

Economics and FICC Strategy

FORECAST UPDATE

September 11, 2026

Forecast Details

Table: Canadian interest rates (end of period)

Variable	2026 11-Sep	2026 Dec	2027 Mar	2027 Jun	2027 Sep	2027 Dec	2028 Jun	2028 Dec
Overnight target rate	2.25	2.25	2.50	2.75	2.75	2.75	2.75	2.75
98-Day Treasury Bills	2.33	2.25	2.55	2.80	2.90	2.85	2.80	2.75
2-Year Government Bond	3.36	3.15	3.20	3.30	3.15	3.10	3.10	3.15
5-Year Government Bond	3.65	3.55	3.55	3.60	3.35	3.45	3.35	3.50
10-Year Government Bond	3.95	4.00	3.95	3.90	3.85	3.85	3.90	4.00
30-Year Government Bond	4.28	4.25	4.10	4.00	3.95	4.00	4.20	4.40
Canada - US T-Bill Spread	-1.68	-1.85	-1.50	-1.20	-0.80	-0.55	-0.35	-0.40
Canada - US 10-Year Bond Spread	-1.03	-1.00	-1.00	-1.00	-0.90	-0.75	-0.80	-0.85
Canada Yield Curve (10-year — 2-year)	0.59	0.85	0.75	0.60	0.70	0.75	0.80	0.85

Table: US Interest rates (end of period)

Variable	2026 11-Sep	2026 Dec	2027 Mar	2027 Jun	2027 Sep	2027 Dec	2028 Jun	2028 Dec
Federal funds rate (midpoint)	3.625	4.125	4.125	4.125	3.875	3.625	3.125	3.125
91-Day Treasury Bills	4.01	4.10	4.05	4.00	3.70	3.40	3.15	3.15
2-Year Government Note	4.64	4.65	4.60	4.50	4.20	3.85	3.75	3.85
5-Year Government Note	4.79	4.80	4.75	4.65	4.30	3.85	3.85	4.10
10-Year Government Note	4.97	5.00	4.95	4.90	4.75	4.60	4.70	4.85
30-Year Government Bond	5.35	5.40	5.35	5.30	5.20	5.10	5.25	5.40
US Yield curve (10-year — 2-year)	0.33	0.35	0.35	0.40	0.55	0.75	0.95	1.00

Table: Foreign exchange rates

Exchange rate	2026 11-Sep	2026 Dec	2027 Mar	2027 Jun	2027 Sep	2027 Dec	2028 Jun	2028 Dec
CAD-USD	0.72	0.71	0.72	0.73	0.74	0.74	0.75	0.75
USD-CAD	1.39	1.41	1.39	1.37	1.36	1.35	1.33	1.33
EUR-USD	1.16	1.17	1.19	1.20	1.19	1.18	1.20	1.21
GBP-USD	1.35	1.35	1.38	1.39	1.38	1.39	1.37	1.36
USD-CNY	6.71	6.70	6.68	6.67	6.65	6.65	6.65	6.65
USD-MXN	16.97	17.00	17.00	17.50	17.50	17.00	17.85	18.00
USD-JPY	154	156	154	152	150	148	146	145

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