

# Communicating Monetary Policy at the Zero Bound

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Eric S. Rosengren  
President & CEO  
Federal Reserve Bank of Boston

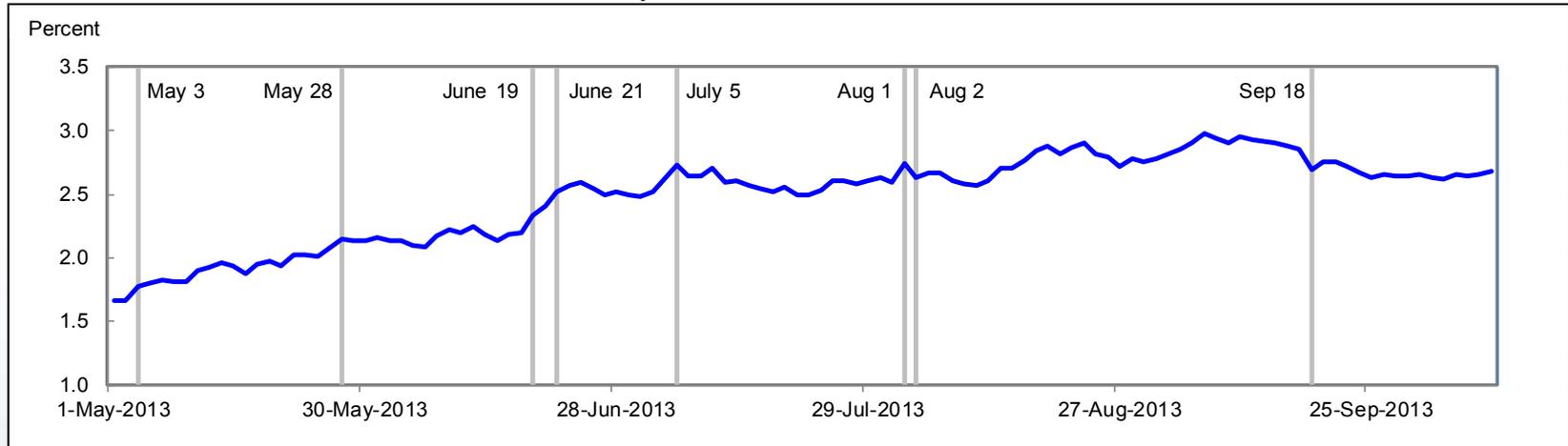
The Council on Foreign Relations  
New York, NY

October 11, 2013

# Figure 1

## Largest Daily Changes in 10-Year Treasury Yield

May 1, 2013 - October 9, 2013



| Date               | 10-Year Treasury Bond Yield at Constant Maturity (%) | One-Day Change in Basis Points | Coincident Event   |
|--------------------|--|--------------------------------|--|
| May 3, 2013        | 1.78   | 12                             | Employment Release   |
| May 28, 2013       | 2.15   | 14                             |  |
| June 19, 2013      | 2.33   | 13                             | FOMC Meeting (with Press Conference)                                 |
| June 21, 2013      | 2.52   | 11                             |  |
| July 5, 2013       | 2.73   | 21                             | Employment Release   |
| August 1, 2013     | 2.74   | 14                             | Day after FOMC Meeting, Unemployment Insurance Weekly Claims Release |
| August 2, 2013     | 2.63   | -11                            | Employment Release   |
| September 18, 2013 | 2.69   | -17                            | FOMC Meeting (with Press Conference)                                 |

Source: Federal Reserve Board / Haver Analytics

# Figure 2

## Primary Dealer Survey Results: Distribution of Probabilities for the Timing of First Reduction

Survey Results as of September 9, 2013

| Average Distribution of Probabilities for the Timing of the Announcement of the First Reduction in Pace of Asset Purchases |              |          |          |                 |
|--|--------------|----------|----------|-----------------|
| Longer-Term Securities   | FOMC Meeting |          |          |                 |
|  | Sep 2013     | Oct 2013 | Dec 2013 | Later than 2013 |
| Treasuries   | 58%          | 12%      | 21%      | 9%              |
| Agency MBS   | 52%          | 12%      | 26%      | 10%             |

Source: Federal Reserve Bank of New York, *Survey of Primary Dealers*, September 2013