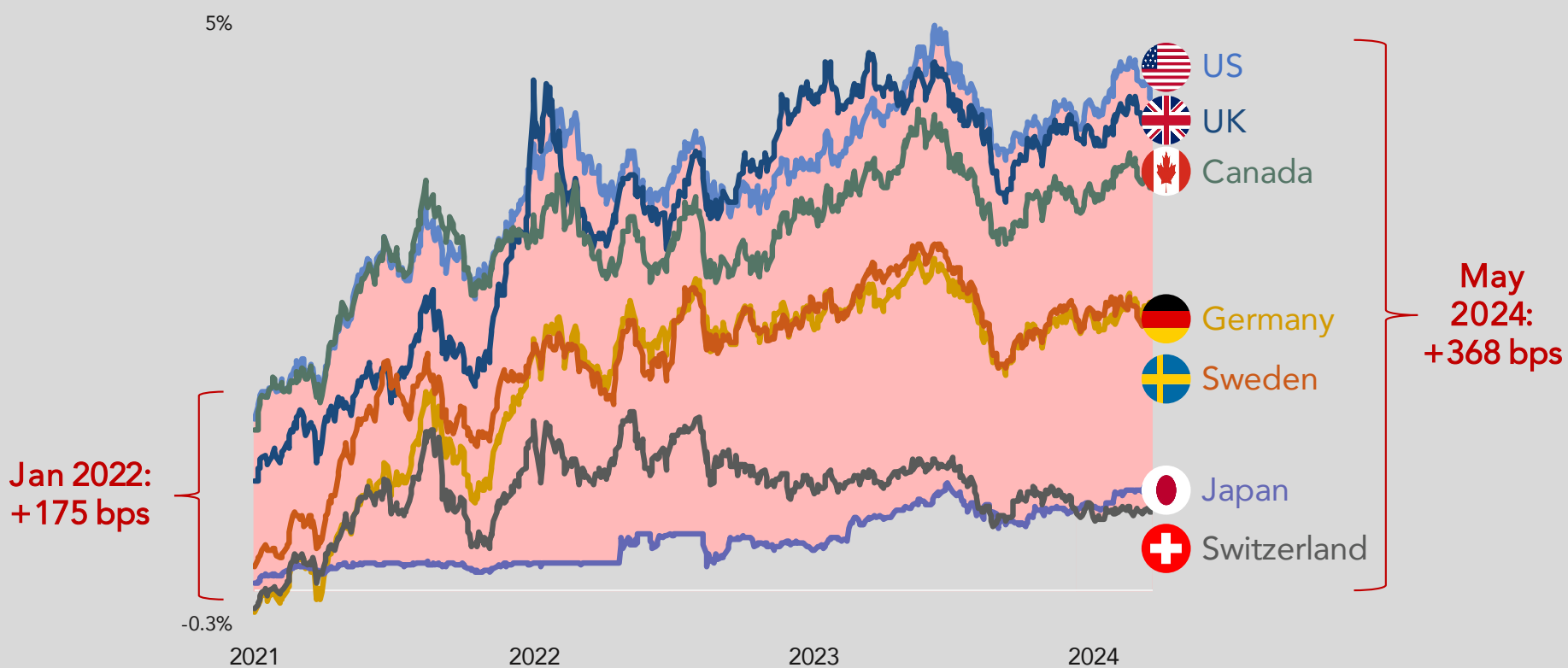


# Chart of the Day



Resilient US economic data has driven a persistent repricing of Fed easing expectations in 2024, and a related widening in rate differentials, that has underpinned more US Dollar strength than anticipated earlier in the year. In fact, MUFG's Head of Research, Derek Halpenny, notes that the correlation between US 10 year yield spreads and USD Index currencies (Euro, Yen, Sterling, CAD, Swedish Krona and Swiss Franc) is the strongest in the history of available data going back to 1988 (having hit a new record of 0.73 this past week).

## Global 10 year yields



Source: (1) MUFG, Commodities Weekly (Derek Halpenny). Bloomberg. Data as of May 17, 2024.

## Global Corporate & Investment Banking Capital Markets Strategy Team



**Tom Joyce**  
Managing Director  
Tom.Joyce@mufgsecurities.com  
(212) 405-7472



**Hailey Orr**  
Managing Director  
Hailey.Orr@mufgsecurities.com  
(212) 405-7429



**Stephanie Kendal**  
Vice President  
Stephanie.Kendal@mufgsecurities.com  
(212) 405-7443



**Angela Sun**  
Analyst  
Angela.Sun@mufgsecurities.com  
(212) 405 - 6952

“Macro stability isn’t everything, but without it, you have nothing.”