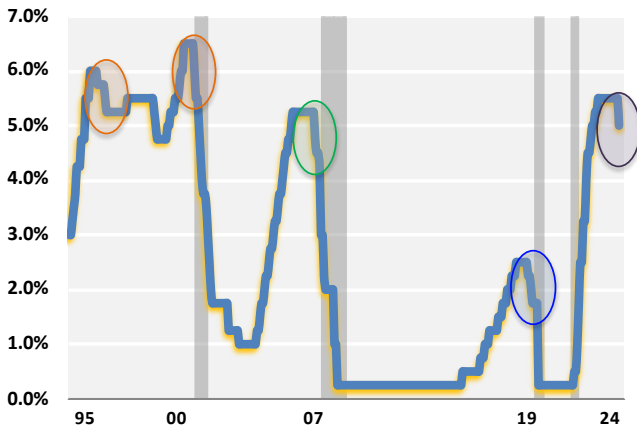




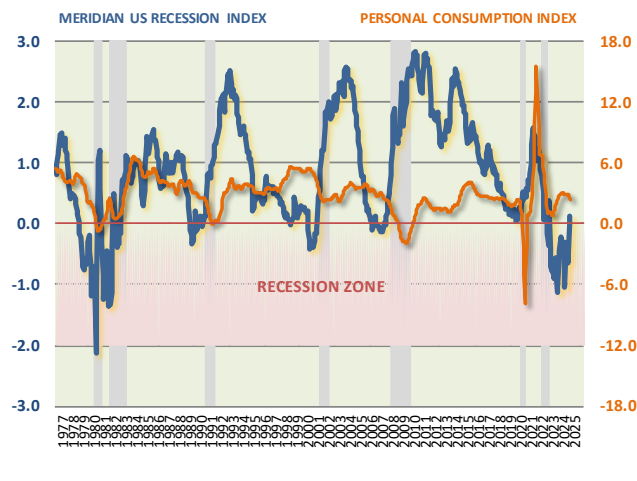
**OCTOBER 2024**

## COMPARING TODAY'S ECONOMIC AND INTEREST RATE RISK ENVIRONMENT WITH PAST CYCLICAL PERIODS

### FOMC -100 BASIS POINT RATE HIKES



### MERIDIAN US RECESSION INDEX™ CREDIT, INTEREST RATE AND CONSUMER SPENDING COMPOSITE



#### COMING FROM A FED FUNDS RATE OF:

The first -100bp cut comes from a relatively higher fed funds position



#### DECREASE IN FOMC FUNDS RATE TARGET

Reflects the first -100bp cut in fed funds in a falling rate environment



#### GDP GROWTH

The first -100bp cut in fed funds comes at a relatively higher GDP



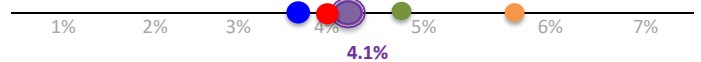
#### INFLATION

The first -100bp cut at a higher pace of consumer inflation



#### UNEMPLOYMENT

The first -100bp cut in fed funds come at a relatively higher unemployment rate increased



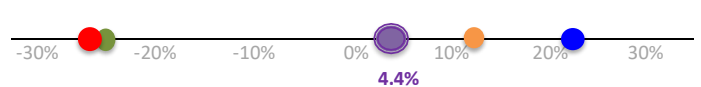
#### LABOR PARTICIPATION RATE

The ratio of workers-to-population is at its lowest for the first -100bp cut



#### CORPORATE EARNINGS

Corporate earnings have been moderately strong compared previous 5 cycles



#### AVERAGE EARNINGS

Average wage costs have risen relatively high due to elevated inflation. Whereas this is welcome in the short-term, it could create hyper-inflation in the future

