

LONG-TERM FORECASTS



Interest rates

	10-Apr-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Australia								
Cash	4.35	4.35	4.10	3.85	3.60	3.35	3.10	3.10
90 Day BBSW	4.35	4.37	4.12	3.92	3.67	3.47	3.30	3.30
3 Year Swap	3.89	3.95	3.85	3.75	3.65	3.60	3.55	3.50
3 Year Bond	3.69	3.75	3.65	3.55	3.45	3.40	3.35	3.30
10 Year Bond	4.09	4.05	3.95	3.85	3.90	3.90	3.95	4.00
10 Year Spread to US (bps)	-26	5	5	5	5	0	0	0
New Zealand								
Cash	5.50	5.50	5.50	5.50	5.25	5.00	4.75	4.50
90 Day Bill	5.63	5.60	5.60	5.50	5.25	4.95	4.75	4.50
2 Year Swap	4.92	4.95	4.75	4.50	4.40	4.15	4.10	4.00
10 Year Bond	4.64	4.70	4.65	4.60	4.50	4.40	4.35	4.25
10 Year Spread to Aus	55	65	70	75	60	50	40	25
10 Year Spread to US	29	70	75	80	65	50	40	25
United States								
Fed Funds	5.375	5.125	4.625	4.375	4.125	3.875	3.625	3.375
10 Year Bond	4.35	4.00	3.90	3.80	3.85	3.90	3.95	4.00
Euro area								
ECB Deposit Rate	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
10 Year Bund	2.37	2.25	2.20	2.15	2.25	2.30	2.40	2.45
10 Year Spread to US	-198	-175	-170	-165	-160	-160	-155	-155
United Kingdom								
BoE Bank Rate	5.25	5.00	4.75	4.50	4.25	4.00	3.75	3.50
10 Year Gilt	4.03	3.90	3.80	3.75	3.80	3.85	3.95	4.00
10 Year Spread to US	-32	-10	-10	-5	-5	-5	0	0

Source: Bloomberg, Westpac Economics

Note, New Zealand forecasts may have been updated since this monthly publication was released. For the latest forecasts, see Westpac New Zealand's Economics and Financial Forecasts.

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LONG-TERM FORECASTS



Australian dollar

	10-Apr-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
AUD vs								
USD	0.6622	0.68	0.69	0.70	0.71	0.72	0.72	0.73
JPY	100.51	100	100	99	97	95	94	93
EUR	0.6102	0.61	0.61	0.61	0.62	0.62	0.62	0.62
NZD	1.0900	1.07	1.09	1.09	1.11	1.11	1.11	1.12
CAD	0.8985	0.89	0.90	0.90	0.90	0.90	0.90	0.91
GBP	0.5224	0.53	0.54	0.54	0.55	0.55	0.55	0.56
CHF	0.5985	0.59	0.60	0.60	0.61	0.61	0.61	0.62
DKK	4.5516	4.54	4.55	4.58	4.60	4.62	4.59	4.65
SEK	6.9920	6.97	7.00	7.04	7.07	7.09	7.05	7.15
NOK	7.0668	7.04	7.07	7.11	7.15	7.17	7.13	7.23
ZAR	12.22	12.4	12.5	12.6	12.7	12.8	12.8	12.9
SGD	0.8904	0.90	0.90	0.91	0.92	0.92	0.91	0.93
HKD	5.1864	5.28	5.39	5.47	5.54	5.60	5.62	5.69
PHP	37.27	37.1	37.6	37.8	38.0	38.1	37.8	38.0
THB	24.06	23.3	23.5	23.5	23.4	23.3	23.0	23.0
MYR	3.1445	3.07	3.07	3.05	3.05	3.05	3.02	3.03
CNY	4.7881	4.79	4.83	4.83	4.83	4.81	4.75	4.75
IDR	10495	10328	10419	10430	10366	10339	10296	10293
TWD	21.18	20.9	21.0	21.0	21.0	21.0	20.9	21.0
KRW	894	878	883	882	880	883	878	883
INR	55.11	54.7	54.5	54.6	54.7	54.6	54.0	54.0

New Zealand dollar

	10-Apr-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
NZD vs								
USD	0.6075	0.63	0.64	0.64	0.64	0.65	0.65	0.65
JPY	92.21	93	92	90	88	86	84	83
EUR	0.5598	0.57	0.56	0.56	0.56	0.56	0.55	0.56
AUD	0.9174	0.93	0.92	0.91	0.90	0.90	0.90	0.89
CAD	0.8244	0.83	0.83	0.82	0.82	0.81	0.81	0.81
GBP	0.4793	0.50	0.50	0.50	0.49	0.50	0.49	0.50
CNY	4.3929	4.47	4.45	4.42	4.37	4.32	4.27	4.23

Source: Bloomberg, Westpac Economics

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LONG-TERM FORECASTS



US Dollar

	10-Apr-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
USD vs								
DPY index	104.14	101.9	100.2	99.0	97.8	96.8	95.7	95.4
JPY	151.77	148	145	141	137	133	130	127
EUR	1.0852	1.11	1.13	1.14	1.15	1.16	1.17	1.17
AUD	0.6622	0.68	0.69	0.70	0.71	0.72	0.72	0.73
NZD	0.6075	0.63	0.64	0.64	0.64	0.65	0.65	0.65
CAD	1.3569	1.32	1.30	1.28	1.27	1.26	1.25	1.25
GBP	1.2676	1.27	1.28	1.29	1.30	1.30	1.31	1.31
CHF	0.9039	0.87	0.87	0.86	0.86	0.85	0.85	0.85
ZAR	18.46	18.3	18.1	18.0	17.9	17.8	17.8	17.6
SGD	1.3446	1.33	1.31	1.30	1.29	1.28	1.27	1.27
HKD	7.8321	7.82	7.81	7.81	7.80	7.80	7.80	7.80
PHP	56.49	55.0	54.5	54.0	53.5	53.0	52.5	52.0
THB	36.33	34.5	34.0	33.5	33.0	32.5	32.0	31.5
MYR	4.7483	4.55	4.45	4.35	4.30	4.25	4.20	4.15
CNY	7.2307	7.10	7.00	6.90	6.80	6.70	6.60	6.50
IDR	15848	15300	15100	14900	14600	14400	14300	14100
TWD	31.98	30.9	30.5	30.0	29.6	29.3	29.0	28.8
KRW	1349	1300	1280	1260	1240	1230	1220	1210
INR	83.21	81.0	79.0	78.0	77.0	76.0	75.0	74.0

Euro & British Pound Sterling

	10-Apr-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
euro vs								
USD	1.0852	1.11	1.13	1.14	1.15	1.16	1.17	1.17
JPY	164.71	164	164	161	158	154	152	149
GBP	0.8561	0.87	0.88	0.88	0.88	0.89	0.89	0.89
CHF	0.9809	0.97	0.98	0.98	0.99	0.99	0.99	0.99
DKK	7.4589	7.46	7.46	7.46	7.46	7.46	7.46	7.46
SEK	11.4580	11.5	11.5	11.5	11.5	11.5	11.5	11.5
NOK	11.5807	11.6	11.6	11.6	11.6	11.6	11.6	11.6
sterling vs								
USD	1.2676	1.27	1.28	1.29	1.30	1.30	1.31	1.31
JPY	192.39	188	186	182	178	173	170	166
CHF	1.1457	1.10	1.11	1.11	1.12	1.11	1.11	1.11
AUD	0.5224	0.53	0.54	0.54	0.55	0.55	0.55	0.56

Source: Bloomberg, Westpac Economics

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LONG-TERM FORECASTS



Key macroeconomic forecasts

	2022				2023		2024				2025					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
Real GDP %qtr	0.5	0.8	0.2	0.8	0.6	0.5	0.3	0.2	0.3	0.3	0.4	0.5	0.5	0.6	0.6	0.6
%yr	3.6	3.5	5.8	2.4	2.5	2.1	2.1	1.5	1.3	1.1	1.3	1.6	1.8	2.1	2.3	2.5
Unemployment rate %	4.0	3.8	3.5	3.4	3.6	3.6	3.7	3.8	4.0	4.2	4.4	4.5	4.5	4.6	4.6	4.6
Wages (WPI) %qtr	0.7	0.9	0.9	0.8	0.9	1.0	1.3	0.9	0.9	0.9	0.8	0.5	0.9	0.9	0.7	0.5
%yr	2.4	2.7	3.1	3.3	3.6	3.7	4.1	4.2	4.2	4.2	3.7	3.2	3.2	3.2	3.1	3.1
CPI Headline %qtr	2.1	1.8	1.8	1.9	1.4	0.8	1.2	0.6	0.7	0.6	0.9	0.8	0.6	0.7	0.8	0.6
%yr	5.1	6.1	7.3	7.8	7.0	6.0	5.4	4.1	3.4	3.1	2.8	3.0	2.9	3.0	2.9	2.7
Core inflation – trimmed mean	1.5	1.6	1.8	1.7	1.2	1.0	1.2	0.8	0.8	0.6	0.9	0.7	0.7	0.7	0.6	0.7
%yr	3.8	5.0	6.1	6.8	6.5	5.8	5.1	4.2	3.8	3.5	3.2	3.1	3.0	3.1	2.8	2.8
Australian commodities index#	343	370	378	383	373	346	331	323	312	312	311	302	291	282	276	273
World growth year-average	-	-	-	3.5	-	-	-	3.3	-	-	-	3.3	-	-	-	3.1

Calendar year changes are through the year for Australian GDP, wages and inflation. The unemployment rate is shown on a quarter-average basis, as is the commodities index. World growth is forecast on a year-average basis. GDP forecasts are reviewed following the release of quarterly national accounts.

Chain weighted index: weights are Australian export shares.

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