# Question 2: Yield Spread

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*Keywords:* Multivariate GARCH, Kalman Filter, Copula

*JEL classification* L250, L100

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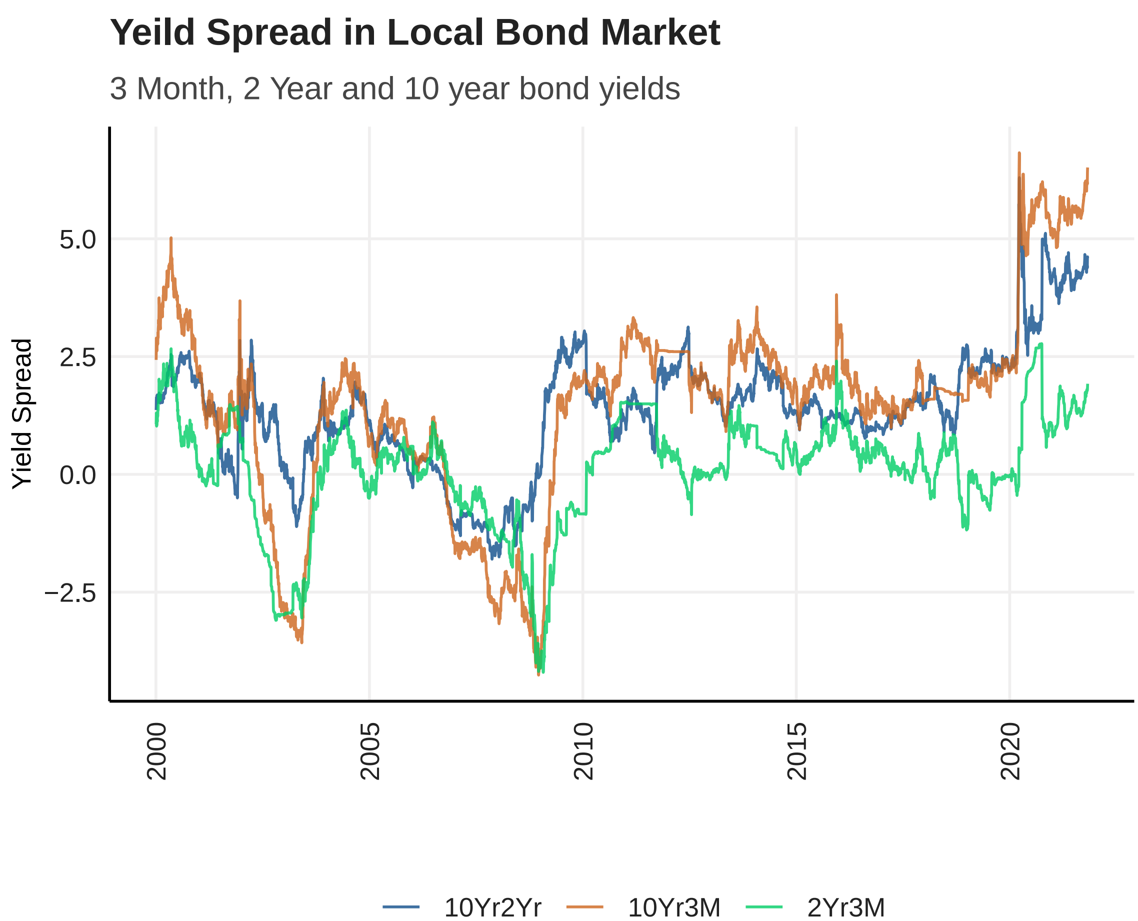
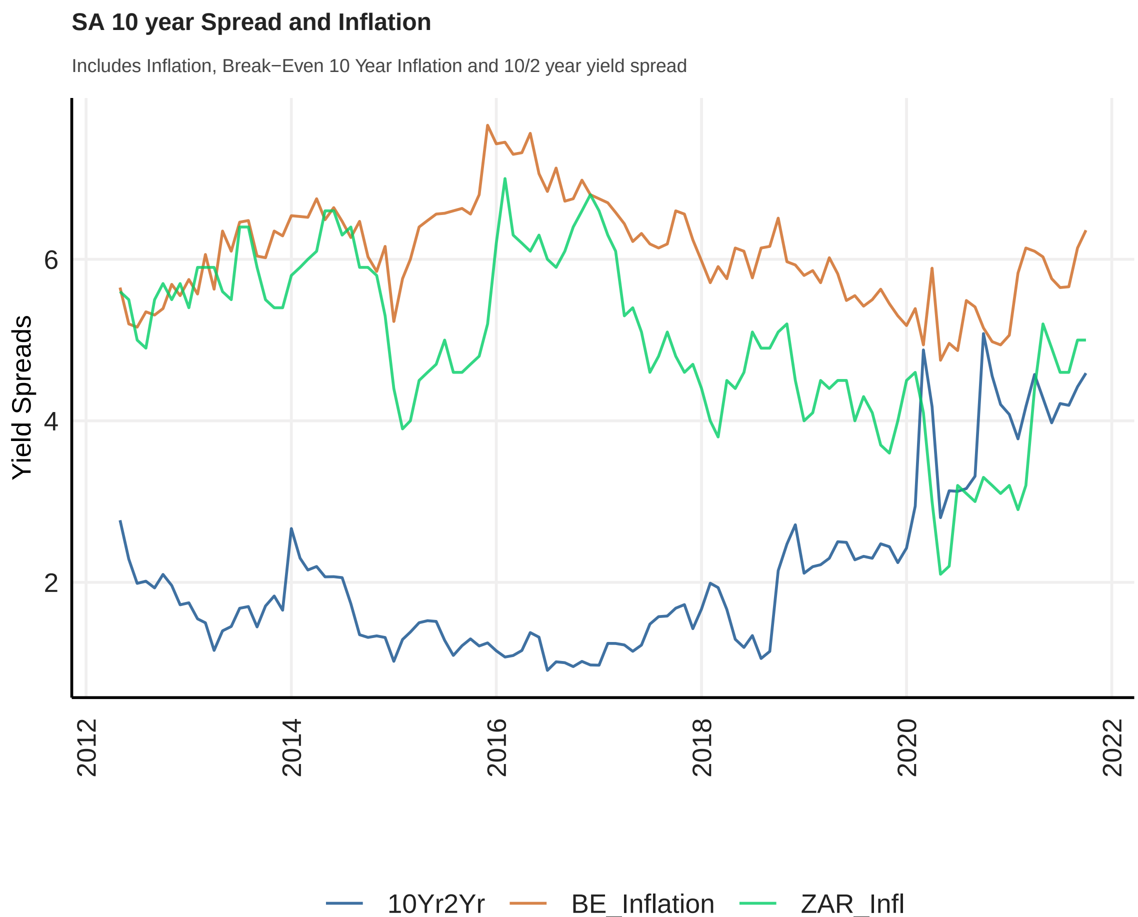
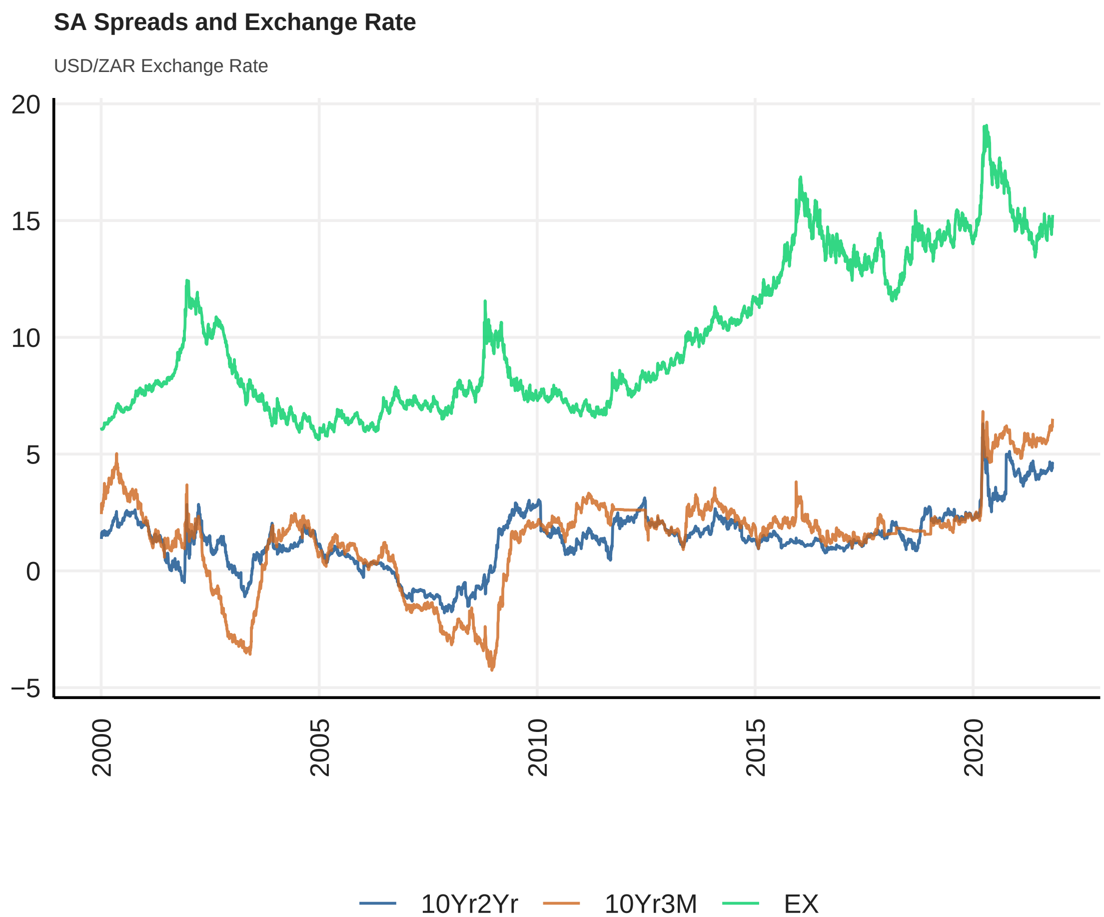
1. **Yield Spreads**

2. **Compare spreads**

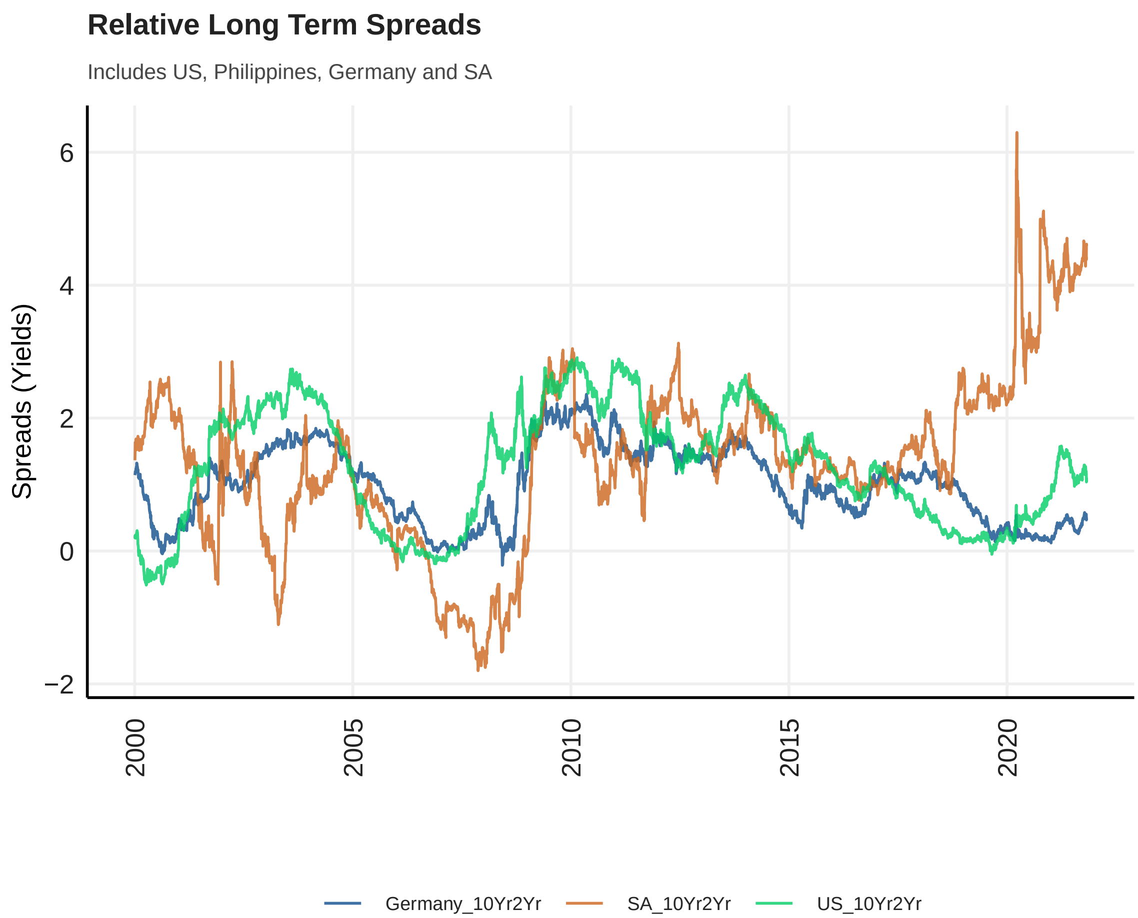
3. **Plot the spreads**




SA 10 year Spread and Inflation
Includes Inflation, Break−Even 10 Year Inflation and 10/2 year yield spread
Yield Spreads
6
4
2
2012
2014
2016
2018
2020
2022
10Yr2Yr
BE_Inflation
ZAR_Infl




There seems to be some co-movement


Relative Long Term Spreads
Includes US, Philippines, Germany and SA
Spreads (Yields)
6
4
2
0
−2
2000
2005
2010
2015
2020
Germany_10Yr2Yr
SA_10Yr2Yr
US_10Yr2Yr

## References

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## Appendix

*Appendix A*

Some appendix information here

*Appendix B*