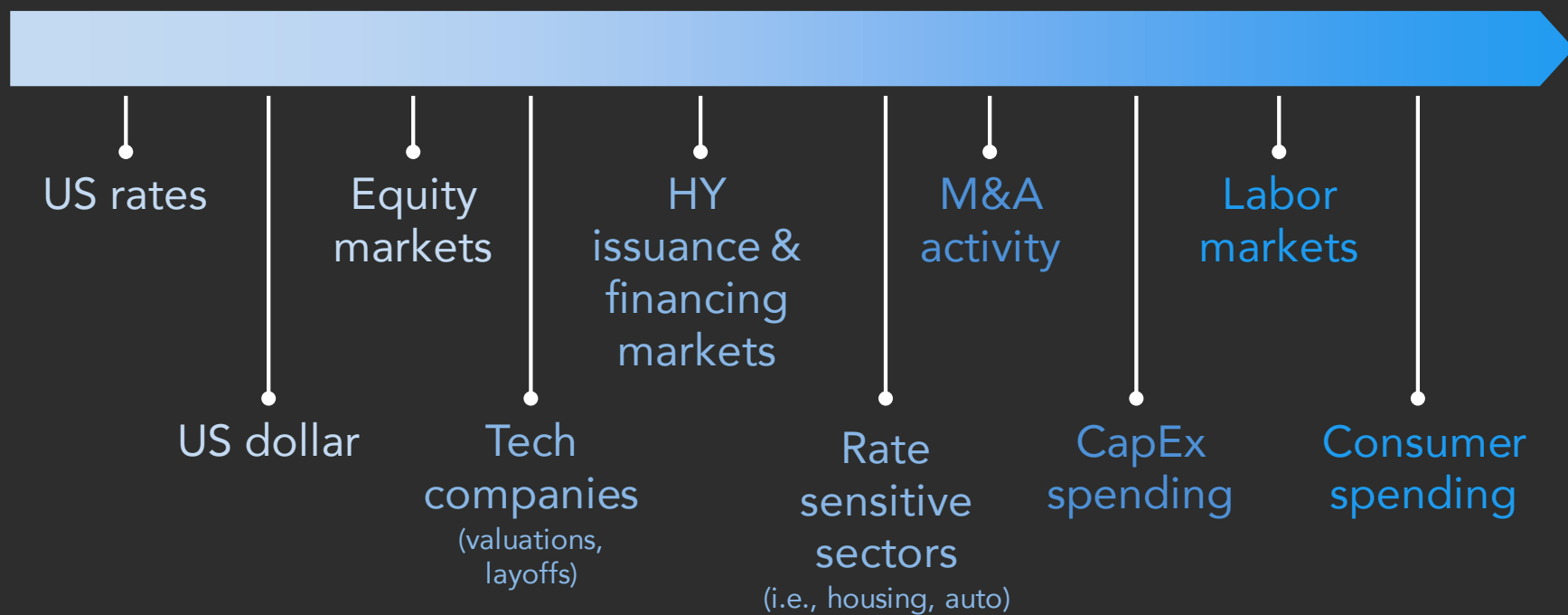


Chart of the Day

Historically, monetary policy tightening operates with a lag, typically 12-18 months. With nearly 85% of global central banks tightening in 2022, and the Fed raising rates last year at the fastest pace in 40 years, we expect much of the impact of this tightening to be felt in 2023. While the impact on markets tends to be rapid, the ripple effects to the real economy take longer.

IMMEDIATE IMPACT (Markets)

LATER IMPACT (Real Economy)



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.”