

Interest Rate / Exchange Rate Forecast April 2004

CANADIAN & U.S. INTEREST RATES

CALANDER YEAR		2000	2001	2002	2003	2004	2005	2006	2007	2008
Money Markets	Bank Rate	5.77	4.31	2.71	3.19	2.39	3.52	5.02	5.25	5.25
	Prime Rate	7.27	5.81	4.21	4.69	3.89	5.02	6.52	6.75	6.75
	3-Month T-Bills	5.49	3.77	2.59	2.87	2.03	3.21	4.68	4.91	4.91
	30-Day Comm Paper	5.63	4.03	2.54	2.94	2.17	3.32	4.80	5.03	5.03
	90-Day Comm Paper	5.71	3.87	2.66	2.94	2.15	3.37	4.87	5.10	5.10
Benchmark Government Bond Yields	3 Year	5.97	4.63	3.93	3.48	2.99	4.00	4.96	5.34	5.30
	5 Year	5.96	4.99	4.58	4.00	3.61	4.57	5.41	5.98	5.78
	7 Year	5.99	5.27	4.95	4.32	3.90	4.92	5.72	6.16	6.01
	10 Year	5.89	5.47	5.29	4.79	4.57	5.46	6.16	6.41	6.24
	30 Year	5.71	5.76	5.68	5.34	5.17	5.97	6.58	6.80	6.65
US Interest Rates	Fed Rate	6.25	3.88	1.65	1.13	1.23	3.16	4.85	5.00	5.00
	Prime Rate	9.23	6.93	4.73	4.13	4.23	6.16	7.85	8.00	8.00
	3-Month T-Bills	5.80	3.40	1.58	1.03	1.28	2.95	4.36	4.47	4.46
	90-Day Comm Paper	6.41	3.53	1.72	1.11	1.32	3.21	4.95	4.90	4.88
	5 Year	6.11	4.55	3.76	2.99	3.04	4.11	4.61	4.53	4.43
	10 Year	6.03	5.21	4.42	3.93	3.84	4.95	5.27	5.23	5.11
	30 Year	5.92	5.49	5.43	5.02	5.12	5.86	6.35	6.18	6.03
Canada/US Exchange Rate	US\$/Cdn\$	0.67	0.65	0.64	0.72	0.76	0.74	0.72	0.70	0.70
	Cdn\$/US\$	1.48	1.55	1.57	1.40	1.32	1.36	1.39	1.42	1.43
Canada/US Spreads	3-Month T-Bills	-0.31	0.37	1.01	1.85	0.75	0.26	0.33	0.44	0.46
	Long Term Bonds	-0.21	0.28	0.25	0.32	0.05	0.11	0.23	0.62	0.62
FISCAL YEAR		2000	2001	2002	2003	2004	2005	2006	2007	2008
Money Markets	Bank Rate	5.50	5.15	2.63	3.19	2.55	3.05	4.76	5.25	5.25
	Prime Rate	7.00	6.65	4.13	4.69	4.05	4.55	6.26	6.75	6.75
	3-Month T-Bills	5.30	4.62	2.46	2.89	2.18	2.76	4.43	4.91	4.91
	30-Day Comm Paper	5.42	4.89	2.44	2.95	2.32	2.86	4.54	5.03	5.03
	90-Day Comm Paper	5.54	4.77	2.51	2.98	2.28	2.91	4.61	5.10	5.10
Benchmark Government Bond Yields	3 Year	6.09	5.11	3.92	3.57	3.05	3.70	4.75	5.28	5.35
	5 Year	6.10	5.25	4.64	4.06	3.67	4.30	5.19	5.94	5.84
	7 Year	6.14	5.44	5.02	4.43	3.92	4.64	5.51	6.15	6.06
	10 Year	6.04	5.55	5.33	4.87	4.56	5.21	5.98	6.44	6.28
	30 Year	5.88	5.77	5.68	5.40	5.17	5.75	6.42	6.82	6.68
US Interest Rates	Fed Rate	5.95	4.98	1.83	1.23	1.06	2.59	4.59	5.00	5.00
	Prime Rate	8.95	8.00	4.90	4.25	4.06	5.59	7.59	8.00	8.00
	3-Month T-Bills	5.55	4.43	1.73	1.10	1.11	2.46	4.15	4.47	4.46
	90-Day Comm Paper	6.25	4.66	1.84	1.23	1.13	2.69	4.45	4.86	4.85
	5 Year	6.30	4.86	4.05	2.94	3.12	3.74	4.56	4.56	4.45
	10 Year	6.17	5.33	4.74	3.81	4.00	4.59	5.24	5.24	5.14
	30 Year	6.09	5.58	5.48	4.99	5.16	5.65	6.25	6.21	6.06
Canada/US Exchange Rate	Cdn\$/US\$	1.47	1.54	1.57	1.46	1.32	1.34	1.39	1.41	1.43
	US\$/Cdn\$	0.68	0.65	0.64	0.68	0.76	0.74	0.72	0.71	0.70
Canada/US Spreads	3-Month T-Bills	-0.25	0.19	0.74	1.79	1.07	0.30	0.28	0.44	0.45
	Long Term Bonds	-0.22	0.19	0.20	0.41	0.00	0.10	0.17	0.61	0.62