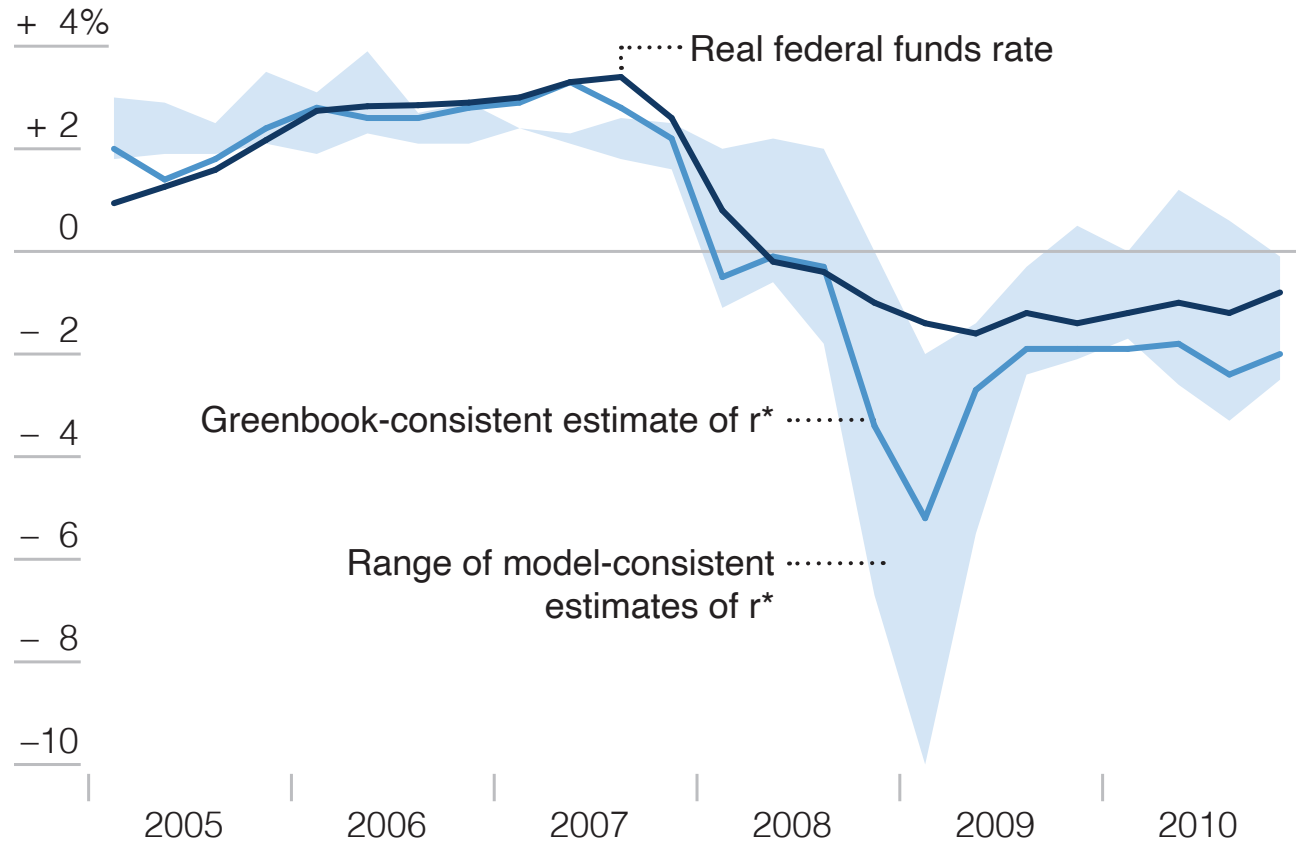


## Real Federal Funds Rate Compared with Estimates of Its Equilibrium Level



Note: The equilibrium real federal funds rate ( $r^*$ ) is defined as the level that, if maintained, would be projected to return output to its potential over a period of 12 quarters under various economic models. The estimates shown are taken from the Bluebook/Tealbook published at that time.

Source: Federal Reserve Board of Governors

Copyright © 2020 Hutchins Center at the Brookings Institution and Yale Program on Financial Stability,  
[www.som.yale.edu/financialcrisischarts](http://www.som.yale.edu/financialcrisischarts)