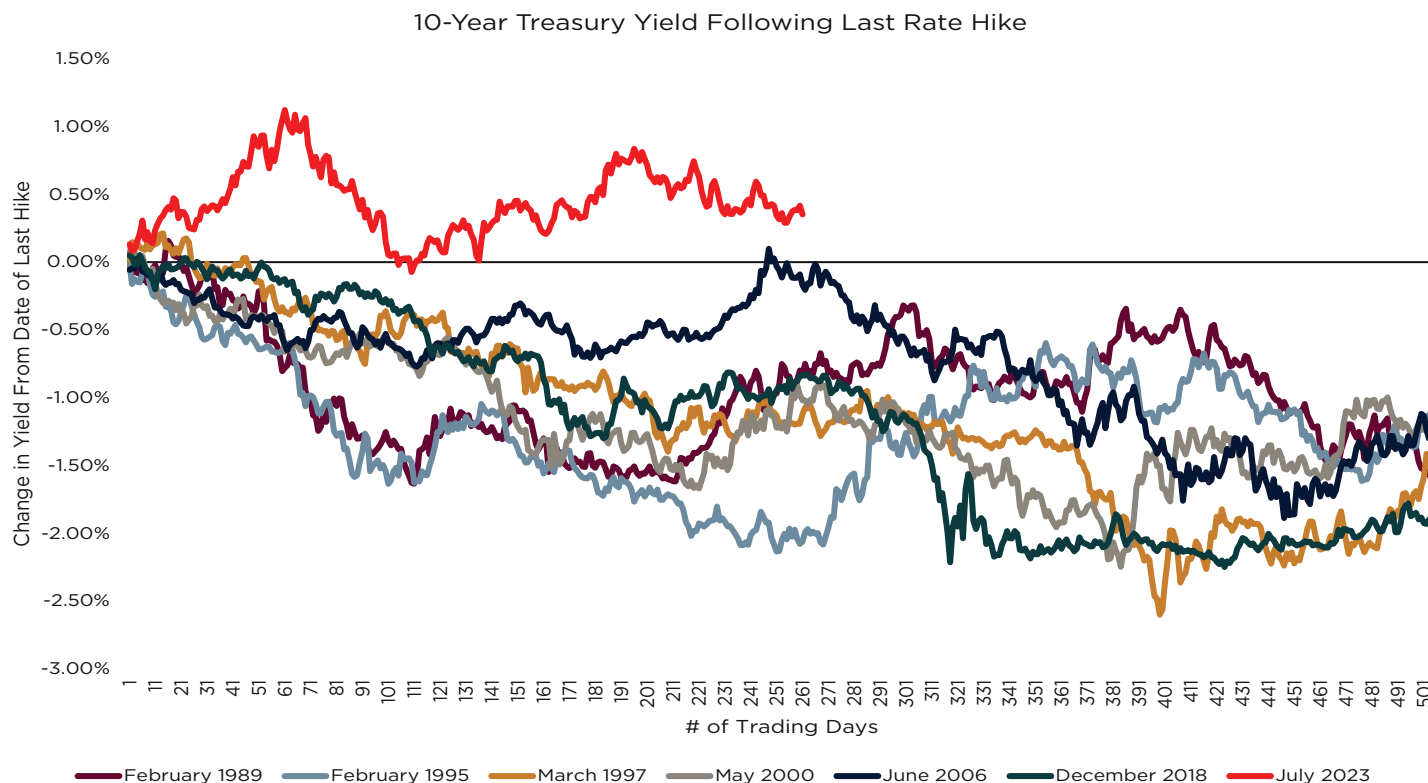


HISTORY SUGGESTS LOWER YIELDS FROM HERE

Landon Peterson | Portfolio Analyst



NOTE: DAY 0 = DAY OF FINAL FEDERAL RESERVE INTEREST RATE HIKE IN EACH CYCLE
SOURCE: JOHNSON ASSET MANAGEMENT, BLOOMBERG, DATA AS OF 7/24/2024

Both the trajectory of economic data, as well as communication from the Federal Reserve itself, continue to suggest that the next move from policy makers will be a rate cut. If that proves to be true, the current path of the 10-year treasury yield stands apart when compared to periods following the last rate hike in prior Fed cycles. While inflation pressures and the degree of macroeconomic uncertainty have made this cycle unique, historical precedent suggests the path for yields will be lower.

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