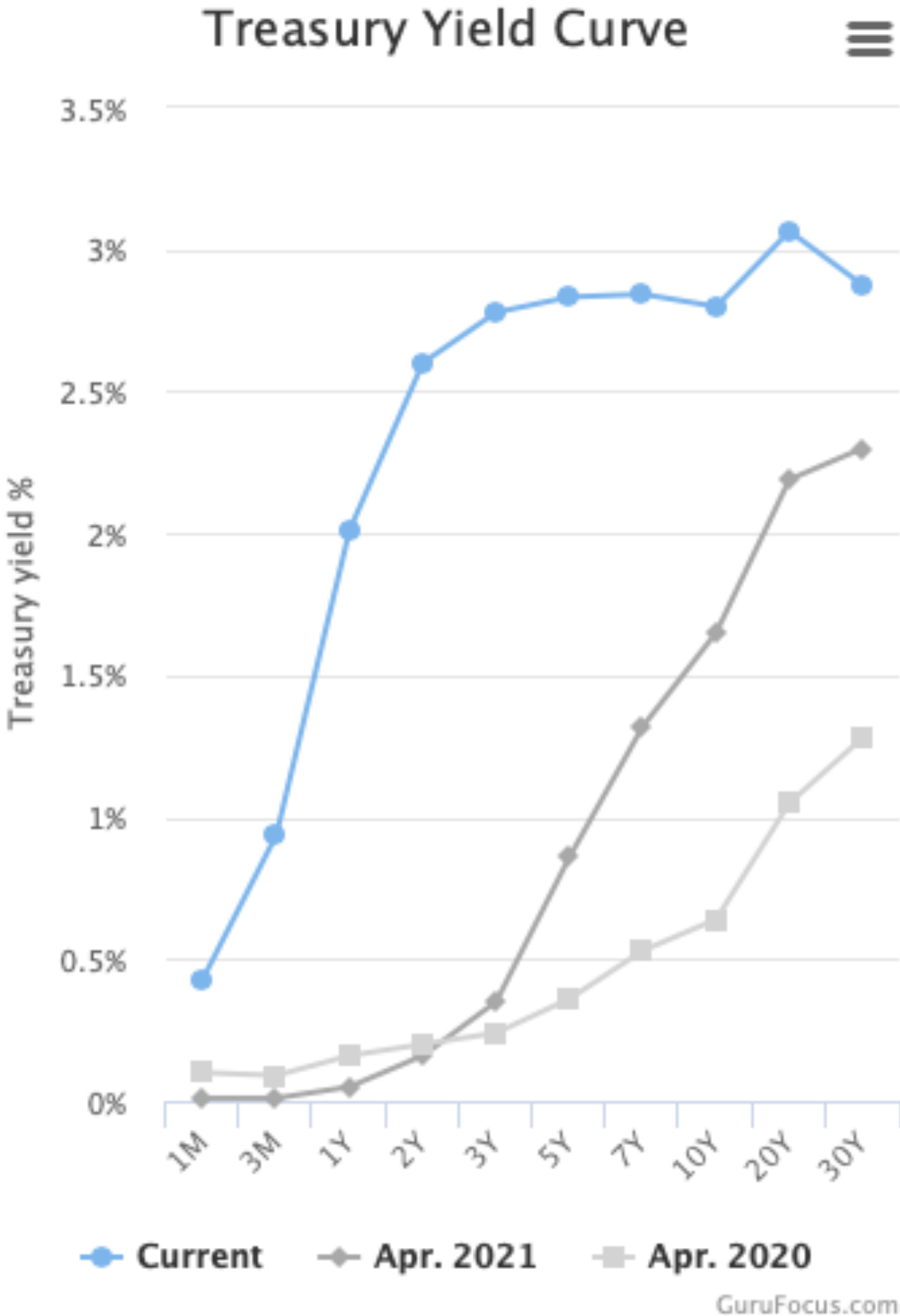
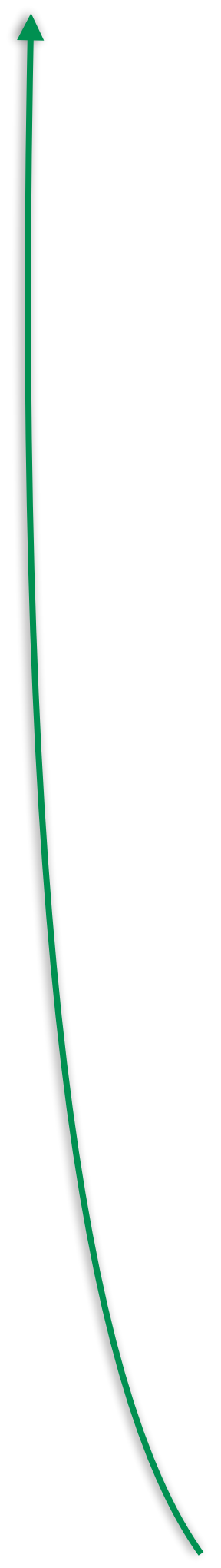
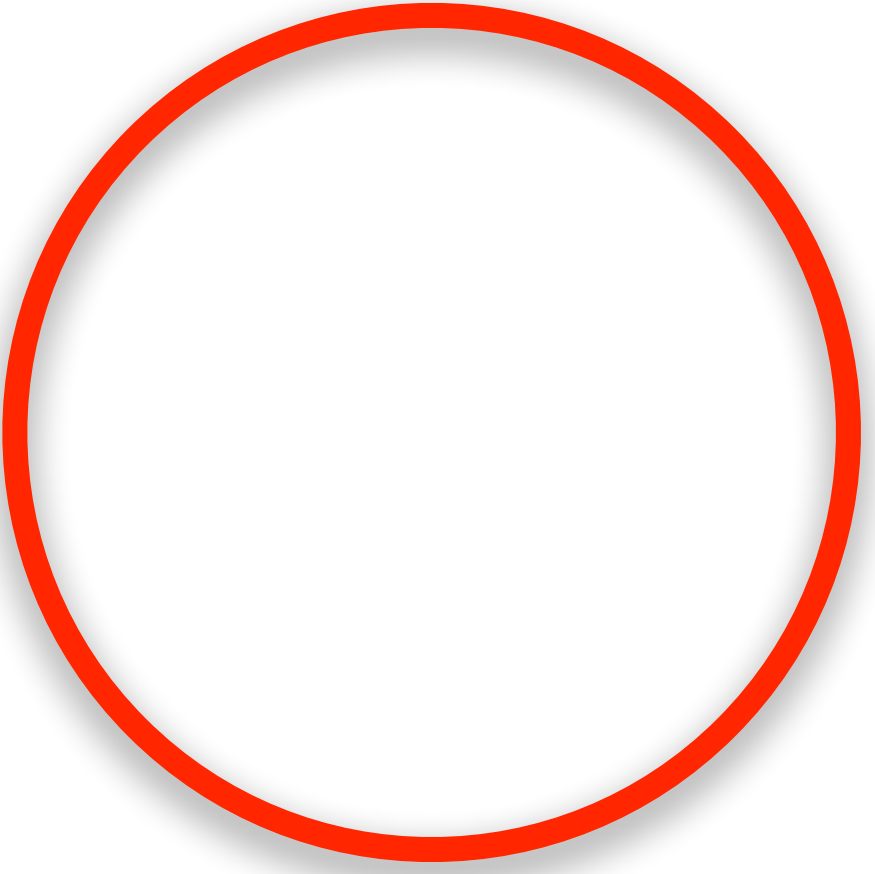
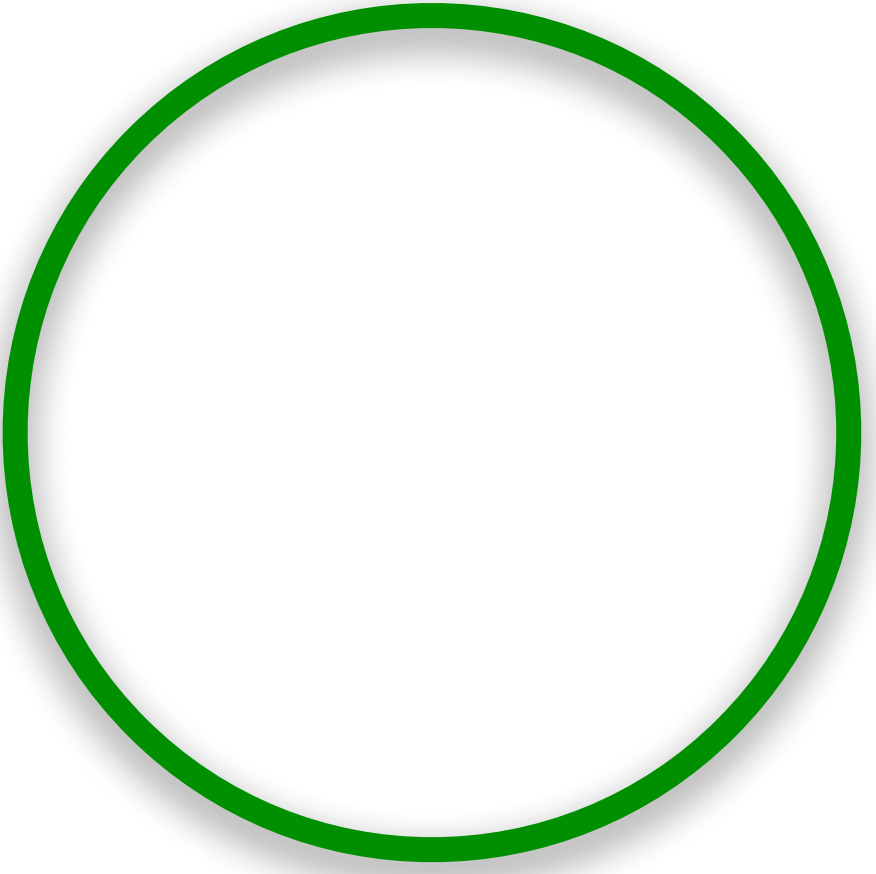
The Yield Curve Plots yield on Government Bills, Notes and Bonds

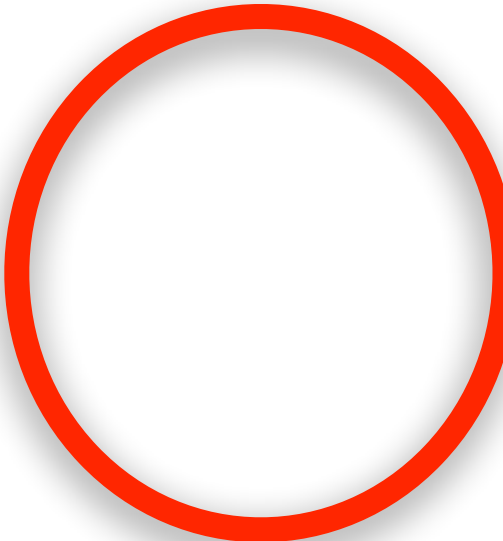

Treasury Yield Curve
3.5%
3%
2.5%
2%
1.5%
1%
0.5%
0%
Treasury yield %
1M
3M
1Y
2Y
3Y
5Y
7Y
10Y
20Y
30Y
Current
Apr. 2021
Apr. 2020
GuruFocus.com

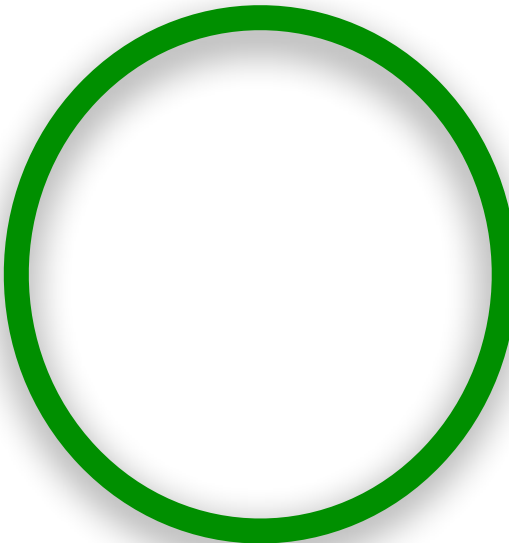
This plot shows a "**normal**" yield curve because yields are higher for longer-term debt (20 years: 3%)











than for shorter-term debt

(1Month: 0.5%)

The difference in yields is the spread:


p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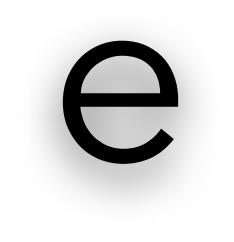

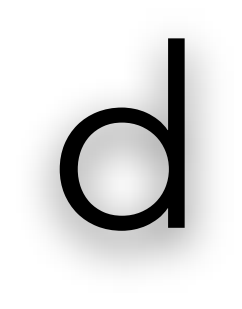

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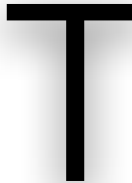

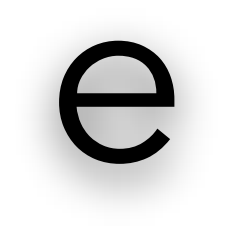

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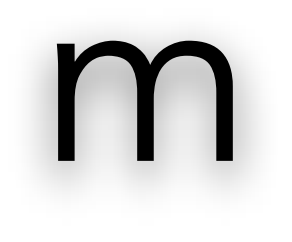

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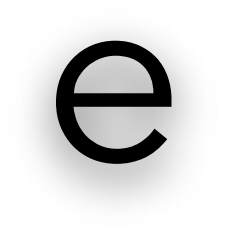

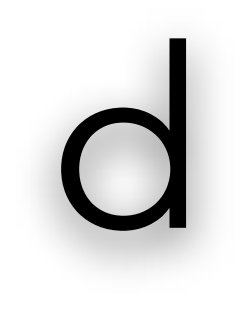

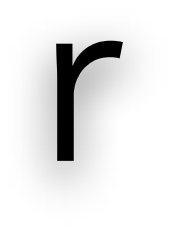

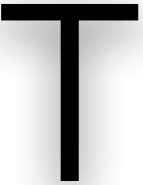

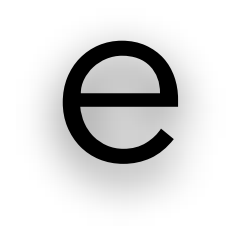

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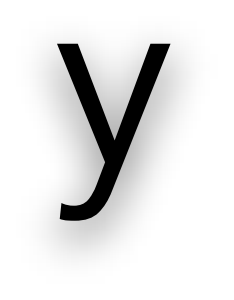
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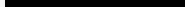

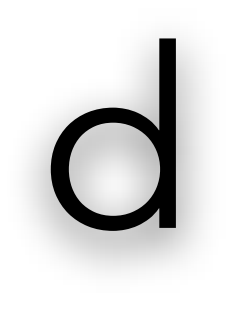

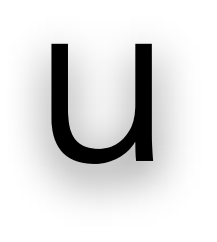

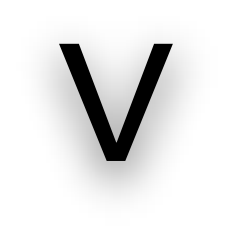

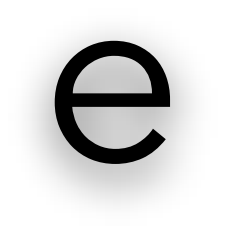


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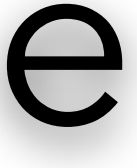

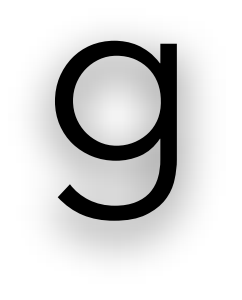

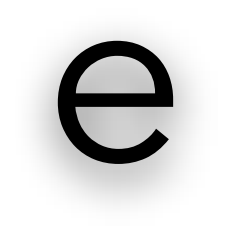

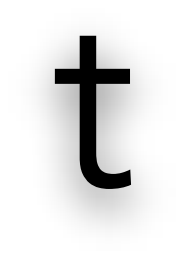


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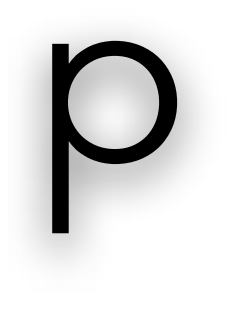

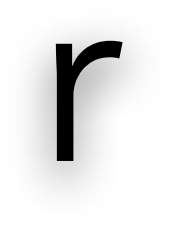


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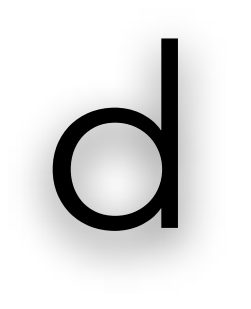


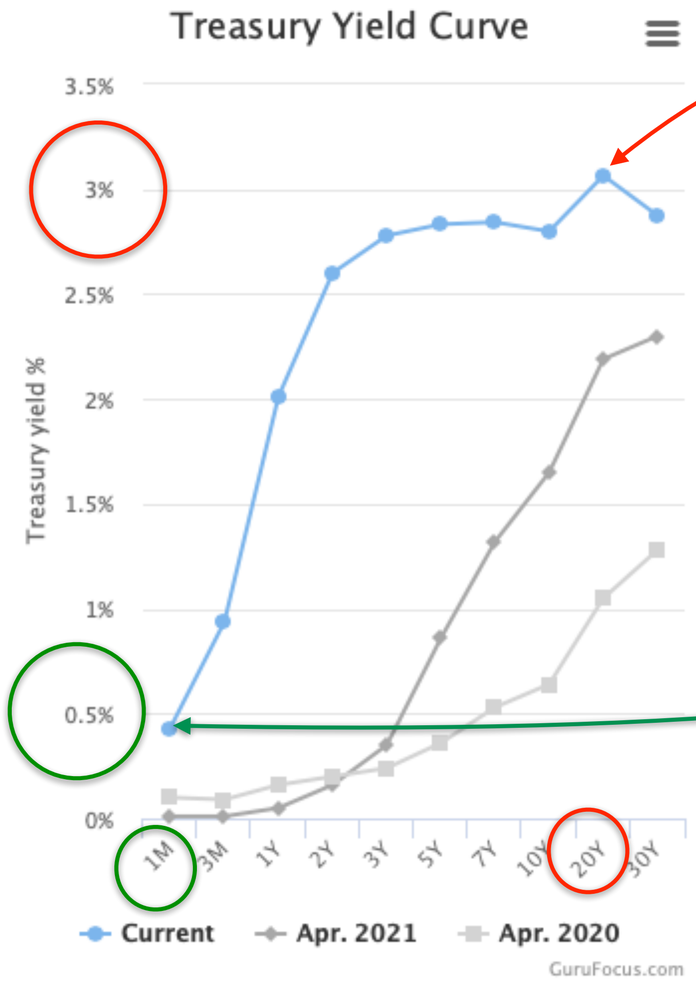
Spread = Yield for Long Term - Yield for Short Term

The Yield Curve Plots yield on Government Bills, Notes and Bonds

The difference in yields is the spread:

Spread = Yield for Long Term - Yield for Short Term

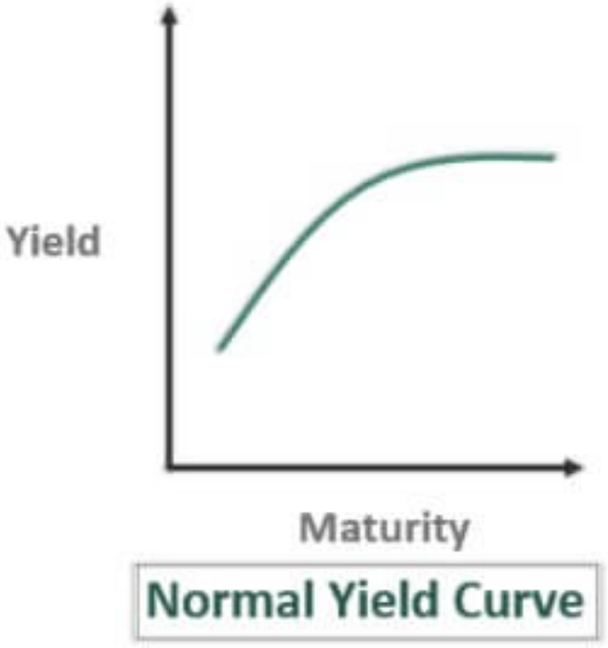
For a **normal** yield curve, we get a **positive** spread



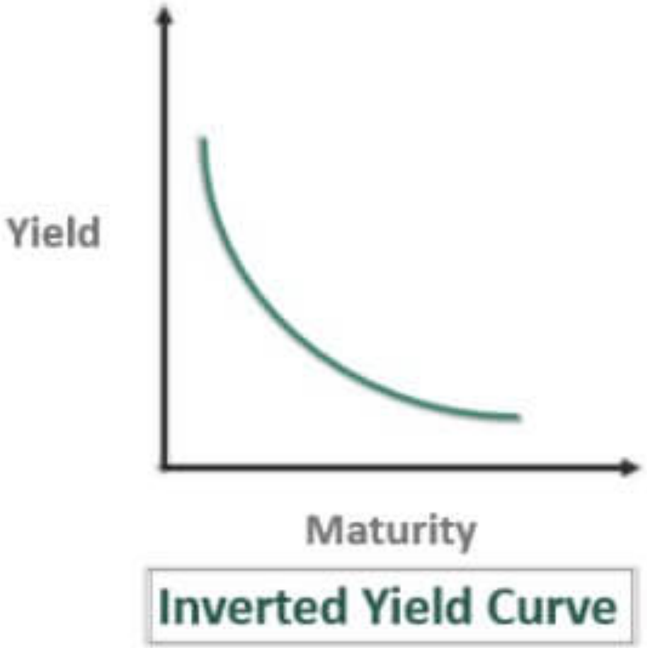
This plot shows a "**normal**" yield curve because yields are higher for longer-term debt (20 years: 3%)

than for shorter-term debt (1Month: 0.5%)

Inverted Yield Curve



Normal Yield Curve



Inverted Yield Curve