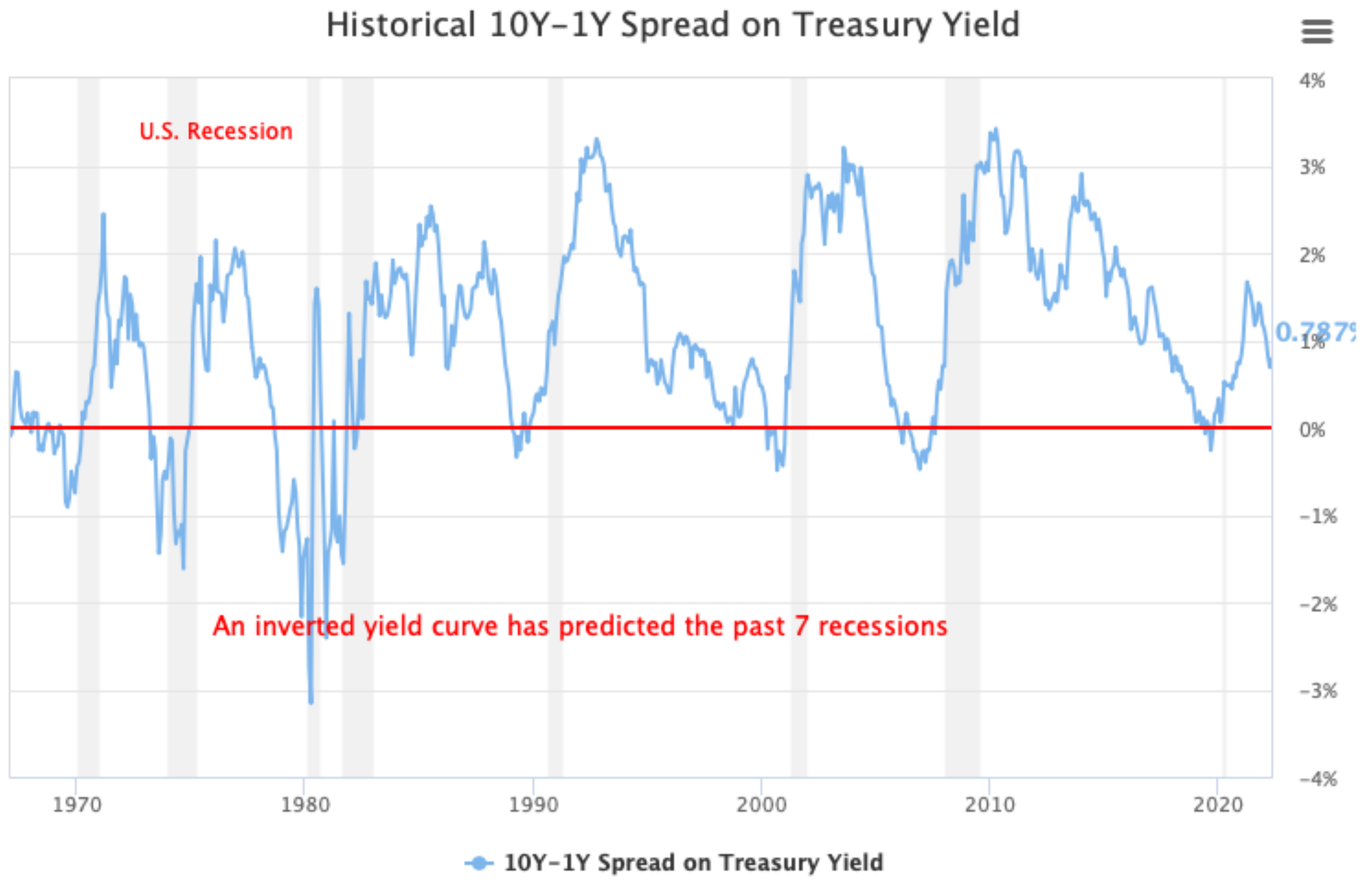
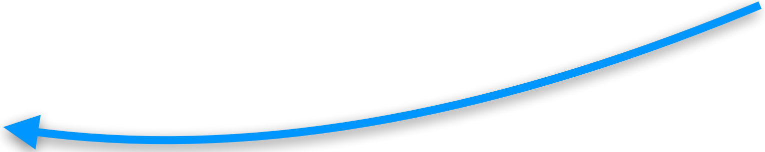
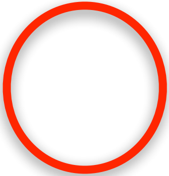


Historical 10Y-1Y Spread on Treasury Yield
U.S. Recession
An inverted yield curve has predicted the past 7 recessions
0.787%
4%
3%
2%
1%
0%
-1%
-2%
-3%
-4%
1970
1980
1990
2000
2010
2020
10Y-1Y Spread on Treasury Yield

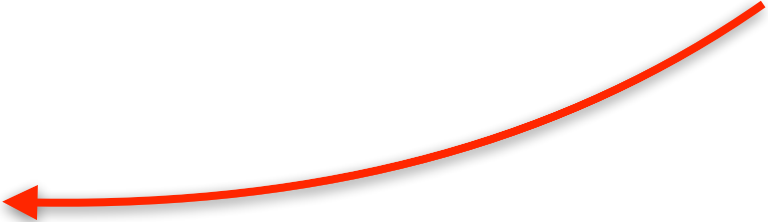
A "**normal**" yield curve gives us **positive** spread



Spreads are **above** zero



An "**inverted**" yield curve gives us **negative** spread



Spreads are **below** zero

. Recession

Recession

.Recession

Recession

Recession

Negative
Spread

Recession

Recession

Negative
Spread

Negative
Spread

Negative Spread

Negative Spread

Negative
Spread

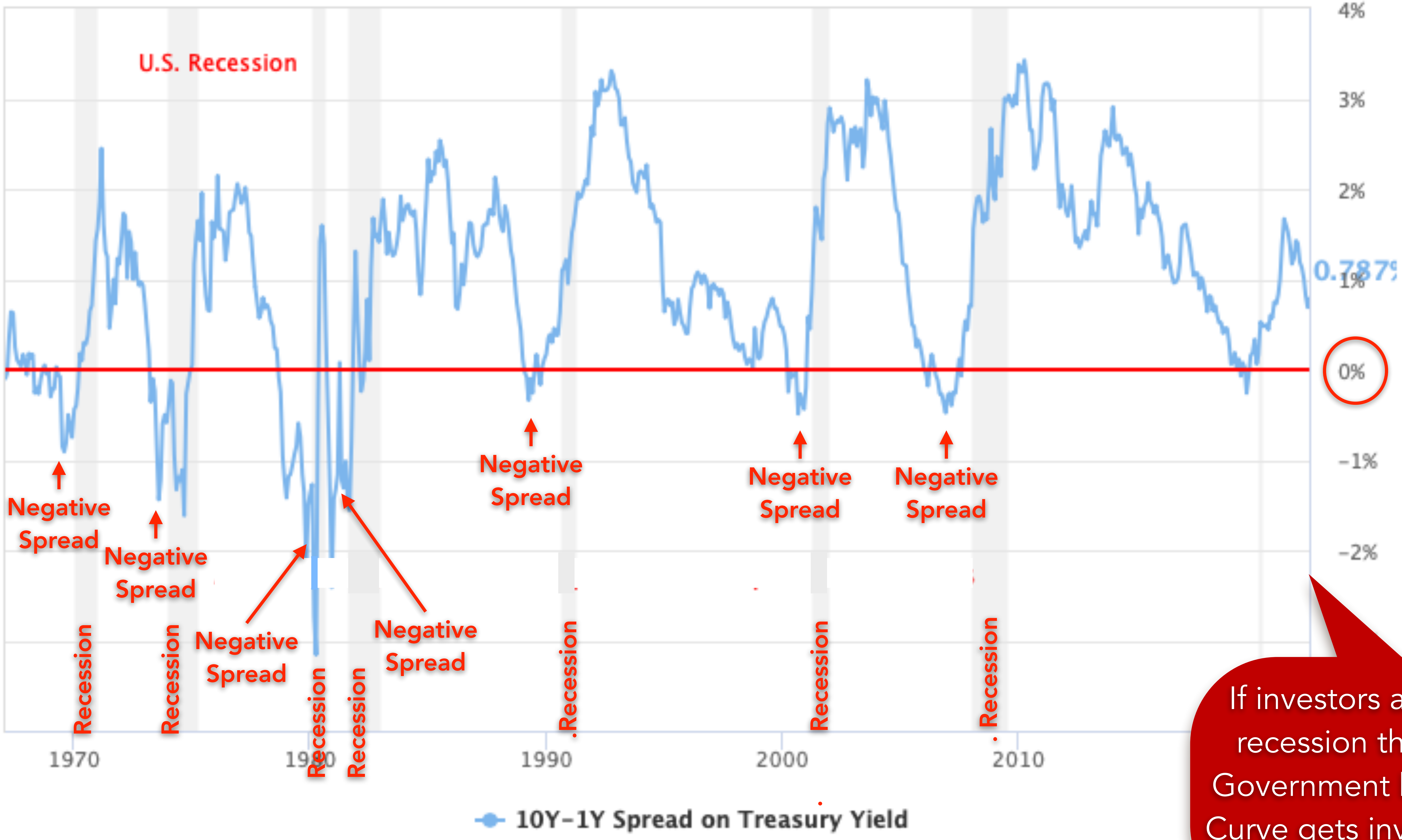
Negative
Spread

Historical Yield Spread between 10Year and 1Year Government Bonds

If investors are worried about a recession they buy Long Term Government bonds and the Yield Curve gets inverted as a precursor for recession

An Inverted Yield Curve has Predicted the last Seven Recessions!

An Inverted Yield Curve has Predicted the last Seven Recessions!



A "**normal**" yield curve gives us **positive** spread

Spreads are **above** zero

An "**inverted**" yield curve gives us **negative** spread

Spreads are **below** zero

If investors are worried about a recession they buy Long Term Government bonds and the Yield Curve gets inverted as a precursor for recession