

Squeeze Not a Crunch

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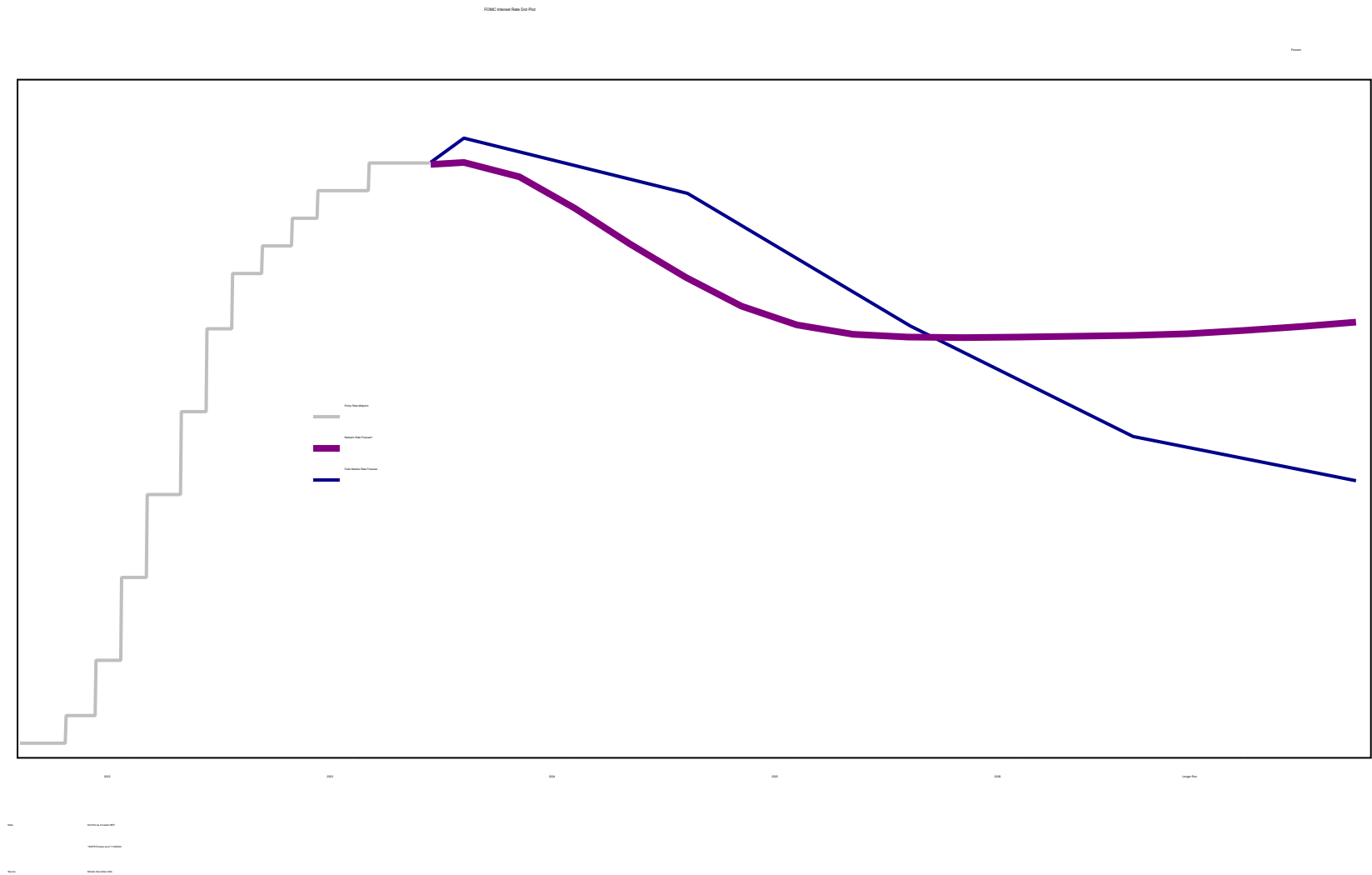
The Mizuho logo, featuring the word "MIZUHO" in white capital letters above a white horizontal line, set against a dark blue background.

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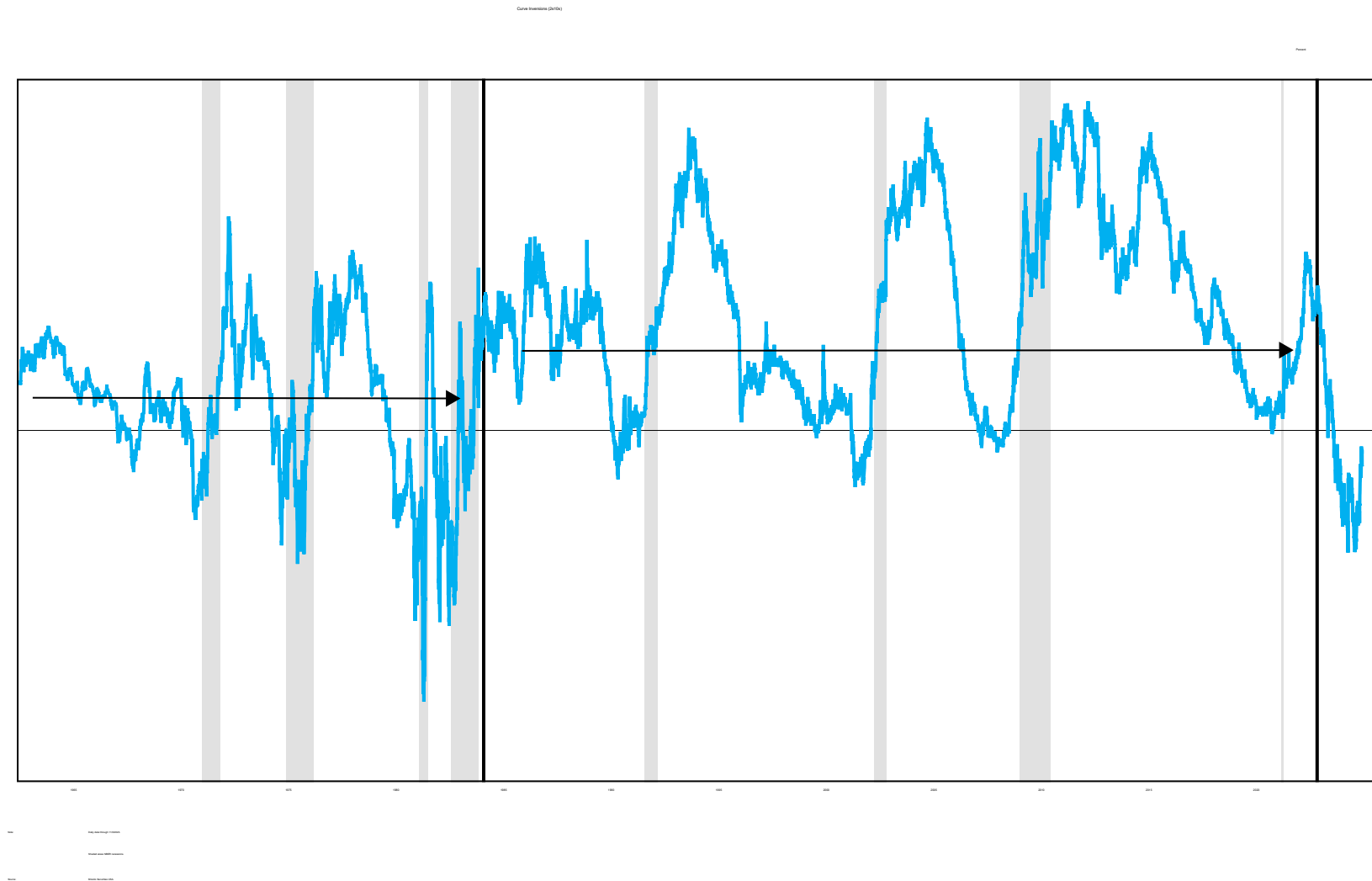
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Monetary Policy

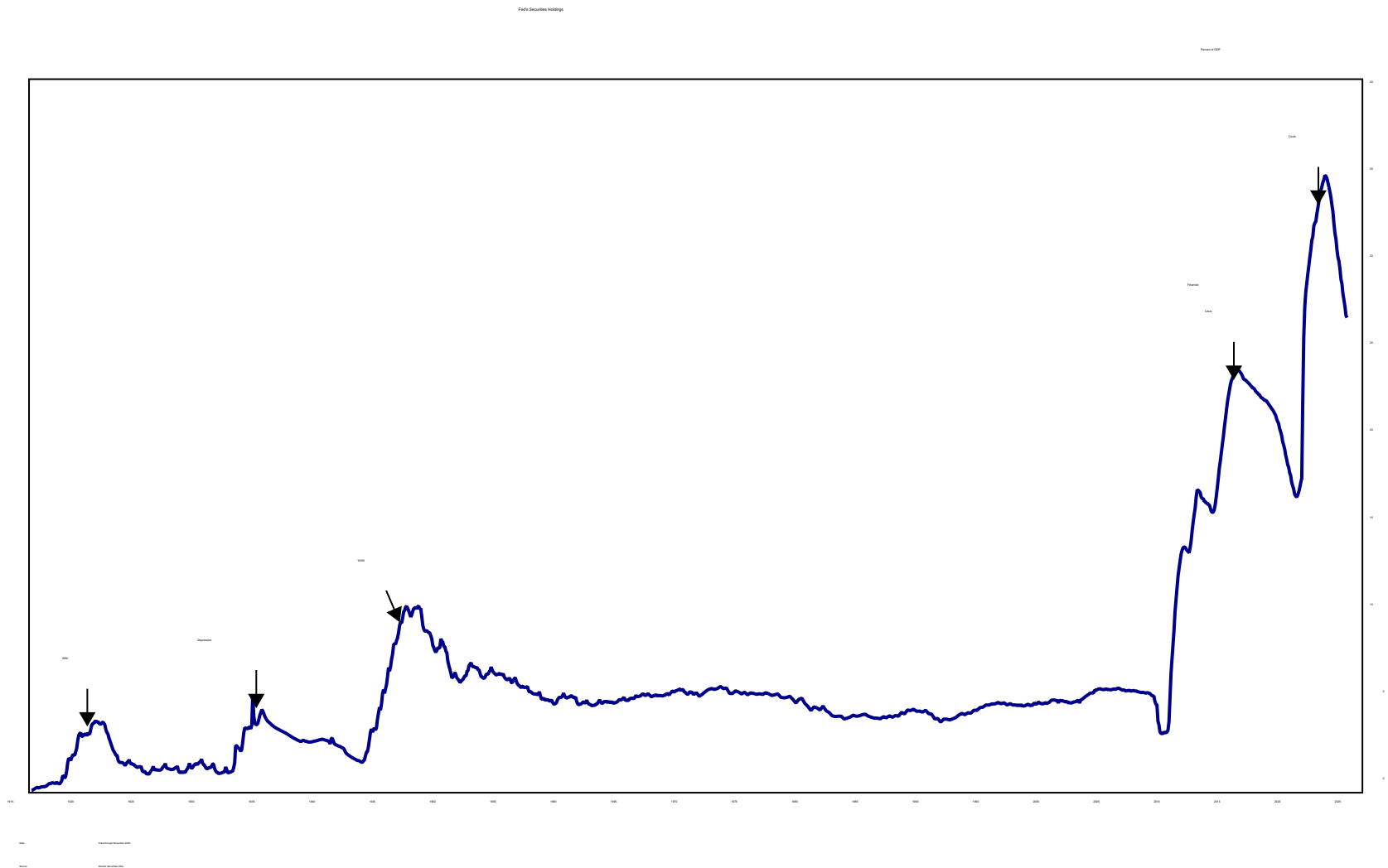
The Fed vs the market's view of the future trajectory of interest rates.



Curve inversions were longer and deeper in the 1970s inflation cycles than in later credit cycles.

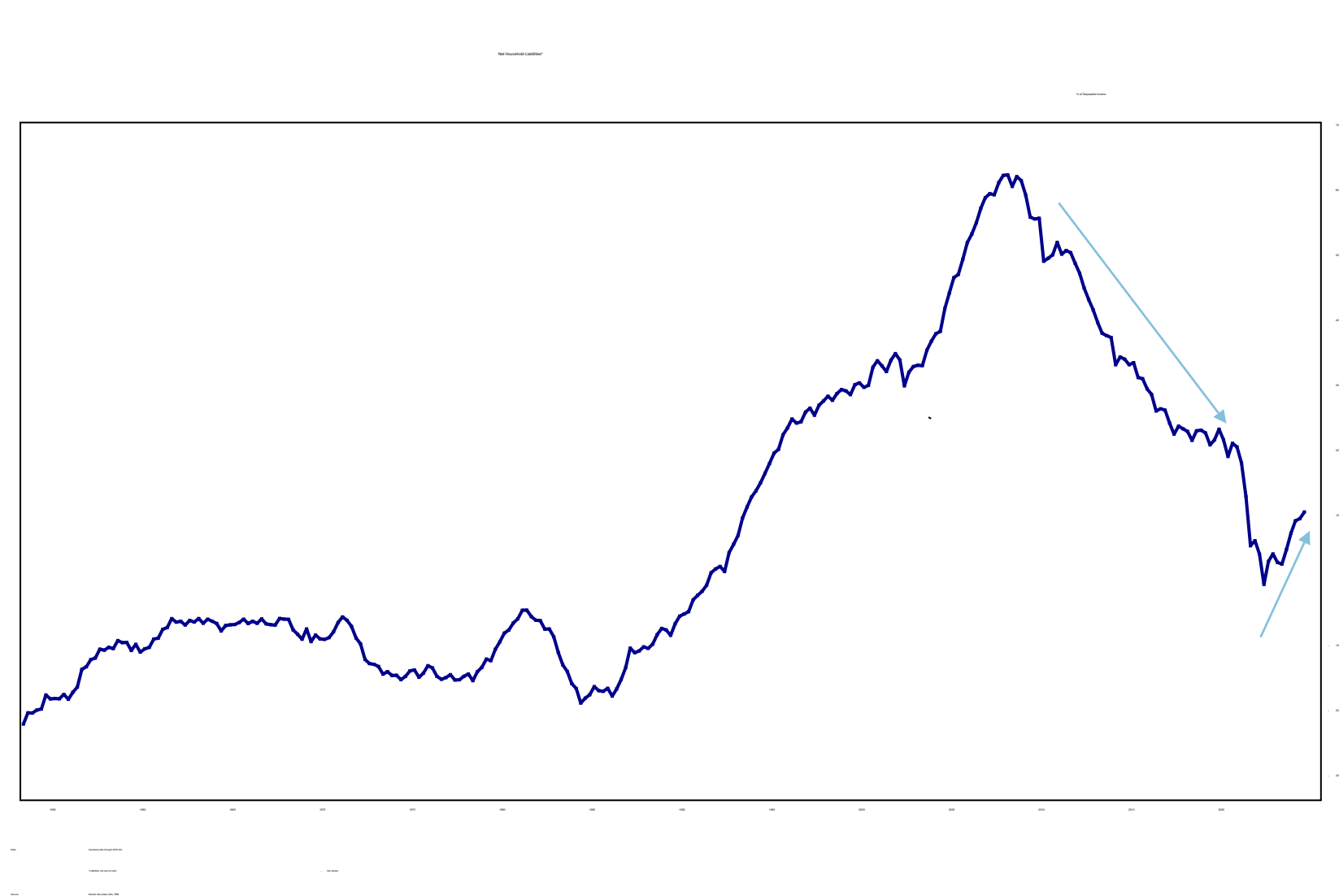


Balance sheet reduction is about halfway done.

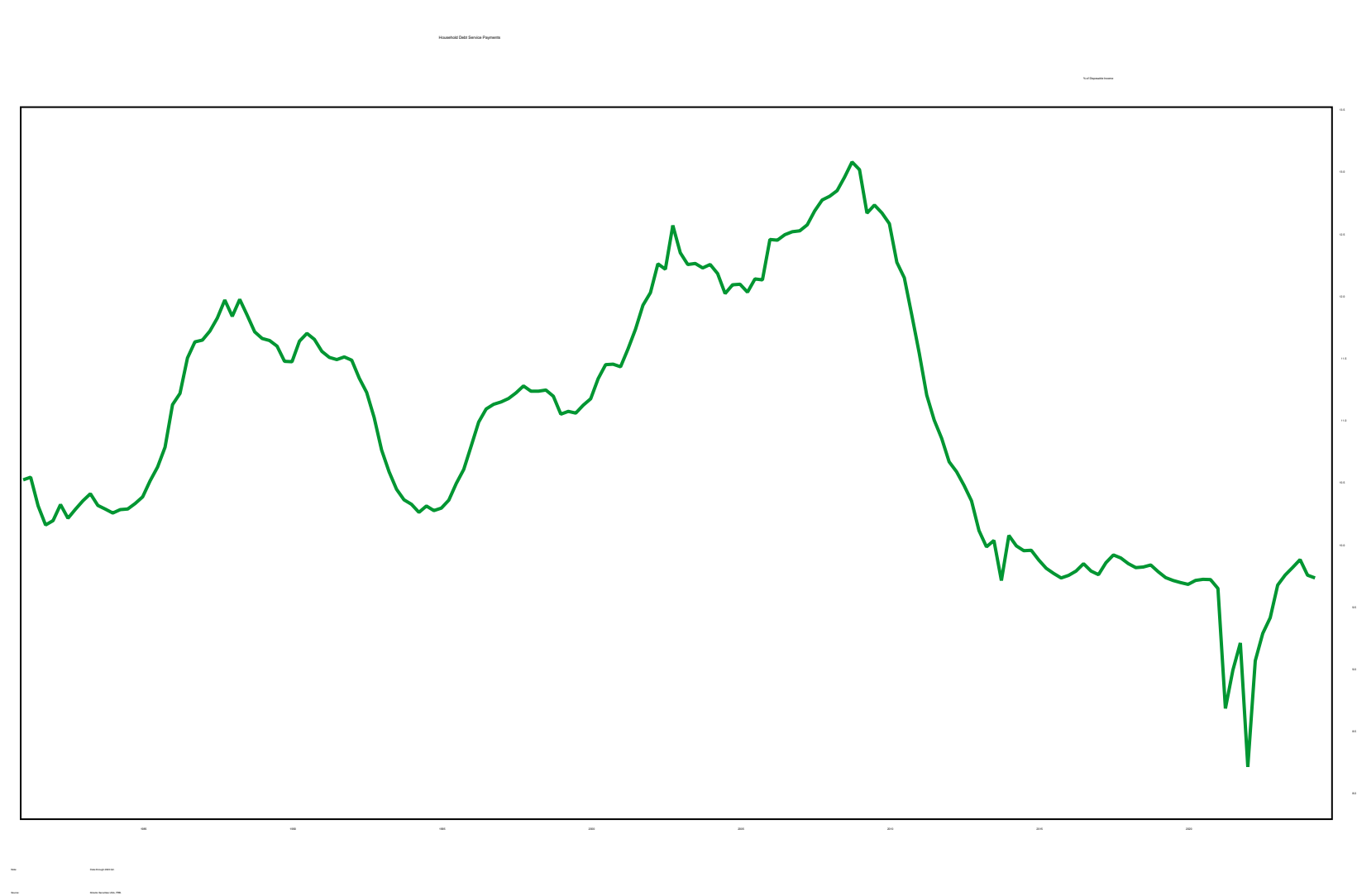


Household Balance Sheet

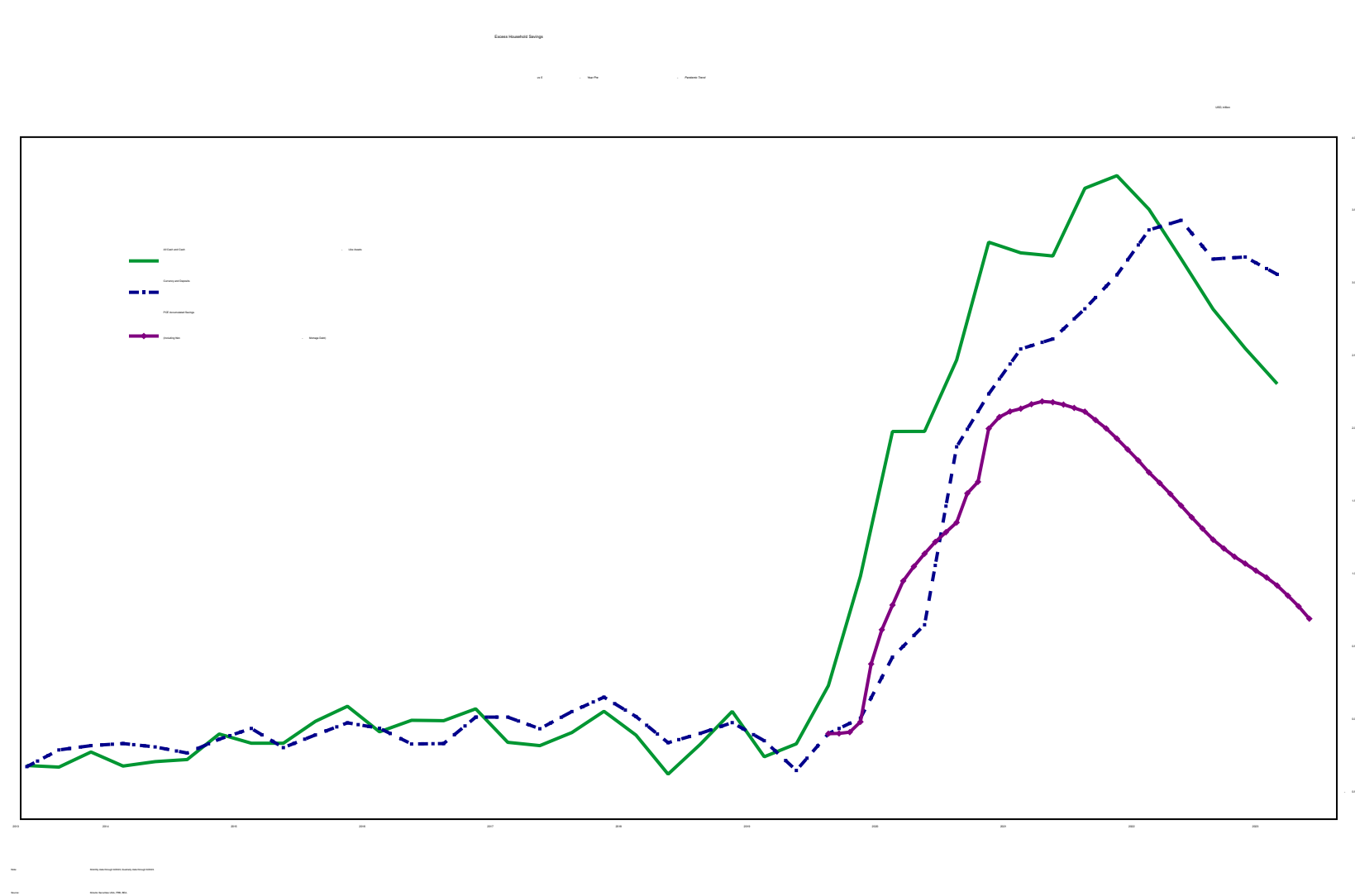
Household liabilities net cash.



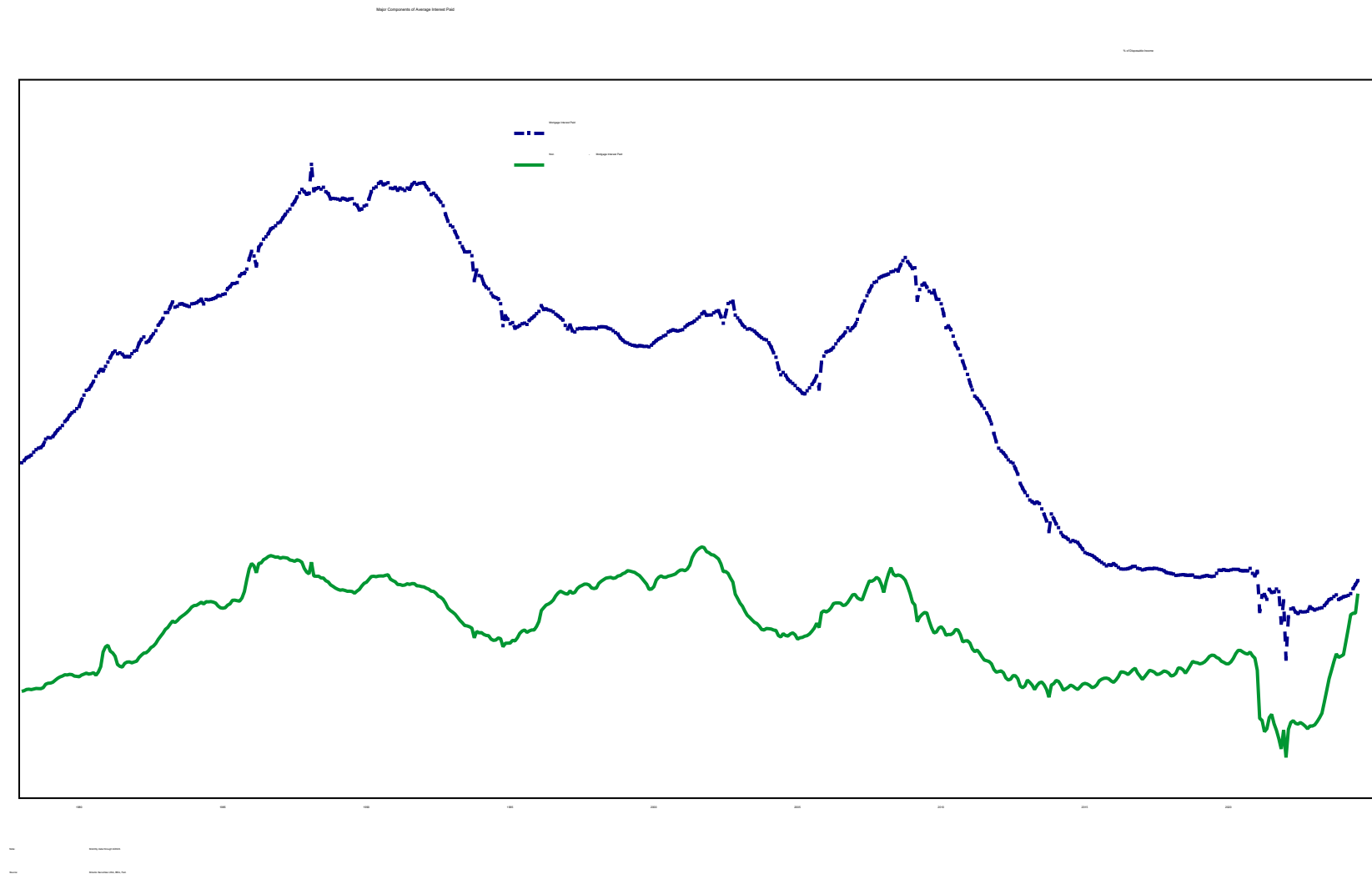
Household debt service.



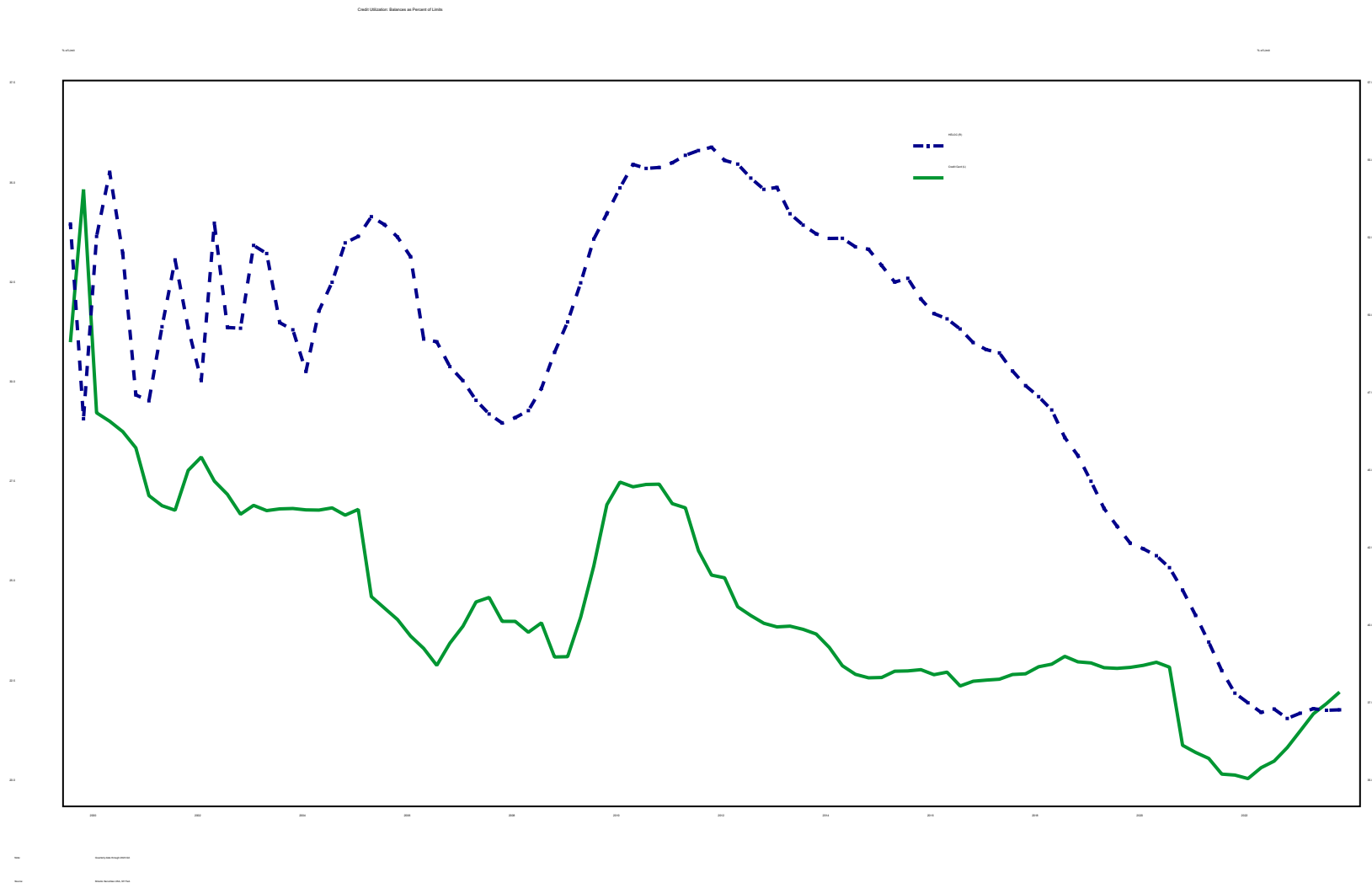
“Excess” savings vs the pre-pandemic trend.



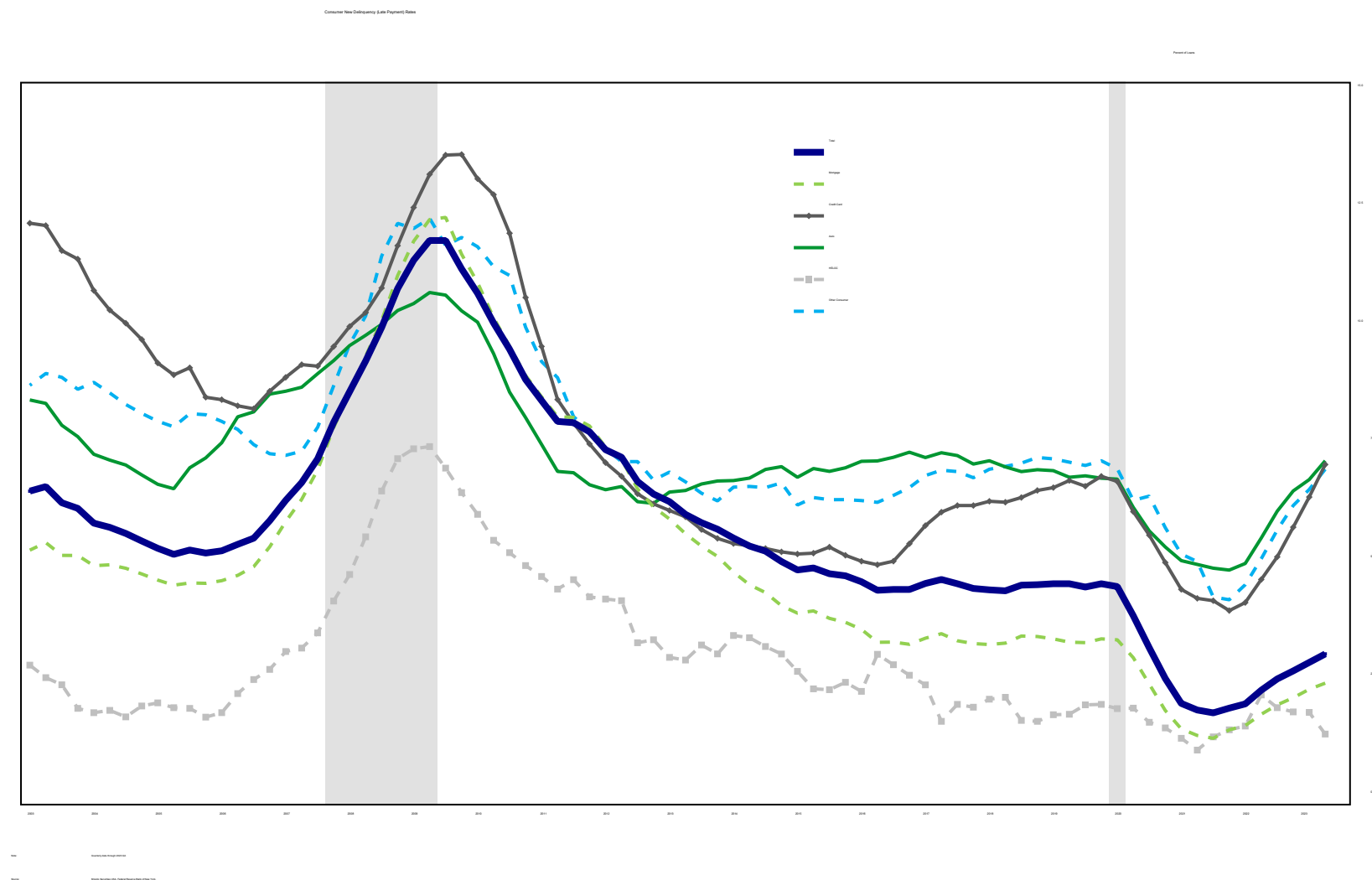
Household debt service: mortgage vs non-mortgage.



Credit utilization measures are balances relative to available limits.

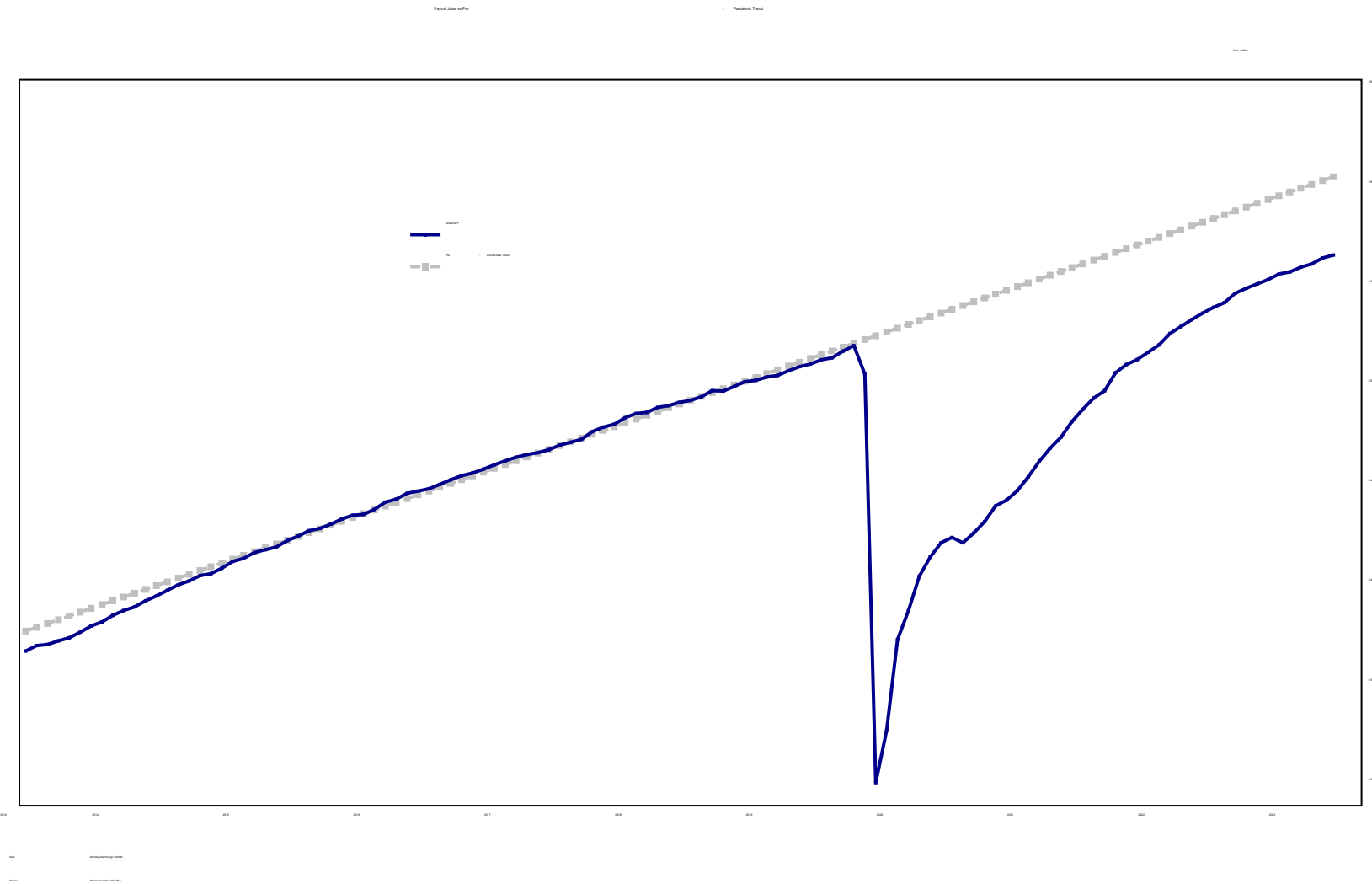


Delinquency rates across consumer credit products.

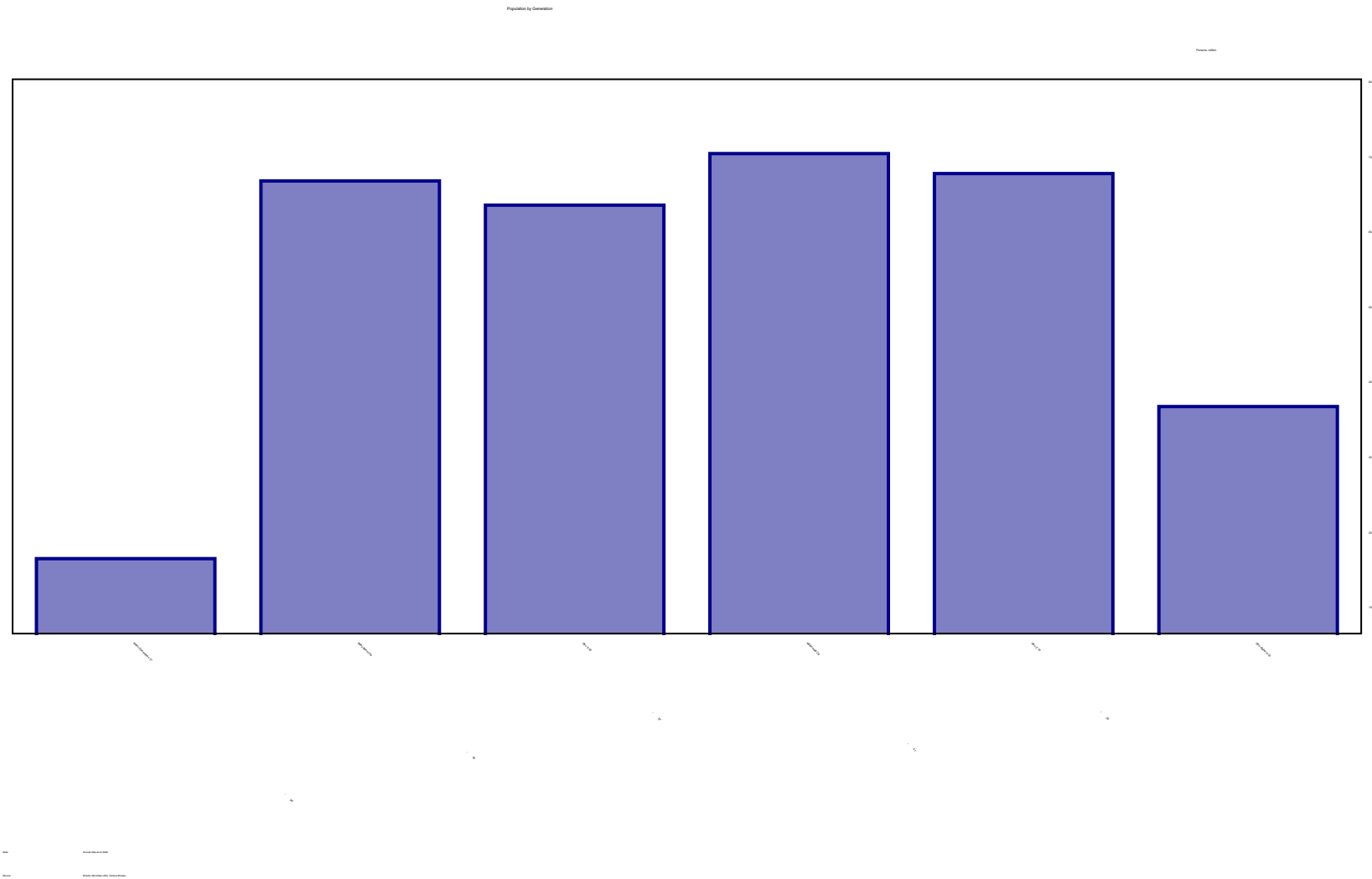


Labor Market

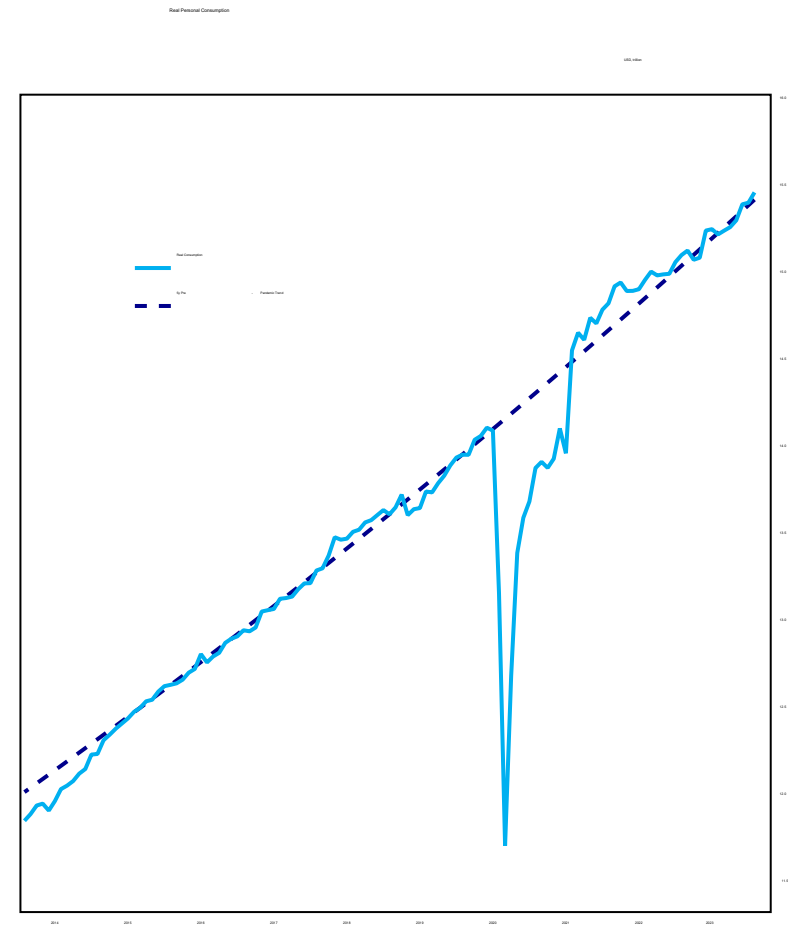
Worker shortage.



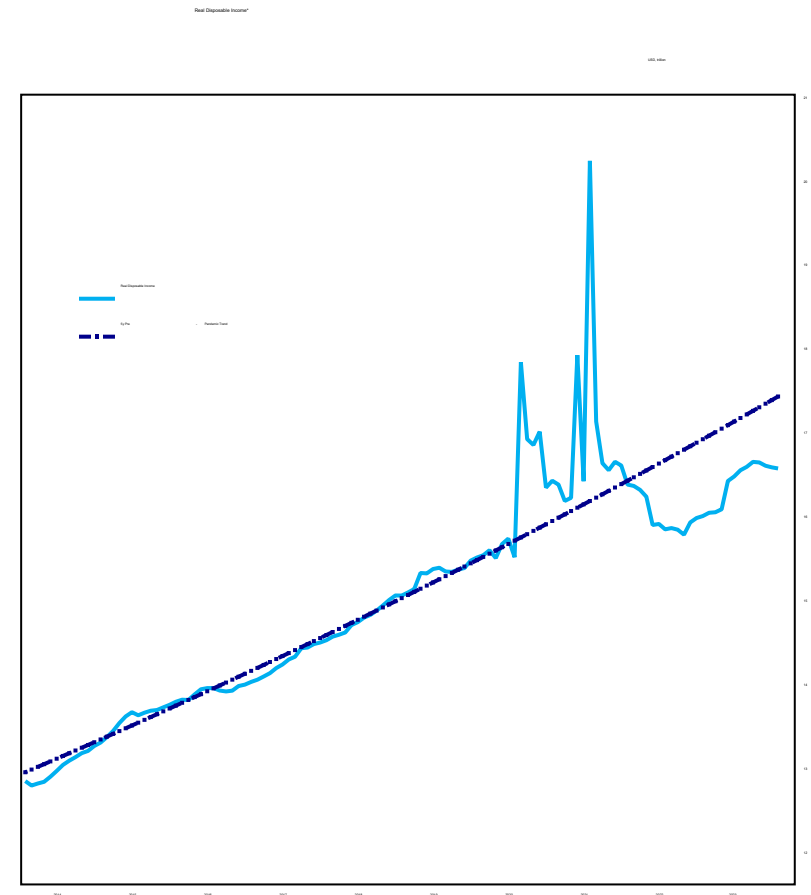
Population buckets by generation.



“Real” inflation-adjusted consumption vs real disposable incomes.



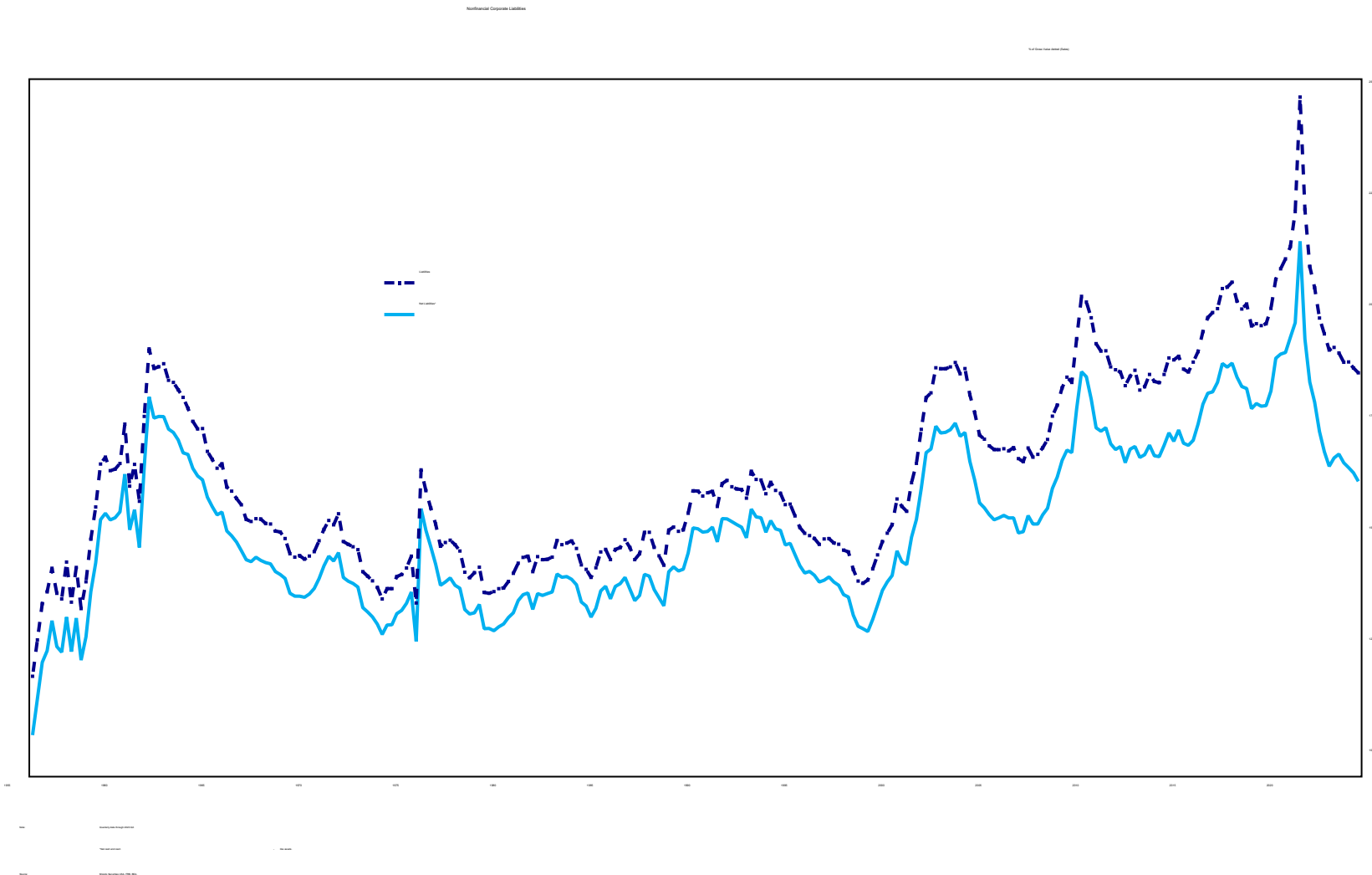
Source: Bureau of Economic Analysis (BEA),
Personal Consumption Expenditures (PCE),
Personal Disposable Income (PDI)



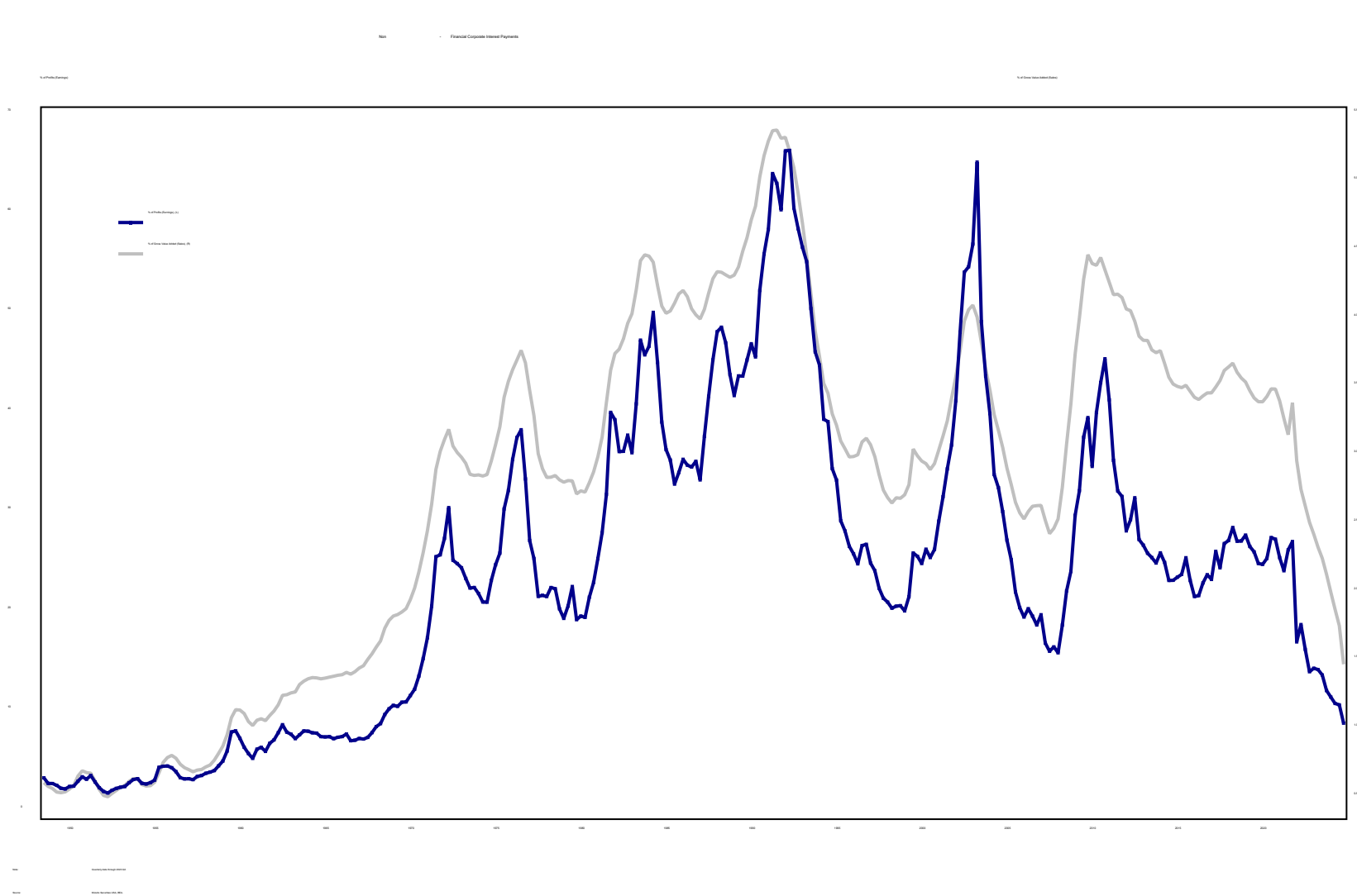
Source: Bureau of Economic Analysis (BEA),
Personal Disposable Income (PDI),
Personal Consumption Expenditures (PCE)

Corporate Balance Sheet

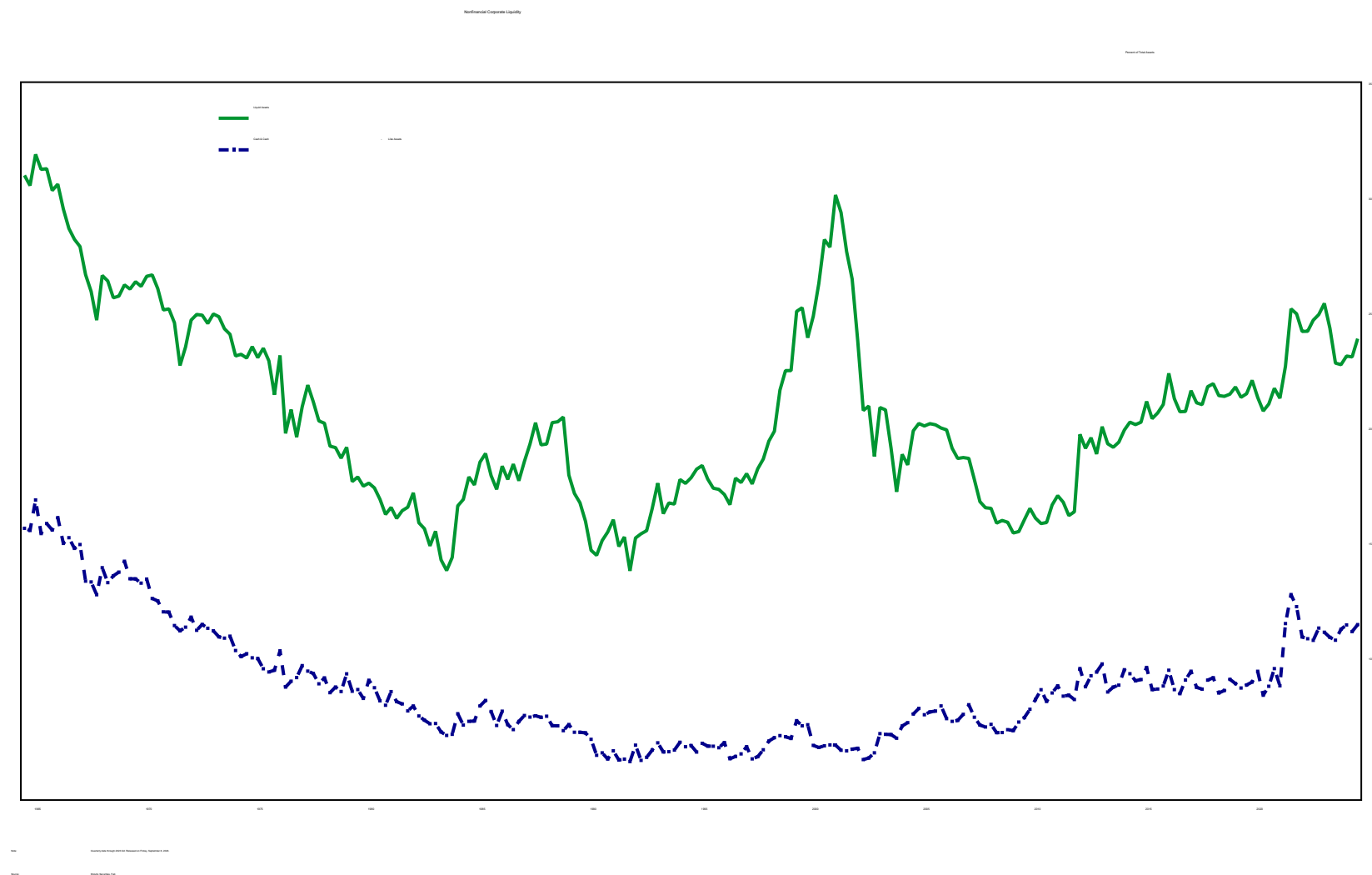
Non-financial corporate liabilities.



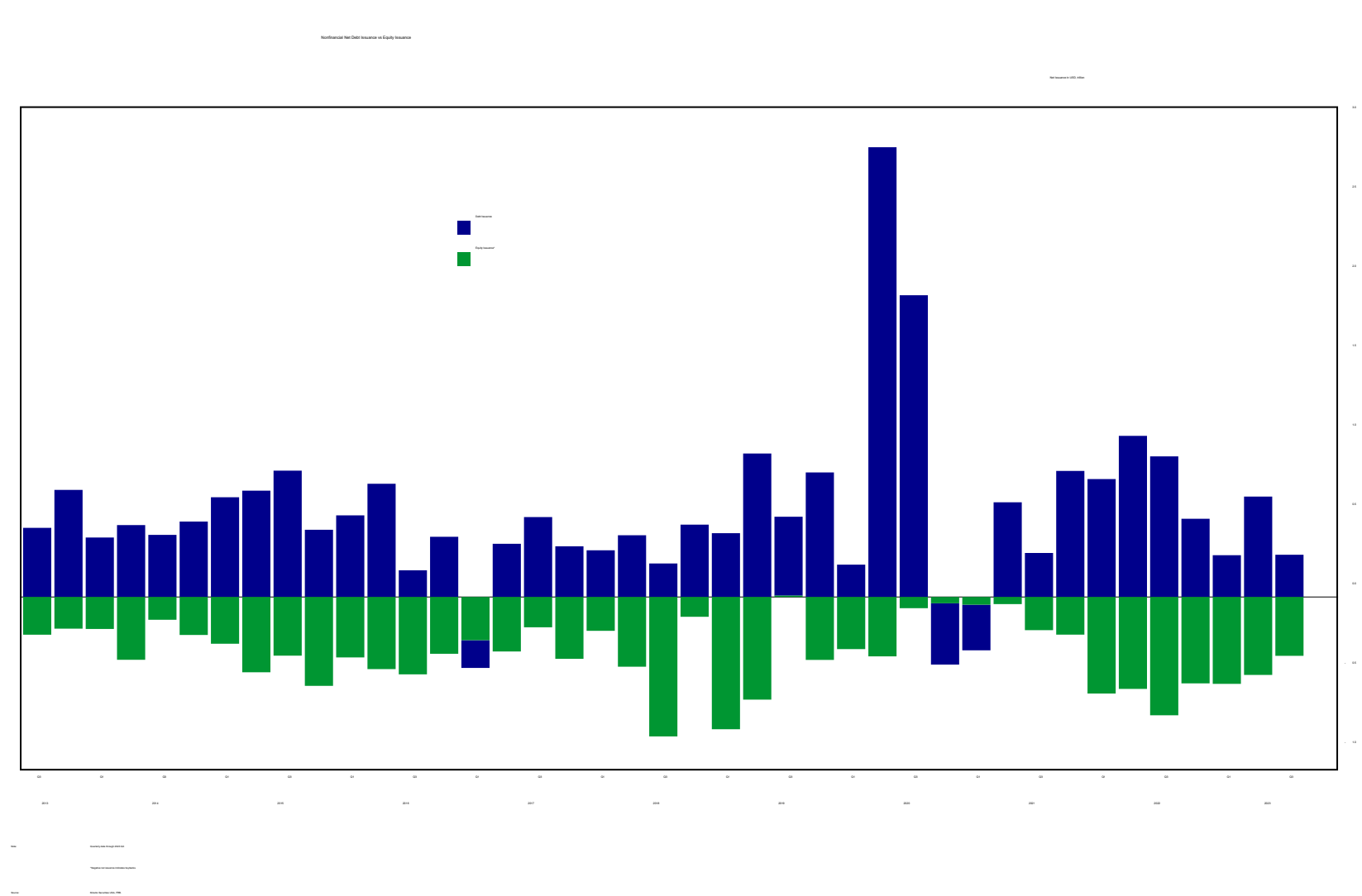
Corporate debt service burden.



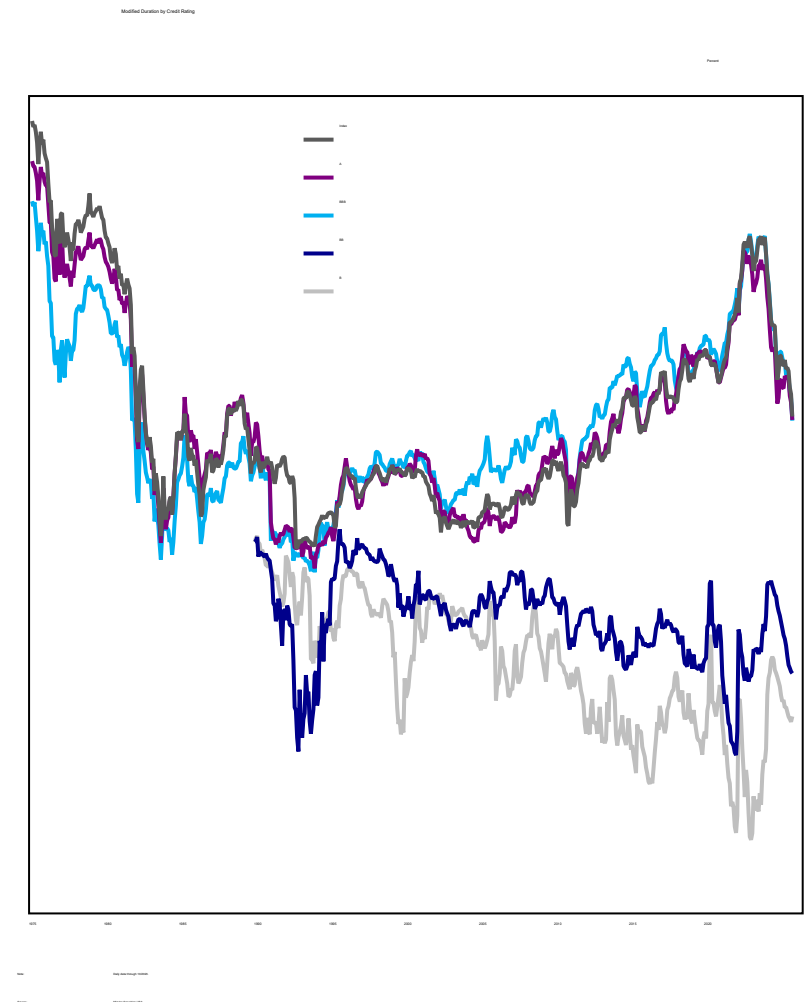
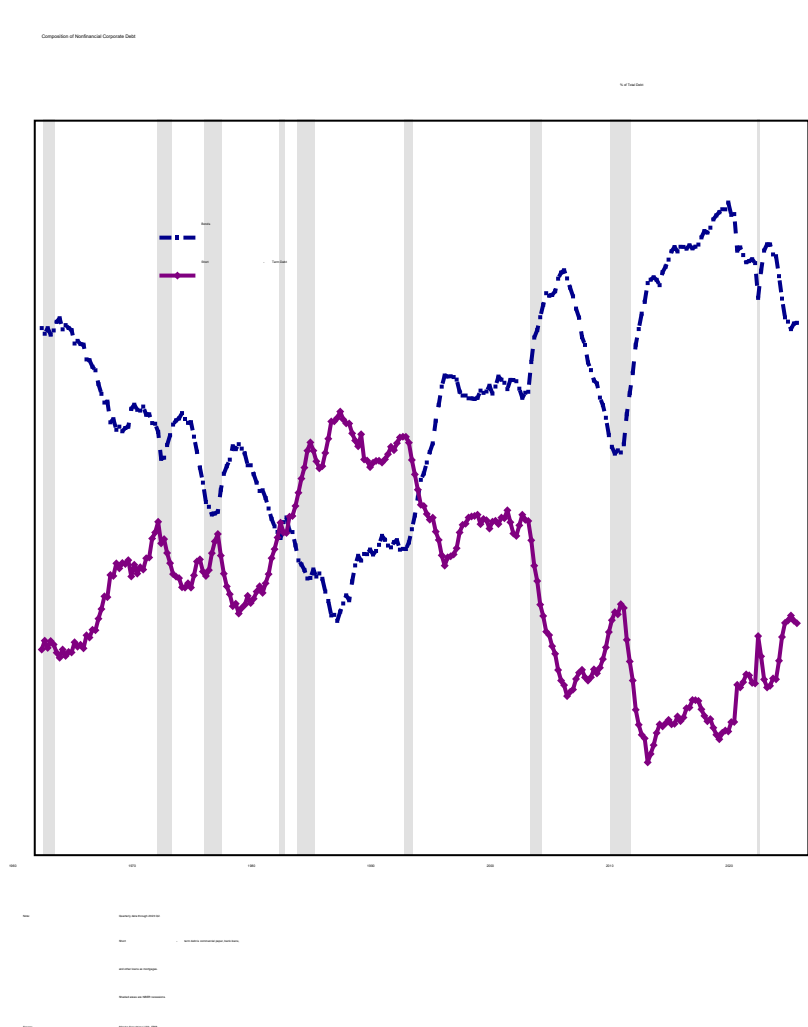
Corporate liquidity.



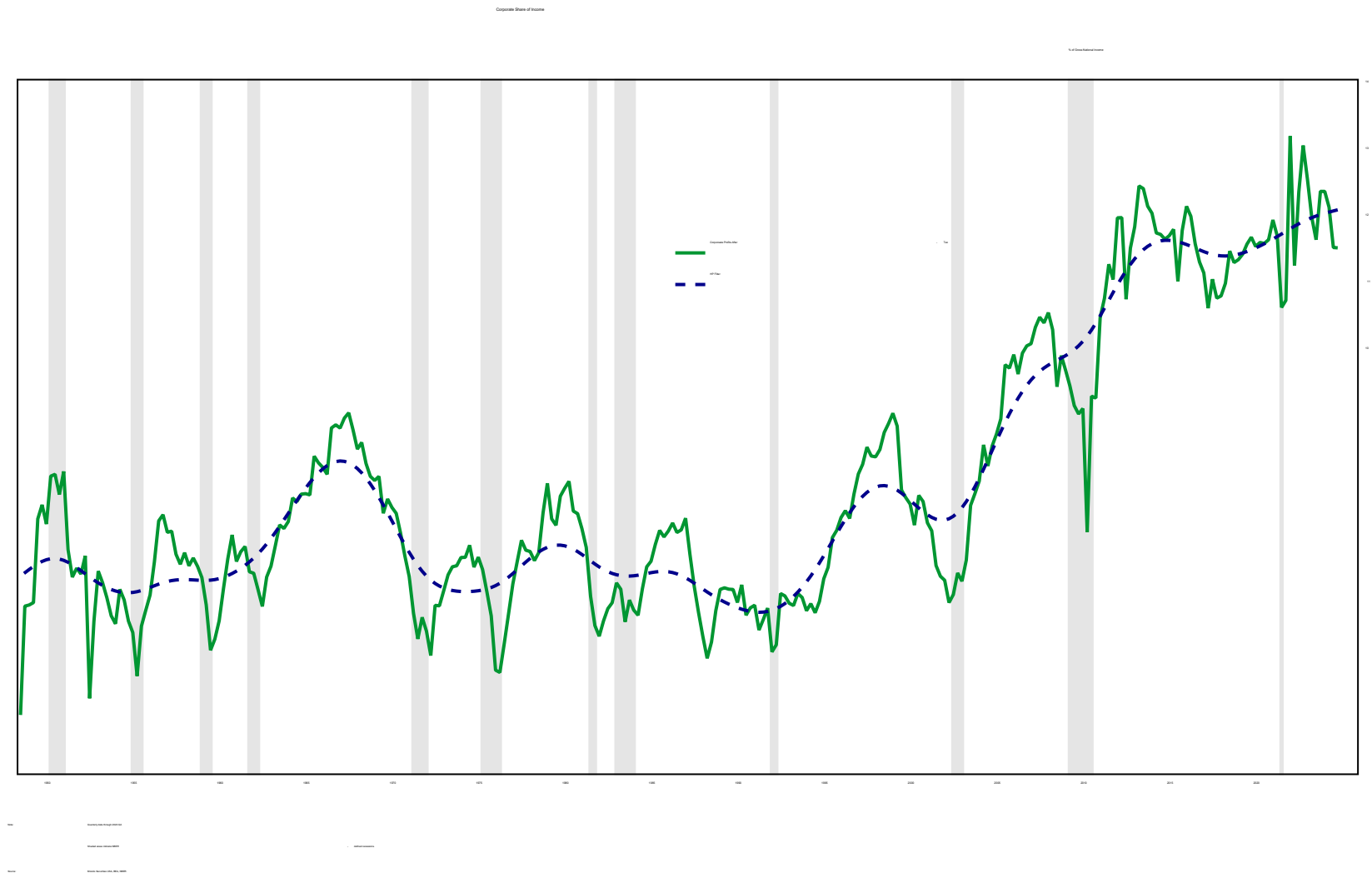
Corporate net issuance.



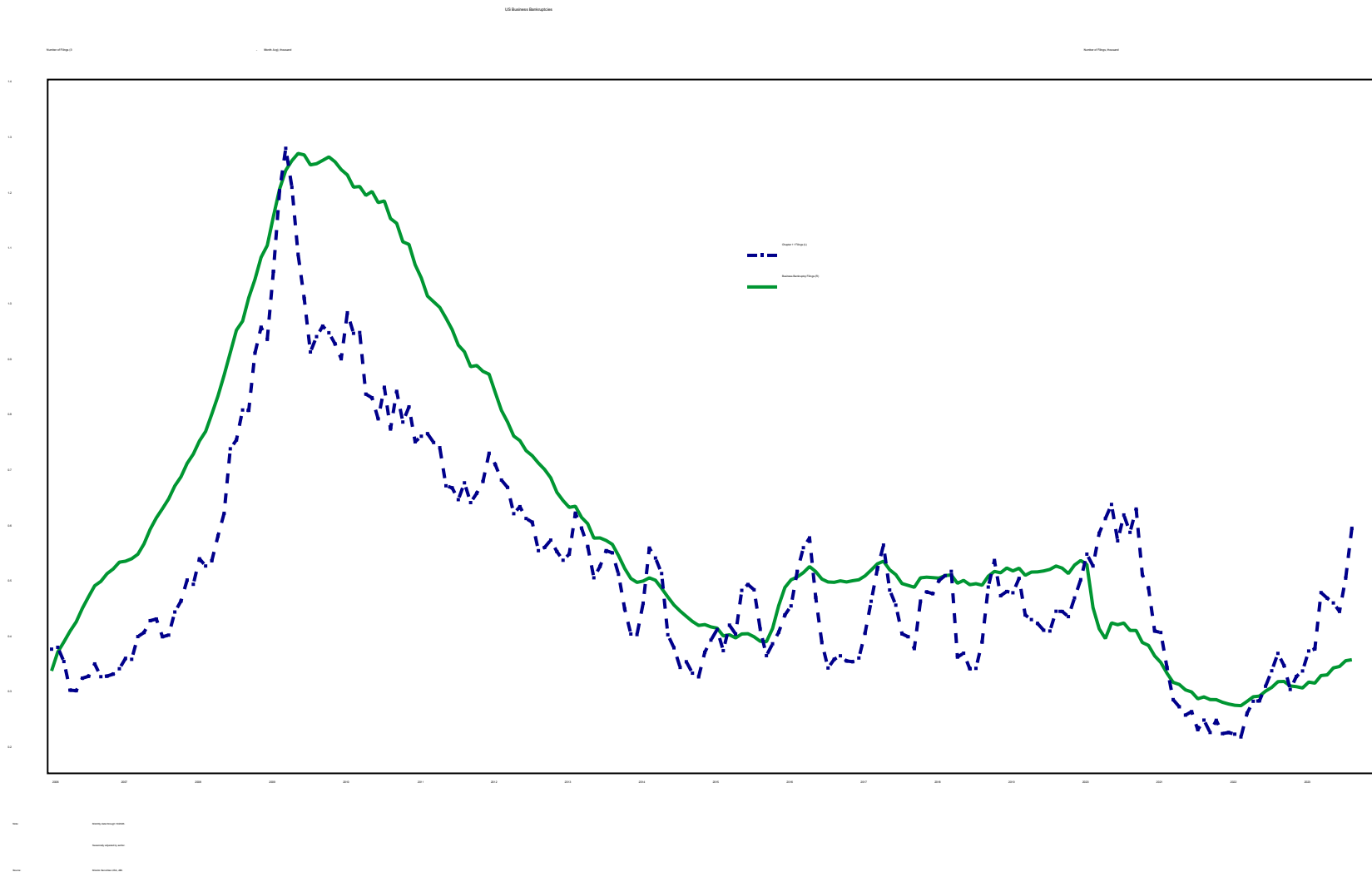
US corporates debt duration. IG and HY.



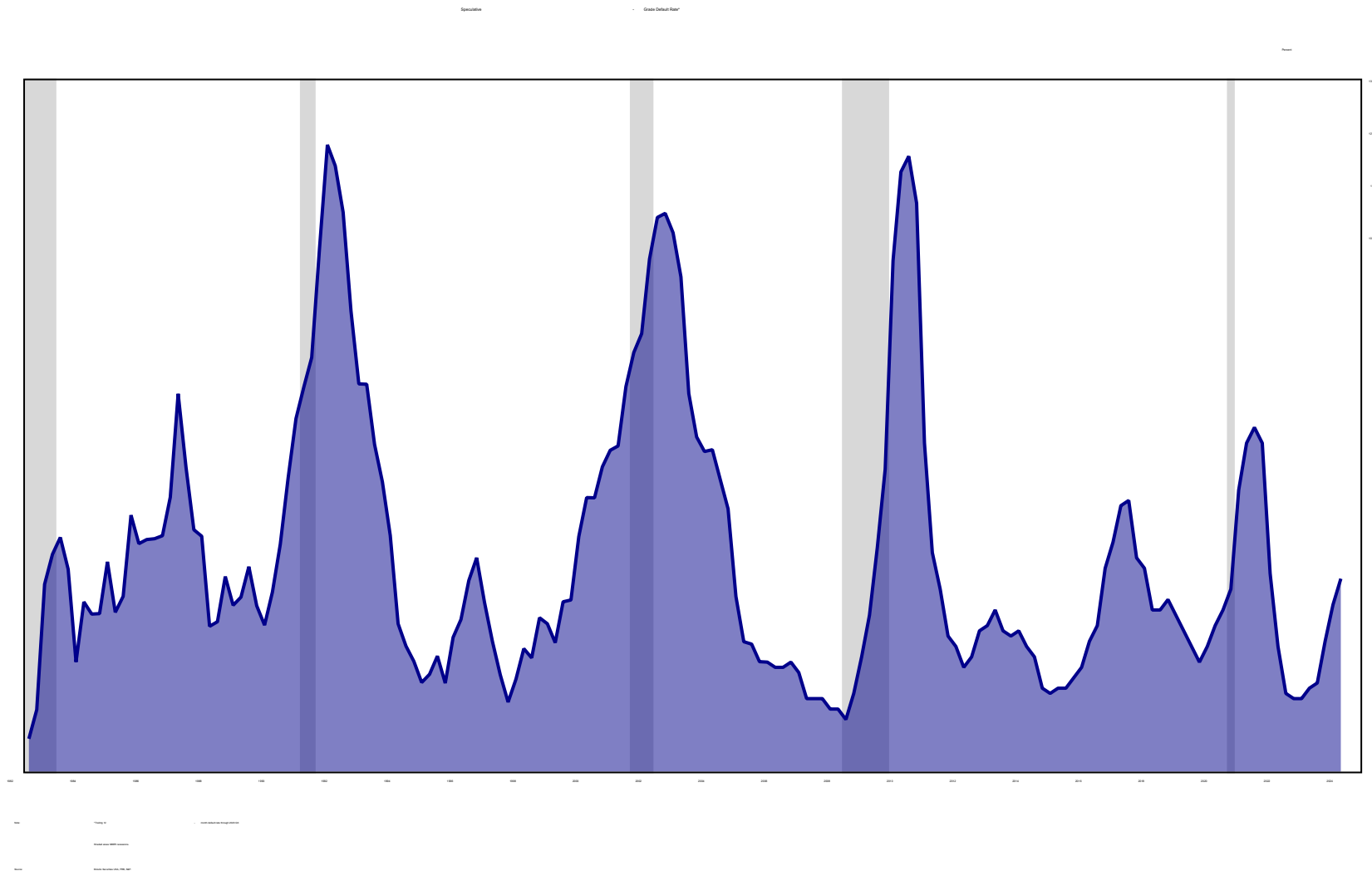
Corporate profits as a share of national income.



Business bankruptcies.

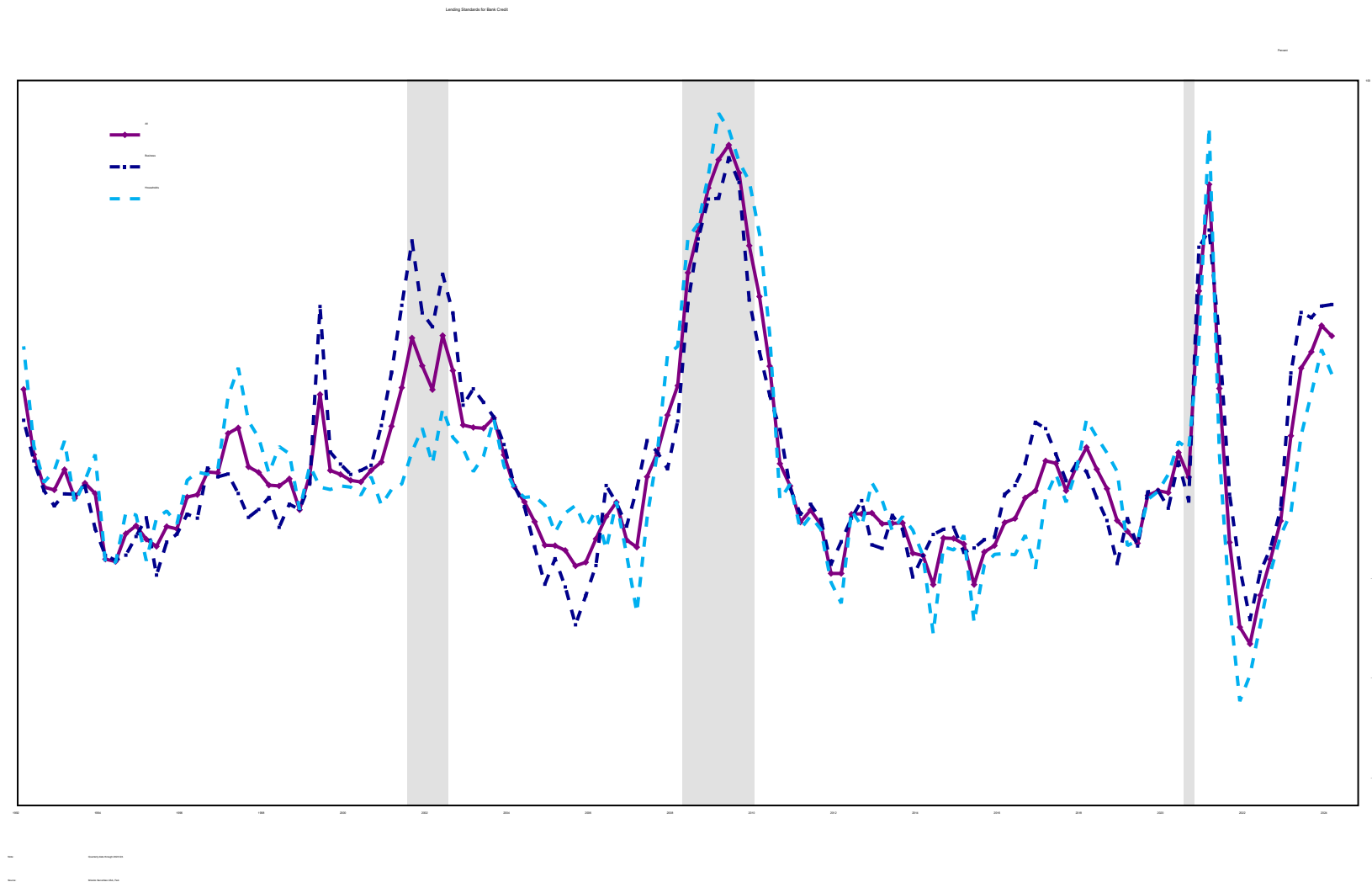


High yield corporate defaults.

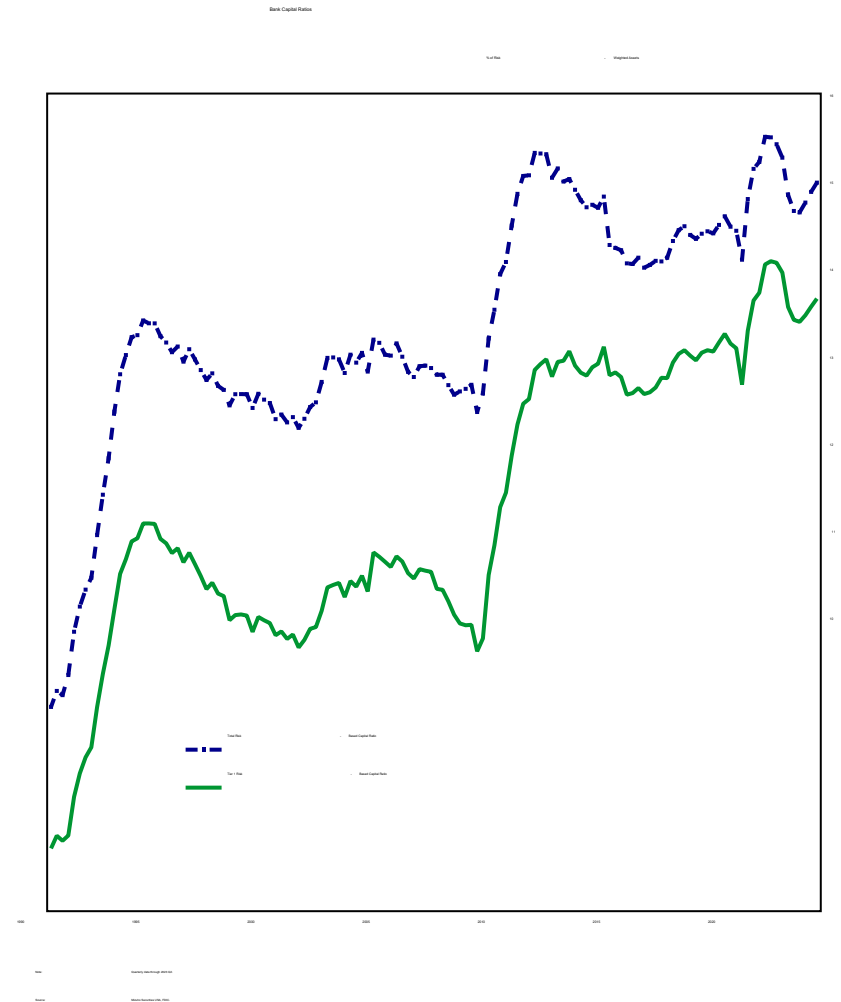
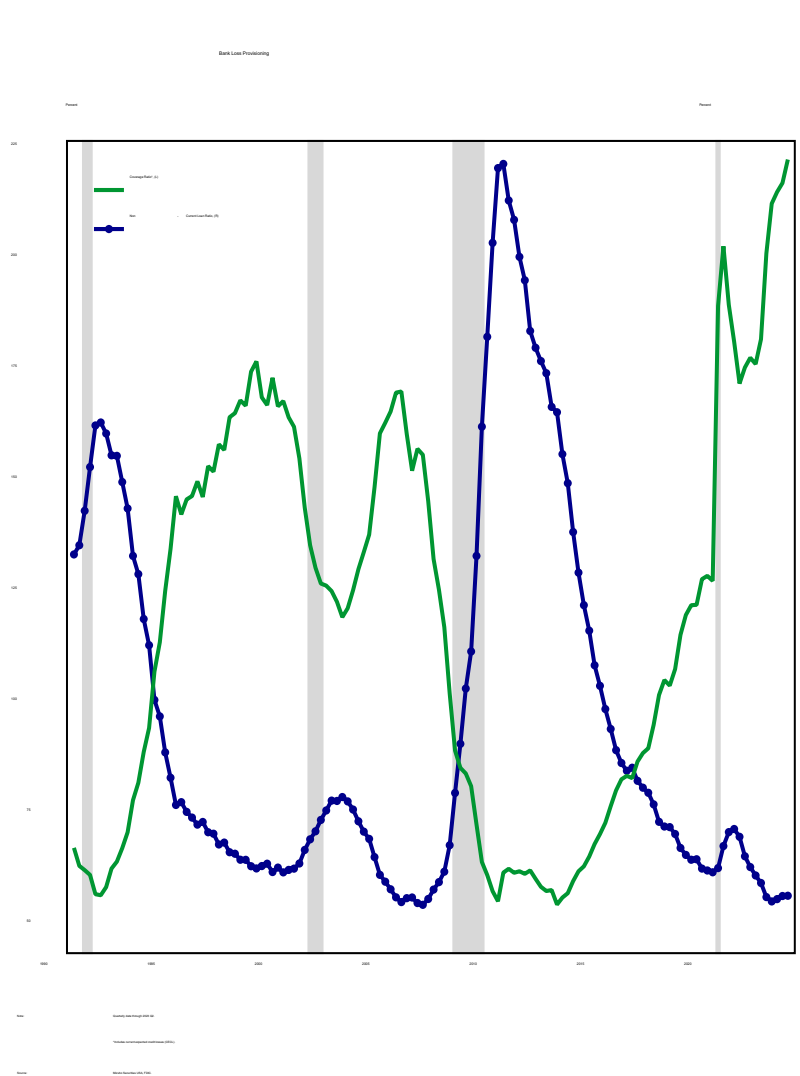


Bank Balance Sheet

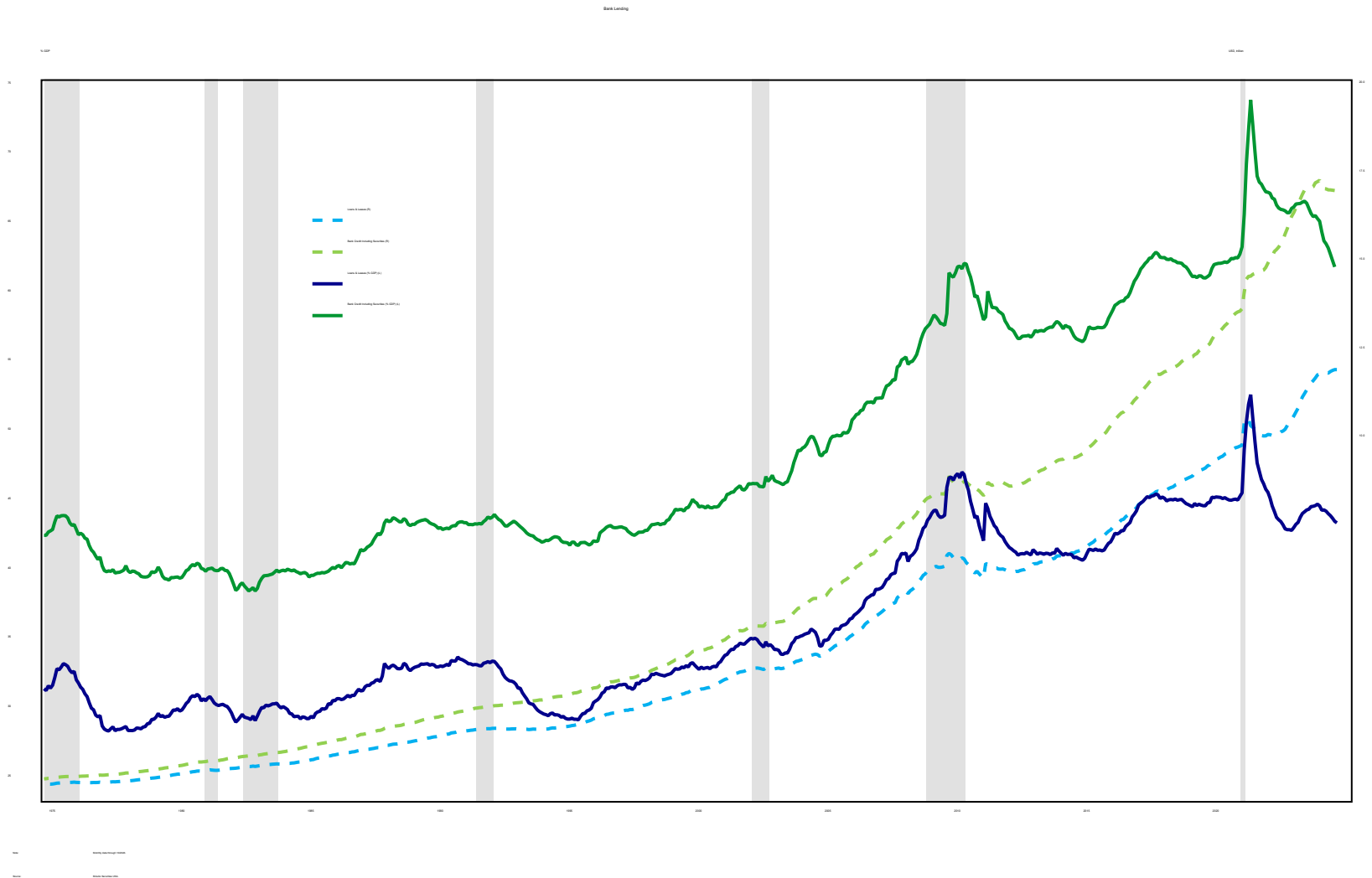
Lending standards for bank credit.



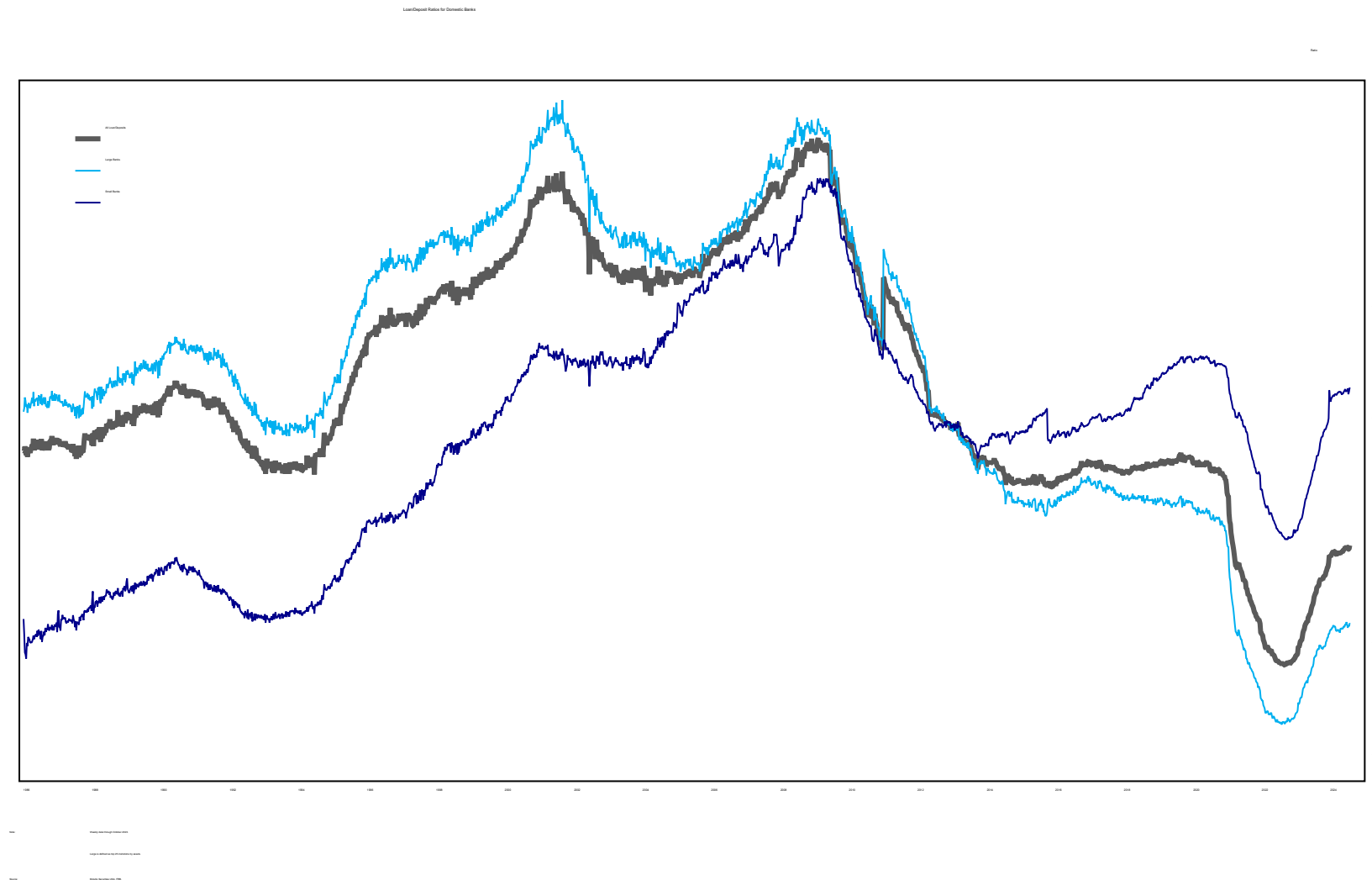
Non-current loan rate and coverage ratio. Banking system capital.



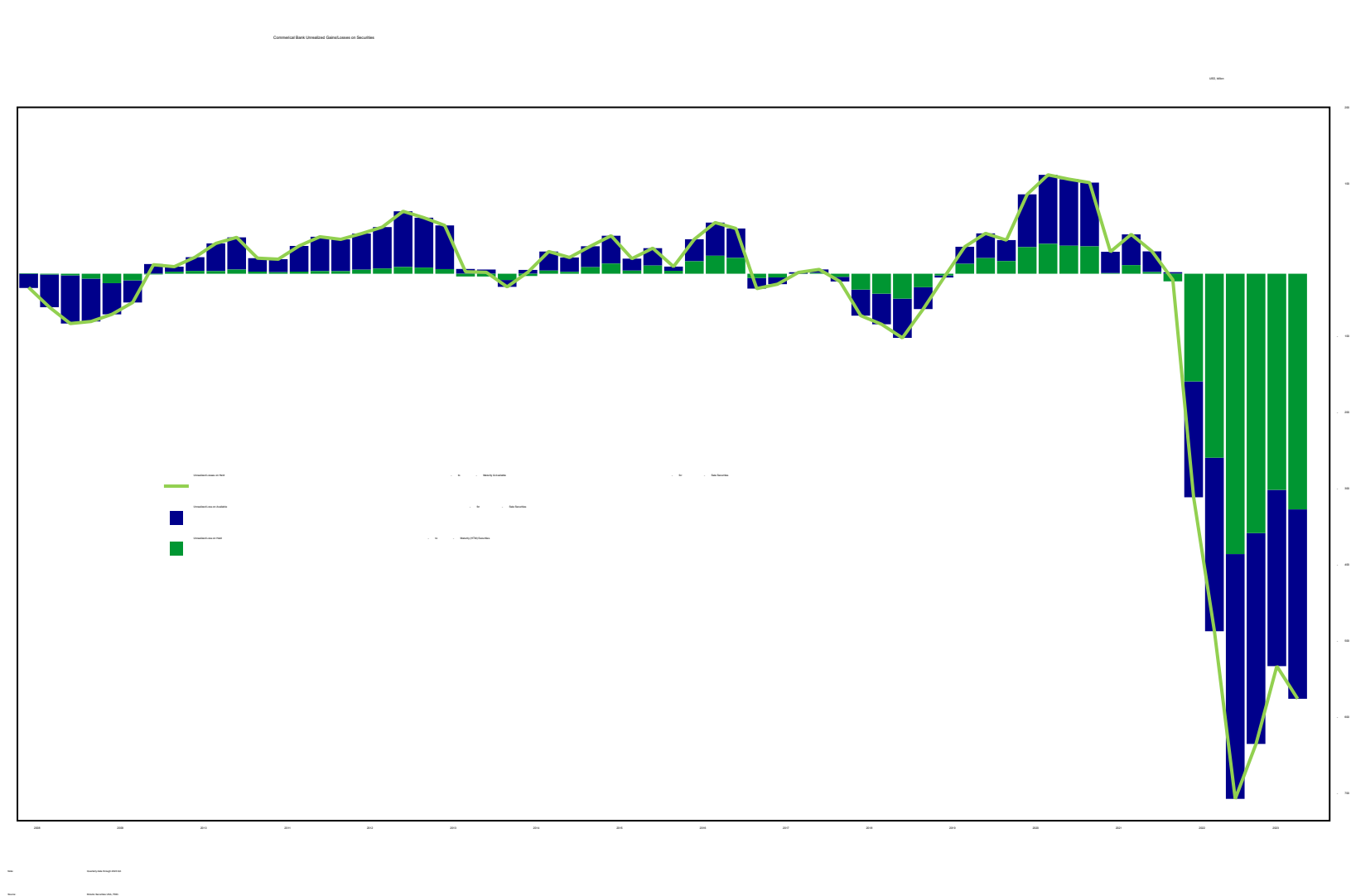
Bank lending in loans and leases.



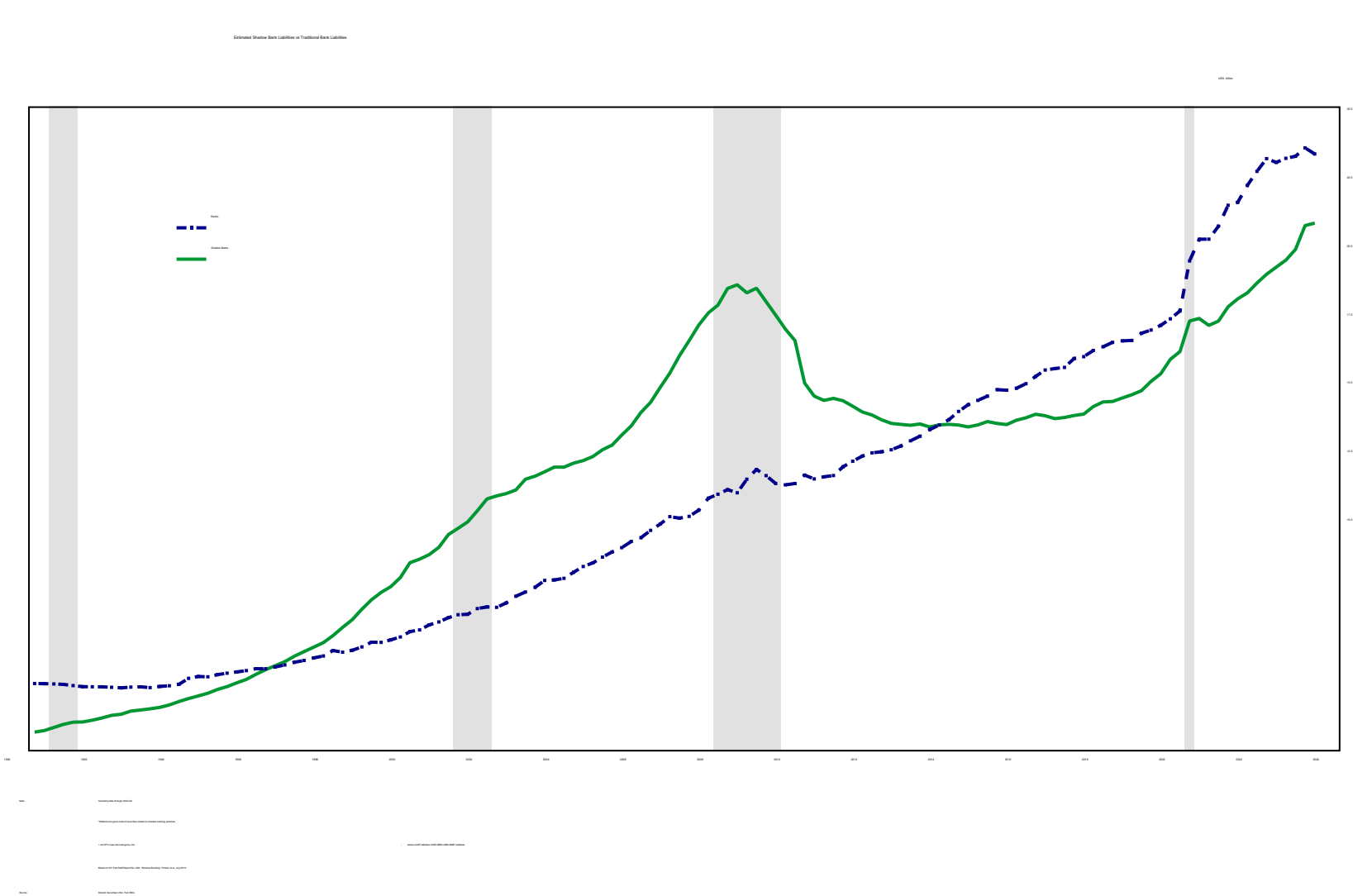
Loan deposit ratios.



Mark-to-market losses on bank securities portfolios.

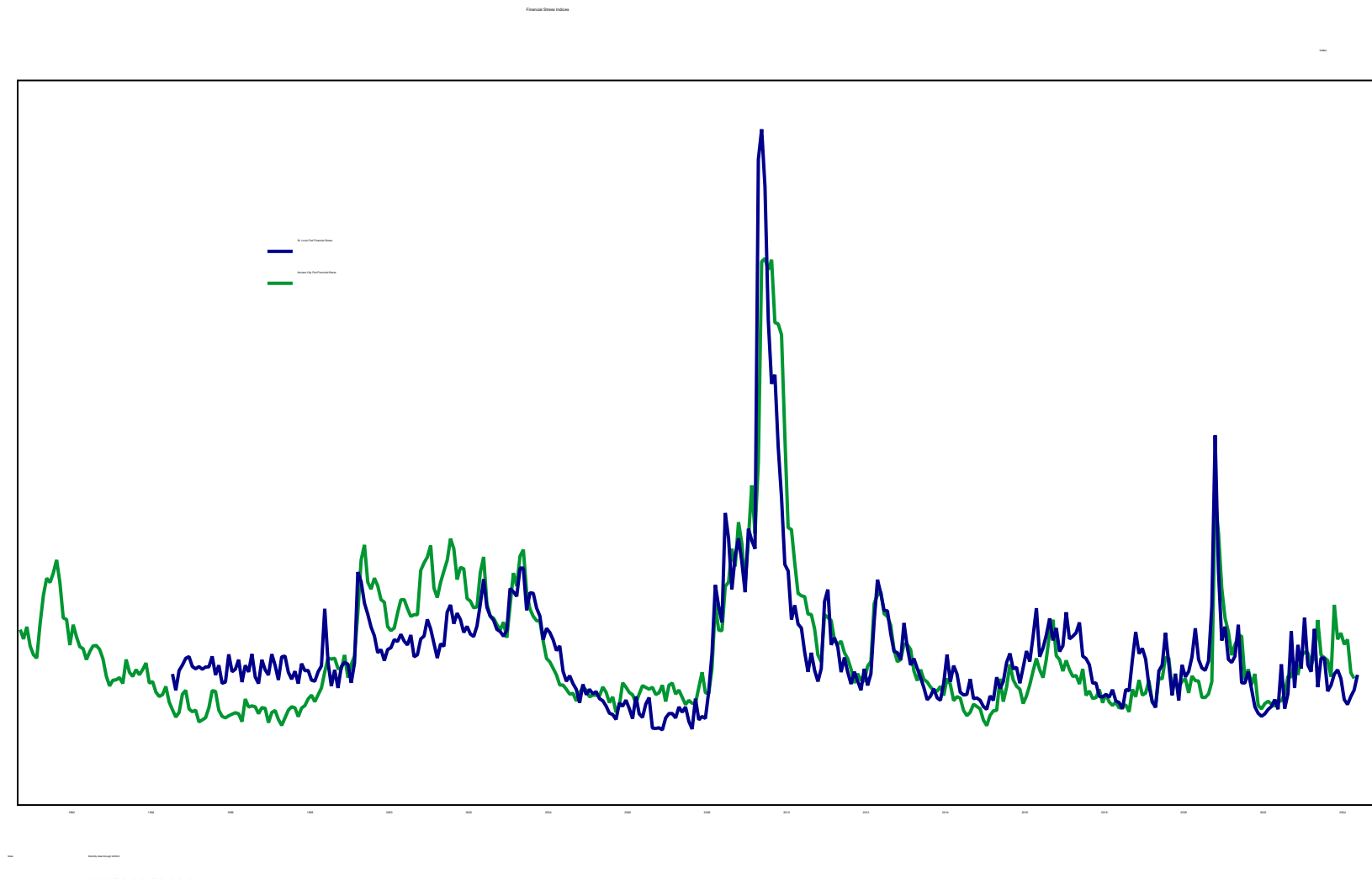


Shadow bank liabilities.

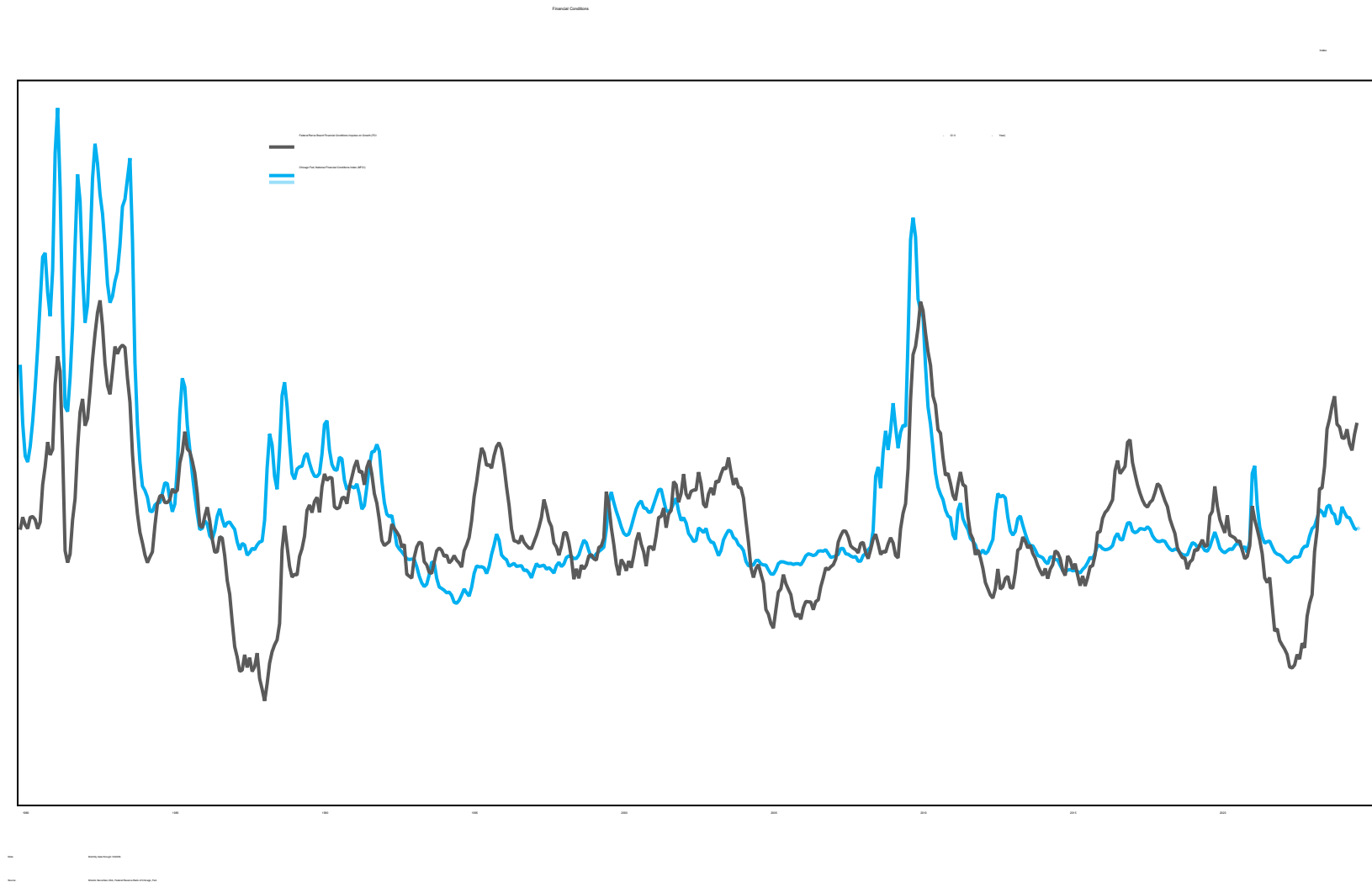


Financial Stress and Conditions

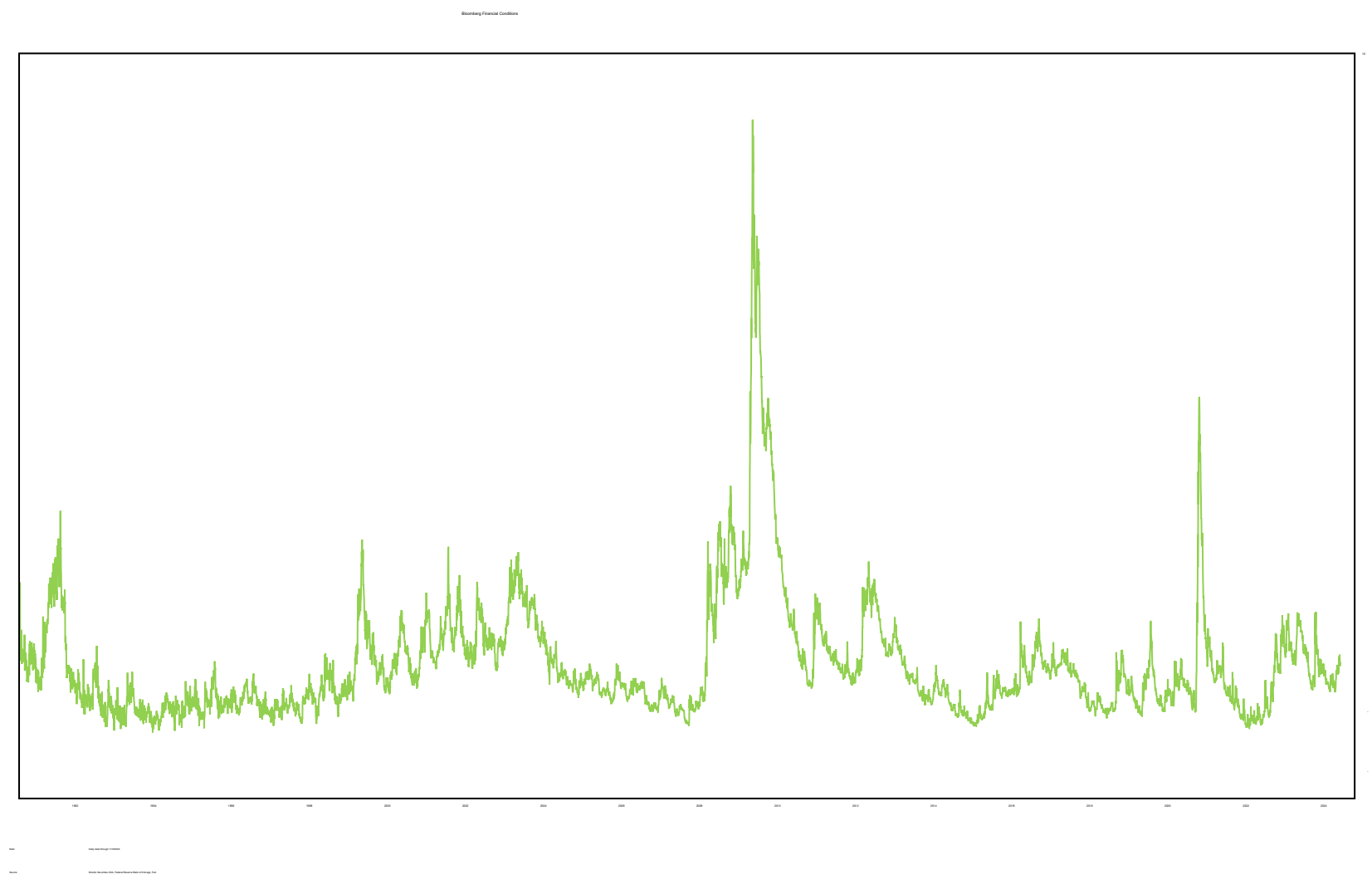
Financial stress indices from the regional Feds.



Financial conditions from the Federal Reserve System



Financial condition.



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