Economics and FICC Strategy

FORECAST UPDATE

November 16, 2026

Forecast Details

Table: Canadian interest rates (end of period)

Variable	2026 16-Nov	2026 Dec	2027 Mar	2027 Jun	2027 Sep	2027 Dec	2028 Jun	2028 Dec
Overnight target rate	2.50	2.50	2.75	2.75	2.75	2.75	2.75	2.75
98-Day Treasury Bills	2.61	2.45	2.70	2.80	2.75	2.70	2.70	2.70
2-Year Government Bond	3.31	3.40	3.65	3.55	3.50	3.35	3.10	2.95
5-Year Government Bond	3.54	3.55	3.75	3.70	3.65	3.60	3.50	3.35
10-Year Government Bond	3.80	3.80	4.00	3.95	4.00	3.95	3.90	3.70
30-Year Government Bond	4.12	4.10	4.10	4.15	4.15	4.25	4.25	4.05
Canada - US T-Bill Spread	-1.63	-1.65	-1.60	-1.50	-1.60	-1.35	-0.85	-0.40
Canada - US 10-Year Bond Spread	-1.31	-1.25	-1.10	-1.10	-1.15	-1.00	-0.80	-1.10
Canada Yield Curve (10-year — 2-year)	0.50	0.40	0.35	0.40	0.50	0.60	0.80	0.75

Table: US Interest rates (end of period)

Variable	2026 16-Nov	2026 Dec	2027 Mar	2027 Jun	2027 Sep	2027 Dec	2028 Jun	2028 Dec
Federal funds rate (midpoint)	3.875	4.125	4.375	4.375	4.375	4.125	3.625	3.125
91-Day Treasury Bills	4.23	4.10	4.30	4.30	4.35	4.05	3.55	3.10
2-Year Government Note	4.83	4.80	4.75	4.55	4.35	4.00	3.50	3.00
5-Year Government Note	4.94	4.90	4.85	4.70	4.55	4.30	3.85	3.40
10-Year Government Note	5.12	5.05	5.10	5.05	5.15	4.95	4.70	4.80
30-Year Government Bond	5.45	5.40	5.40	5.50	5.55	5.45	5.25	5.40
US Yield curve (10-year — 2-year)	0.28	0.25	0.35	0.50	0.80	0.95	1.20	1.80

Table: Foreign exchange rates

Exchange rate	2026 16-Nov	2026 Dec	2027 Mar	2027 Jun	2027 Sep	2027 Dec	2028 Jun	2028 Dec
CAD-USD	0.70	0.71	0.72	0.73	0.74	0.74	0.75	0.75
USD-CAD	1.43	1.41	1.39	1.37	1.36	1.35	1.33	1.33

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