

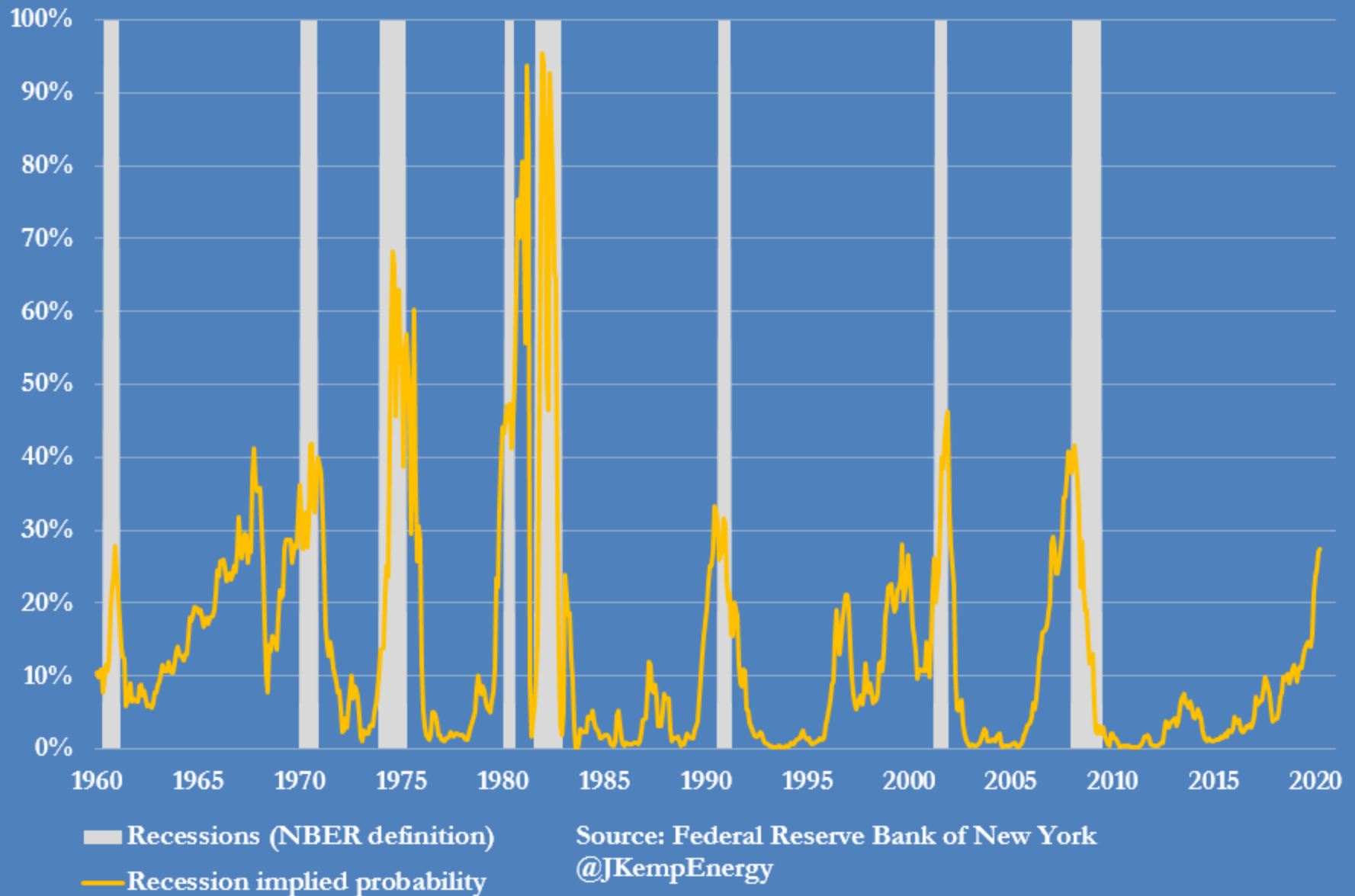
# U.S. yield-curve model and implied probability of recession

## Selected indicators

**JOHN KEMP**  
**REUTERS**  
17 May 2019

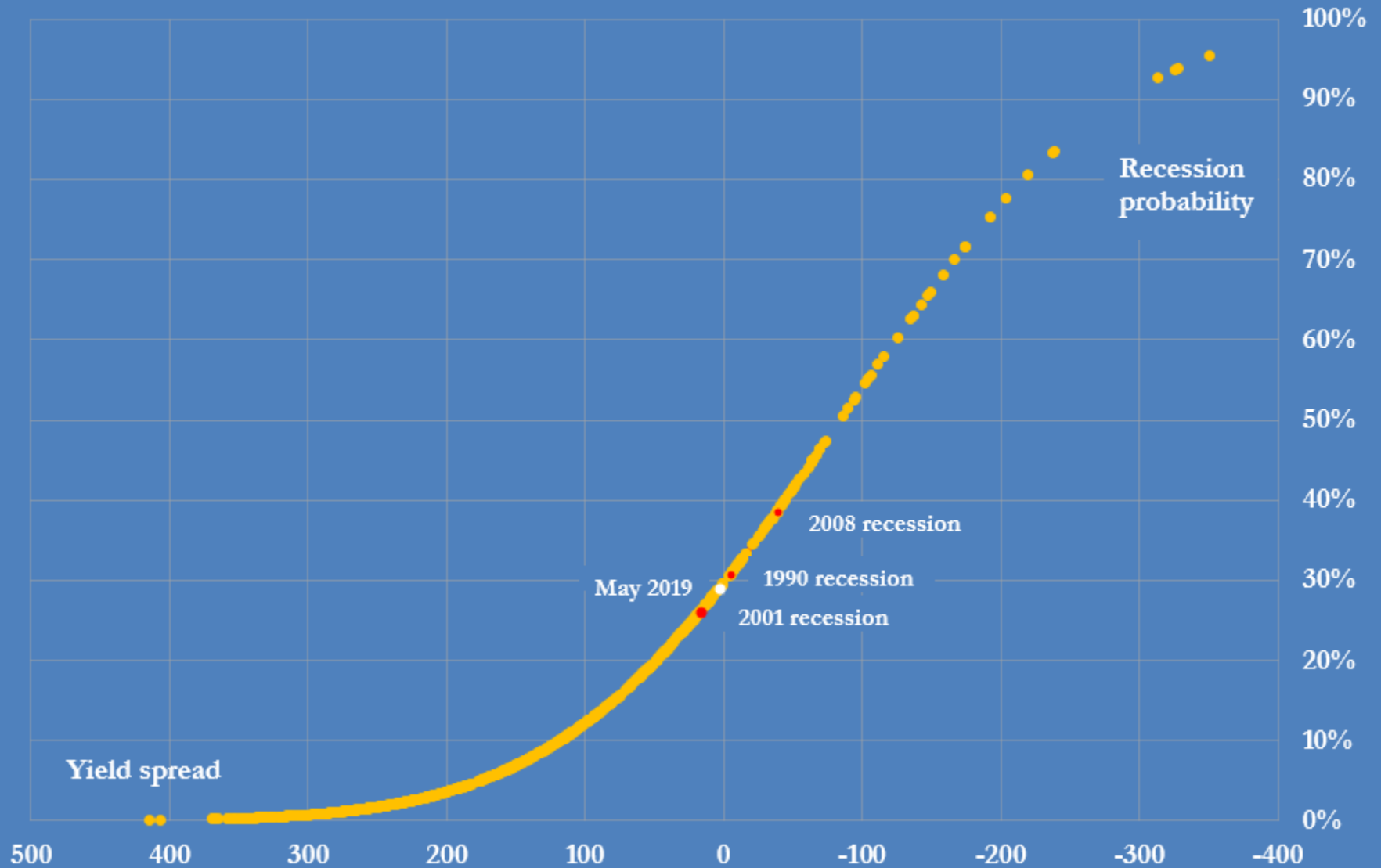
# Probability of U.S. recession 12-months ahead, 1960-2020

Based on Federal Reserve Bank of New York's yield-curve model  
Using spread between 3-month Treasury bills and 10-year Treasury Notes



# New York Fed yield-curve recession probability model

Implied probability of recession 12 months ahead  
Using spread between 3-month Treasury bills and 10-year Treasury notes



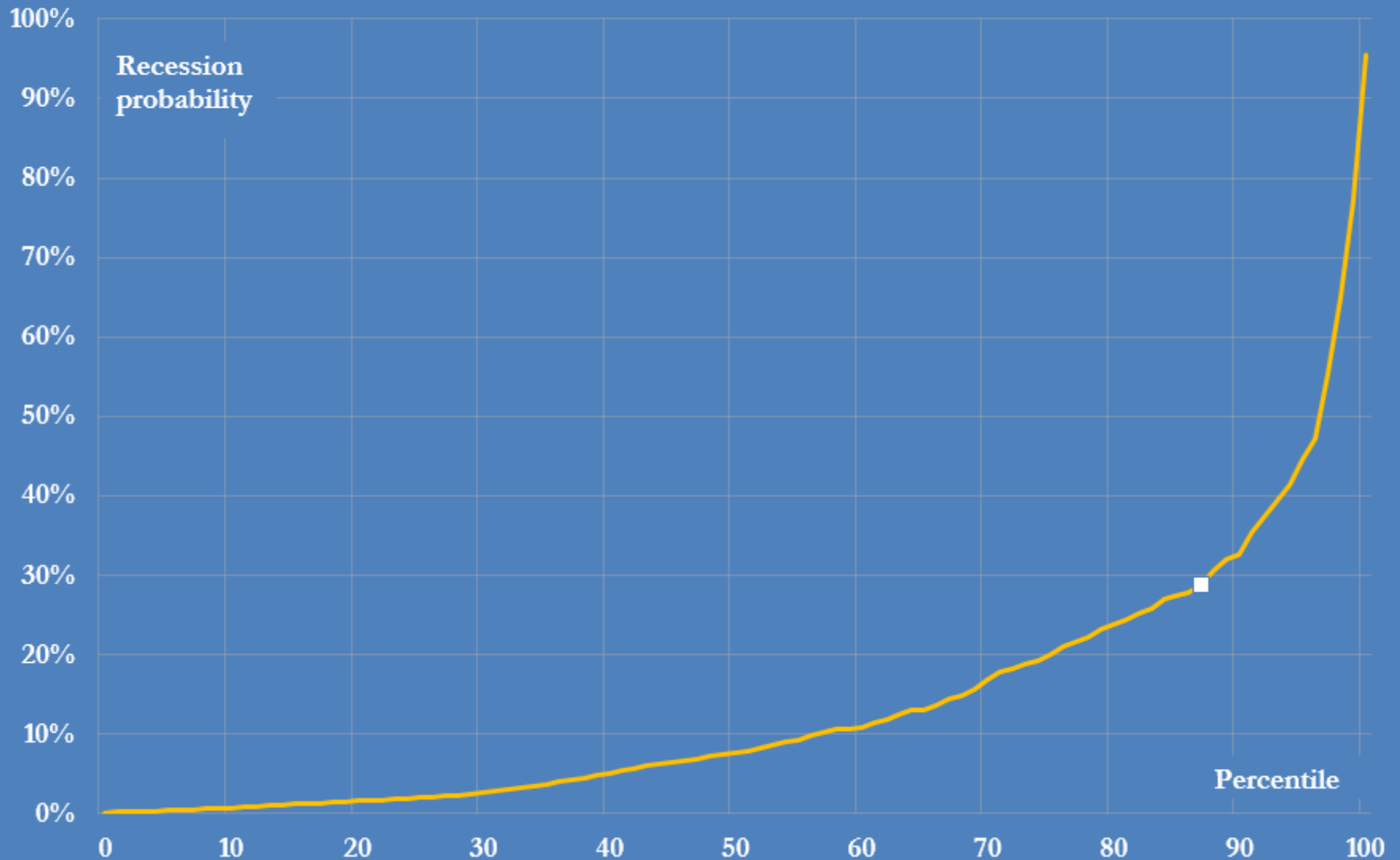
Source: Federal Reserve Bank of New York

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# New York Fed yield-curve recession probability model

## Probability of recession 12 months ahead

### Percentile distribution



Source: Federal Reserve Bank of New York

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# U.S. Treasury yield curve, 2018-2019

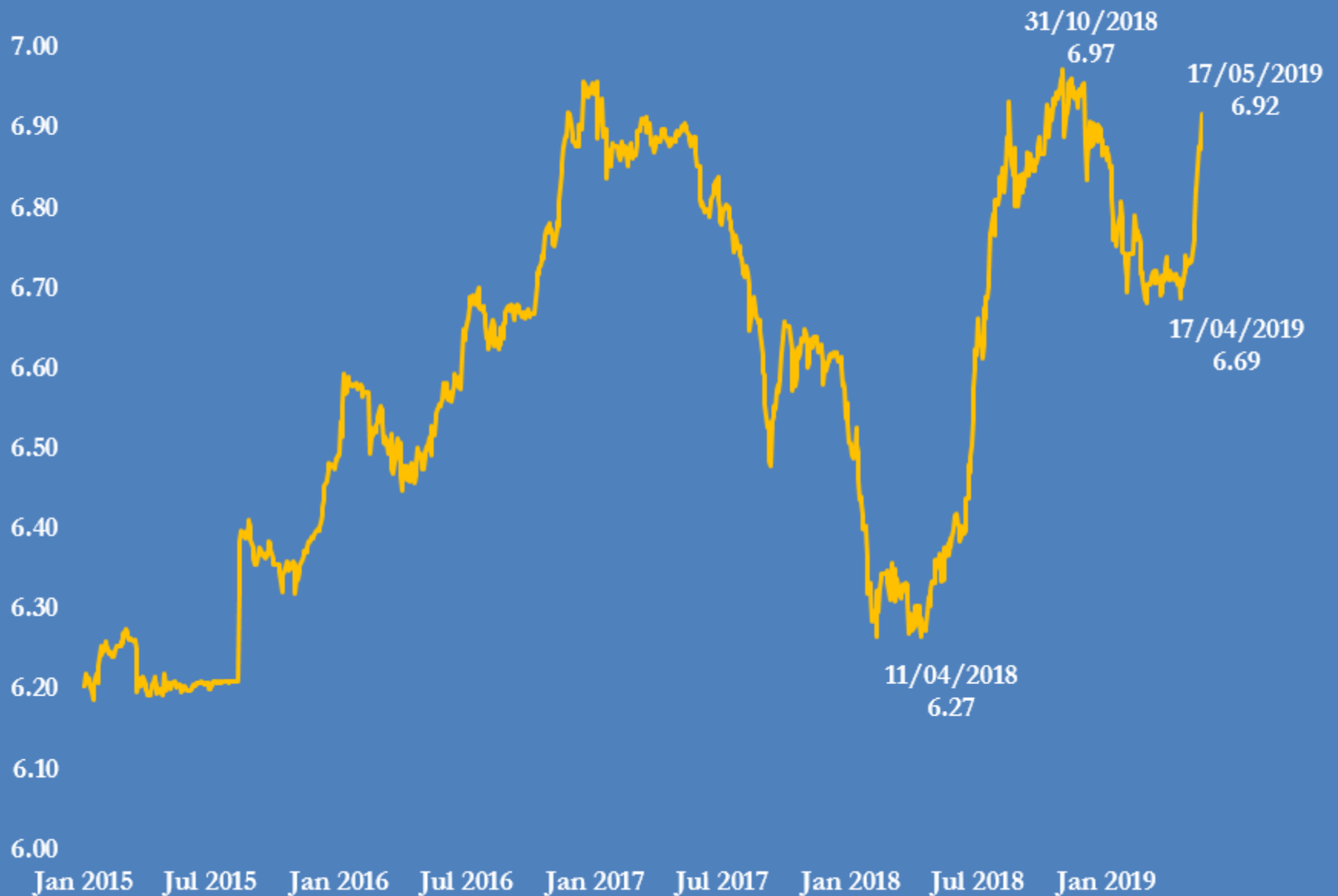
Percent points, 3mth bills - 10yr notes



Source: Refinitiv

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## China's yuan per U.S. dollar, 2015-2019



Source: Refinitiv

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