

**BUDGET ASSUMPTIONS**  
**Nominal Treasury Interest Rates**  
**(from the annual budget assumptions for the first year of the budget forecast)**

| Forecast Date | <u>3-Year</u> | <u>5-Year</u> | <u>7-Year</u> | <u>10-Year</u> | <u>30-Year</u> |
|---------------|---------------|---------------|---------------|----------------|----------------|
| January 1979  | 9.7           | 9.2           | 9.1           | 9.0            | 8.9            |
| January 1980  | 10.9          | 10.6          | 10.6          | 10.6           | 10.4           |
| January 1981  | 13.4          | 12.8          | 12.6          | 12.2           | 11.8           |
| February 1982 | 12.8          | 13.1          | 13.2          | 13.3           | 13.0           |
| January 1983  | 9.5           | 9.8           | 10.0          | 10.2           | 10.3           |
| February 1984 | 9.8           | 10.0          | 10.1          | 10.3           | 10.4           |
| February 1985 | 10.3          | 10.7          | 10.8          | 11.0           | 11.0           |
| February 1986 | 8.6           | 8.8           | 8.8           | 8.9            | 9.1            |
| January 1987  | 6.3           | 6.5           | 6.6           | 6.7            | 7.0            |
| February 1988 | 7.3           | 7.7           | 7.8           | 8.0            | 8.1            |
| January 1989  | 7.8           | 8.1           | 8.2           | 8.3            | 8.2            |
| January 1990  | 7.4           | 7.5           | 7.6           | 7.7            | 7.8            |
| February 1991 | 7.2           | 7.4           | 7.4           | 7.5            | 7.7            |
| February 1992 | 6.1           | 6.5           | 6.7           | 7.0            | 7.1            |
| February 1993 | 5.6           | 6.0           | 6.3           | 6.7            | 6.8            |
| February 1994 | 5.0           | 5.3           | 5.5           | 5.7            | 5.8            |
| February 1995 | 7.3           | 7.6           | 7.7           | 7.9            | 8.1            |
| February 1996 | 5.4           | 5.5           | 5.5           | 5.6            | 5.7            |
| February 1997 | 5.8           | 5.9           | 6.0           | 6.1            | 6.3            |
| February 1998 | 5.6           | 5.7           | 5.8           | 5.9            | 6.1            |
| February 1999 | 4.7           | 4.8           | 4.9           | 4.9            | 5.0            |
| February 2000 | 5.9           | 6.0           | 6.0           | 6.1            | 6.3            |
| February 2001 | 5.4           | 5.4           | 5.4           | 5.4            | 5.3            |
| February 2002 | 4.1           | 4.5           | 4.8           | 5.1            | 5.8            |
| February 2003 | 3.1           | 3.6           | 3.9           | 4.2            | 5.1            |

**Real Treasury Interest Rates**

| Forecast Date | <u>3-Year</u> | <u>5-Year</u> | <u>7-Year</u> | <u>10-Year</u> | <u>30-Year</u> |
|---------------|---------------|---------------|---------------|----------------|----------------|
| January 1979  | 2.8           | 3.4           | 4.1           | 4.6            | 5.4            |
| January 1980  | 2.1           | 2.4           | 2.9           | 3.3            | 3.7            |
| January 1981  | 3.6           | 3.9           | 4.3           | 4.4            | 4.8            |
| February 1982 | 6.1           | 7.1           | 7.5           | 7.8            | 7.9            |
| January 1983  | 4.2           | 4.7           | 5.0           | 5.3            | 5.6            |
| February 1984 | 5.0           | 5.4           | 5.7           | 6.1            | 6.4            |
| February 1985 | 5.9           | 6.5           | 6.8           | 7.1            | 7.4            |
| February 1986 | 4.6           | 5.1           | 5.6           | 5.9            | 6.7            |
| January 1987  | 2.8           | 3.1           | 3.5           | 3.8            | 4.4            |
| February 1988 | 3.5           | 4.2           | 4.7           | 5.1            | 5.6            |
| January 1989  | 4.1           | 4.8           | 5.3           | 5.8            | 6.1            |
| January 1990  | 3.2           | 3.6           | 3.9           | 4.2            | 4.6            |
| February 1991 | 3.2           | 3.5           | 3.7           | 3.9            | 4.2            |
| February 1992 | 2.7           | 3.1           | 3.3           | 3.6            | 3.8            |
| February 1993 | 3.1           | 3.6           | 3.9           | 4.3            | 4.5            |
| February 1994 | 2.1           | 2.3           | 2.5           | 2.7            | 2.8            |
| February 1995 | 4.2           | 4.5           | 4.6           | 4.8            | 4.9            |
| February 1996 | 2.6           | 2.7           | 2.8           | 2.8            | 3.0            |
| February 1997 | 3.2           | 3.3           | 3.4           | 3.5            | 3.6            |
| February 1998 | 3.4           | 3.5           | 3.5           | 3.6            | 3.8            |
| February 1999 | 2.6           | 2.7           | 2.7           | 2.7            | 2.9            |
| February 2000 | 3.8           | 3.9           | 4.0           | 4.0            | 4.2            |
| February 2001 | 3.2           | 3.2           | 3.2           | 3.2            | 3.2            |
| February 2002 | 2.1           | 2.8           | 3.0           | 3.1            | 3.9            |
| February 2003 | 1.6           | 1.9           | 2.2           | 2.5            | 3.2            |