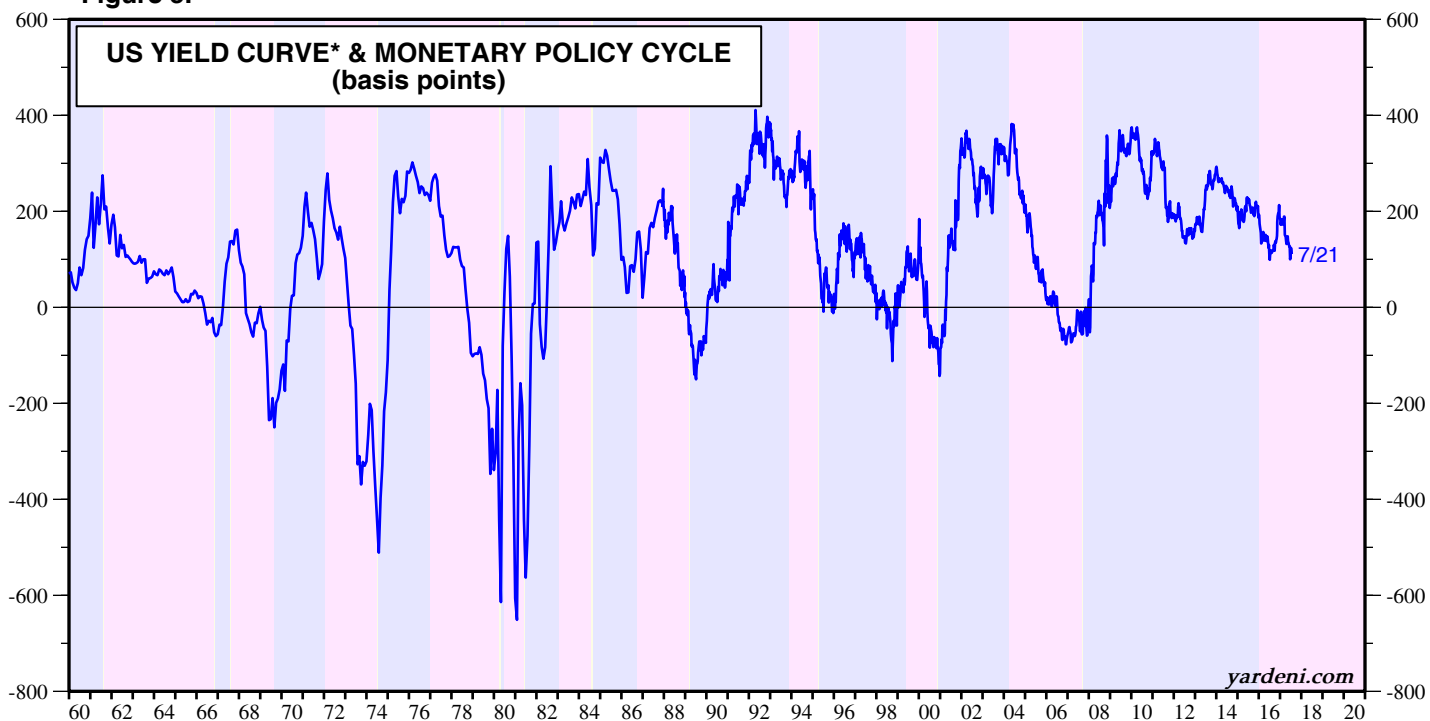
Figure 4.



Note: Shaded areas denote recessions according to the National Bureau of Economic Research.  
Source: Federal Reserve Board.

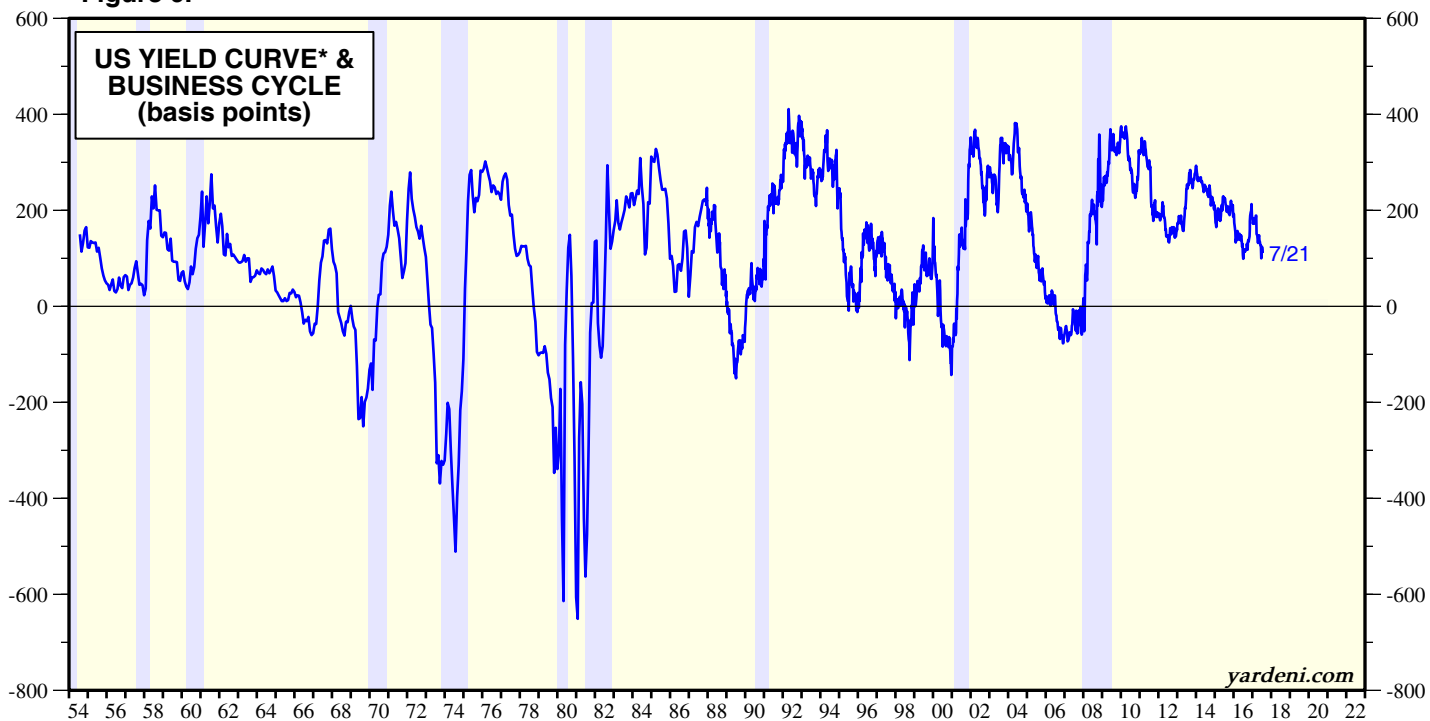
# Yield Curve

Figure 5.



\* 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.

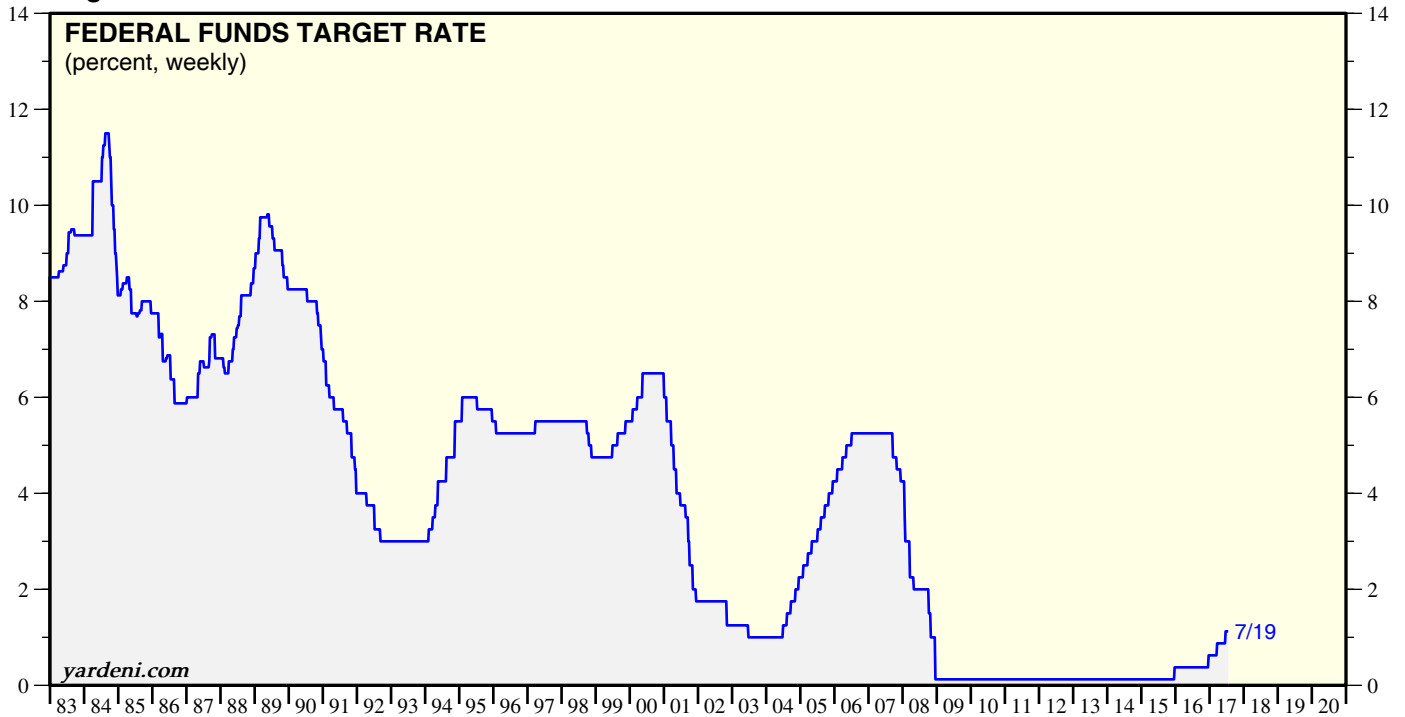
Figure 6.



\* 10-year Treasury yield less federal funds rate. Monthly through 1987, then weekly.  
 Note: Shaded areas denote recessions according to the National Bureau of Economic Research.  
 Source: Board of Governors of the Federal Reserve Board.

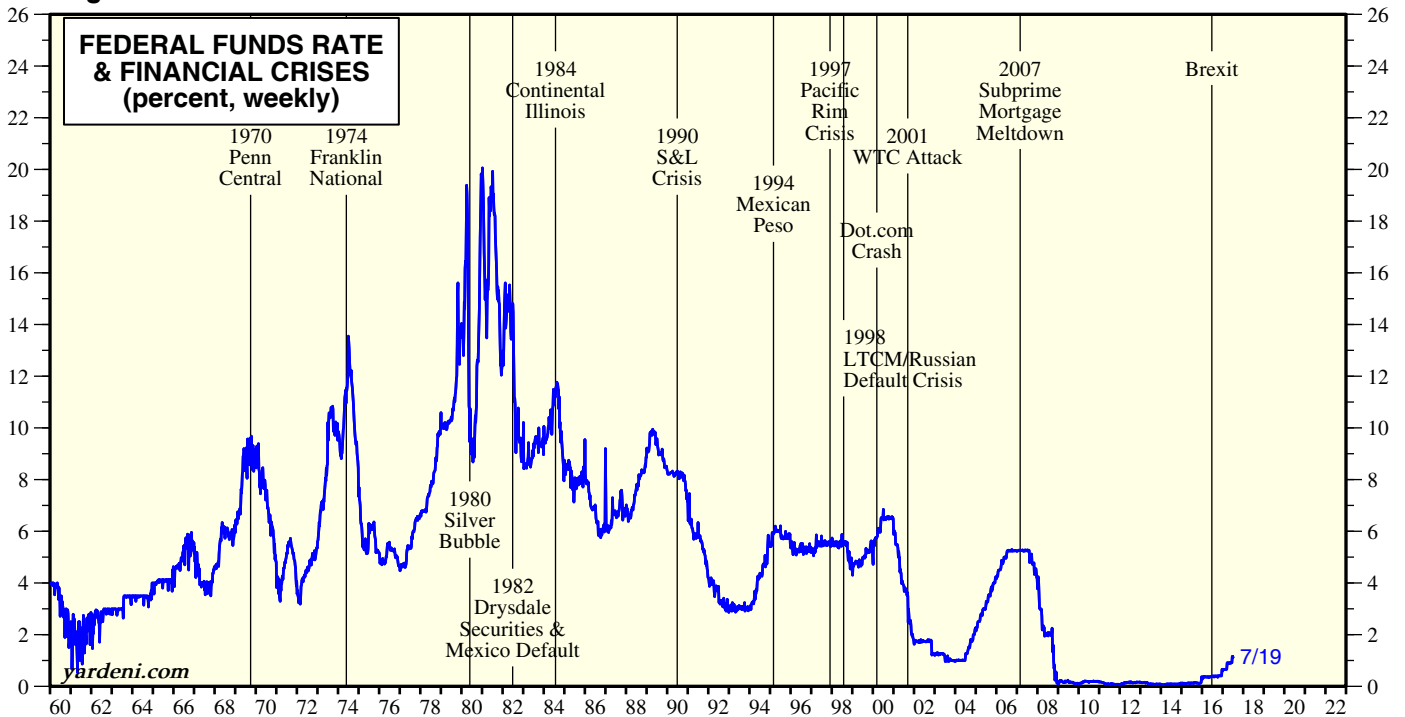
# Federal Funds Rate

Figure 7.



Source: Federal Reserve Board.

Figure 8.



Source: Federal Reserve Board.

# 10-Year Treasury Yield

Figure 9.

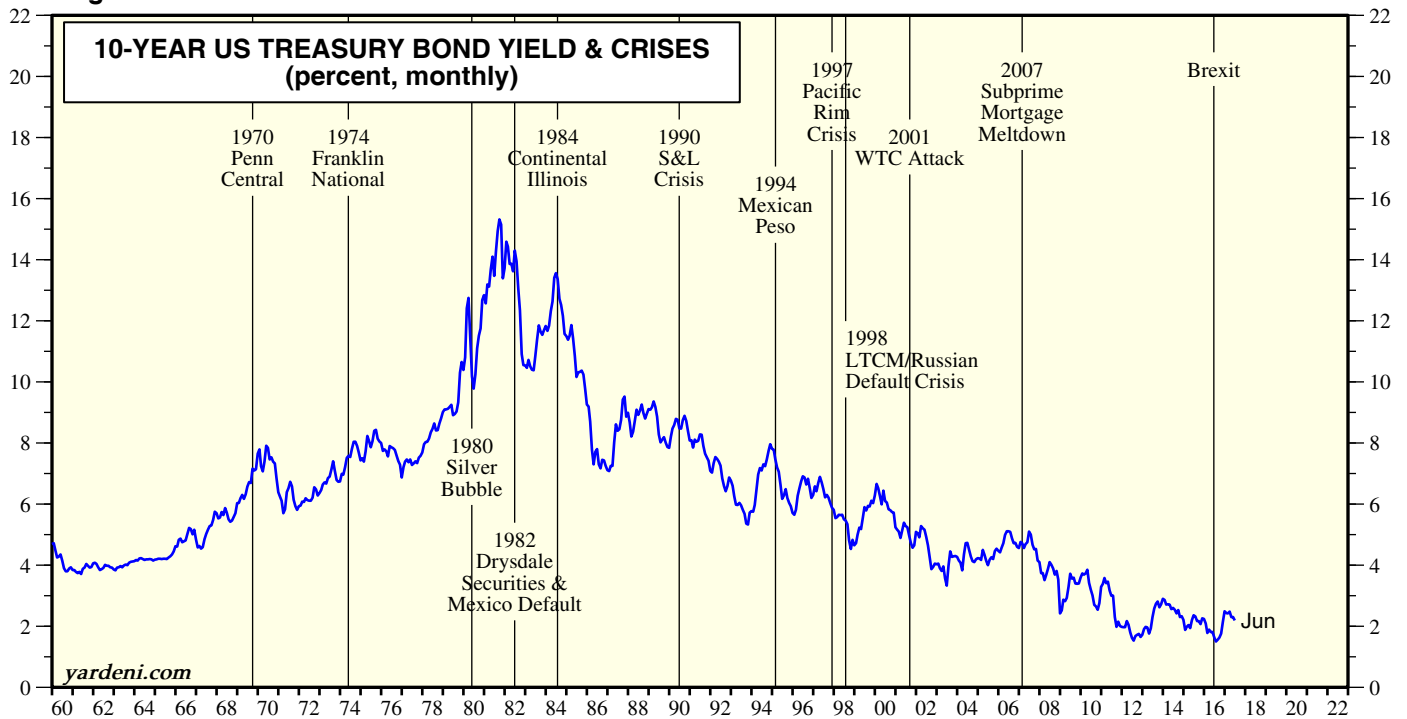
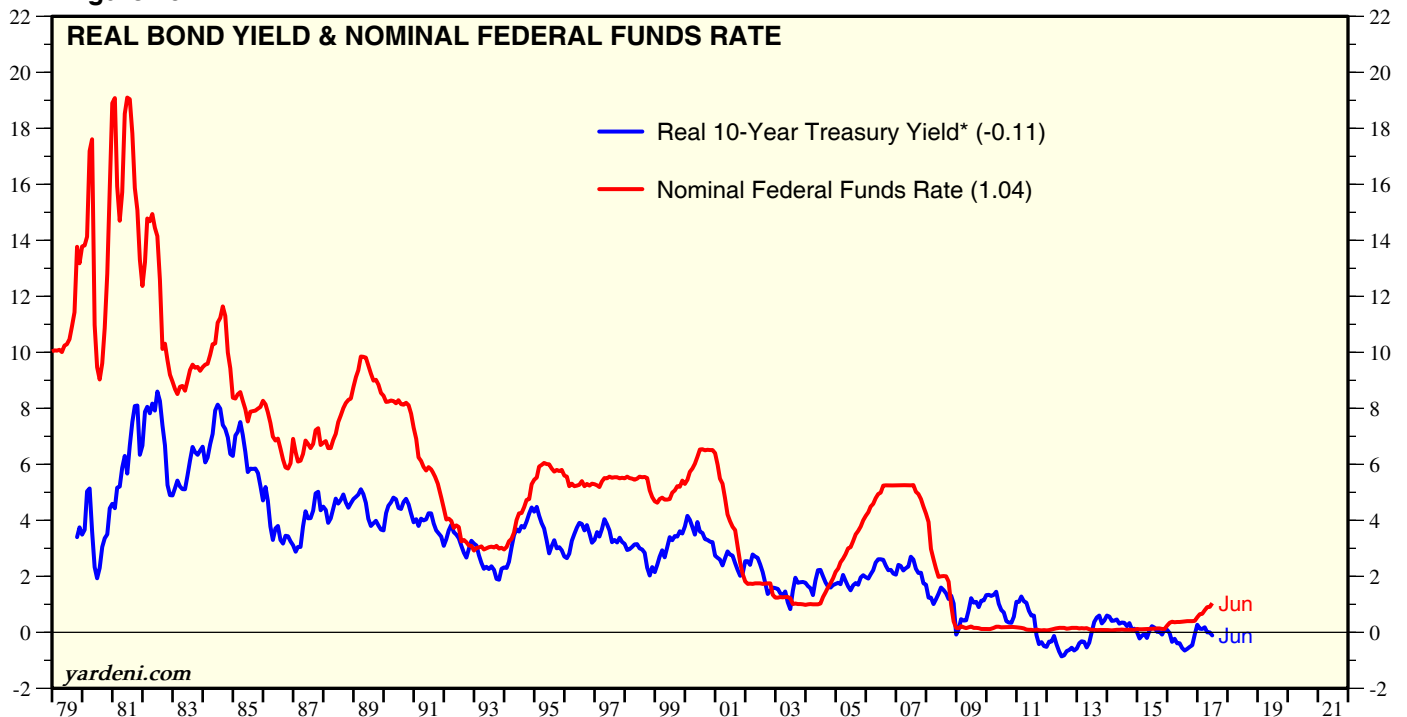


Figure 10.



\* US Treasury 10-year bond yield minus median forecast of year-over-year CPI inflation rate over the next 10 years using Philadelphia Fed Survey of Professional Forecasters data (monthly series interpolated from quarterly data starting as two quarters per year during Q4-1979 until Q4-1991 when the data continue with four quarters a year).  
 Source: Federal Reserve Board, US Treasury, Thomson Reuters I/B/E/S, and Federal Reserve Bank of Philadelphia.

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