Figure 2.1. Interest Rates, Term Spreads, and Volatility in Advanced Economies

Real interest rates have been decreasing over the past three decades.

1. Real Short-Term Interest Rates, 1983–2015
   (Percent)
   - United States
   - United Kingdom
   - Germany
   - Japan

Nominal interest rates have fallen.

2. Selected Three-Month Treasury Bill Yields, 1999–2015
   (Percent)
   - United States
   - United Kingdom
   - Germany
   - Japan

Yield curves have flattened.

3. Term Spreads, 1999–2015
   (Percent)
   - United States
   - United Kingdom
   - Germany
   - Japan

Interest rate volatility has declined.

4. Standard Deviation of 10-Year Yields
   (Units)
   - United States
   - United Kingdom
   - Germany

Sources: Thomson Reuters Datastream; IMF, World Economic Outlook database; and IMF staff calculations.
Note: Term spreads in panel 3 are defined as the difference in yield between a 10-year government bond and a three-month Treasury bill. Low-for-long periods in panel 4 are defined as those when the 10-year yield was less than 2 percent.