

FINANCIAL MARKET FORECASTS

December 2024

Interest rates (% , end of quarter)

	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	Forecast						Forecast		
								24Q4	25Q1	25Q2	25Q3	25Q4	2023	2024F	2025F	
Canada																
Overnight	4.50	4.75	5.00	5.00	5.00	4.75	4.25	3.25	2.75	2.25	2.00	2.00	5.00	3.25	2.00	
Three-month	4.34	4.90	5.07	5.04	4.99	4.64	3.94	3.05	2.55	2.20	2.00	2.00	5.04	3.05	2.00	
Two-year	3.74	4.58	4.87	3.88	4.22	3.99	2.92	2.90	2.60	2.30	2.20	2.10	3.88	2.90	2.10	
Five-year	3.02	3.68	4.25	3.17	3.58	3.51	2.74	2.85	2.75	2.65	2.55	2.45	3.17	2.85	2.45	
10-year	2.90	3.26	4.03	3.10	3.52	3.50	2.95	3.00	2.95	2.90	2.80	2.80	3.10	3.00	2.80	
30-year	3.02	3.09	3.81	3.02	3.41	3.39	3.13	3.15	3.05	3.00	3.00	3.00	3.02	3.15	3.00	
Yield curve (10s-2s)	-84	-132	-84	-78	-70	-49	3	10	35	60	60	70	-78	10	70.00	
United States																
Fed funds*	4.88	5.13	5.38	5.38	5.38	5.38	4.88	4.38	4.13	4.13	4.13	4.13	5.38	4.38	4.13	
Three-month	4.85	5.43	5.55	5.40	5.45	5.48	4.73	4.20	4.03	4.08	4.13	4.22	5.40	4.20	4.22	
Two-year	4.06	4.87	5.03	4.23	4.66	4.71	3.66	4.20	4.40	4.50	4.70	4.85	4.23	4.20	4.85	
Five-year	3.60	4.13	4.60	3.84	4.28	4.33	3.58	4.10	4.30	4.40	4.55	4.65	3.84	4.10	4.65	
10-year	3.48	3.81	4.59	3.88	4.27	4.36	3.81	4.25	4.40	4.45	4.55	4.60	3.88	4.25	4.60	
30-year	3.67	3.85	4.73	4.03	4.41	4.51	4.14	4.45	4.55	4.60	4.70	4.75	4.03	4.45	4.75	
Yield curve (10s-2s)	-58	-106	-44	-35	-39	-35	15	5	0	-5	-15	-25	-35	5	-25	
Yield spreads																
Three-month T-bills	-0.51	-0.53	-0.48	-0.36	-0.46	-0.84	-0.80	-1.15	-1.48	-1.88	-2.13	-2.22	-0.36	-1.15	-2.22	
Two-year	-0.32	-0.29	-0.16	-0.35	-0.44	-0.72	-0.74	-1.30	-1.80	-2.20	-2.50	-2.75	-0.35	-1.30	-2.75	
Five-year	-0.58	-0.45	-0.35	-0.67	-0.70	-0.82	-0.85	-1.25	-1.55	-1.75	-2.00	-2.20	-0.67	-1.25	-2.20	
10-year	-0.58	-0.55	-0.56	-0.78	-0.75	-0.86	-0.87	-1.25	-1.45	-1.55	-1.75	-1.80	-0.78	-1.25	-1.80	
30-year	-0.65	-0.76	-0.92	-1.01	-0.99	-1.12	-1.02	-1.30	-1.50	-1.60	-1.70	-1.75	-1.01	-1.30	-1.75	

Note: Interest Rates are end of period rates. * Midpoint of 25 basis point range

Exchange rates (end of quarter)

	Forecast												Forecast		
	<u>23Q1</u>	<u>23Q2</u>	<u>23Q3</u>	<u>23Q4</u>	<u>24Q1</u>	<u>24Q2</u>	<u>24Q3</u>	<u>24Q4</u>	<u>25Q1</u>	<u>25Q2</u>	<u>25Q3</u>	<u>25Q4</u>	<u>2023</u>	<u>2024F</u>	<u>2025F</u>
AUD/USD	0.67	0.67	0.65	0.68	0.65	0.67	0.69	0.66	0.65	0.64	0.64	0.66	0.68	0.66	0.66
USD/CAD	1.35	1.32	1.35	1.32	1.35	1.37	1.35	1.40	1.42	1.43	1.42	1.41	1.32	1.40	1.41
EUR/USD	1.09	1.09	1.06	1.11	1.08	1.07	1.11	1.06	1.02	1.02	1.03	1.05	1.11	1.06	1.05
USD/JPY	133	144	149	141	151	161	143	155	160	158	155	150	141	155	160
USD/CHF	0.92	0.90	0.92	0.84	0.90	0.90	0.85	0.89	0.91	0.92	0.92	0.91	0.84	0.89	0.91
GBP/USD	1.24	1.27	1.22	1.27	1.26	1.26	1.34	1.29	1.28	1.24	1.23	1.24	1.27	1.29	1.24

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