



Policy rates and government bond yields, end of period

	<u>Q1-24</u>	<u>Q2-24</u>	<u>Q3-24</u>	<u>Q4-24</u>	<u>Q1-25</u>	<u>Q2-25</u>	<u>Q3-25</u>	<u>Q4-25</u>	<u>Q1-26</u>	<u>Q2-26</u>	<u>Q3-26</u>	<u>Q4-26</u>
Canada												
Overnight rate	5.00	4.75	4.25	3.25	2.75	2.50	2.25	2.25	2.25	2.25	2.25	2.50
3-month	4.99	4.64	3.94	3.16	2.55	2.35	2.25	2.25	2.25	2.25	2.35	2.55
2-year	4.22	3.99	2.92	2.93	2.55	2.50	2.40	2.35	2.40	2.45	2.55	2.80
5-year	3.58	3.51	2.74	2.96	2.75	2.65	2.80	2.90	2.95	3.00	3.10	3.25
10-year	3.52	3.50	2.95	3.23	3.00	2.90	3.00	3.05	3.10	3.15	3.25	3.40
30-year	3.41	3.39	3.13	3.33	3.25	3.15	3.25	3.35	3.40	3.40	3.50	3.60
United States												
Fed funds midpoint	5.38	5.38	4.88	4.38	4.38	4.38	4.38	4.38	4.38	4.38	4.38	4.38
3-month	5.45	5.48	4.73	4.37	4.26	4.21	4.23	4.28	4.28	4.31	4.31	4.31
2-year	4.66	4.71	3.66	4.25	3.90	3.70	3.90	4.15	4.25	4.30	4.30	4.30
5-year	4.28	4.33	3.58	4.38	3.95	3.65	3.80	4.00	4.10	4.15	4.20	4.25
10-year	4.27	4.36	3.81	4.58	4.20	3.90	4.05	4.20	4.25	4.30	4.35	4.40
30-year	4.41	4.51	4.14	4.78	4.55	4.30	4.40	4.50	4.55	4.60	4.65	4.70
United Kingdom												
Bank Rate	5.25	5.25	5.00	4.75	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.75
2-year	4.17	4.23	3.97	4.38	4.50	4.25	4.30	4.40	4.60	4.65	4.70	4.75
5-year	3.84	4.03	3.85	4.35	4.60	4.40	4.50	4.60	4.65	4.70	4.75	4.80
10-year	3.95	4.17	4.00	4.57	5.00	4.75	4.80	4.90	4.80	4.85	4.90	5.00
30-year	4.49	4.67	4.54	5.11	5.50	5.35	5.40	5.55	5.05	5.10	5.10	5.10
Euro area*												
Deposit rate	4.00	3.75	3.50	3.00	2.50	2.25	2.25	2.25	2.25	2.25	2.25	2.25
2-year	2.83	2.82	2.09	2.09	2.20	2.25	2.30	2.40	2.40	2.45	2.50	2.55
5-year	2.32	2.48	1.97	2.15	2.55	2.75	2.85	2.95	2.95	2.95	2.95	2.95
10-year	2.29	2.50	2.14	2.36	2.90	3.05	3.15	3.25	3.30	3.30	3.30	3.30
30-year	2.46	2.69	2.46	2.60	3.20	3.40	3.55	3.70	3.80	3.80	3.80	3.80
Australia												
Cash rate	4.35	4.35	4.35	4.35	3.85	3.60	3.60	3.60	3.60	3.60	3.60	3.60
2-year	3.76	4.17	3.64	3.87	3.75	3.60	3.75	3.85	3.95	4.00	4.10	4.10
10-year	3.97	4.31	3.97	4.37	4.35	4.10	4.20	4.30	4.35	4.35	4.40	4.45
New Zealand												
Cash rate	5.50	5.50	5.25	4.25	3.75	3.25	3.25	3.25	3.25	3.25	3.25	3.50
2-year swap	4.78	4.95	3.56	3.36	3.30	3.25	3.50	3.75	3.50	3.60	3.75	4.00
10-year swap	4.35	4.48	3.87	3.91	4.10	4.30	4.70	4.75	4.20	4.25	4.30	4.50

Sources: Refinitiv, BoC, Fed, BoE, ECB, RBA, RBNZ, RBC Economics, RBC Capital Markets | *German government bond yields

The material contained in this report is the property of Royal Bank of Canada and may not be reproduced in any way, in whole or in part, without express authorization of the copyright holder in writing. The statements and statistics contained herein have been prepared by RBC Economics Research based on information from sources considered to be reliable. We make no representation or warranty, express or implied, as to its accuracy or completeness. This publication is for the information of investors and business persons and does not constitute an offer to sell or a solicitation to buy securities.



ECONOMIC OUTLOOK

March 2025

Real GDP (quarter-over-quarter percent change)

	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	Q4-25	Q1-26	Q2-26	Q3-26	Q4-26	2024	2025	2026
Canada*	1.8	2.8	2.2	2.6	1.1	0.8	0.7	1.0	1.2	1.4	1.9	2.1	1.5	1.5	1.3
United States*	1.6	3.0	3.1	2.3	0.0	1.5	1.9	1.8	2.0	2.0	1.8	1.6	2.8	1.6	1.9
United Kingdom	0.8	0.4	0.0	0.1	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.9	1.2	1.7
Euro area	0.3	0.2	0.4	0.2	0.3	0.4	0.5	0.5	0.5	0.5	0.5	0.4	0.8	1.4	1.9
Australia	0.2	0.2	0.3	0.6	0.7	0.6	0.7	0.7	0.7	0.6	0.5	0.5	1.0	2.3	2.6

*annualized

Inflation (year-over-year percent change)

	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	Q4-25	Q1-26	Q2-26	Q3-26	Q4-26	2024	2025	2026
Canada	2.8	2.7	2.0	1.9	2.4	2.5	2.4	2.1	2.0	1.8	1.8	1.8	2.4	2.3	1.8
United States	3.2	3.2	2.6	2.7	2.8	2.6	2.7	2.4	2.0	2.1	2.2	2.2	2.9	2.6	2.1
United Kingdom	3.5	2.1	2.1	2.5	2.6	2.4	2.5	2.3	2.3	2.3	2.3	2.3	2.5	2.6	2.6
Euro area	2.6	2.5	2.2	2.2	2.4	2.6	2.7	2.6	2.2	2.2	2.2	2.1	2.4	2.6	2.2
Australia	3.6	3.8	2.8	2.4	2.2	1.9	2.4	2.9	2.9	2.8	2.8	2.8	3.2	2.4	2.9

Sources: StatCan, BLS, ONS, EuroStat, ABS, RBC Economics, RBC Capital Markets

CURRENCY OUTLOOK

U.S. dollar cross rates (end of period)

	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	Q4-25	Q1-26	Q2-26	Q3-26	Q4-26
USD/CAD	1.35	1.37	1.35	1.44	1.43	1.45	1.42	1.40	1.38	1.37	1.36	1.35
EUR/USD	1.08	1.07	1.11	1.04	1.11	1.05	1.07	1.09	1.10	1.12	1.14	1.15
GBP/USD	1.26	1.26	1.34	1.25	1.32	1.28	1.27	1.28	1.28	1.29	1.30	1.28
USD/JPY	151	161	143	157	144	149	146	140	135	130	125	120
AUD/USD	0.65	0.67	0.69	0.62	0.63	0.64	0.64	0.63	0.62	0.62	0.64	0.65

The material contained in this report is the property of Royal Bank of Canada and may not be reproduced in any way, in whole or in part, without express authorization of the copyright holder in writing. The statements and statistics contained herein have been prepared by RBC Economics Research based on information from sources considered to be reliable. We make no representation or warranty, express or implied, as to its accuracy or completeness. This publication is for the information of investors and business persons and does not constitute an offer to sell or a solicitation to buy securities.