



Interest Rate Forecast

January 20 2023

Canada Economic Forecast

	2022 Q3a	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2021a	2022	2023	2024
Real GDP, % ar	2.9	0.8	0.0	0.1	0.7	1.5	1.8	1.7	1.7	4.6	3.5	0.9	1.5
U. Rate, %	5.2	5.1	5.5	6.0	6.2	6.2	5.8	5.4	5.2	7.4	5.4	6.0	5.4
CPI, % y/y	7.2	6.7	5.3	2.9	2.4	2.3	1.8	1.9	2.0	3.4	6.8	3.2	1.9

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

Interest Rate Forecast

	2022Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3
Target Overnight Rate (eop)	1.50	3.25	4.25	4.50	4.50	4.50	4.25	3.75	3.50	3.00
Prime Rate (eop)	3.70	5.45	6.45	6.70	6.70	6.70	6.45	5.95	5.70	5.20
1-mo. T-Bill	1.03	2.52	3.68	4.30	4.30	4.20	4.10	3.55	3.35	2.80
3-mo. T-Bill	1.44	2.91	3.96	4.35	4.35	4.20	3.90	3.60	3.10	2.70
6-mo. T-Bill	1.98	3.27	4.16	4.28	4.23	4.05	3.65	3.45	3.00	2.65
1-year T-Bill	2.52	3.52	4.29	4.20	4.10	3.90	3.40	3.30	2.90	2.60
2-year GoC Bond	2.76	3.42	3.92	3.80	3.75	3.30	3.10	2.90	2.70	2.40
3-year GoC Bond	2.79	3.35	3.77	3.55	3.53	3.23	3.05	2.90	2.75	2.50
5-year GoC Bond	2.87	3.14	3.33	3.30	3.30	3.15	3.00	2.90	2.80	2.60
10-year GoC Bond	2.99	3.01	3.16	3.00	3.15	3.10	2.90	2.70	2.70	2.70
USD/CAD	0.78	0.77	0.74	0.74	0.76	0.78	0.78	0.78	0.78	0.80
CAD/USD	1.28	1.31	1.36	1.35	1.32	1.28	1.28	1.28	1.28	1.25