



Economics and FICC Strategy

FORECAST UPDATE

July 29, 2024

Forecast Details

Table: Canadian interest rates (end of period)

Variable	2024 Jul 29	2024 Sep	2024 Dec	2025 Mar	2025 Jun	2025 Sep	2025 Dec
Overnight target rate	4.50	4.25	4.00	3.50	3.25	3.00	2.75
98-Day Treasury Bills	4.42	4.15	3.85	3.40	3.15	2.85	2.60
2-Year Government Bond	3.58	3.50	3.30	2.90	2.80	2.75	2.90
10-Year Government Bond	3.29	3.25	3.10	3.00	3.10	3.15	3.30
30-Year Government Bond	3.33	3.25	3.20	3.25	3.30	3.35	3.40
Canada - US T-Bill Spread	-0.87	-0.90	-0.90	-0.80	-0.60	-0.80	-1.05
Canada - US 10-Year Bond Spread	-0.89	-0.75	-0.70	-0.65	-0.50	-0.35	-0.35
Canada Yield Curve (10-year — 2-year)	-0.29	-0.25	-0.20	0.10	0.30	0.40	0.40

Table: US Interest rates (end of period)

Variable	2024 Jul 29	2024 Sep	2024 Dec	2025 Mar	2025 Jun	2025 Sep	2025 Dec
Federal funds rate (midpoint)	5.375	5.125	4.875	4.375	4.125	3.875	3.625
91-Day Treasury Bills	5.29	5.05	4.75	4.20	3.75	3.65	3.65
2-Year Government Note	4.39	4.30	4.20	3.70	3.50	3.35	3.25
10-Year Government Note	4.18	4.00	3.80	3.65	3.60	3.50	3.65
30-Year Government Bond	4.42	4.30	4.25	4.00	3.90	3.85	3.80
US Yield curve (10-year — 2-year)	-0.22	-0.30	-0.40	-0.05	0.10	0.15	0.40

Table: Foreign exchange rates

Exchange rate	2024 Jul 29	2024 Sep	2024 Dec	2025 Mar	2025 Jun	2025 Sep	2025 Dec
CAD-USD	0.72	0.72	0.72	0.74	0.74	0.74	0.75
USD-CAD	1.39	1.39	1.38	1.36	1.35	1.35	1.34
USD-JPY	154	157	153	150	147	146	145
EUR-USD	1.08	1.08	1.08	1.09	1.10	1.11	1.12
GBP-USD	1.28	1.27	1.27	1.28	1.28	1.31	1.31
AUD-USD	0.65	0.67	0.68	0.68	0.69	0.69	0.70
USD-CNY	7.26	7.35	7.30	7.28	7.25	7.20	7.15
USD-BRL	5.66	5.50	5.20	5.20	5.20	5.00	5.00
USD-MXN	18.66	18.50	18.00	17.50	17.80	17.80	17.50

Contacts:

Avery Shenfeld
avery.shenfeld@cibc.com

Benjamin Tal
benjamin.tal@cibc.com

Andrew Grantham
andrew.grantham@cibc.com

Ali Jaffery
ali.jaffery@cibc.com

Katherine Judge
katherine.judge@cibc.com

FICC Strategy

Ian Pollick
ian.pollick@cibc.com

CIBC Capital Markets
PO Box 500
161 Bay Street, Brookfield Place
Toronto, Canada, M5J 2S8
[Bloomberg @ CIBC](#)

economics.cibccm.com

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