

Recession dashboard

January 2025



Indicators	Measure	1974	1980	1981	1991	2001	2008	2020	Average	Current	Earliest implied recession date (Based on average days from key level recession)
Labor market	Increase in claims	32k	90k	68k	80k	125k	50k	3k	68k	7k	03/2025
Inflation	Increase in core PCE	2.17%	2.38%	0.94%	1.90%	1.05%	1.40%	1.40%	1.38%	0.19%	06/2027
Housing	Decline in housing starts	-770k	-856k	-506k	-1,089k	-329k	-1,236k	-50k	-770k	-539k	01/2025
Yield curve	10-year Treasury yield – federal funds rate	258 days	456 days	277 days	523 days	282 days	505 days	309 days	389 days	791 days	12/2023
Spreads	Bloomberg Corp High Yield –10-yr Treasury yield	-	-	-	9.30%	9.58%	5.80%	3.91%	7.55%	2.77%	06/2028
Manufacturing	ISM Index	57.8	44.8	46.7	45.1	42.1	50.1	47.8	46.7	49.3	02/2026
01/2026											

Sources: Bloomberg and Federated Hermes, Inc. Data as of 1/9/25.

	Outside of recession range
	In recession range
	Exceeding recession range

Recent updates

1/9:

The Yield Curve jumped substantially over the past several months and is now un-inverted at a level of +0.36%, up over 2% from the September lows of -1.71%. It is now a record 791 days between the inversion and potential start of a recession. (Note: We have adjusted this reading to show the length of time from inversion to recession, rather than magnitude.) ↑

1/9:

High Yield spreads continue to fall and are at their lowest levels (2.77%) since early 2022. ↑

1/8:

Initial Jobless Claims are 201,000, their lowest reading since February. ↑

1/3:

ISM Manufacturing increased to 49.3 this month from 47.2 in our October update. This has increased two consecutive months and is approaching 50 for the first time since March. ↑

12/20:

Core PCE continues to bounce, up from 2.66% in the October update to 2.82% today. This marks the highest reading since April 2024. ↓

12/18:

Housing Starts continue to trend lower, likely due to stubborn mortgage rates. They fell to 1,289,000 this month, a roughly flat reading over the past 8 months. ↓

Past performance is no guarantee of future results.

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