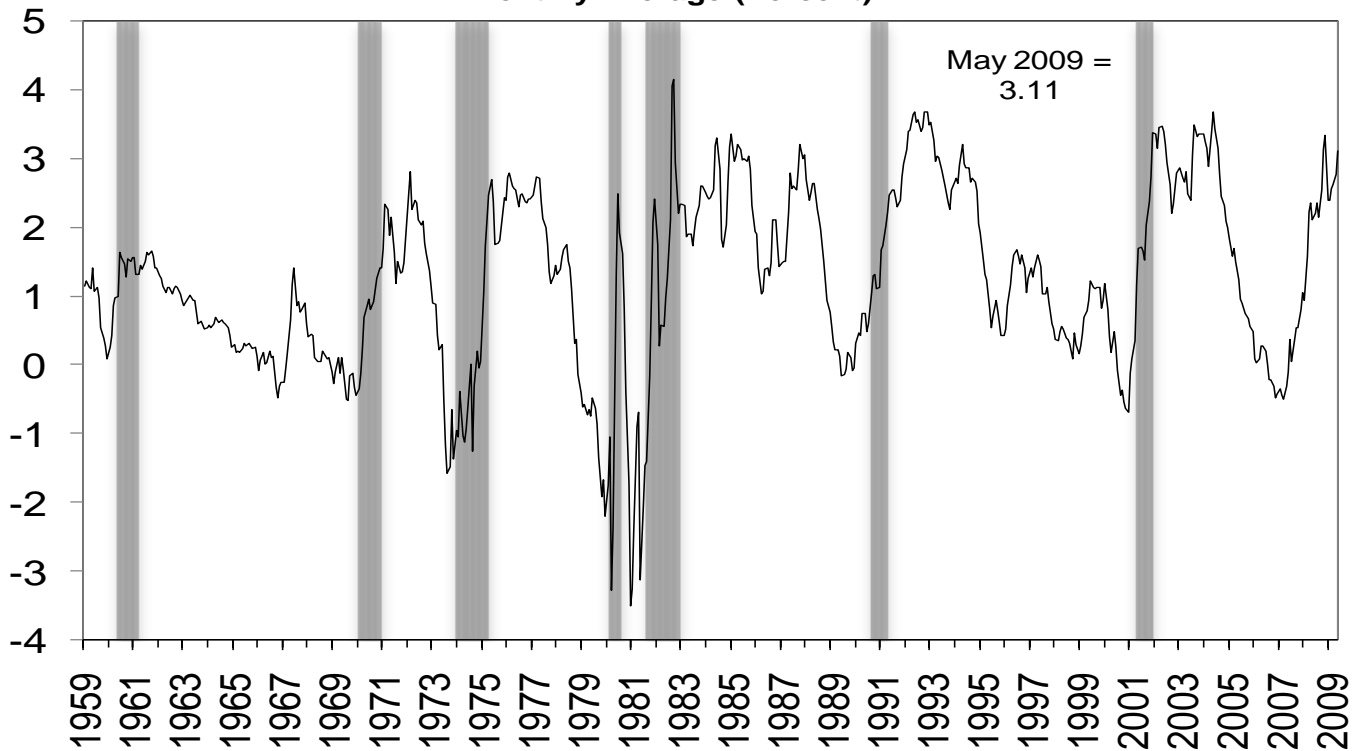
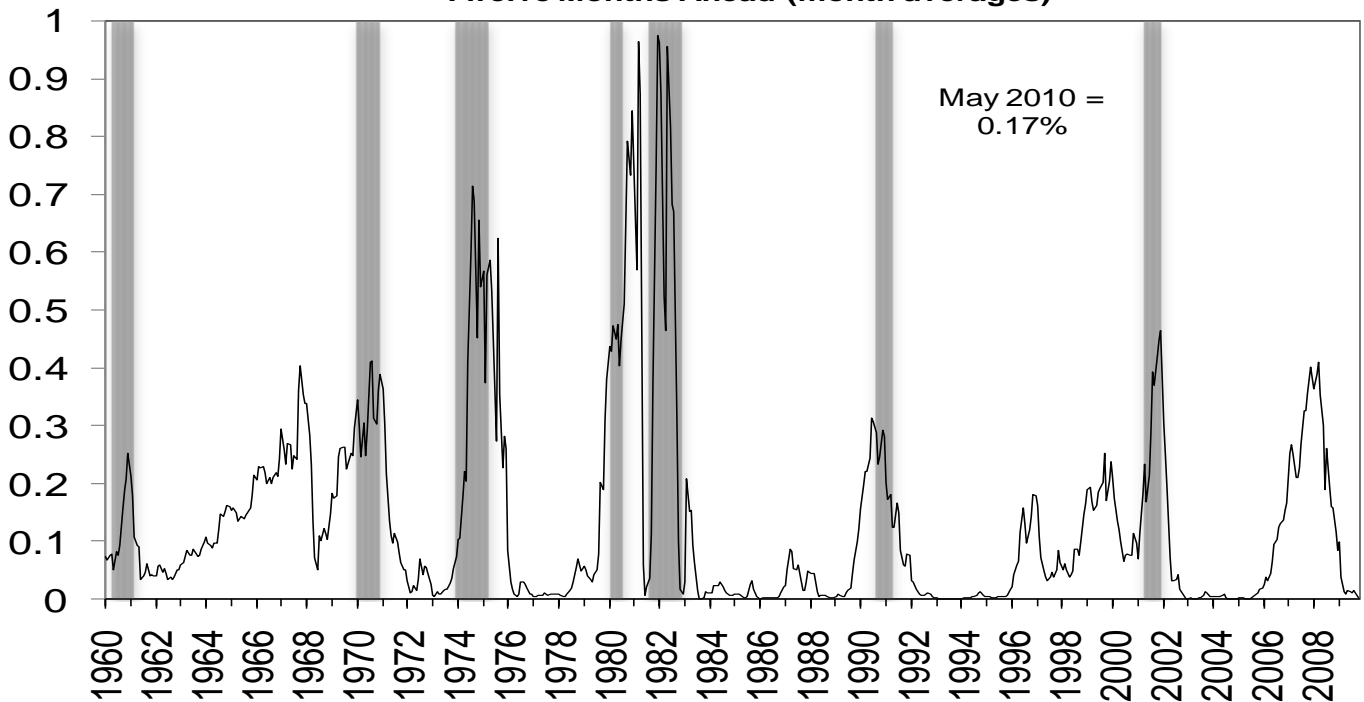


## Treasury Spread: 10 yr bond rate-3 month bill rate Monthly Average (Percent)



## Probability of US Recession Predicted by Treasury Spread\* Twelve Months Ahead (month averages)



\* Parameters estimated using data from January 1959 to December 2007, recession probabilities predicted using data through May 2009.

Note: The shading on these charts does not reflect the 12/1/2008 announcement by the NBER that the last period of expansion ended in December 2007.