

# Chart of the Day




Historically, policymakers rarely wait for recessions to arrive before cutting policy rates. The market is currently pricing the first full Fed rate cut in November 2024.

## Federal Reserve Easing Cycles Since 1980


Date of Last Rate Hike	Time Between Last Rate Hike & First Rate Cut	Total Rate Cuts in 12 months After Last Rate Hike	Total Rate Cuts Over Entire Easing Cycle	Time Between Last Rate Hike & Start of Recession
May 1981	5 months	200 bps	550 bps	2 months
May 1984	6 months	119 bps	350 bps	Soft Landing
Feb 1989	3 months	150 bps	675 bps	17 months
Feb 1995	5 months	75 bps	75 bps	Soft Landing
Mar 1997	18 months	0 bps	75 bps	48 months
May 2000	8 months	250 bps	550 bps	10 months
Jun 2006	15 months	0 bps	500 bps	18 months
Dec 2018	7 months	75 bps	225 bps	14 months
Median	7 months	97 bps	425 bps	18 months

Source: (1) Bloomberg, Fred Economic Data St. Louis Fed. Note: Discount rate used before 1988. Fed Fund based on upper bound.


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