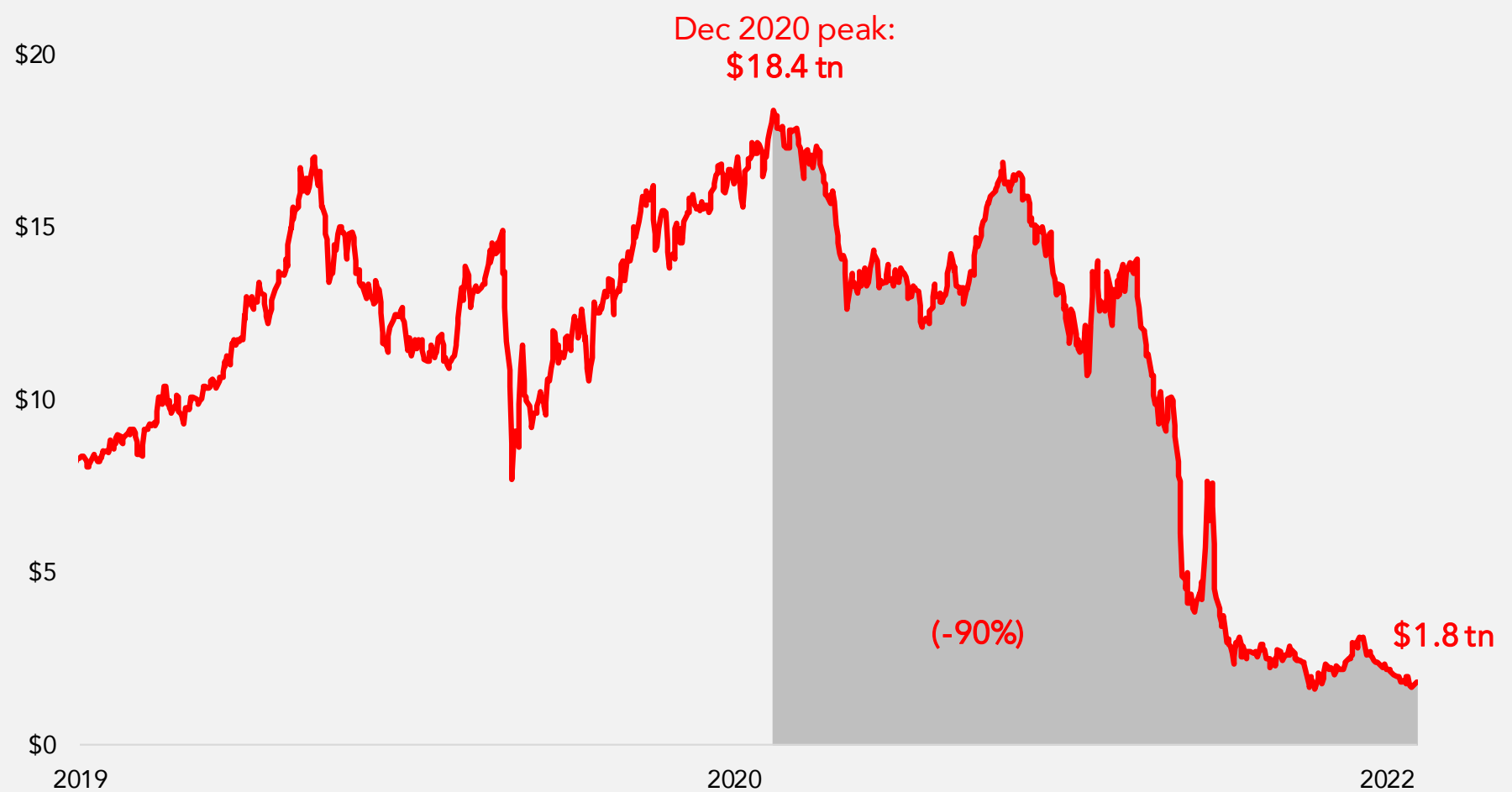


Chart of the Day

The grand experiment of negative policy rates began a decade ago when Denmark became the first central bank to go negative in 2012. With the ECB exiting negative policy rates in July, and Denmark and Switzerland following suit in September, Japan is now the only major global central bank with a negative policy rate.

Global negative yielding debt peaked at around \$18 trillion during the peak US-China trade wars and COVID crisis period, but has since declined over 90% to less than \$2 trillion as global central banks pivot to a new era of global synchronized tightening.

Global aggregate negative yielding debt, market value, USD tn



Source: (1) Bloomberg. Data as of October 11, 2022.

Global Corporate & Investment Banking Capital Markets Strategy Team



Tom Joyce
Managing Director

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



Hailey Orr
Director

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



Stephanie Kendal
Associate

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

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