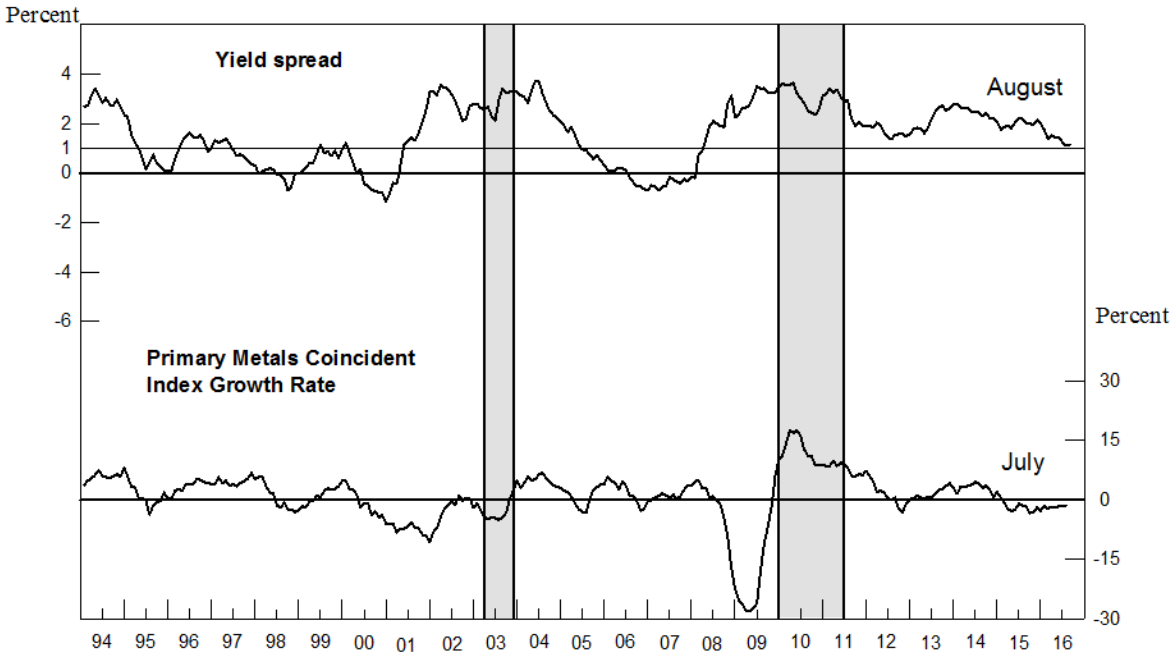
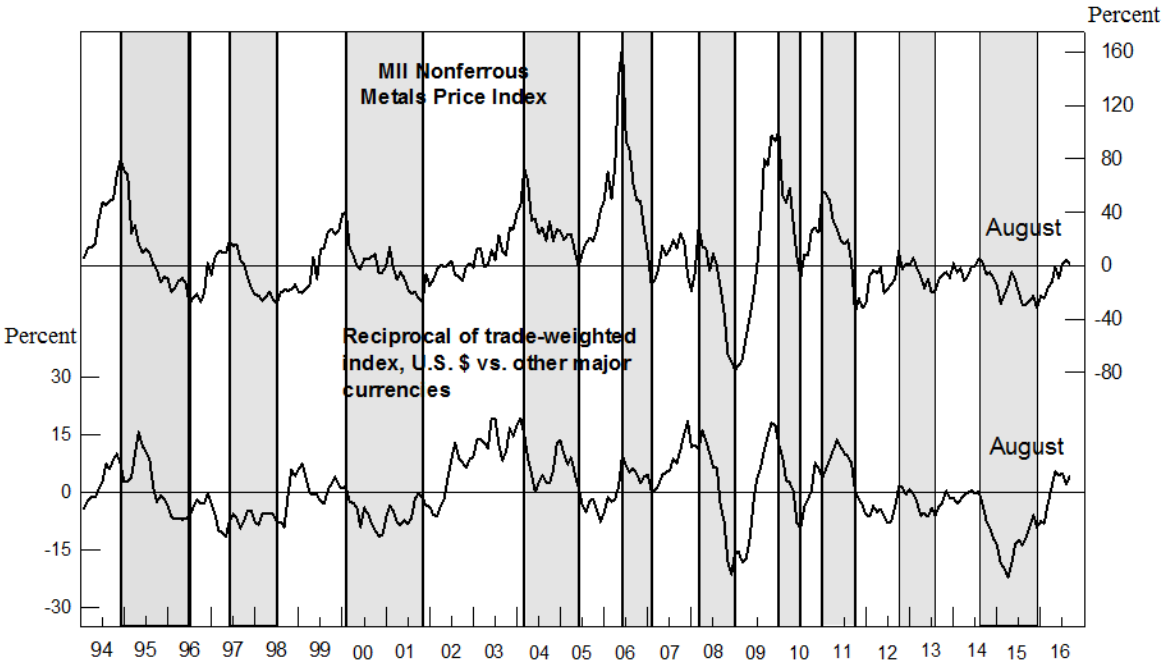
Yield spread and primary metals coincident index growth rate



Shaded areas are business cycle recessions. The yield spread is the difference in percentage points between the 10-year U.S. Treasury note and the Federal Funds Rate. In the past, whenever the yield curve has dropped below 1.0% and moved lower, growth in metal industry activity soon began to level off or decline.

Six-month smoothed growth rates: MII nonferrous metals price index and the reciprocal of the trade-weighted index of the U.S. dollar against other major currencies



Shaded areas are downturns in the nonferrous metals price index growth rate.
The growth rates are expressed as compound annual rates based on the ratio of the current month's index to its average level during the preceding 12 months.

U.S. Geological Survey, September 2016