

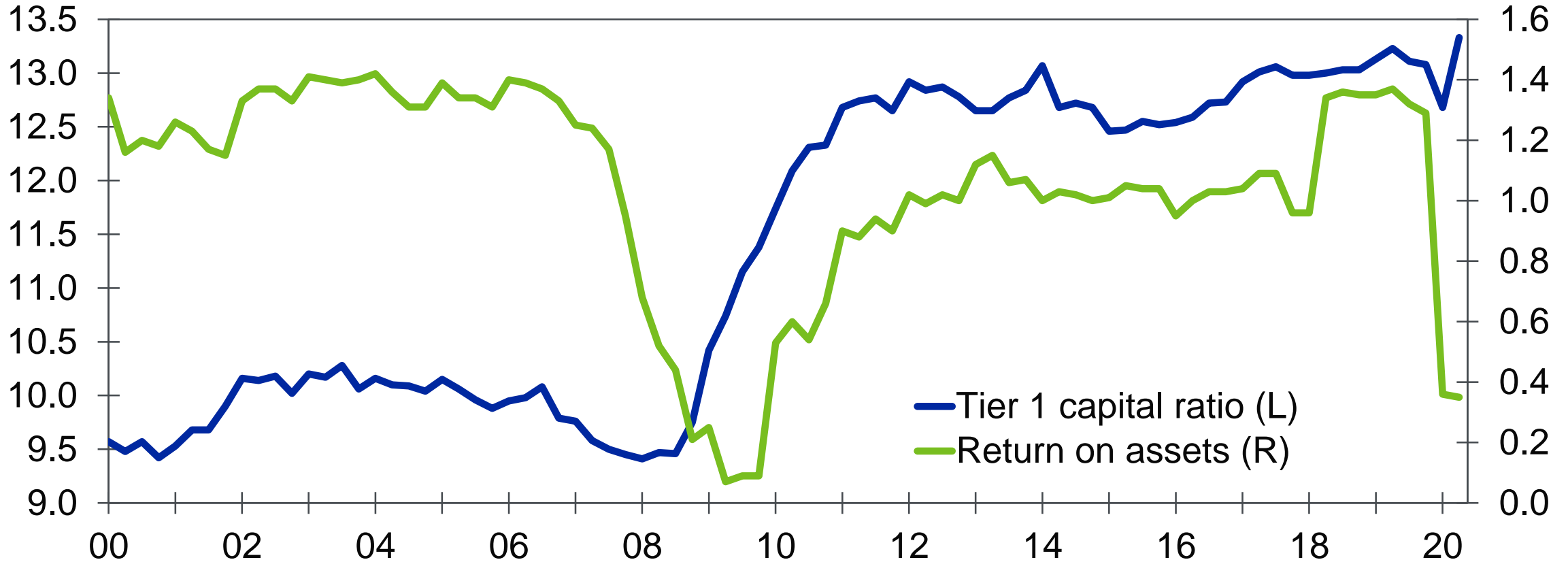
CCAR in a Pandemic

September 2020 CCAR Timeline

TARGET DAY	PUBLICATION DATE	DATABASE
0	17-Sep	FRB releases its CCAR supervisory scenarios
2	19-Sep	U.S. macro forecast (Q)
2	19-Sep	U.S. macro forecast (M)
2	19-Sep	U.S. macro forecast in Scenario Studio
4	21-Sep	U.S. narratives
4	21-Sep	U.S. state forecast
4.5	22-Sep	Global macro forecast
5	22-Sep	Global macro forecast in Scenario Studio
5	22-Sep	Global financial markets database
6	23-Sep	U.S. metro area forecast
6	23-Sep	Bank call report forecasts
6	23-Sep	Case-Shiller® Home Price Index Forecast
9	26-Sep	Autocycle
10	27-Sep	Global macro narratives

The Banking System Remains on Solid Ground

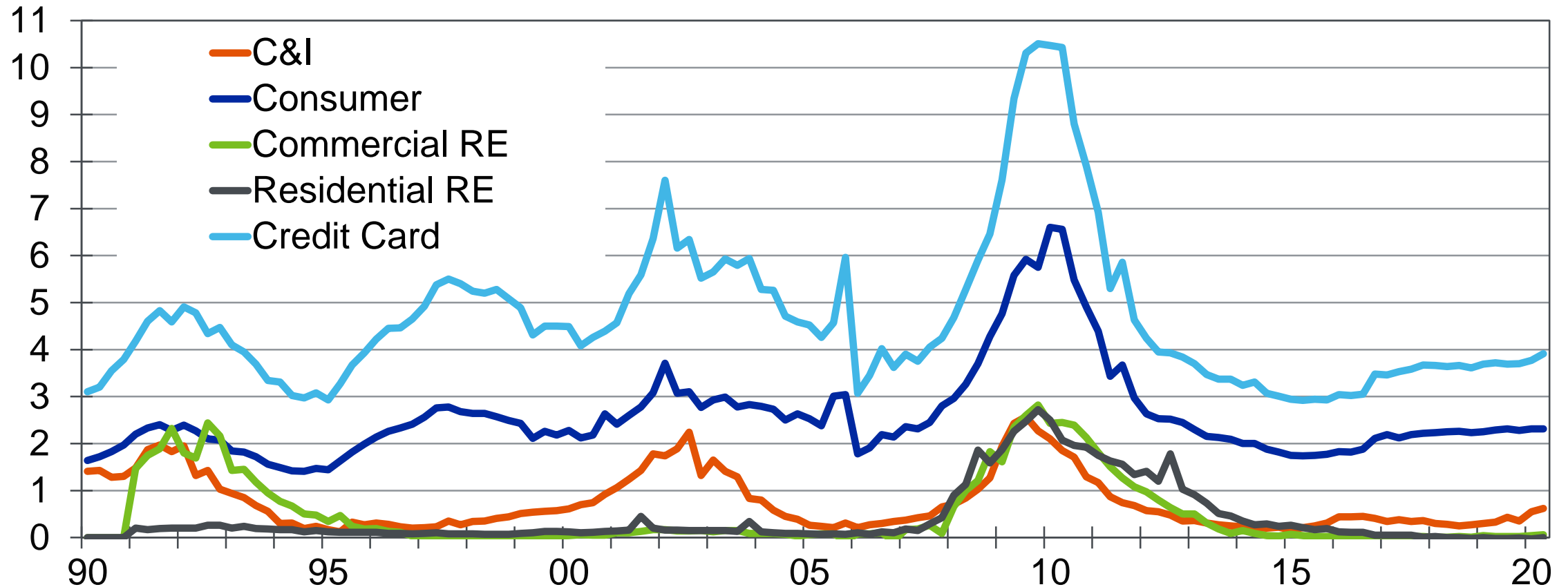
Commercial banks, %



Sources: FDIC, Moody's Analytics

Credit Quality Is Good, but Begins to Weaken...

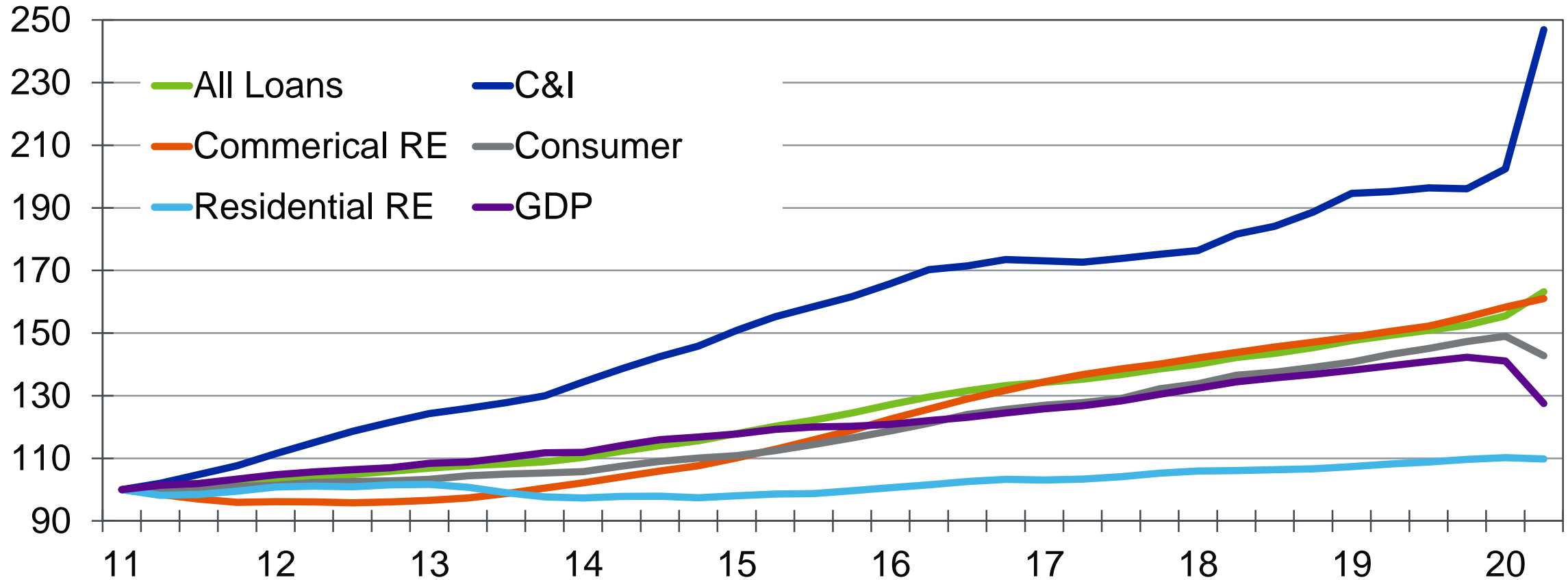
Commercial bank charge-off rate, %



Sources: Federal Reserve Board, Moody's Analytics

...and There Are Some Warning Signs

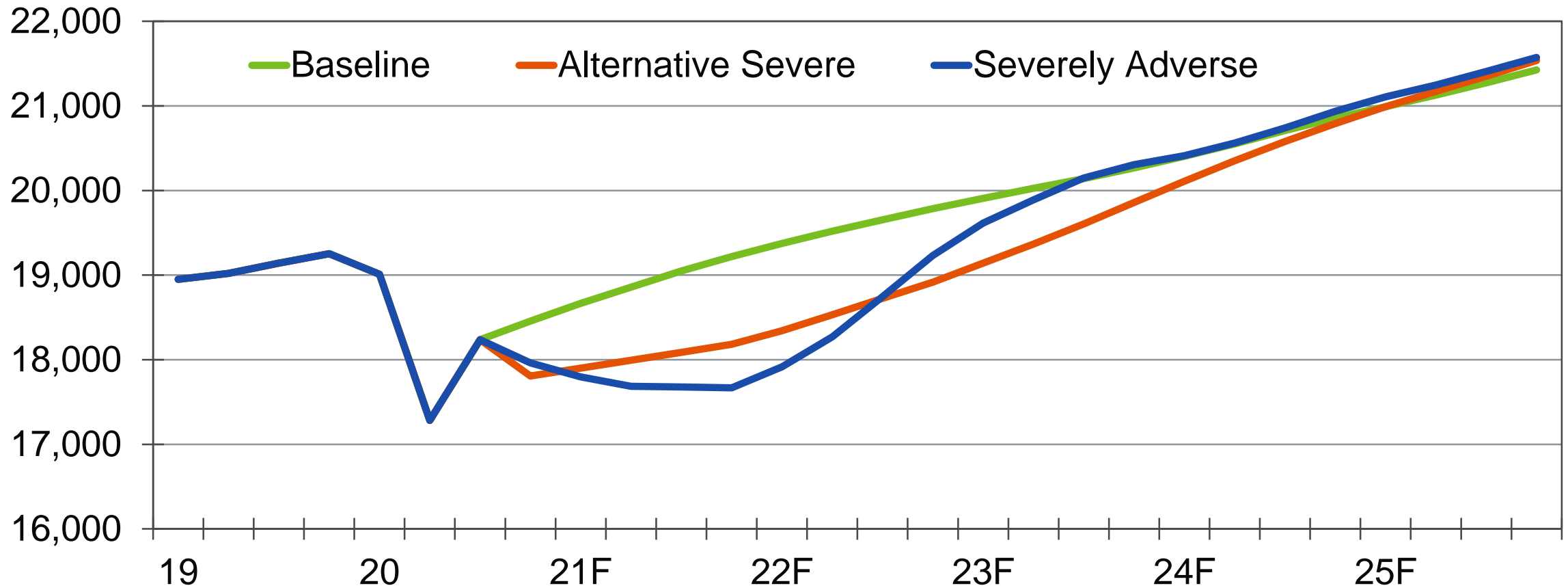
Loans outstanding at commercial banks, index: 2011Q1 = 100



Sources: Federal Reserve, Moody's Analytics

Not a V-Shaped Recovery

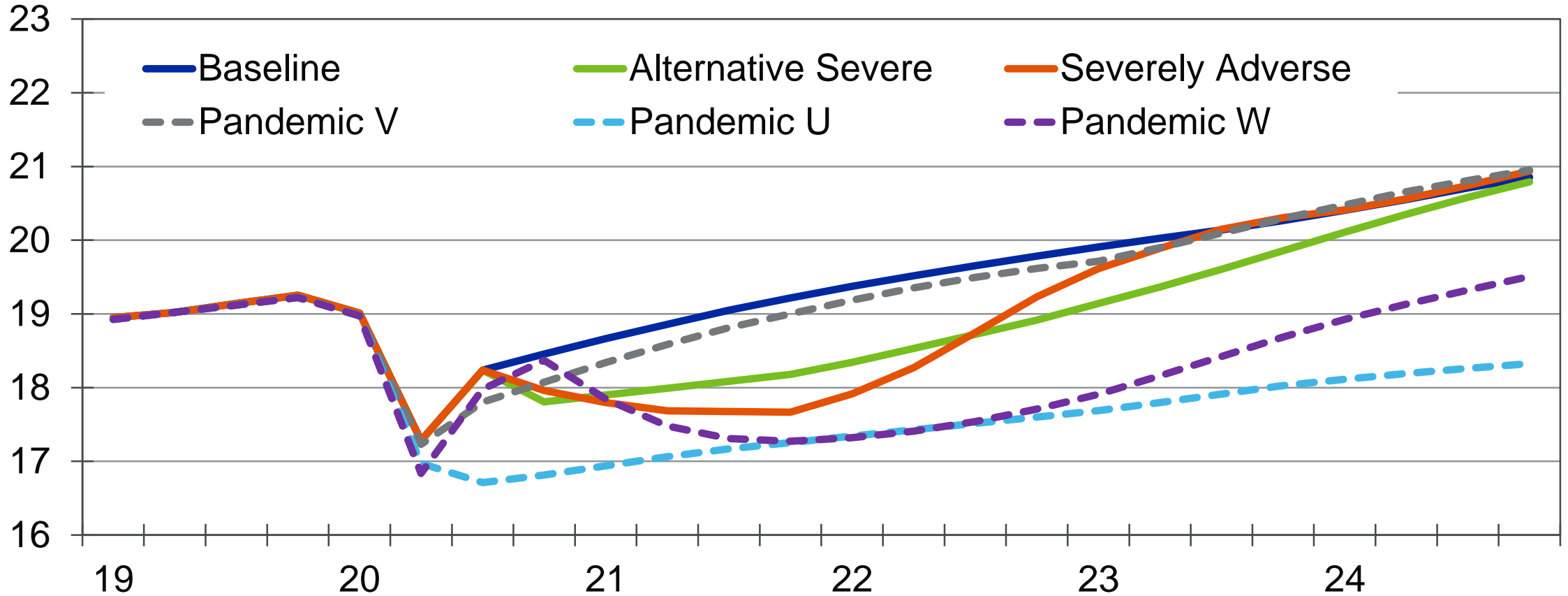
Real GDP, Bil 2012\$



Sources: Federal Reserve, BEA, Moody's Analytics

GDP in CCAR and the Pandemic Scenarios

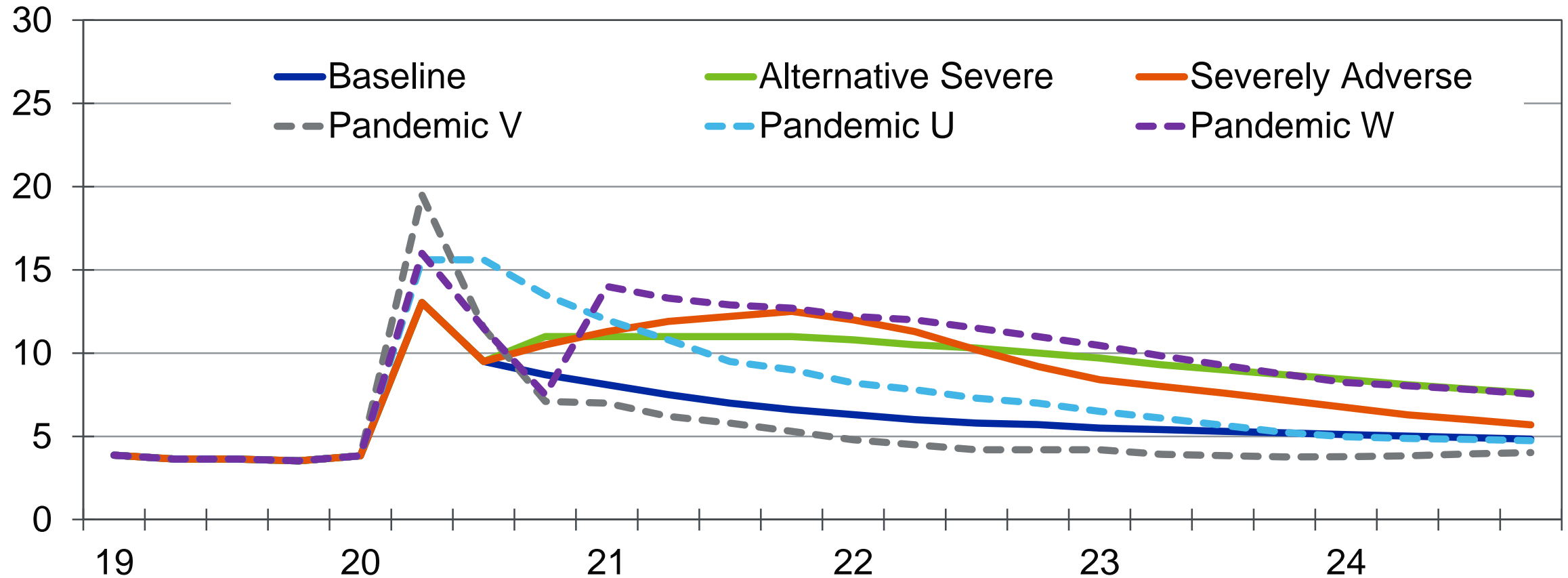
Real GDP, \$ trl



Sources: BEA, Federal Reserve, Moody's Analytics

Unemployment in CCAR and the Pandemic Scenarios

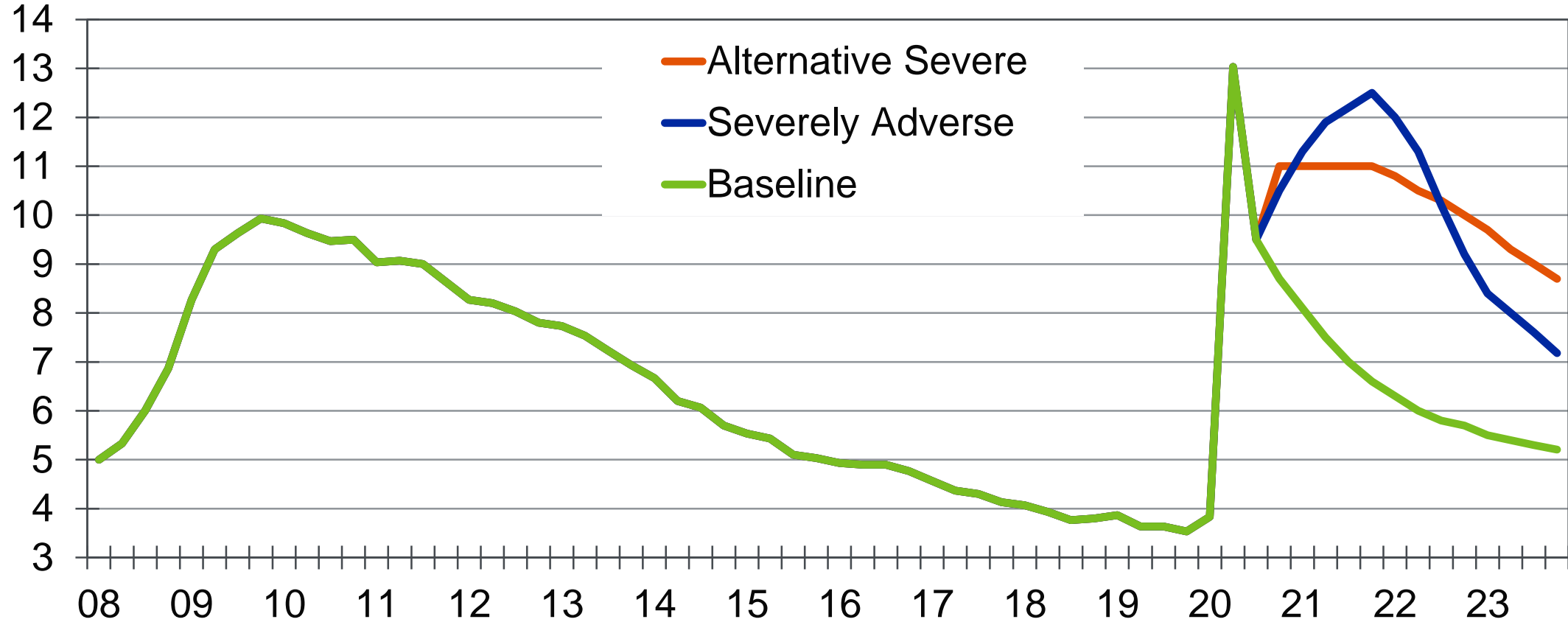
Unemployment rate, %



Sources: BLS, Federal Reserve, Moody's Analytics

Persistently High Unemployment

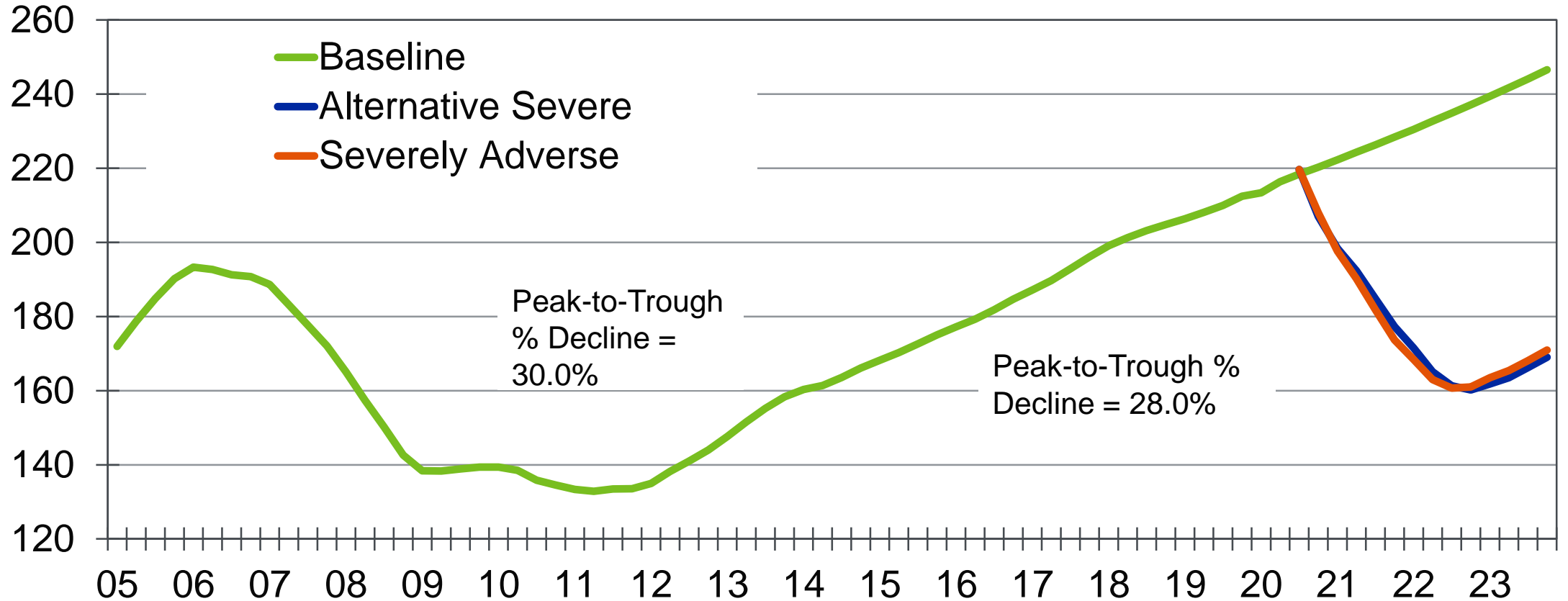
Unemployment rate, %



Sources: BLS, Federal Reserve, Moody's Analytics

House Prices Sink...

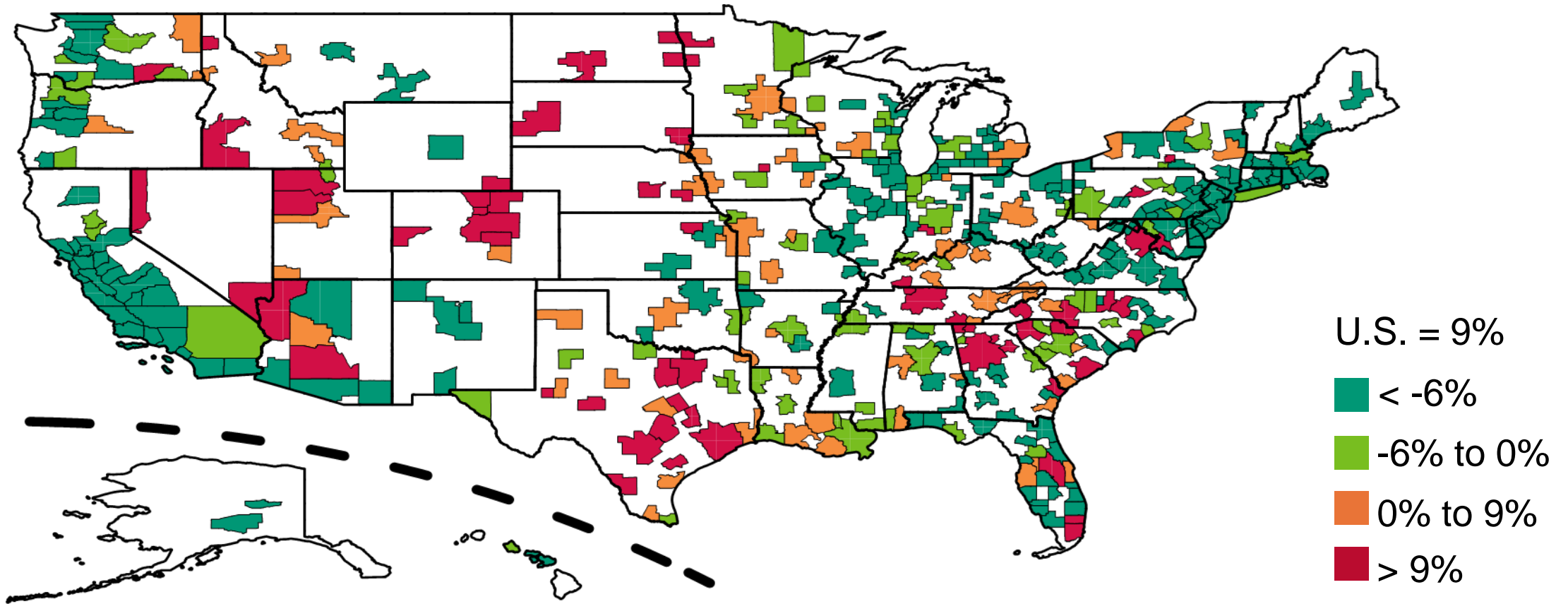
CoreLogic HPI, Index Jan 2000=100, SA



Sources: Federal Reserve, Moody's Analytics

...Mainly in the South and Mountain West

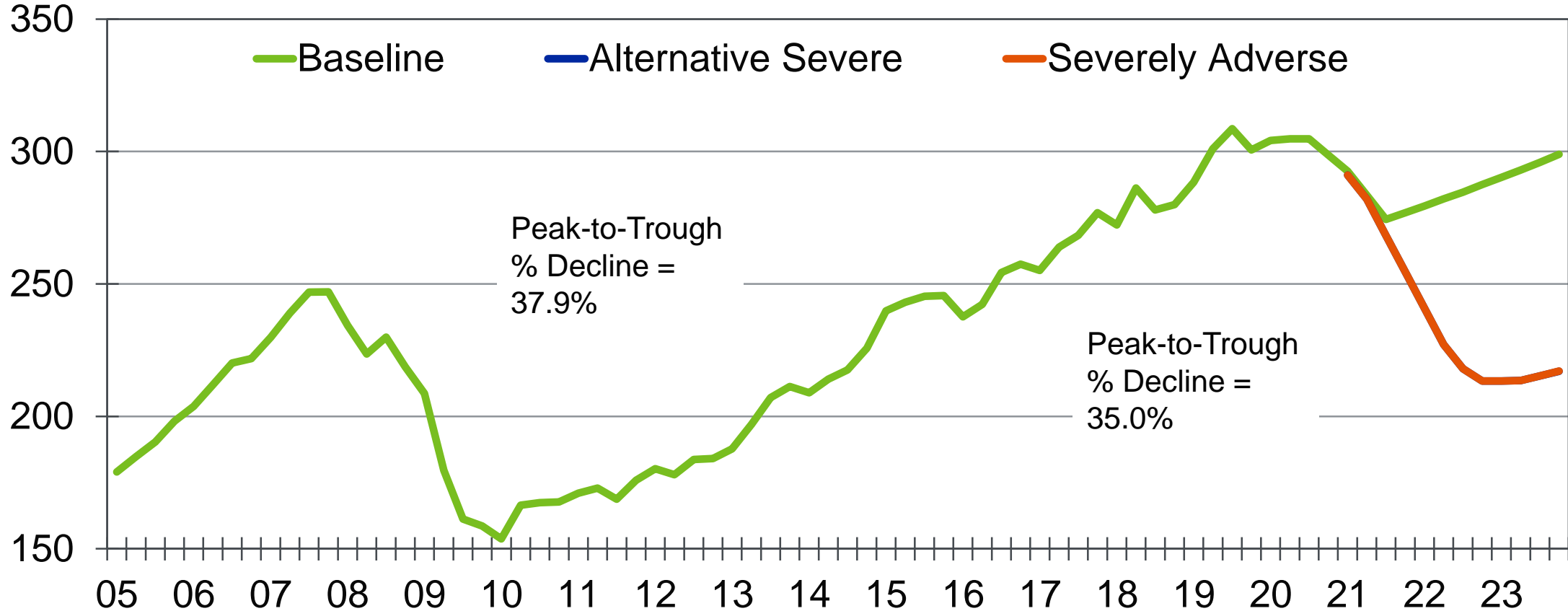
Case-Shiller index, % over-undervalued



Sources: CoreLogic, FHFA, Moody's Analytics

Commercial RE Crashes As in the Crisis...

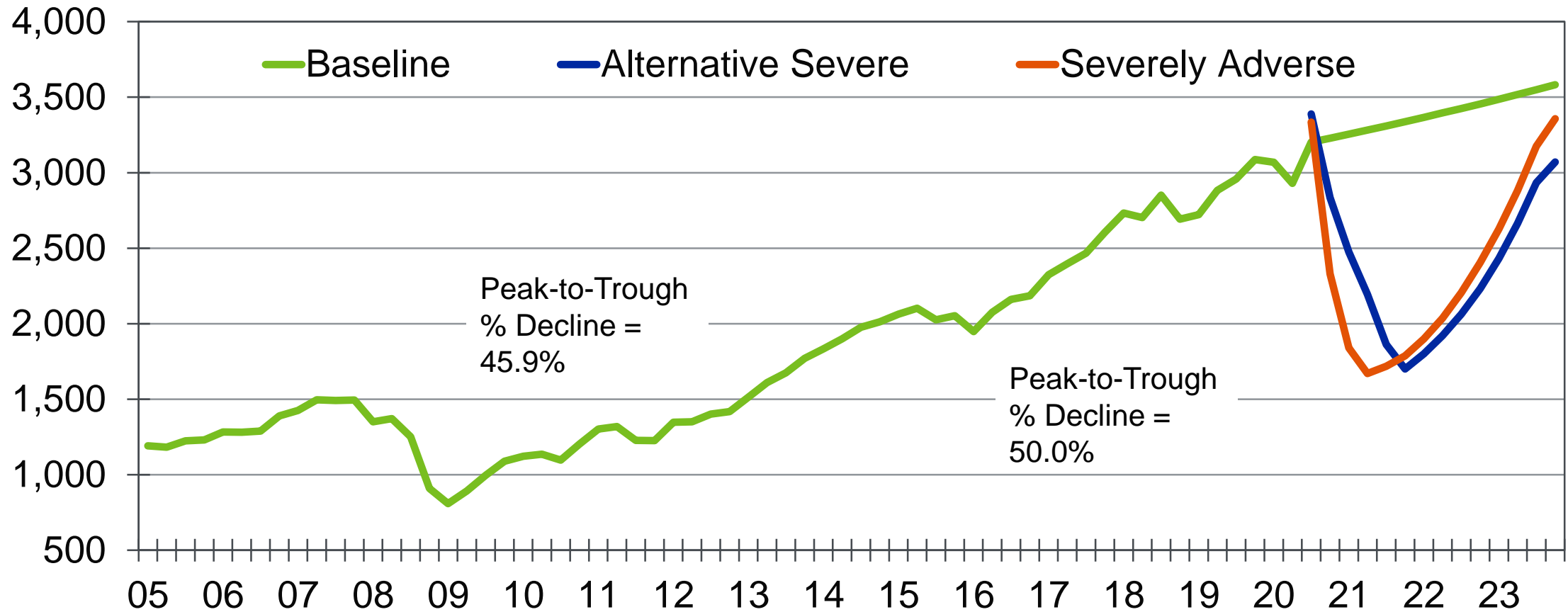
Commercial RE price index



Sources: Federal Reserve, Moody's Analytics

...and the Stock Market Suffers a Bit More

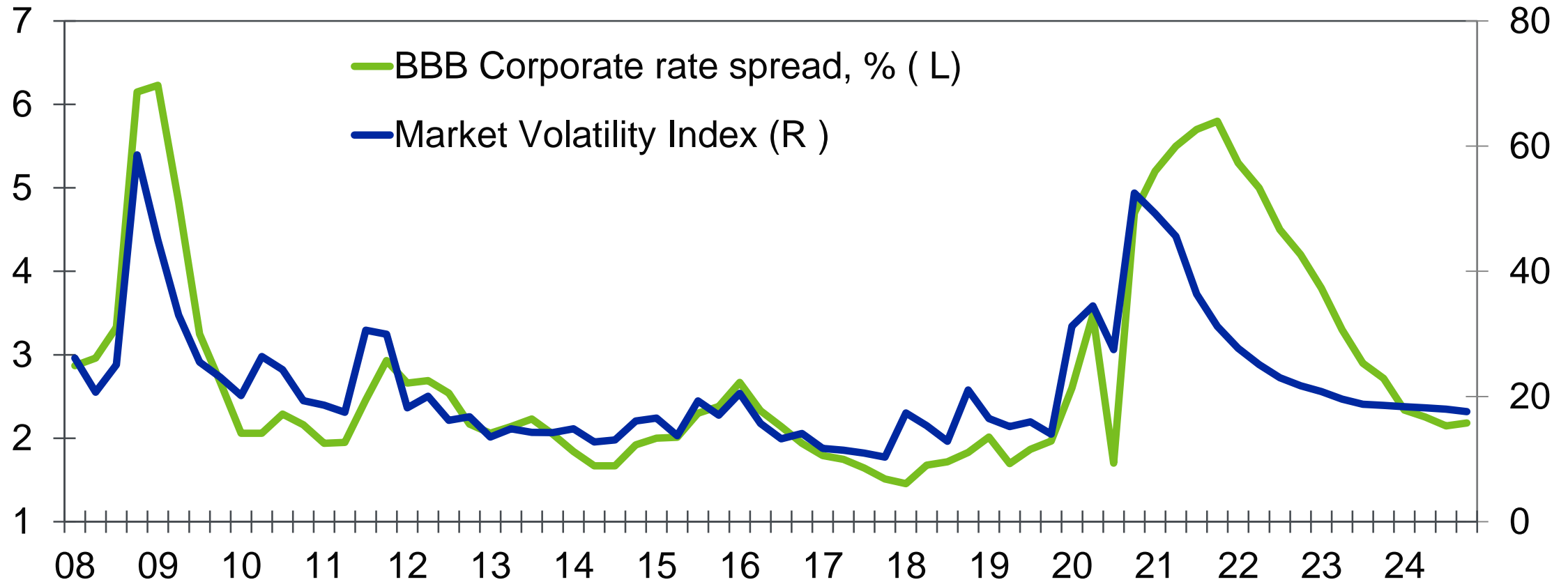
S&P 500 index



Sources: Federal Reserve, Moody's Analytics

Corporate Credit Under High Stress...

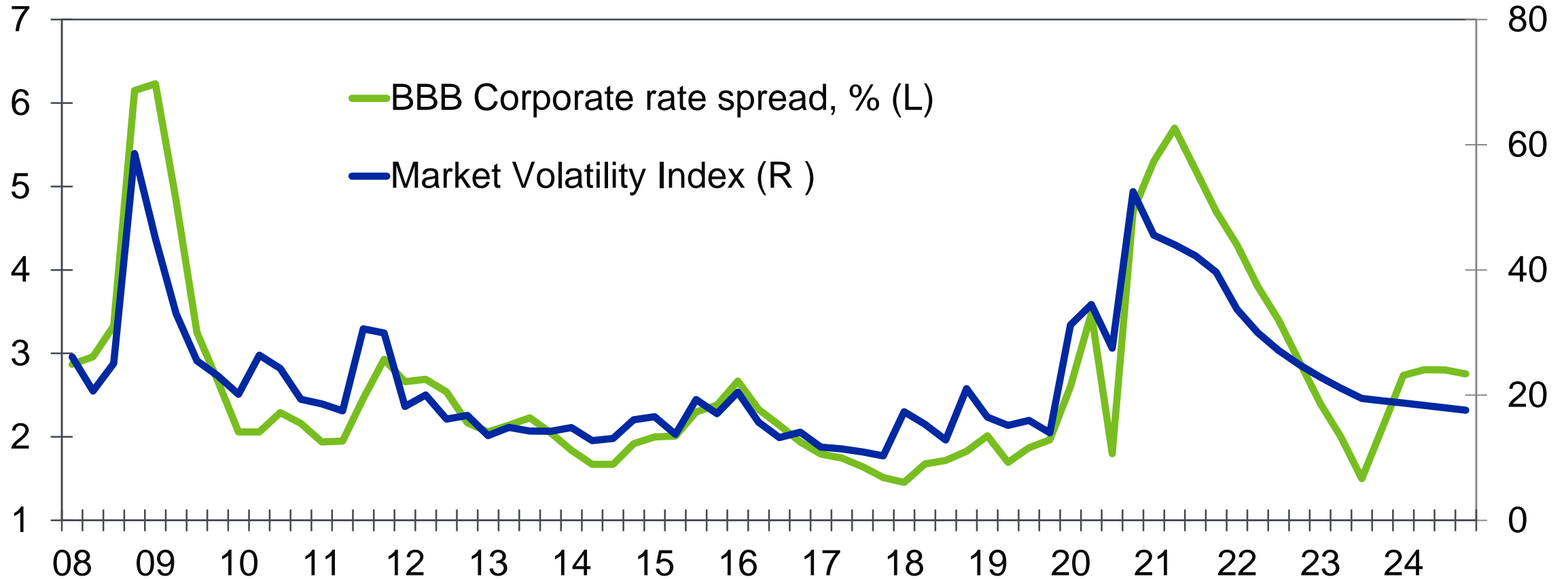
Severely Adverse Scenario



Sources: S&P, Federal Reserve, Moody's Analytics

...In Both Scenarios

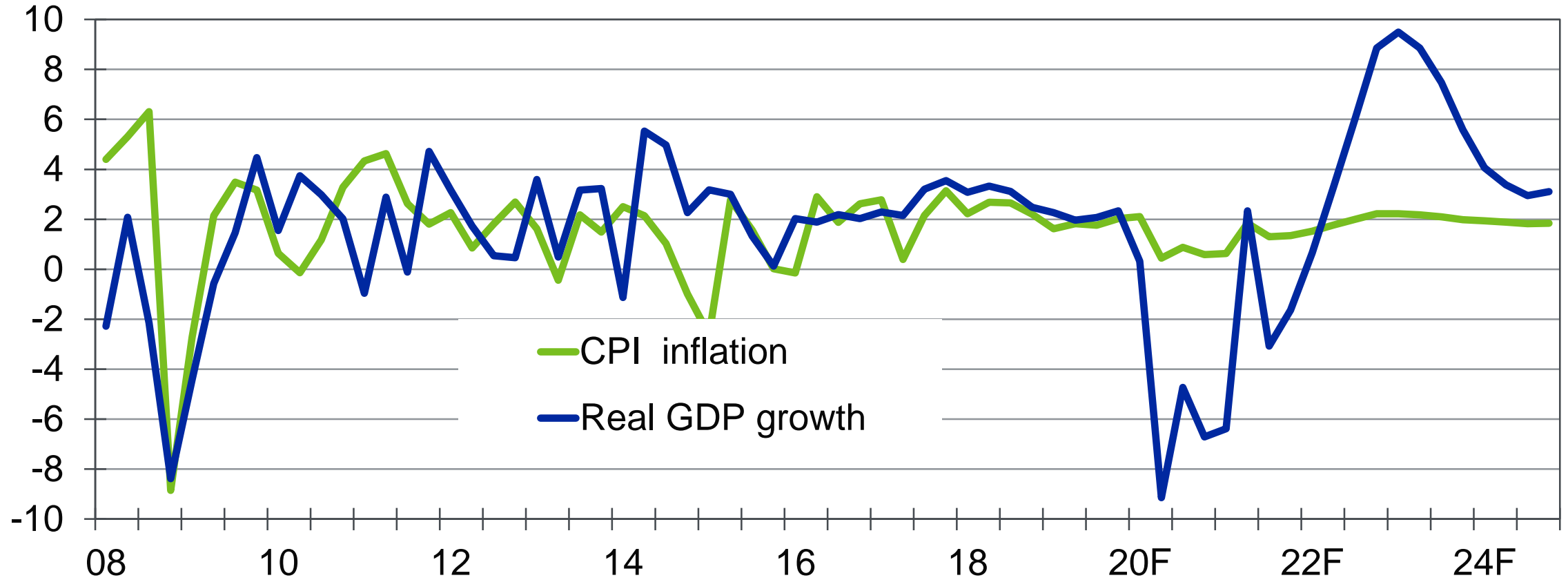
Alternative Severe Scenario



Sources: S&P, Federal Reserve, Moody's Analytics

Firm Inflation, Despite GDP Collapse...

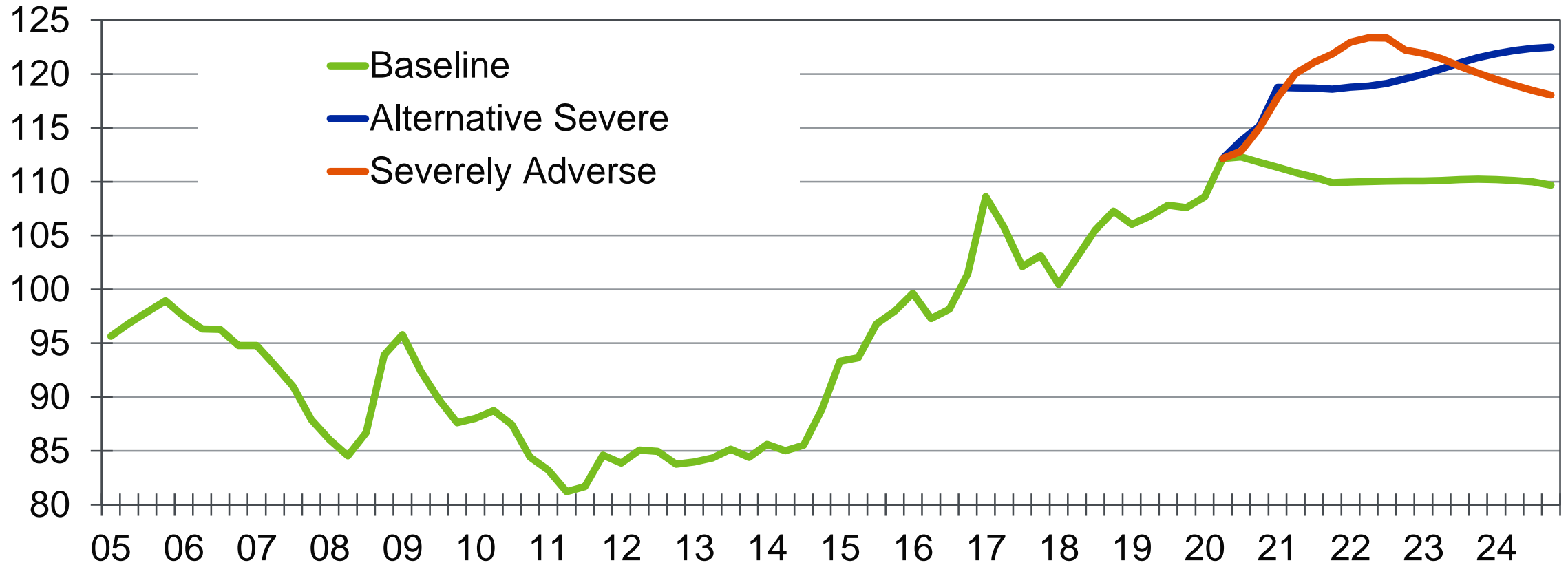
Severely adverse scenario, % change yr ago



Sources: BLS, Federal Reserve, Moody's Analytics

...and Surging U.S. \$

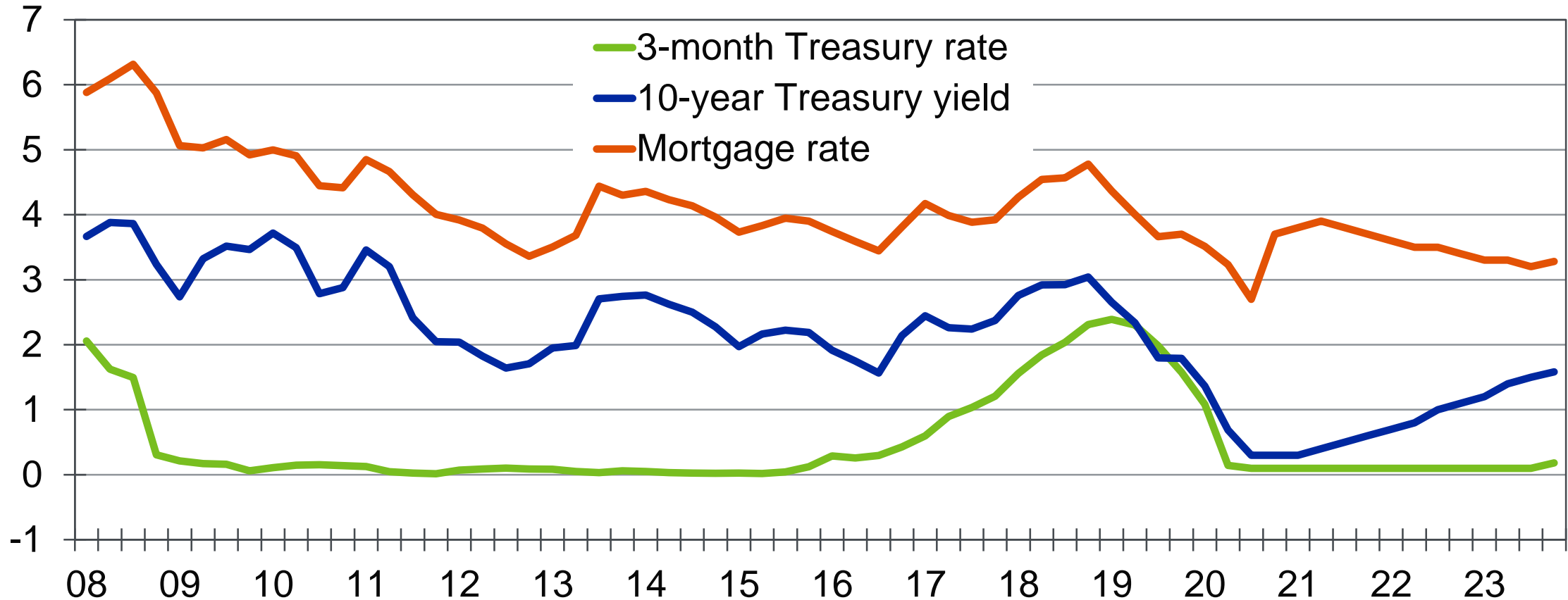
U.S. real broad trade weighted \$



Sources: Federal Reserve, Moody's Analytics

ZLB...But No Negative Rates

Severely adverse scenario, %



Sources: Freddie Mac, Federal Reserve, Moody's Analytics



Further Questions:

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