Yield Curve Inversion Points To A Recession In The U.S
BY ENRIQUE AUTHEMENT ON JULY 17, 2019

The yield curve inversion has remained inverted for an entire quarter.

The yield curve inversion is an important indicator that shows that a recession is coming. This has been witnessed for the past five decades and this ominous sign is raising fear in investors.

The three month period of downward inversion of the yield curve was completed on Sunday. It is a strong indication that there will be a recession in the next nine months or in 18 months time.

Yield curve version takes place when the interest rates for short term are higher than the interest rates for long-term.

The yield curve has been threatening at an inversion for about a year. It has stayed flat at times and sloping downwards at times. This has been going on for about a year.

But of late the yield curve has remained inverted continually for three months, which is for an entire quarter. Campbell Harvey a professor in finance from the Duke University has provided results from his research that shows that the 1980's recession came after the yield curve inversion. Further, this prediction is true for the last seven recessions too.

Harvey says that the yield curve prediction is not for the present but for the future. It does not reflect the current scenario. The vice chairman of the Federal Reserve Randal Quarles, however, says that the difference between the short-term and long-term interest rates does not signify a recession in the U.S.

Harvey says that the present economy is quite sound and the economic news is quite positive. Unemployment is very low, which is a good sign for the economy. The stock market is doing well with the S&P up by 17 percent. Everything thing is fine. There is no dramatic plunge in economic growth.

But, the inversion in the yield curve is a harbinger of bad news, he says.
ENRIQUE AUTHEMENT

Content Writer At Daily News Reports

Enrique has been a content writer for the past 4 Years of his career. After completing a degree in Health Economics, the choice of career helped him bloom through the reading and information gathering hobbies. Enrique’s love for the content writing field has helped him groom into a skilled writer as years passed by. The academic excellence in the medical field has helped him put it to use in the well-researched articles that are penned down. Enrique also is a strict diet follower and a fitness freak and never misses his routine schedule that starts at 5 am every day.

Email enrique.a@dailynewsreports.us  Call +1 609-715-8073

Published in Top Stories

Yield Curve Inversion Points To A Recession In The U.S

More from Top Stories

British Airways Fined 183 Million Pounds Over Computer Theft Of Passenger Data

Toyota Advancing Its Solar-Powered Cars By Integrating Superior Solar Cells

X-rays Assist Astronomers To Spot Spinning Black Holes

Hong Kong IPO Valued Up To $9.8 Billion Announced By Ab Inbev Asia Business

Be First to Comment

Leave a Reply

Your email address will not be published. Required fields are marked *

Comment

Name*

Jane Doe

Email*

name@email.com

Website

http://google.com

Save my name, email, and website in this browser for the next time I comment.
TECHNOLOGY

*Toyota Advancing Its Solar-Powered Cars By Integrating Superior Solar Cells*

BY EDITH SEIFERT ON JULY 13, 2019
AI Interprets Your Mind Regarding Product Return Before You Purchase It
BY EDITH SEIFERT ON JULY 8, 2019

The FIDO Alliance Needs To Bring Password-Less Safety To IoT Machines
BY EDITH SEIFERT ON JULY 4, 2019
**British Airways Will Allow You Track Your Bags With RFID Tags**
BY EDITH SEIFERT ON JULY 3, 2019

**Two Chinese Startups Will Launch Robotaxi Services In California**
BY EDITH SEIFERT ON JUNE 27, 2019

SCIENCE
X-rays Assist Astronomers To Spot Spinning Black Holes
BY DENEEN BAILEY ON JULY 12, 2019

UAE’s NCM Asks For Coverage On Specific Area By Chinese Weather Satellites
BY DENEEN BAILEY ON JULY 2, 2019
The Sun Might Have A Dual Personality, Simulations Recommend
BY DENEEN BAILEY ON JUNE 28, 2019

Euclid Mission On The Way To Investigate The Mystifying Dark Energy
BY DENEEN BAILEY ON JUNE 20, 2019
Gamma-ray Pulsars Have More Facts Added, Thanks To X-ray Data

BY DENEEN BAILEY ON JUNE 19, 2019

Daily News Reports
Global Insights Into Daily News & Updates

About Us
Our Team
Privacy Policy
Contact Us

© 2019. All Rights Reserved By Daily News Reports.