

Market – rate cut expectations

Pricing is aggressive, we've seen this behaviour before

| Country | Now % | 2025 Jun % | 2025 Dec % | Cycle number of cuts |
|----------------|-------|------------|------------|----------------------|
| United States | 5.00 | 3.60 | 3.30 | - 6 |
| Eurozone | 3.50 | 2.50 | 2.10 | - 5 |
| United Kingdom | 5.00 | 4.00 | 3.90 | - 4 |
| Canada | 4.25 | 2.90 | 2.70 | - 7 |
| New Zealand | 4.75 | 3.40 | 3.30 | - 6 |
| Australia | 4.35 | 3.90 | 3.50 | - 3 |
| Japan | 0.25 | 0.40 | 0.50 | + 1 |

US Federal Reserve – real rates

Restrictive policy to be recalibrated - modest cuts ahead

% US real
fed funds rate

