

# Recession dashboard

March 2023



Indicators	Measure	1974	1980	1981	1991	2001	2008	2020	Average	Current	Earliest implied recession date (Based on average days from key level recession)
<b>Labor market</b>	Increase in claims	32k	90k	68k	80k	125k	50k	3k	64k	26,000	2/2023
<b>Inflation</b>	Increase in core PCE	2.17%	2.38%	0.94%	1.90%	1.05%	1.40%	1.40%	1.61%	3.78%	12/2023
<b>Housing</b>	Decline in housing starts	-770k	-856k	-506k	-1,089k	-329k	-1,236k	-50k	-691k	-496,000	5/2024
<b>Yield curve</b>	10-year Treasury yield – federal funds rate	-5.99%	-6.64%	-9.57%	-1.56%	-1.76%	-0.86%	-0.67%	-3.86%	-0.61%	2/2024
<b>Spreads</b>	Bloomberg Corp High Yield –10-yr Treasury yield	-	-	-	9.30%	9.58%	5.80%	3.91%	7.15%	4.70%	2/2025
<b>Manufacturing</b>	ISM Index	57.8	44.8	46.7	45.1	42.1	50.1	47.8	47.8	47.7	7/2025
											<b>5/2024</b>

Sources: Bloomberg and Federated Hermes. Data as of 3/1/23.

	Outside of recession range
	In recession range
	Exceeding recession range

## Recent updates

**3/1:** ISM Manufacturing remained more or less stable coming in at 47.7 vs. last month's reading of 47.4. This marks the fourth consecutive month below 50 and the second month below the average recession level of 47.8. The indicator is red. =

**3/1:** The Fed Funds Rate vs. the 10-year yield remains inverted, but the inversion eased a bit in February moving from -0.91% in February to -0.61% today. The indicator remains yellow. ↑

**3/1:** High Yield spreads widened modestly 4.62% to 4.70% this month. The indicator sits above levels reached before the 2020 recession but below levels that preceded prior recessions. For now, the indicator remains yellow. =

**2/24:** Core PCE reaccelerated from 4.6% last month to 4.7% this month. The indicator remains well within recessionary territory. ↓

**2/23:** Initial jobless claims have remained below 200,000 for seven consecutive weeks, as the labor market remains tight. The four-week moving average fell by just over 6,000, and the indicator has moved back into the green for the second consecutive month. ↑

**2/16:** Housing Start declined again from 1,371,000 to 1,309,000. Housing starts have now fallen 26% from their peak, exceeding the declines seen before both the 2001 and 2020 recessions, but still remaining below the average recession decline. The indicator remains yellow. ↓

Past performance is no guarantee of future results.

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