

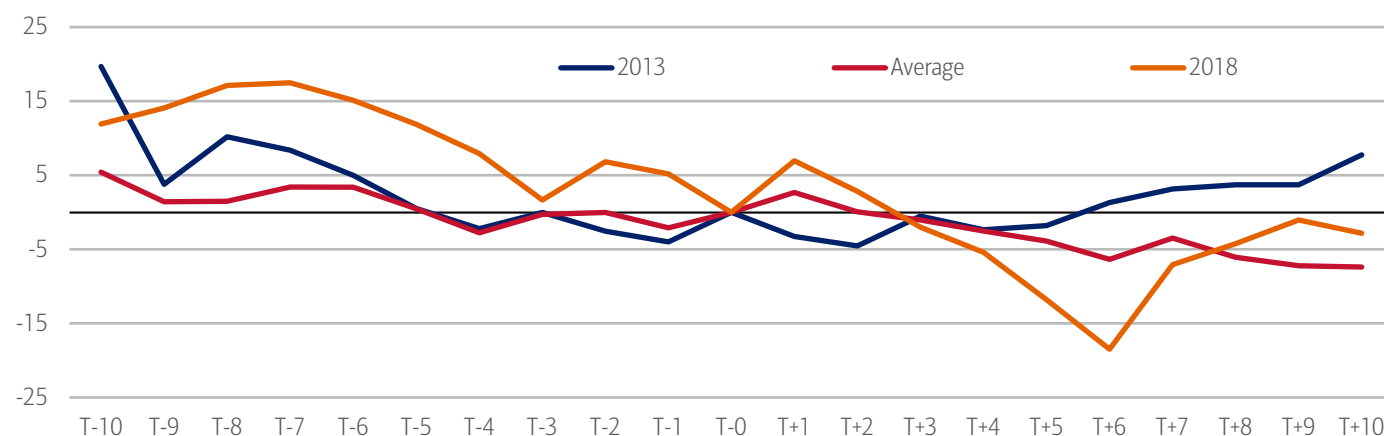
Daily Insights

Government shutdown begins

01 October 2025

On average, the US Treasury (UST) 10-year yield has been little changed around shutdowns

UST 10-year yield around previous shutdown dates (basis point (bp) change)



Source: Bloomberg, BofA Global Research

Note: T-0 = shutdown start date. 2013 & 2018 are the two most recent shutdowns that exceeded three days.

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The US federal government shut down at midnight — the first time in seven years — after Congress missed its funding deadline. Essential services remain operational and Federal Reserve functions and Treasury debt auctions/principal and interest payments will continue as normal. However, the Department of Labor has confirmed that the weekly claims report will not be published during the shutdown and the September employment report is unlikely to be released on Friday.

BofA Global Research notes that shutdowns historically have minimal impact on interest rates or the yield curve. The 10-year Treasury tends to remain stable, as shutdowns rarely influence broader economic conditions or Fed policy. That said, market reactions could intensify if sentiment deteriorates or if furloughed workers face permanent layoffs — something reportedly under consideration by the Trump administration.

We took a historical look at shutdowns and shared more on the topic, in [Congress faces funding deadline](#).

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