



Commerzbank Forecasts

Growth and inflation

	Real GDP (%)			Inflation rate (%)			
	2024	2025	2026	2024	2025	2026	
USA	2.8	2.3	2.0	3.0	2.8	3.2	<ul style="list-style-type: none"> The recent high growth rate of the US economy is likely to normalize. In Germany, we expect anemic growth at best even if other euro area countries are performing better. Because the central banks are not tackling inflation vigorously enough, it is likely to remain well above 2%. China's economy suffers from the slump in the property sector and the debt overhang. The shift to a more state-led economy and the technology decoupling with the West should also slow growth.
China	4.7	4.3	4.0	0.2	0.7	1.1	
Euro area	0.7	0.8	1.0	2.4	2.1	2.4	
- Germany	-0.2	0.2	1.0	2.2	2.5	2.5	
- France	1.1	0.6	1.0	2.0	1.8	2.0	
- Italy	0.5	0.4	0.6	1.1	1.7	1.9	
- Spain	3.0	1.6	1.2	2.7	2.0	2.0	
- Netherlands	0.2	1.3	1.2	3.2	2.5	2.2	
- Austria	-0.4	1.0	0.8	3.2	2.2	2.4	
UK	0.8	1.0	1.2	2.5	2.5	2.5	
Switzerland	1.6	1.7	1.3	1.1	0.8	1.0	
Japan	-0.2	1.0	0.7	2.7	2.3	1.5	
World	3.2	3.2	3.2				

Interest rates (end-of-quarter)

	16-Jan	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	
USA							
Fed funds, upper bound	4.50	4.25	4.00	4.00	4.00	4.00	<ul style="list-style-type: none"> ECB and the Fed are likely to continue cutting rates as inflation falls. Lower key rates suggest somewhat lower bond yields by spring 2025. We expect yields to rise again over the medium term because of persistent inflation.
3-months OIS	4.32	4.15	3.90	3.90	3.90	3.90	
2 years*	4.28	4.10	3.80	4.00	4.10	4.10	
5 years*	4.46	4.30	4.10	4.40	4.50	4.50	
10 years*	4.66	4.60	4.40	4.60	4.80	5.00	
Spread 10-2 years	37	50	60	60	70	90	
Swap-Spread 10 years	-46	-50	-50	-50	-50	-50	
Euro area							
Depo rate	3.00	2.50	2.00	2.00	2.00	2.00	
3-months Euribor	2.74	2.35	2.00	2.00	2.00	2.00	
2 years*	2.26	2.00	1.80	1.90	2.00	2.10	
5 years*	2.38	2.20	1.90	2.10	2.20	2.30	
10 years*	2.57	2.50	2.30	2.40	2.60	2.80	
Spread 10-2 years	31	50	50	50	60	70	
Swap-Spread 10 years	-5	-15	-15	-15	-15	-15	
UK							
Bank rate	4.75	4.50	4.25	4.00	3.75	3.75	
3-months OIS	4.54	4.40	4.15	3.90	3.70	3.70	
2 years*	4.42	4.20	4.00	3.80	3.60	3.70	
10 years*	4.71	4.70	4.50	4.50	4.60	4.60	

Exchange rates (end-of-quarter)

	16-Jan	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	
EUR-USD	1.03	1.05	1.05	1.06	1.07	1.08	<ul style="list-style-type: none"> Until spring, the dollar should continue to benefit a little from the planned US tax cuts and deregulation, which should increase the profitability of real capital investments. However, when it later becomes apparent that the Federal Reserve is not unimpressed by Trump's pressure, the dollar should weaken again and EUR-USD should recover accordingly.
USD-JPY	156	152	154	154	155	156	
EUR-CHF	0.94	0.93	0.92	0.92	0.91	0.91	
EUR-GBP	0.84	0.84	0.83	0.83	0.83	0.82	
EUR-SEK	11.48	11.30	11.30	11.20	11.20	11.10	
EUR-NOK	11.70	11.40	11.20	11.00	11.00	10.90	
EUR-PLN	4.27	4.30	4.35	4.40	4.45	4.50	
EUR-HUF	412	405	410	415	417	420	
EUR-CZK	25.24	25.25	25.30	25.35	25.40	25.35	
USD-CAD	1.44	1.41	1.39	1.37	1.35	1.34	
USD-CNY	7.33	7.40	7.50	7.50	7.50	7.50	

Source: Bloomberg, Commerzbank Research; bold: change on last week; * Treasuries, Bunds, Gilts

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