

## Markets

# Bond Traders Dismiss Stock-Market Rally as Misguided Euphoria

- Gap between 2 and 10 year yields briefly hit lowest since 1982
- Citigroup model suggests a more than 50% chance of recession

By [Liz McCormick](#)

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“The inverted yield curve shows that the current Fed policy path will eventually put the US into recession,” said Gennadiy Goldberg, senior interest rates strategist at TD Securities, which predicts the spread between 2- and 10-year yields is on course to reach an extreme of -80 basis points. “The longer the inversion continues, the more investors as well as consumers will become nervous about a recession, and that might have almost self-fulfilling consequences.”