

## Macro Roundup Article

**Headline:** [Yield Curve Inversion Reaches New Extremes](#)

### Article

**Link:** <https://www.wsj.com/articles/yield-curve-inversion-reaches-new-extremes-11669687278>

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**Tweet:** Last week, the yield on the 10-year US Treasury note dropped to 0.78 percentage point below the 2-year yield, the largest negative gap since late 1981. Many investors and analysts see reasons to think that the current yield curve may presage waning inflation. @wsj

**Summary:** Yields on longer-term US Treasuries have fallen further below those on short-term bonds than at any time in decades, a sign that investors think the Federal Reserve is close to winning its inflation battle regardless of the cost to economic activity. Last week, the yield on the 10-year US Treasury note dropped to 0.78 percentage points below that of the two-year yield, the largest negative gap since late 1981, at the start of a recession that pushed the unemployment rate even higher than it would later reach in the 2008 financial crisis.

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