



Interest Rate Forecast

September 21 2022

Canada Economic Forecast

	2022 Q1	2022 Q2a	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2021a	2022	2023	2024
Real GDP, % ar	3.1	3.3	0.5	0.3	0.5	1.0	1.3	1.9	1.8	4.6	3.2	0.9	1.9
U. Rate, %	5.8	5.1	5.3	5.5	5.8	5.7	5.6	5.7	5.6	7.4	5.4	5.7	5.6
CPI, % y/y	5.8	7.5	7.1	6.3	5.0	2.5	2.0	1.8	1.9	3.4	6.7	2.8	1.9
Core CPI, % y/y *	4.0	5.0	5.3	4.3	3.0	2.7	2.2	2.0	2.0	2.4	4.7	2.5	2.0

Source: Statistics Canada, Central 1. a = actual, all others forecast. ar= annual rate *average of Bank of Canada core measures

Interest Rate Forecast

	2022 Q1	2022Q2	2022 Q3	2022 Q4	2023Q1	2023Q2	2023 Q3	2023Q4	2024Q1	2024Q2
Target Overnight Rate (eop)	0.50	1.50	3.25	3.75	3.75	3.75	3.75	3.75	3.50	3.50
Prime Rate (eop)	2.70	3.70	5.45	5.95	5.95	5.95	5.95	5.95	5.70	5.70
1-mo. T-Bill	0.24	1.03	2.50	3.45	3.50	3.50	3.50	3.50	3.30	3.20
3-mo. T-Bill	0.40	1.44	2.90	3.70	3.70	3.70	3.60	3.45	3.20	3.20
6-mo. T-Bill	0.78	1.98	3.25	3.80	3.80	3.65	3.60	3.55	3.45	3.20
1-year T-Bill	1.23	2.52	3.50	3.80	2.00	3.60	3.60	3.50	3.25	3.10
2-year GoC Bond	1.51	2.76	3.40	3.60	3.60	3.50	3.20	3.10	3.00	2.80
3-year GoC Bond	1.58	2.79	3.35	3.60	3.50	3.40	3.10	3.00	2.90	2.70
5-year GoC Bond	1.77	2.87	3.15	3.50	3.40	3.30	3.00	2.90	2.80	2.65
10-year GoC Bond	1.94	2.99	3.00	3.25	3.30	3.10	2.90	2.80	2.70	2.60
USD/CAD	0.79	0.78	0.77	0.77	0.79	0.79	0.80	0.80	0.80	0.78
CAD/USD	1.27	1.28	1.30	1.30	1.27	1.27	1.25	1.25	1.25	1.28

Source: Bank of Canada, Central 1. Note: Quarterly average based on daily data.

a = actual, all others forecast.