

FORECASTS

28

ECONOMIC FORECASTS

%	GDP Growth				Inflation			
	2024	2025 e	2026 e	2027 e	2024	2025 e	2026 e	2027 e
United States	2.8	1.9	1.9	1.8	2.9	2.8	3.1	2.6
Japan	0.1	1.4	0.7	0.8	2.7	3.2	2.1	2.6
United Kingdom	1.1	1.4	1.1	1.3	2.5	3.4	2.6	2.2
Eurozone	0.9	1.5	1.6	1.6	2.4	2.1	1.9	2.1
Germany	-0.5	0.3	1.4	1.5	2.5	2.2	1.6	2.3
France	1.1	0.8	1.1	1.3	2.3	1.0	1.1	1.5
Italy	0.5	0.6	1.0	0.9	1.1	1.7	1.5	1.9
Spain	3.5	2.9	2.4	2.3	2.8	2.7	2.3	1.9
China	5.0	5.0	4.7	4.5	0.2	-0.1	0.9	1.0
India*	6.5	6.8	6.5	6.6	4.6	2.4	4.1	4.3
Brazil	3.4	2.2	1.8	1.4	4.4	5.0	3.8	3.8

* Fiscal year from 4 April of year n-1 to March 31st of year n

SOURCE: BNP PARIBAS (E: ESTIMATES & FORECASTS)

FINANCIAL FORECASTS

Interest rates, %

End of period		Spot 15/12/2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Q4 2027
US	"Fed Funds (upper limit)"	3.75	3.50	3.50	3.50	3.50	3.50
	T-Note 10y	4.16	4.25	4.35	4.45	4.50	-
Eurozone	deposit rate	2.00	2.00	2.00	2.00	2.00	2.50
	Bund 10y	2.82	2.90	3.00	3.05	3.10	-
	OAT 10y	3.49	3.55	3.65	3.80	3.87	-
	BTP 10y	3.52	3.50	3.58	3.70	3.75	-
	BONO 10y	3.25	3.35	3.42	3.50	3.55	-
UK	Base rate	4.00	3.50	3.50	3.50	3.50	3.00
	Gilts 10y	4.57	4.50	4.50	4.40	4.30	-
Japan	BoJ Rate	0.50	0.75	1.00	1.00	1.25	1.50
	JGB 10y	1.94	1.90	2.00	2.05	2.10	-

Exchange Rates

End of period		Spot 15/12/2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Q4 2027
USD	EUR / USD	1.18	1.17	1.18	1.19	1.20	1.22
	USD / JPY	155	157	158	159	160	160
	GBP / USD	1.34	1.30	1.30	1.30	1.30	1.30
EUR	EUR / GBP	0.88	0.90	0.91	0.92	0.92	0.94
	EUR / JPY	183	184	186	189	192	195

SOURCE : BNP PARIBAS GLOBAL MARKETS


BNP PARIBAS

 The bank
for a changing
world