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Crises Cycles

Figure 1.

FEDERAL FUNDS RATE & FINANCIAL CRISES
(percent, 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 2.

US TREASURY 10-YEAR BOND YIELD
(percent, 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 3.

FEDERAL FUNDS RATE & MONETARY POLICY CYCLE (percent, 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. Monthly through 1986, then weekly.
Source: Federal Reserve Board.

Figure 4.

US TREASURY 10-YEAR BOND YIELD & MONETARY POLICY CYCLE (percent, 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. Monthly through 1986, then weekly.
Source: Federal Reserve Board.
**US YIELD CURVE* & MONETARY POLICY CYCLE**  
(basis points, weekly)  

* 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.

**YIELD SPREAD CORPORATE & TREASURY 10-YEAR BONDS**  
(basis points, monthly)  

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.  
Source: Federal Reserve Board.
S&P 500 & MONETARY POLICY CYCLE
(monthly, ratio scale)

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. Business cycle peaks (P) and troughs (T) according to the National Bureau of Economic Research.
Source: Standard & Poor’s.

S&P 500 Reported Trailing P/E
1960-1978

S&P 500 Forward P/E*
1979-present

* S&P 500 divided by year-ahead forward consensus expected operating earnings per share. Monthly through April 1994, 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. Business cycle peaks (P) & troughs (T) according to the National Bureau of Economic Research.
Source: I/B/E/S data by Refinitiv and Standard & Poor’s.
**Figure 9.**

Resource Utilization

* 100 minus unemployment 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: Bureau of Labor Statistics and Federal Reserve Board.

**Figure 10.**

Resource Utilization Rate* & Monetary Policy Cycle (percent)

* Average of all industries’ capacity utilization rate plus employment rate, i.e., percentage of labor force that is employed.
  
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: Bureau of Labor Statistics and Federal Reserve Board.
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: The Conference Board.
Consumer Price Index

Figure 13.

CONSUMER PRICE INDEX (yearly percent change)

- Blue line: Consumer Price Index (1.6)
- Red line: Ex Food & Energy (2.1)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Figure 14.

CONSUMER PRICE INDEX & MONETARY POLICY CYCLE (yearly percent change)

- Blue line: Consumer Price Index (1.6)
- Red line: Ex Food & Energy (2.1)

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.
Figure 15.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research. Source: Bureau of Labor Statistics.

Figure 16.

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: Bureau of Labor Statistics.
Figure 17. Unemployment Rate & S&P 500

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: Bureau of Labor Statistics and Federal Reserve Board.

Figure 18. S&P 500 & MONETARY POLICY CYCLE (weekly, ratio scale)

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: Standard & Poor’s and Federal Reserve Board.
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