

FINANCIAL MARKET FORECASTS

September 2024

Interest rates (% , end of quarter)

	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	Forecast				Forecast				
							24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	2023	2024F	2025F
Canada															
Overnight	4.50	4.75	5.00	5.00	5.00	4.75	4.25	3.75	3.25	3.00	3.00	3.00	5.00	3.75	3.00
Three-month	4.34	4.90	5.07	5.04	4.99	4.64	4.05	3.55	3.20	3.00	3.00	3.00	5.04	3.55	3.00
Two-year	3.74	4.58	4.87	3.88	4.22	3.99	3.10	2.95	2.90	2.75	2.90	3.00	3.88	2.95	3.00
Five-year	3.02	3.68	4.25	3.17	3.58	3.51	2.85	2.75	2.85	2.90	2.90	3.00	3.17	2.75	3.00
10-year	2.90	3.26	4.03	3.10	3.52	3.50	3.00	2.85	2.90	2.95	3.00	3.10	3.10	2.85	3.10
30-year	3.02	3.09	3.81	3.02	3.41	3.39	3.15	3.00	3.00	3.05	3.10	3.15	3.02	3.00	3.15
Yield curve (10s-2s)	-84	-132	-84	-78	-70	-49	-10	-10	0	20	10	10	-78	-10	10.00
United States															
Fed funds*	4.88	5.13	5.38	5.38	5.38	5.38	5.13	4.63	4.13	4.13	4.13	4.13	5.38	4.63	4.13
Three-month	4.85	5.43	5.55	5.40	5.45	5.48	4.95	4.45	4.00	4.05	4.10	4.10	5.40	4.45	4.10
Two-year	4.06	4.87	5.03	4.23	4.66	4.71	3.80	4.00	4.20	4.25	4.25	4.15	4.23	4.00	4.15
Five-year	3.60	4.13	4.60	3.84	4.28	4.33	3.60	3.75	3.80	3.85	3.80	3.70	3.84	3.75	3.70
10-year	3.48	3.81	4.59	3.88	4.27	4.36	3.80	3.95	4.00	4.00	3.95	3.85	3.88	3.95	3.85
30-year	3.67	3.85	4.73	4.03	4.41	4.51	4.05	4.25	4.30	4.25	4.15	4.05	4.03	4.25	4.05
Yield curve (10s-2s)	-58	-106	-44	-35	-39	-35	0	-5	-20	-25	-30	-30	-35	-5	-30
Yield spreads															
Three-month T-bills	-0.51	-0.53	-0.48	-0.36	-0.46	-0.84	-0.90	-0.90	-0.80	-1.05	-1.10	-1.10	-0.36	-0.90	-1.10
Two-year	-0.32	-0.29	-0.16	-0.35	-0.44	-0.72	-0.70	-1.05	-1.30	-1.50	-1.35	-1.15	-0.35	-1.05	-1.15
Five-year	-0.58	-0.45	-0.35	-0.67	-0.70	-0.82	-0.75	-1.00	-0.95	-0.95	-0.90	-0.70	-0.67	-1.00	-0.70
10-year	-0.58	-0.55	-0.56	-0.78	-0.75	-0.86	-0.80	-1.10	-1.10	-1.05	-0.95	-0.75	-0.78	-1.10	-0.75
30-year	-0.65	-0.76	-0.92	-1.01	-0.99	-1.12	-0.90	-1.25	-1.30	-1.20	-1.05	-0.90	-1.01	-1.25	-0.90

Note: Interest Rates are end of period rates. * Midpoint of 25 basis point range

Exchange rates (end of quarter)

	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	Forecast				Forecast				
							24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	2023	2024F	2025F
AUD/USD	0.67	0.67	0.65	0.68	0.65	0.67	0.67	0.68	0.69	0.70	0.71	0.71	0.68	0.68	0.71
USD/CAD	1.35	1.32	1.35	1.32	1.35	1.37	1.37	1.38	1.38	1.38	1.37	1.36	1.32	1.38	1.36
EUR/USD	1.09	1.09	1.06	1.11	1.08	1.07	1.10	1.08	1.09	1.10	1.11	1.12	1.11	1.08	1.12
USD/JPY	133	144	149	141	151	161	144	147	149	147	143	139	141	147	149
USD/CHF	0.92	0.90	0.92	0.84	0.90	0.90	0.85	0.89	0.91	0.93	0.95	0.96	0.84	0.89	0.96
GBP/USD	1.24	1.27	1.22	1.27	1.26	1.26	1.29	1.26	1.25	1.25	1.25	1.26	1.27	1.26	1.26

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