

Economics and FICC Strategy

# FORECAST UPDATE

April 16, 2025

## Forecast Details

Table: Canadian interest rates (end of period)

Variable	2025 16-Apr	2025 Jun	2025 Sep	2025 Dec	2026 Mar	2026 Jun	2026 Sep	2026 Dec
Overnight target rate	2.75	2.50	2.25	2.25	2.25	2.25	2.25	2.25
98-Day Treasury Bills	2.66	2.45	2.20	2.05	2.15	2.20	2.30	2.35
2-Year Government Bond	2.51	2.40	2.50	2.65	2.85	3.00	3.10	3.15
5-Year Government Bond	2.71	2.65	2.80	2.85	3.00	3.10	3.20	3.10
10-Year Government Bond	3.09	3.05	3.25	3.30	3.35	3.40	3.40	3.30
30-Year Government Bond	3.41	3.30	3.40	3.45	3.45	3.45	3.40	3.25
Canada - US T-Bill Spread	-1.65	-1.75	-1.60	-1.55	-1.30	-1.25	-1.20	-1.20
Canada - US 10-Year Bond Spread	-1.19	-1.10	-0.75	-0.65	-0.50	-0.50	-0.70	-0.85
Canada Yield Curve (10-year — 2-year)	0.58	0.65	0.75	0.65	0.50	0.40	0.30	0.15

Table: US Interest rates (end of period)

Variable	2025 16-Apr	2025 Jun	2025 Sep	2025 Dec	2026 Mar	2026 Jun	2026 Sep	2026 Dec
Federal funds rate (midpoint)	4.375	4.375	3.875	3.625	3.375	3.375	3.375	3.375
91-Day Treasury Bills	4.31	4.20	3.80	3.60	3.45	3.45	3.50	3.55
2-Year Government Note	3.79	4.00	3.65	3.55	3.40	3.65	3.75	3.90
5-Year Government Note	3.92	4.15	3.85	3.80	3.60	3.70	3.75	3.90
10-Year Government Note	4.28	4.15	4.00	3.95	3.85	3.90	4.10	4.15
30-Year Government Bond	4.74	4.55	4.40	4.35	4.30	4.40	4.50	4.60
US Yield curve (10-year — 2-year)	0.49	0.15	0.35	0.40	0.45	0.25	0.35	0.25

Table: Foreign exchange rates

Exchange rate	2025 16-Apr	2025 Jun	2025 Sep	2025 Dec	2026 Mar	2026 Jun	2026 Sep	2026 Dec
CAD-USD	0.72	0.71	0.72	0.72	0.72	0.73	0.73	0.73
USD-CAD	1.39	1.40	1.39	1.38	1.38	1.37	1.37	1.37

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