

Market Briefing: Financial Crises

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thinking outside the box

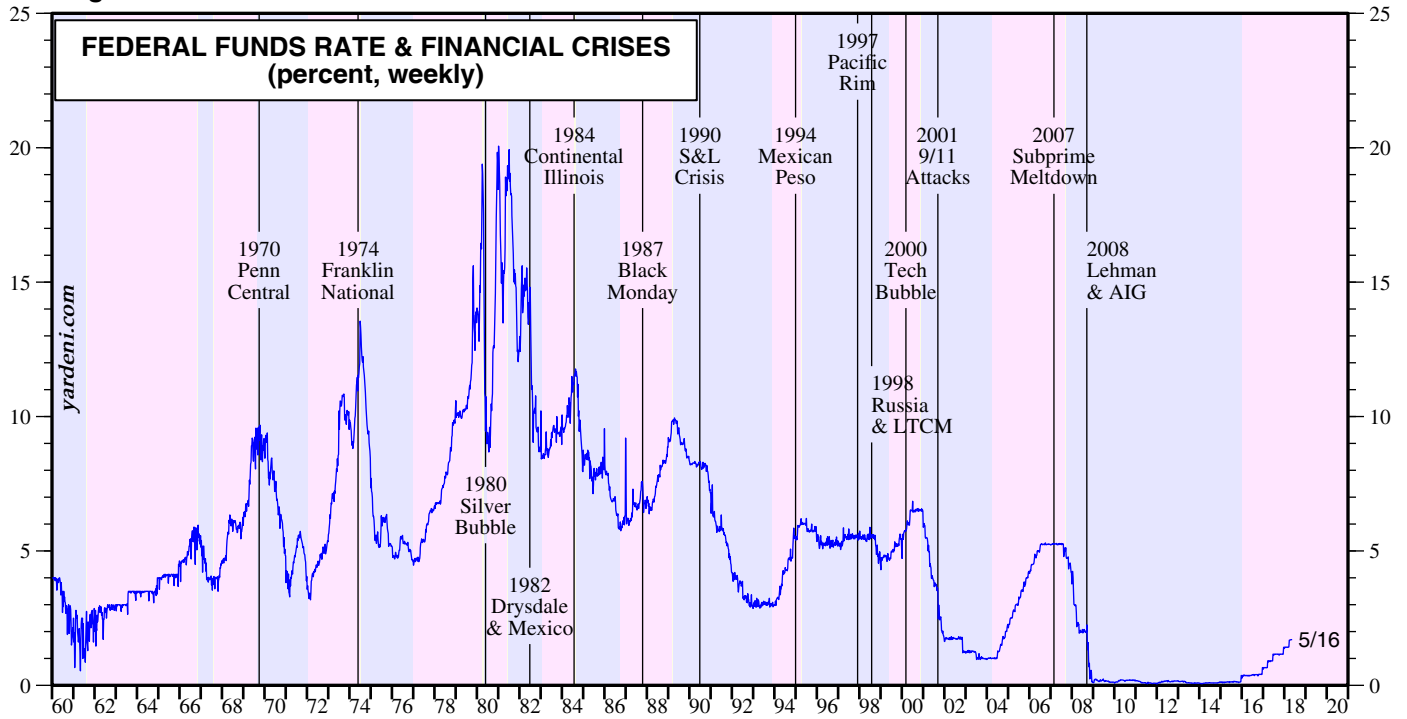
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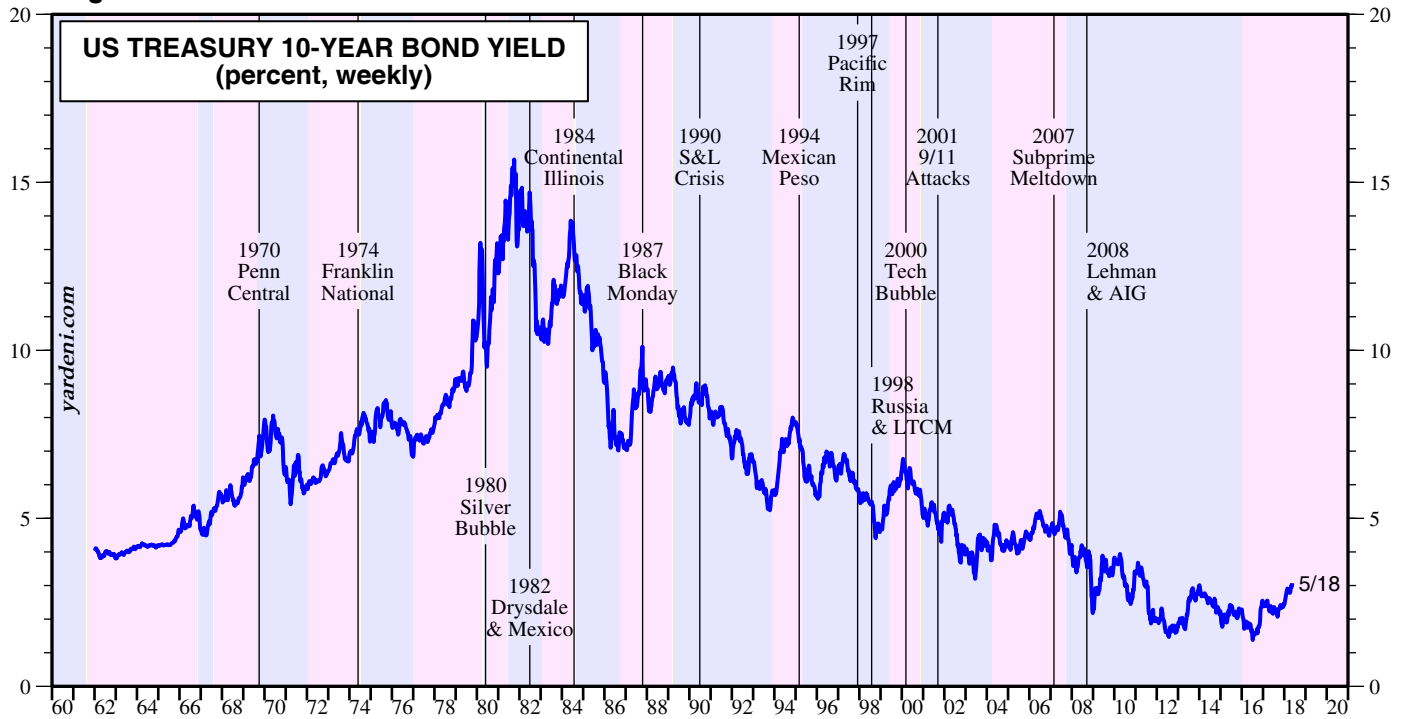
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Figure 1.



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.
Source: Federal Reserve Board.

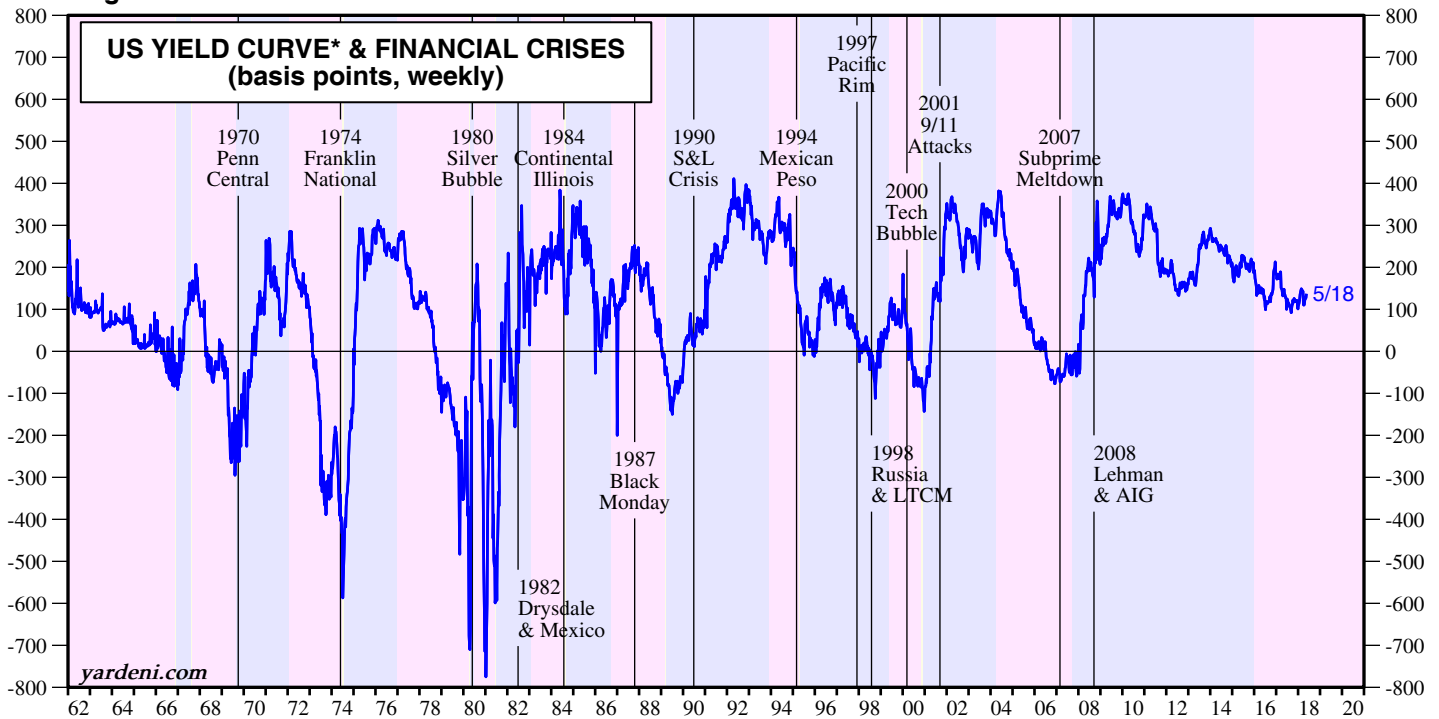
Figure 2.



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.

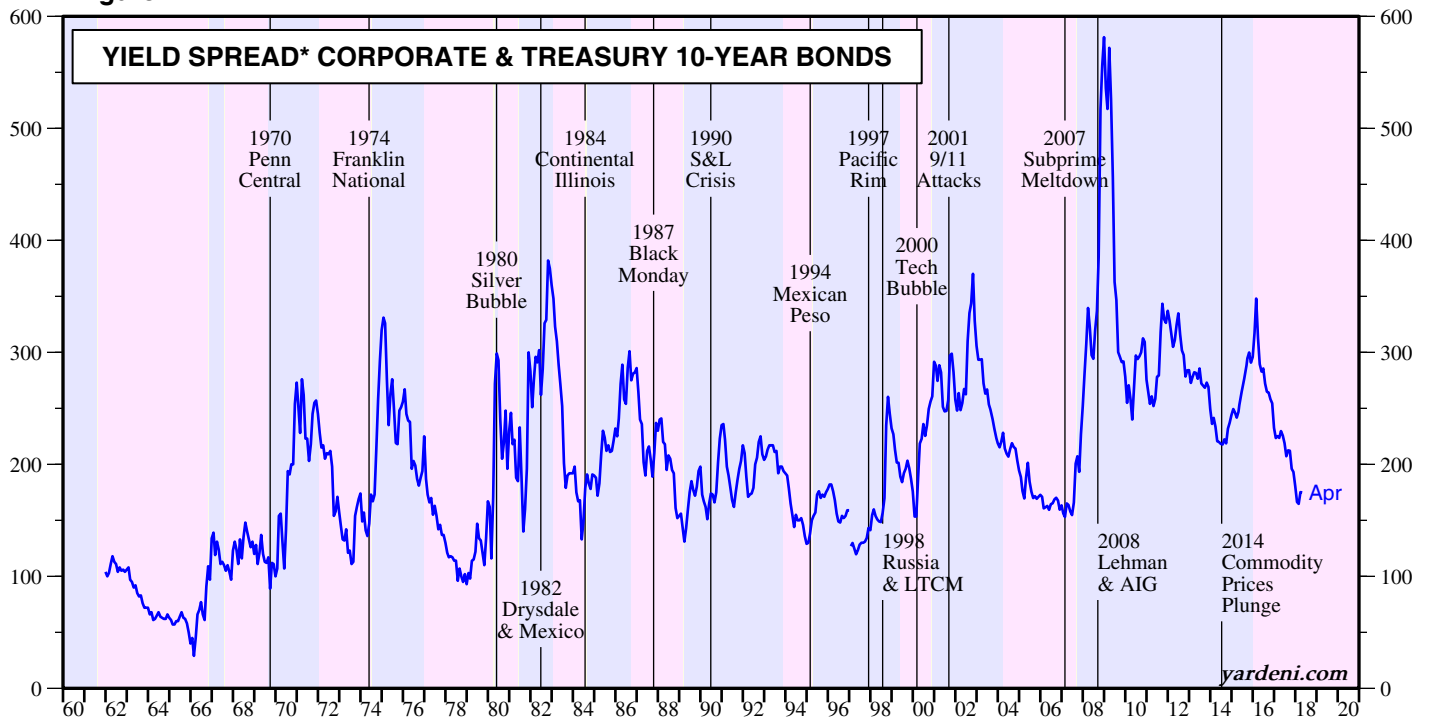
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Figure 3.



* 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.

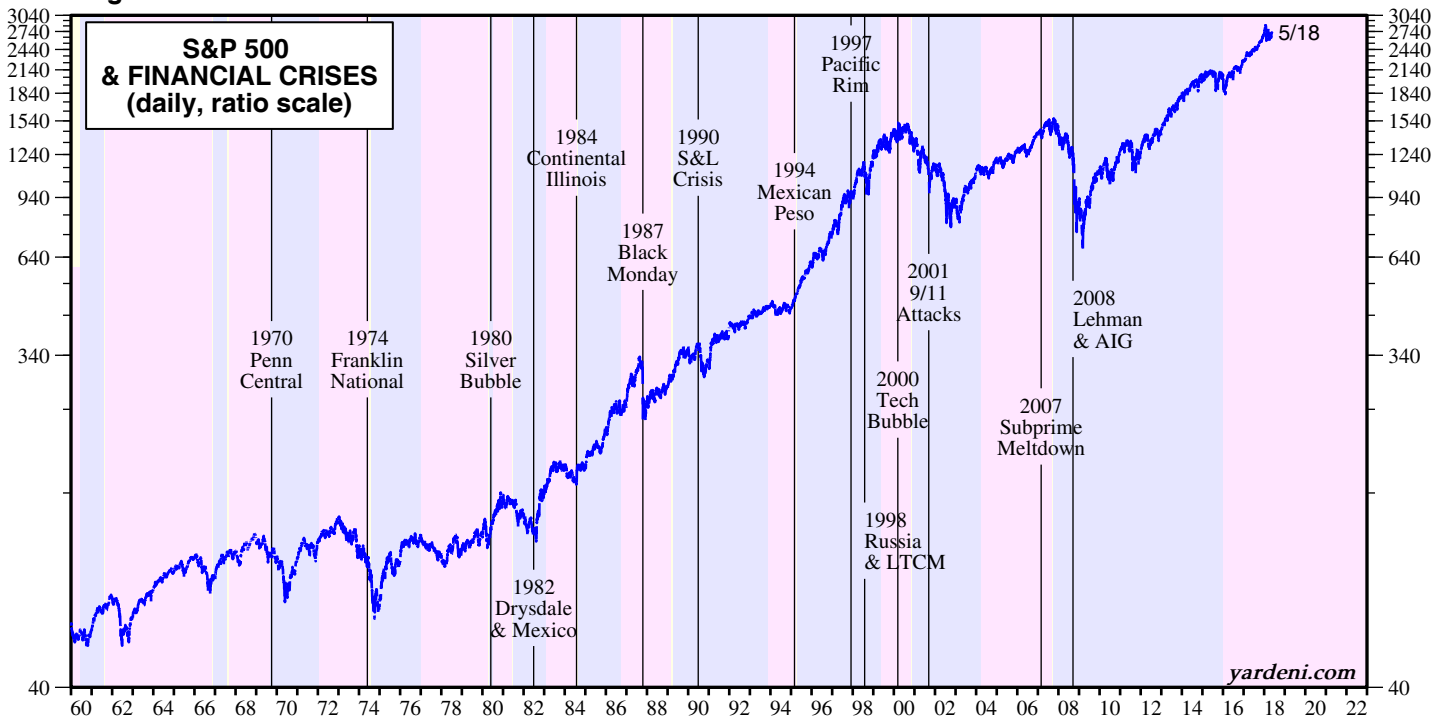
Figure 4.



* Moody's seasoned Baa corporate bond yield from 1962 to 1996, then Bank of America Merrill Lynch A-BBB corporate bond yield.
 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.

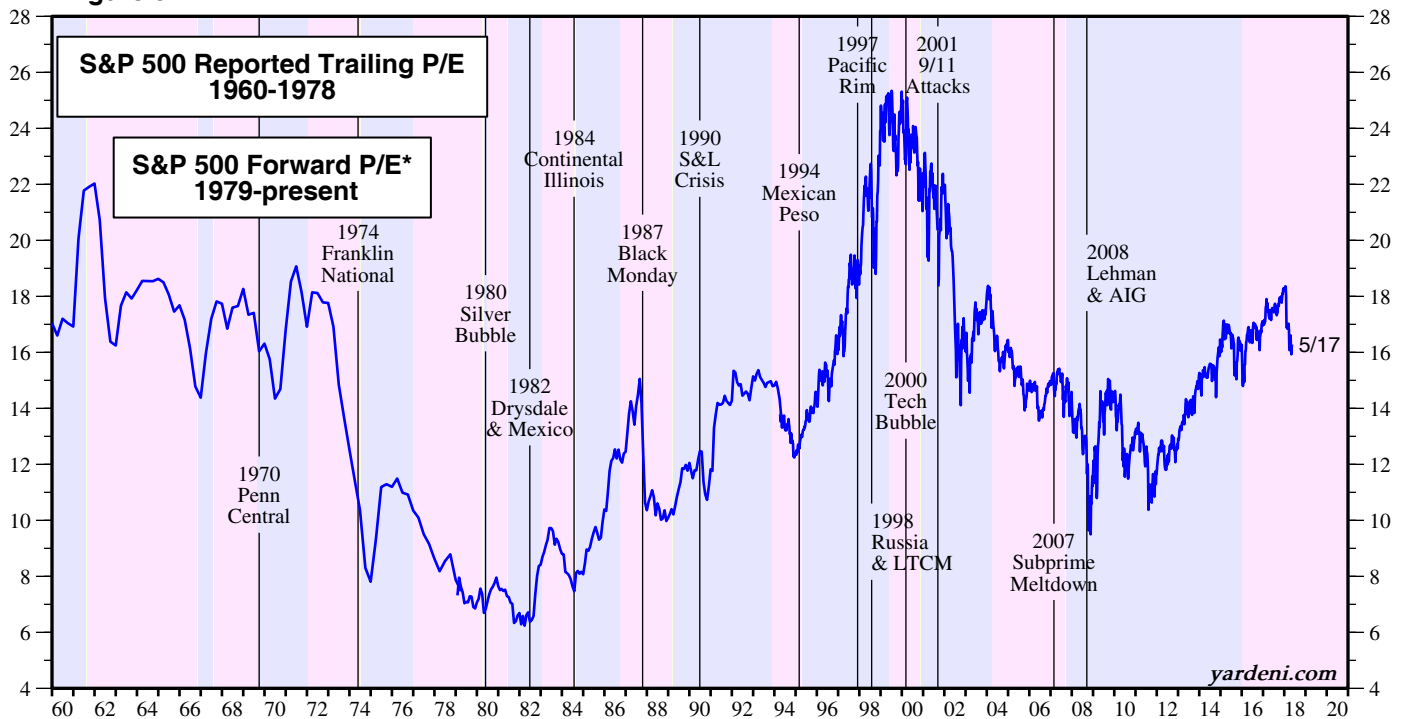
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Figure 5.



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 6.

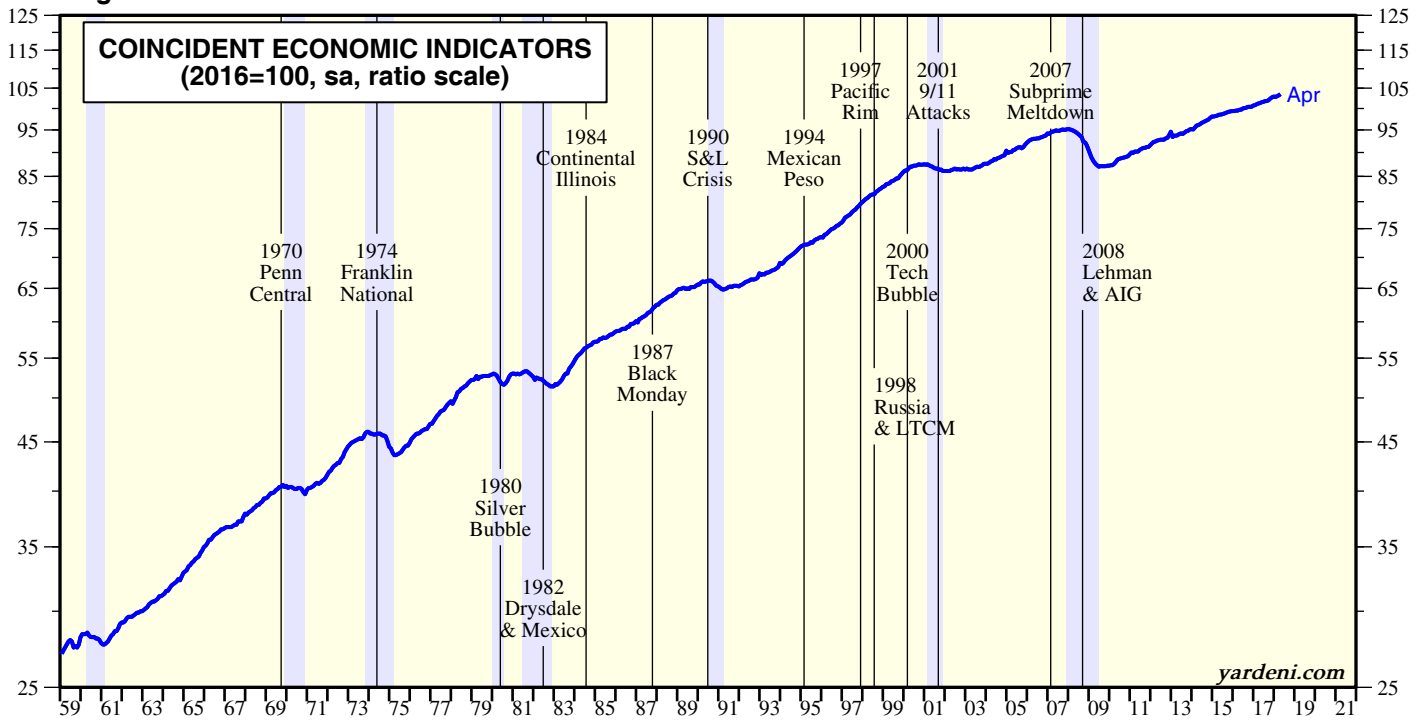


* Year-ahead S&P 500 forward consensus expected operating earnings per share. Monthly through April 1994, then weekly.

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.

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Figure 7.



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

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