

FORECAST UPDATE

January 8, 2024

Forecast Details

Table: Canadian interest rates (end of period)

Variable	2024 Jan 8	2024 Mar	2024 Jun	2024 Sep	2024 Dec	2025 Jun	2025 Dec
Overnight target rate	5.00	5.00	4.75	4.00	3.50	3.00	2.50
98-Day Treasury Bills	5.04	5.05	4.60	3.90	3.35	2.85	2.45
2-Year Government Bond	4.02	4.25	3.90	3.40	3.00	2.70	2.60
10-Year Government Bond	3.20	3.45	3.30	3.20	3.10	2.90	2.95
30-Year Government Bond	3.14	3.35	3.40	3.30	3.25	3.10	3.05
Canada - US T-Bill Spread	-0.33	-0.25	-0.85	-1.05	-1.00	-1.00	-0.90
Canada - US 10-Year Bond Spread	-0.79	-0.80	-0.85	-0.80	-0.80	-0.70	-0.35
Canada Yield Curve (10-year — 2-year)	-0.81	-0.80	-0.60	-0.20	0.10	0.20	0.35

Table: US Interest rates (end of period)

Variable	2024 Jan 8	2024 Mar	2024 Jun	2024 Sep	2024 Dec	2025 Jun	2025 Dec
Federal funds rate (midpoint)	5.375	5.375	5.375	4.875	4.375	3.875	3.375
91-Day Treasury Bills	5.37	5.30	5.45	4.95	4.35	3.85	3.35
2-Year Government Note	4.34	4.55	4.35	3.75	3.35	3.00	2.65
10-Year Government Note	3.99	4.25	4.15	4.00	3.90	3.60	3.30
30-Year Government Bond	4.16	4.35	4.30	4.25	4.20	3.90	3.65
US Yield curve (10-year — 2-year)	-0.35	-0.30	-0.20	0.25	0.55	0.60	0.65

Table: Foreign exchange rates

Exchange rate	2024 Jan 8	2024 Mar	2024 Jun	2024 Sep	2024 Dec	2025 Jun	2025 Dec
CAD-USD	0.75	0.72	0.73	0.74	0.74	0.77	0.78
USD-CAD	1.34	1.38	1.37	1.35	1.35	1.30	1.29

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