Preventative Macroprudential Policy: Treasury Liability Management

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“Financial Services Indices, Liquidity and Economic Activity”

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Figure 1. A New, Untested, and Growing Field: Macroprudential Google Searches

Search interest is defined as interest relative to the highest point on the chart for the given region and time. A value of 100 is the peak popularity for the term; 0 means the term was less than 1% as popular as the peak.

Source: Google Analytics and Center for Financial Stability.
Figure 2. Unusual Recession and Recovery – GDP Growth

Source: Bureau of Economic Analysis and Center for Financial Stability.
Figure 3. Hampered Financial Sector – as evidenced by post-recession DM4 growth

Source: Federal Reserve and Center for Financial Stability.
### Figure 4. CFS Measure of Market Finance (Shadow Banking), Real March 2017, USD millions

<table>
<thead>
<tr>
<th>Peak</th>
<th>Fall</th>
<th>Decline /1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>-25%</td>
<td>16</td>
</tr>
<tr>
<td>1974</td>
<td>-17%</td>
<td>16</td>
</tr>
<tr>
<td>1979</td>
<td>-13%</td>
<td>7</td>
</tr>
<tr>
<td>1982</td>
<td>-5%</td>
<td>3</td>
</tr>
<tr>
<td>1989</td>
<td>-16%</td>
<td>29</td>
</tr>
<tr>
<td>2001</td>
<td>-5%</td>
<td>11</td>
</tr>
<tr>
<td>2008</td>
<td>-48%</td>
<td>86</td>
</tr>
<tr>
<td>Avg ex ’08</td>
<td>-10%</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: 1/ Cyclical peak-to-trough in months.  
Source: Center for Financial Stability
Figure 5. Surge in U.S. Treasury Debt Rollovers

Figure 6. Dangerous Debt Maturity Profile: Today versus 1946

About CFS and Disclosure

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