

## FINANCIAL MARKET FORECASTS

September 2024

### Interest rates (% , end of quarter )

					Forecast								Forecast		
	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	2023	2024F	2025F
<b>Canada</b>															
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
<b>United States</b>															
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
<b>Yield spreads</b>															
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)

					Forecast								Forecast		
	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	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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