How Close is the Next Recession?
Last Thursday, the Department of Commerce’s Bureau of Economic Analysis released numbers showing that the U.S. economy expanded at a rate of 3.1% during the second fiscal quarter that started in January and ended in March.

The Trump administration attributed the robust numbers to data that showed solid consumer spending and business investment.

But while the Commerce Department is still projecting continued GDP growth over the next decade, private finance isn’t so sure. The financial services company Moody’s Analytics is projecting a GDP slowdown over the next quarter.

And perhaps more ominously, the bond market is acting strange. And when bond-prices start behaving in ways they usually — it’s something called the yield curve — history shows that a recession might not be far behind.

Joining the program is Campbell Harvey, a Professor of Finance at Duke University, whose work in 1986 discovered the yield curve’s predictive powers.

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