

Five Recession Detection Rules vs. NBER Recessions (1948-2026)

Gray bars: NBER recessions • Green: rule trigger followed by recession (hit) • Red: trigger without recession (false positive)

R1. Sahm Rule

15 episodes • 12 hits • 2 false positives

R2. Triggers Rule (raw UR vs 12m min)

29 episodes • 12 hits • 14 false positives — noisy

R3. Two-Month Rule ($\geq 0.3pp + 2m$ rise)

56 episodes • 12 hits • 32 false positives — very noisy

R4. Claims Momentum (ICSA 4w MA $\geq 25\%$ above 12m min, 1969+)

14 episodes • 8 hits • 4 false positives

R5. COMPOSITE: Sahm + Claims (1969+)

8 episodes • 8 hits • ZERO false positives