

Market Briefing: US Yield Curve

Yardeni Research, Inc.

February 19, 2019

Dr. Edward Yardeni

516-972-7683
eyardeni@yardeni.com

Debbie Johnson

480-664-1333
djohnson@yardeni.com

Mali Quintana

480-664-1333
aquintana@yardeni.com

Please visit our sites at
www.yardeni.com
blog.yardeni.com



thinking outside the box

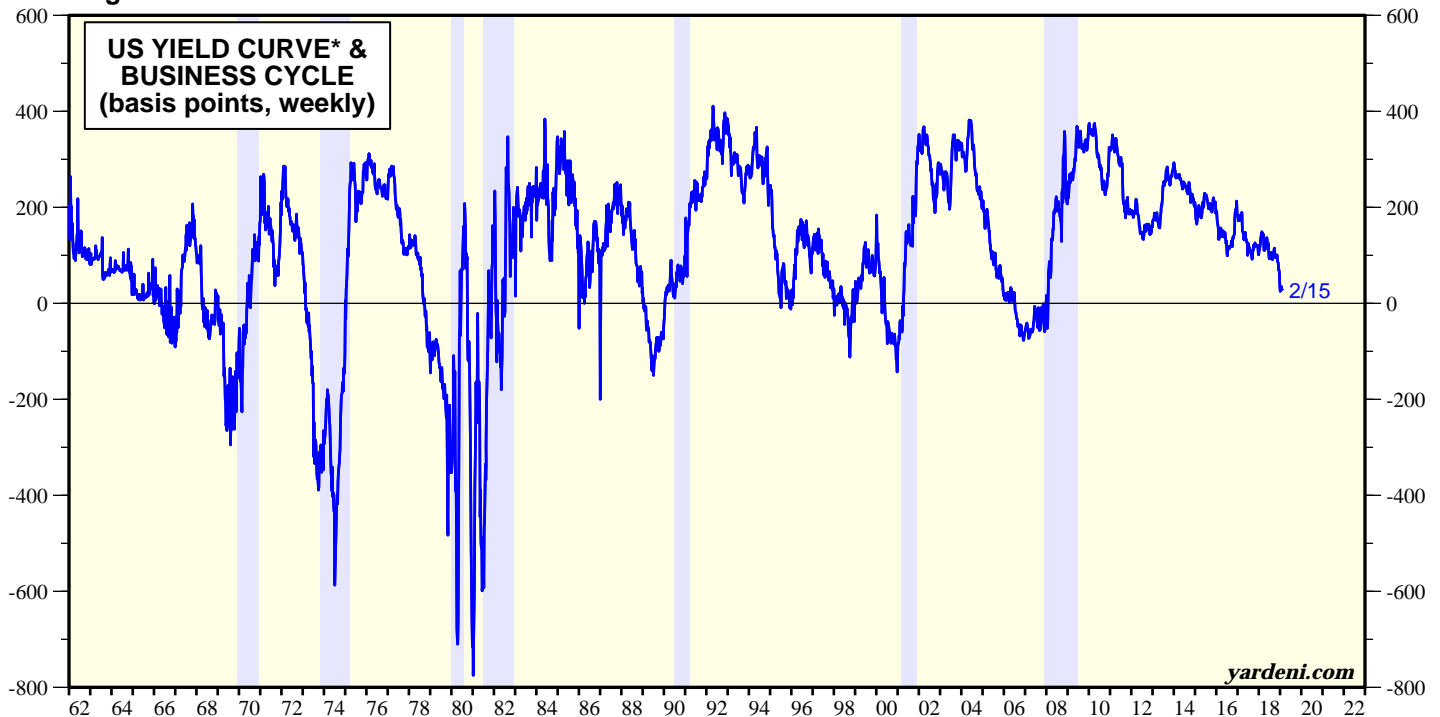
Table Of Contents

US Yield Curve

1-7

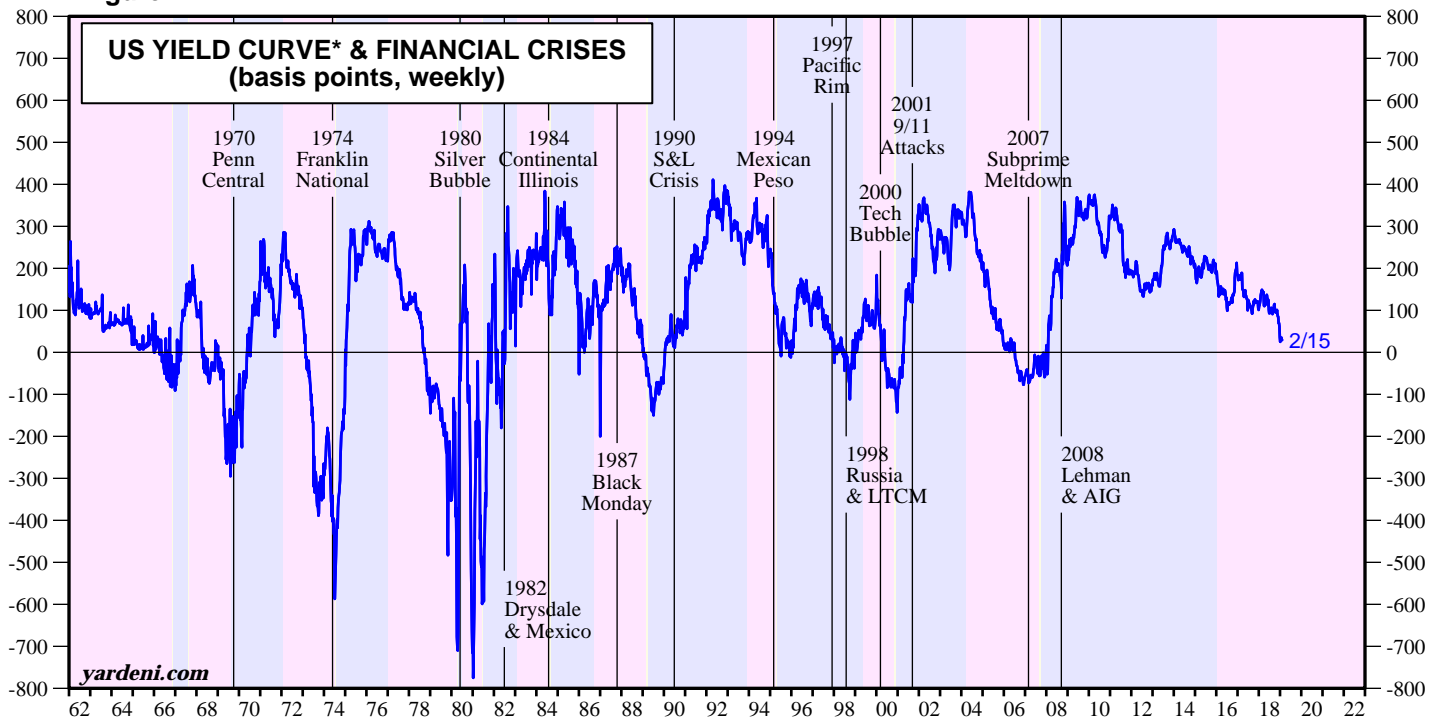
US Yield Curve

Figure 1.



* 10-year US Treasury yield less federal funds rate.
 Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
 Source: Federal Reserve Board.

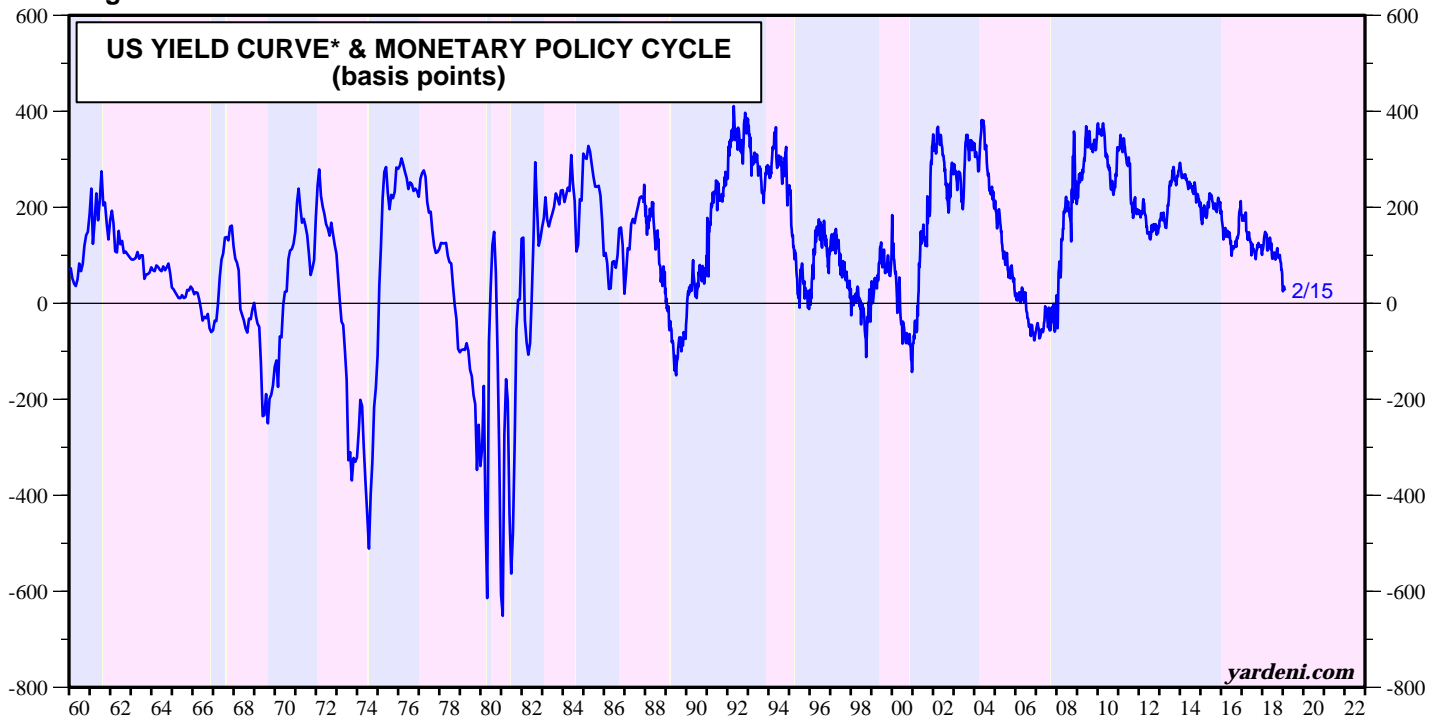
Figure 2.



* 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.

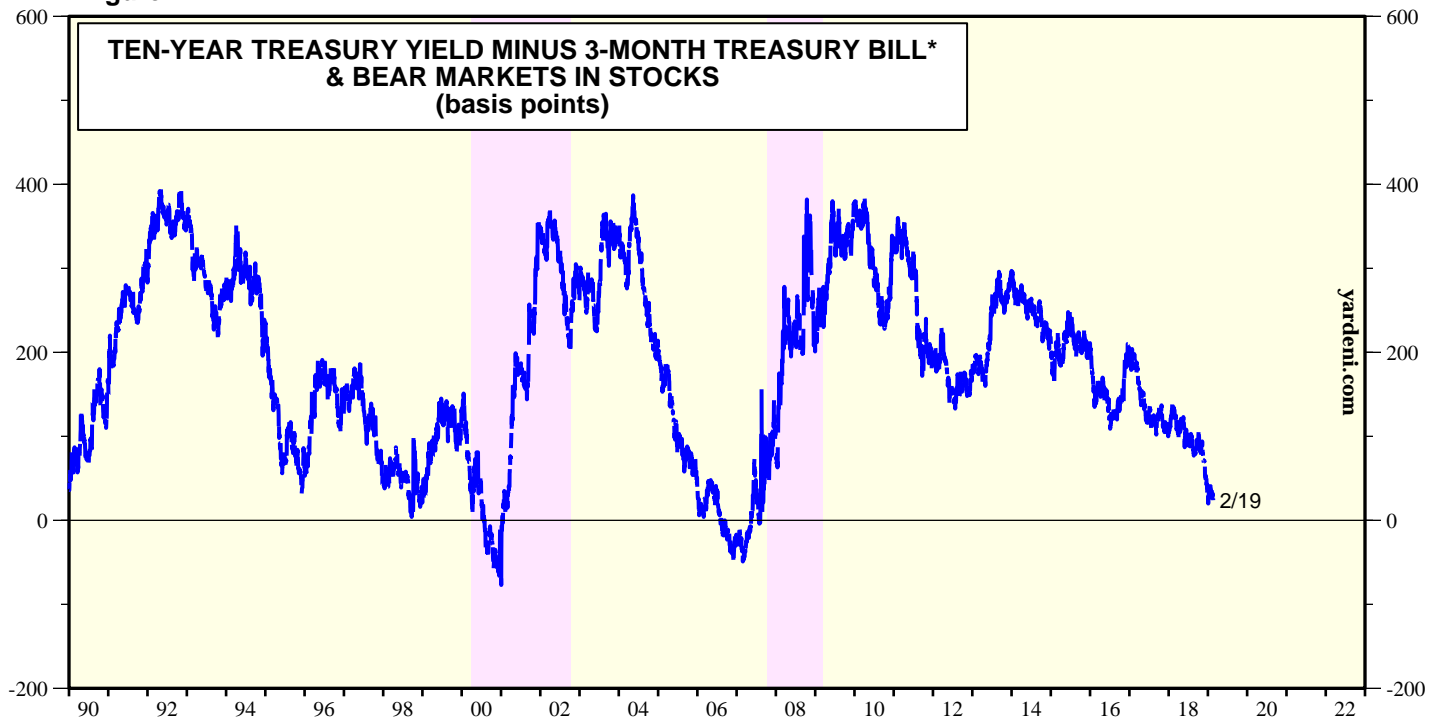
US Yield Curve

Figure 3.



* 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 4.



* Secondary market
 Note: Shaded red areas denote S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.
 Source: Board of Governors of the Federal Reserve System.

US Yield Curve

Figure 5.



Source: Haver Analytics.

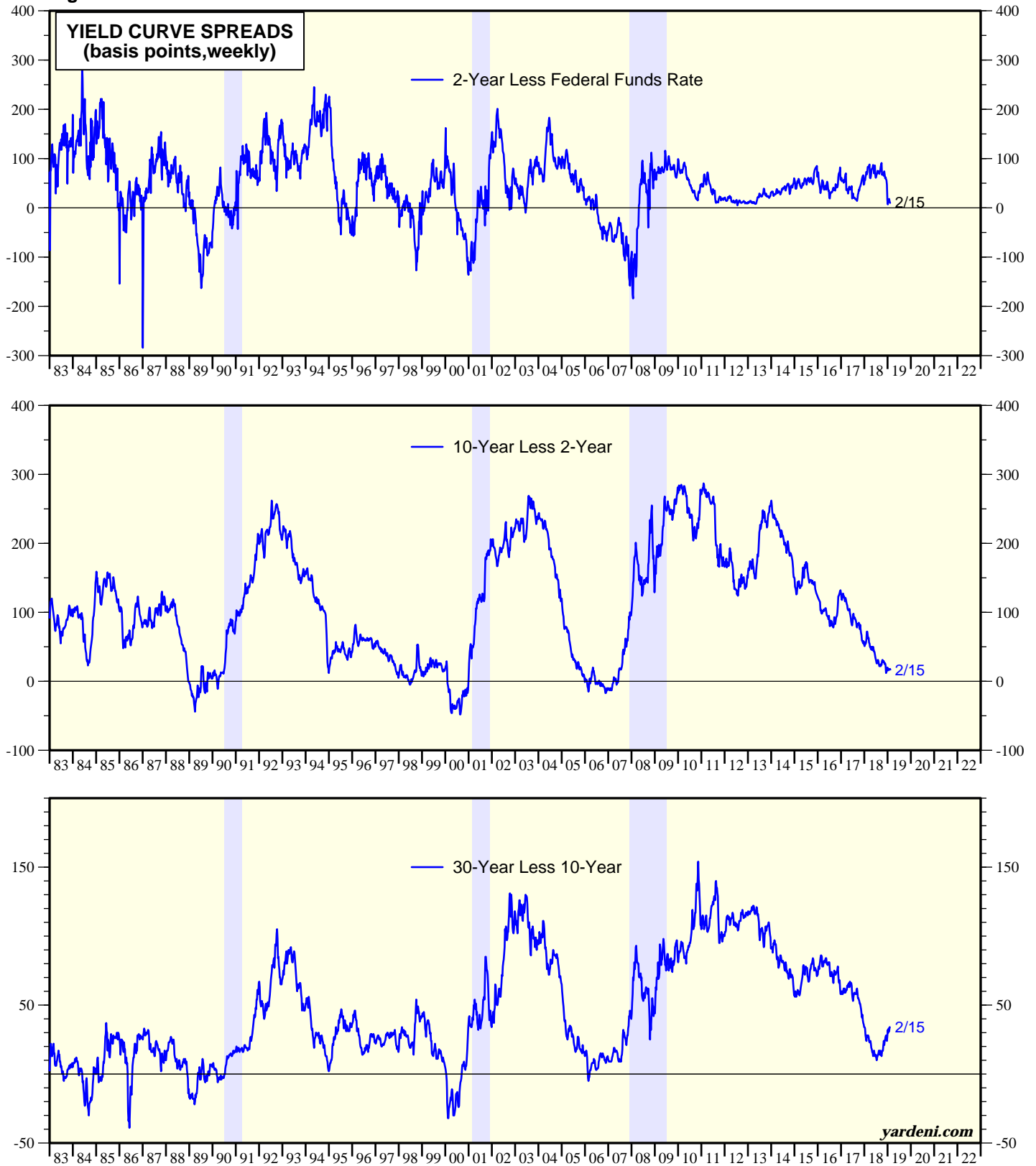
Figure 6.



Source: Haver Analytics.

US Yield Curve

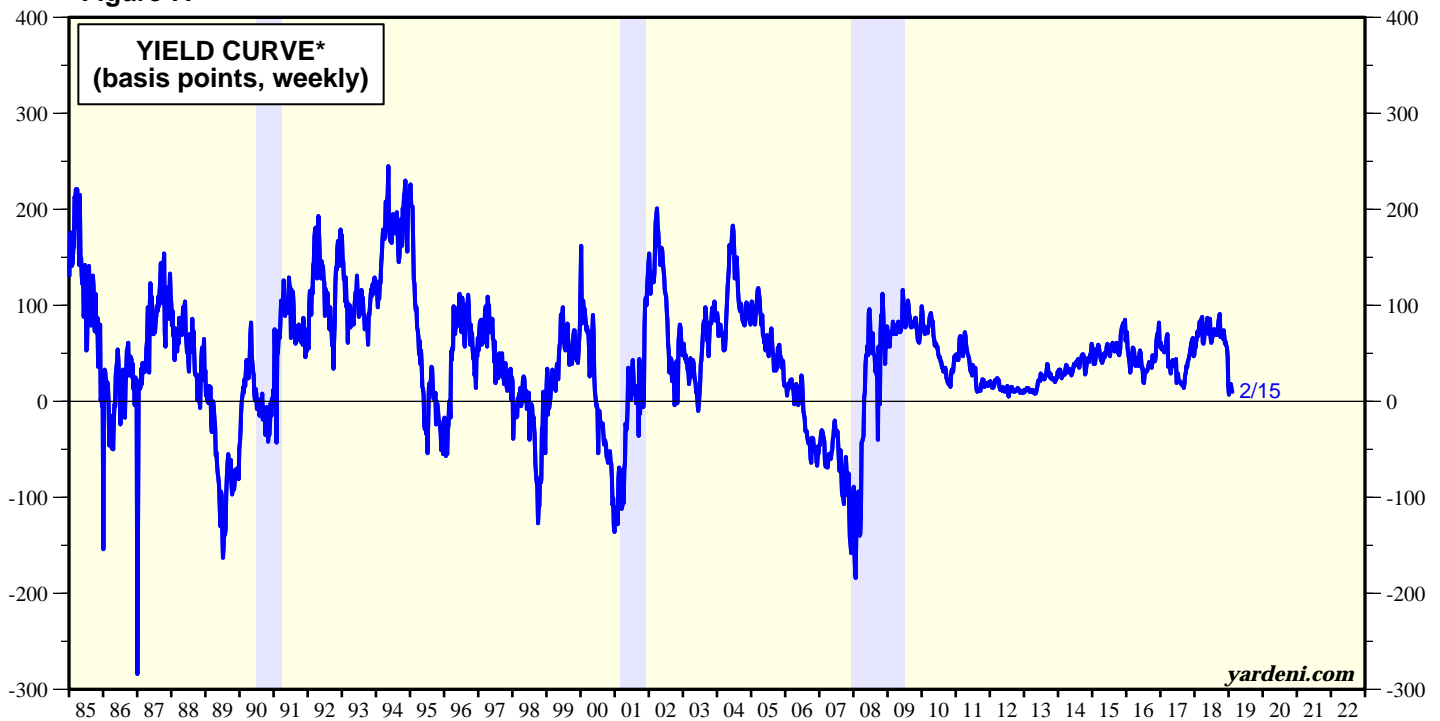
Figure 6.



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

US Yield Curve

Figure 7.



Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
 * 2-year Treasury yield less federal funds rate.
 Source: Board of Governors of the Federal Reserve System.

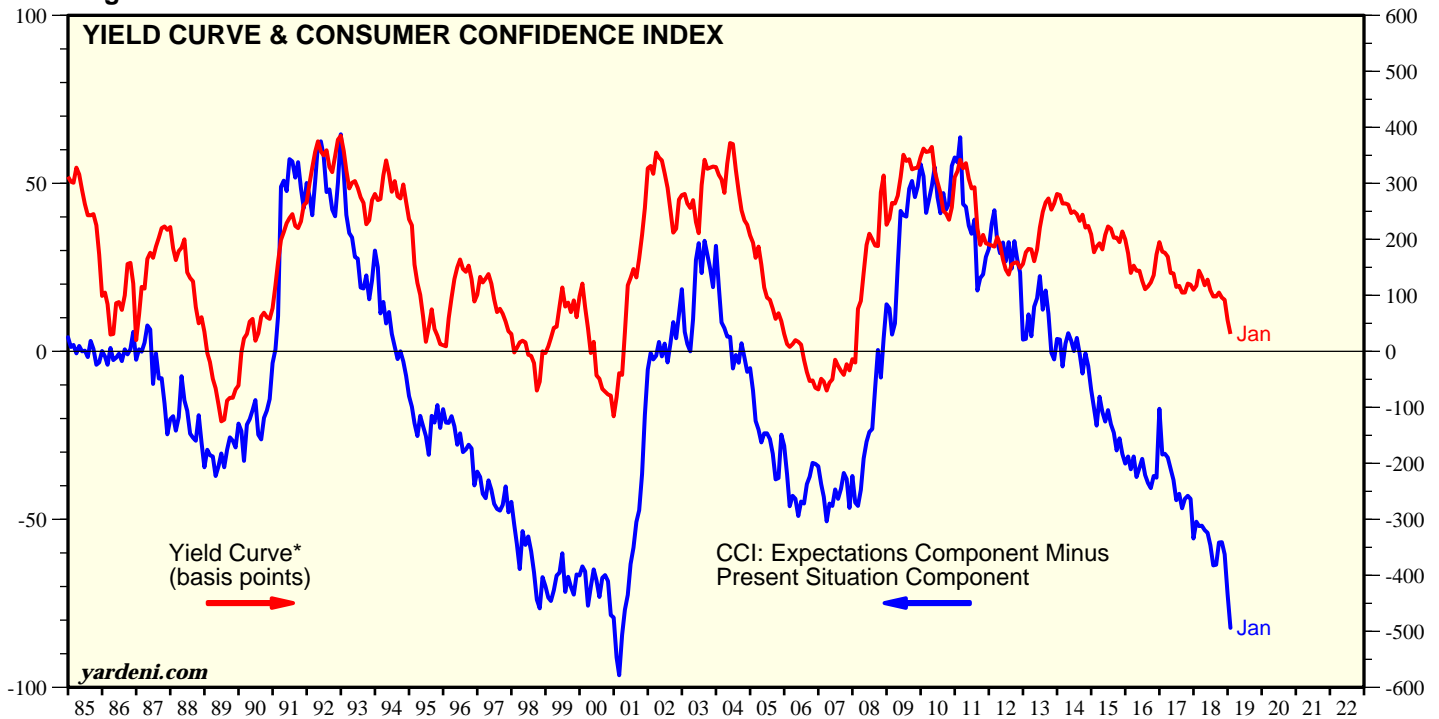
Figure 8.



Source: Federal Reserve Board.

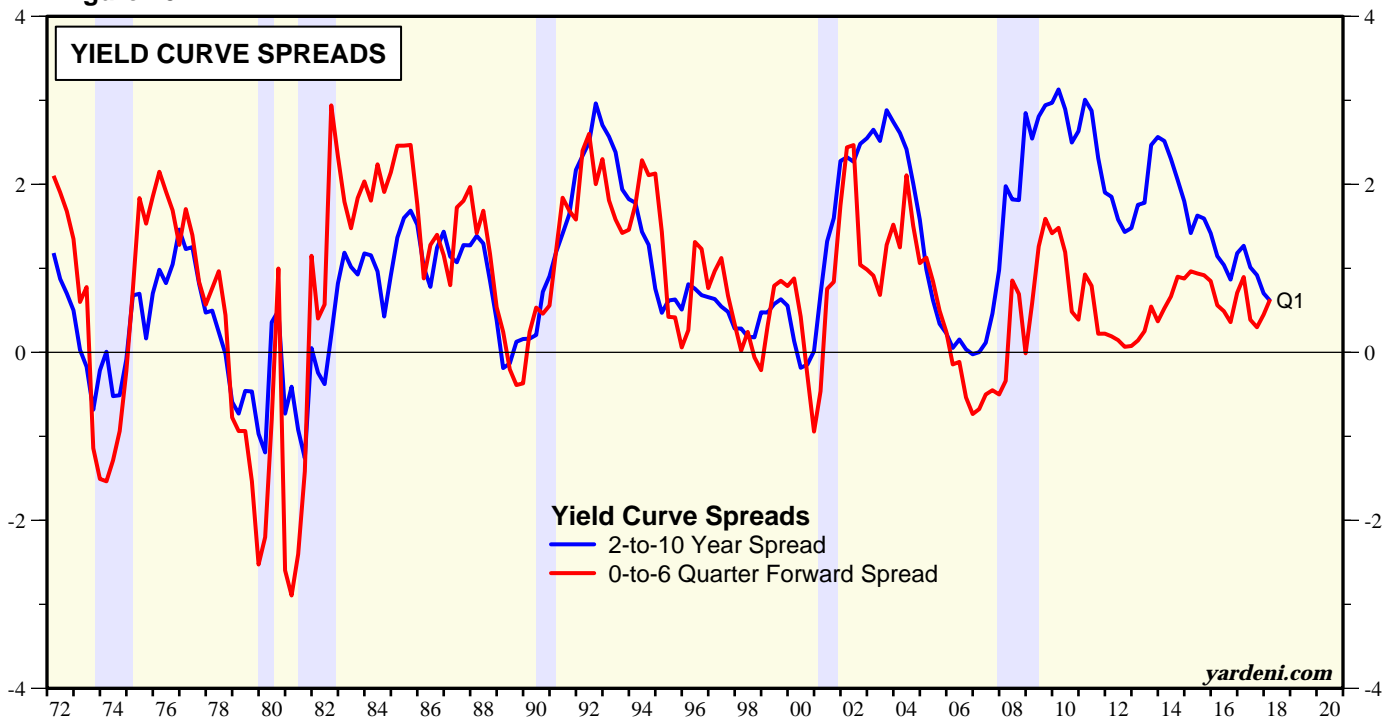
US Yield Curve

Figure 9.



* 10-year US Treasury yield less federal funds rate.
Source: The Conference Board and Federal Reserve Board.

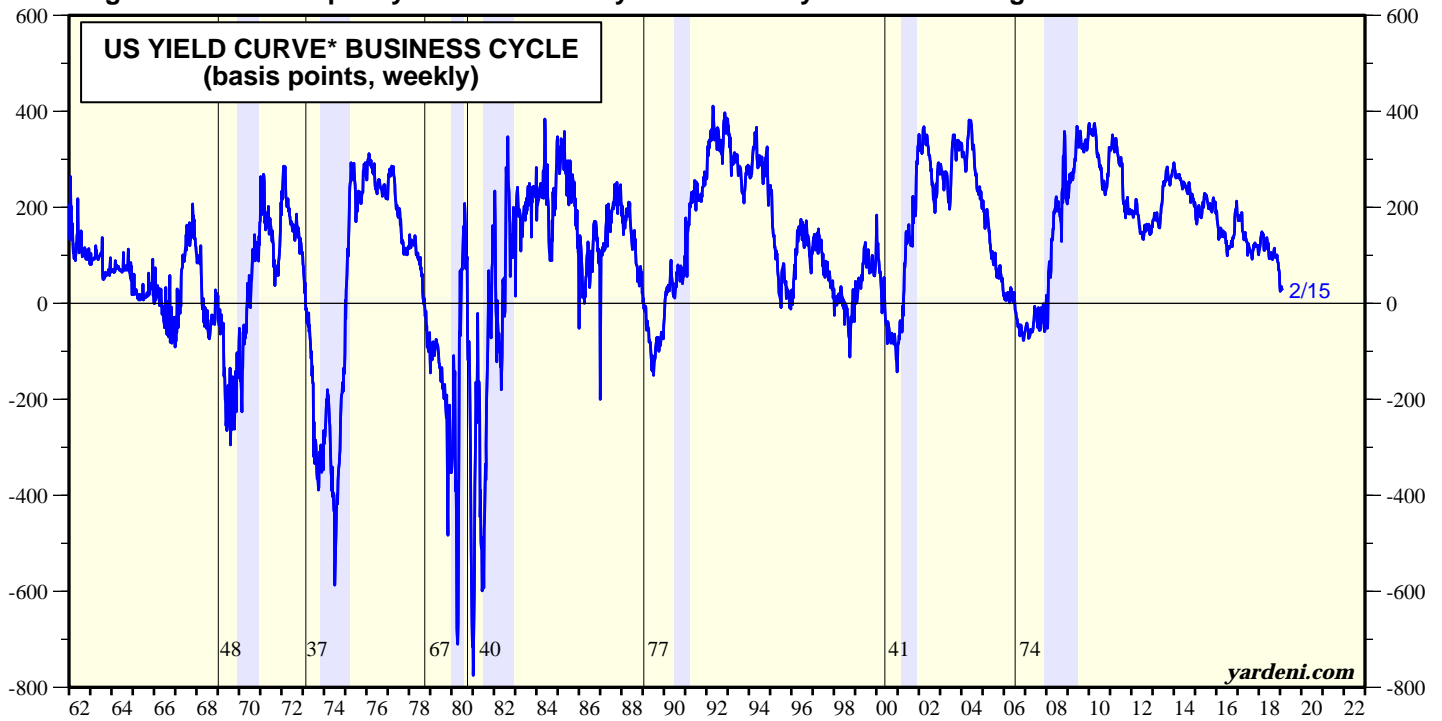
Figure 10.



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

US Yield Curve

Figure 11. Fed & Liquidity: What are bond yields and the yield curve telling us?



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

Note: Numbers near time scale show weeks between yield curve inversion and start of recession. Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: Federal Reserve Board.

Copyright (c) Yardeni Research, Inc. 2019. All rights reserved. The information contained herein has been obtained from sources believed to be reliable, but is not necessarily complete and its accuracy cannot be guaranteed. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein. The views and the other information provided are subject to change without notice. All reports and podcasts posted on www.yardeni.com, blog.yardeni.com, and YRI's Apps are issued without regard to the specific investment objectives, financial situation, or particular needs of any specific recipient and are not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not necessarily a guide to future results. Company fundamentals and earnings may be mentioned occasionally, but should not be construed as a recommendation to buy, sell, or hold the company's stock. Predictions, forecasts, and estimates for any and all markets should not be construed as recommendations to buy, sell, or hold any security--including mutual funds, futures contracts, and exchange traded funds, or any similar instruments.

The text, images, and other materials contained or displayed on any Yardeni Research, Inc. product, service, report, email or website are proprietary to Yardeni Research, Inc. and constitute valuable intellectual property. No material from any part of www.yardeni.com, blog.yardeni.com, and YRI's Apps may be downloaded, transmitted, broadcast, transferred, assigned, reproduced or in any other way used or otherwise disseminated in any form to any person or entity, without the explicit written consent of Yardeni Research, Inc. All unauthorized reproduction or other use of material from Yardeni Research, Inc. shall be deemed willful infringement(s) of this copyright and other proprietary and intellectual property rights, including but not limited to, rights of privacy. Yardeni Research, Inc. expressly reserves all rights in connection with its intellectual property, including without limitation the right to block the transfer of its products and services and/or to track usage thereof, through electronic tracking technology, and all other lawful means, now known or hereafter devised. Yardeni Research, Inc. reserves the right, without further notice, to pursue to the fullest extent allowed by the law any and all criminal and civil remedies for the violation of its rights.

The recipient should check any email and any attachments for the presence of viruses. Yardeni Research, Inc. accepts no liability for any damage caused by any virus transmitted by this company's emails, website, blog and Apps. Additional information available on [request](#).