Economics

Treasuries Fall as Fed Rate-Hike Outlook Dents Sentiment

By Elizabeth Stanton
September 18, 2026 at 10:55 AM EDT

...

Treasuries fell as anticipation of additional Federal Reserve interest-rate hikes stoked interest in wagers on rising yields for short-maturity debt.

The selloff lifted yields on two- to five-year notes by at least seven basis points, while longer-maturity yields rose less. The two-year yield rose to 4.74%, the highest since July 2024, slightly exceeding the level reached Wednesday after Fed policymakers raised interest rates and investors inferred from comments by Chairman Kevin Warsh that at least one additional increase is likely this year.