Capital Markets Snapshot.

TMG AnchorPoint Mortgage

VOL 1 · NO 4 · SEPTEMBER 2026

Banking is a snapshot in time. At Your AnchorPoint. Our monthly read on where Canada's rates sit, what is moving them, and what it means for your file, from brokers who work for you, not a bank.

THE LEAD · SEPTEMBER 2026

The Bank Held. The Bond Market Did Not.

The Bank of Canada left the policy rate at 2.25 percent on September 2, a seventh straight hold, and said the upside risks to inflation have increased. Nothing changed at the short end. A great deal changed at the long end. The 5-year Government of Canada yield, the benchmark behind conventional fixed pricing, moved up roughly 40 basis points over the month to 3.66 percent, the highest reading in our series.

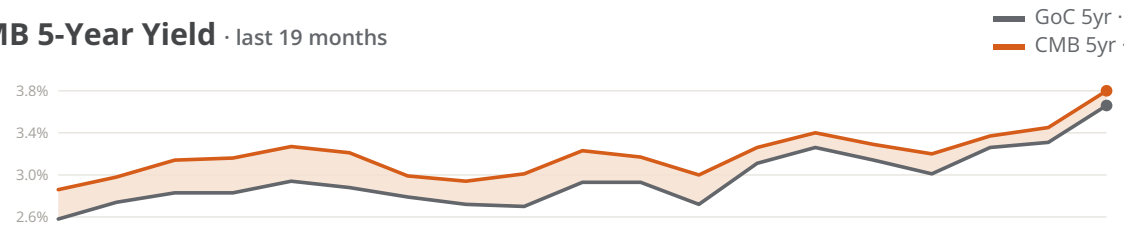
That is the practical lesson of this month. Your variable rate follows the Bank. Your fixed rate follows the bond market. In September those two moved in different directions, and only one of them is in the headlines.

RATE LEDGER · SEP 15, 2026

Bank of Canada	**2.25%**
Prime	**4.45%**
CORRA	**2.30%**
GoC 5-year	**3.66%**
CMB 5-year	**3.80%**
CMB 10-year	**4.24%**

Six benchmarks, three engines: the Bank sets the short end, the bond market sets fixed pricing, the Canada Mortgage Bond sets CMHC-insured pricing. These are market benchmarks as at the date shown, not offers.

GoC vs CMB 5-Year Yield · last 19 months



Month-end observations from our feed. The shaded gap is the **insured spread**: CMB sits about 0.14 percent over GoC at five years. Both lines stepped up sharply and moved together, so the spread on insured and multi-unit financing is little changed while the underlying cost of both rose.

THE DATA BEHIND THE MOVE

What is actually happening

Inflation held at 3.0 percent year over year in August, matching July. Gasoline remains the largest single contributor, up 22.8 percent on the year, and accounts for most of the gap between headline inflation and the 2 percent target. The number that will interest the Bank sits underneath: stripped of gasoline, inflation rose to 2.4 percent from 2.2 percent in July. That is the spillover the Bank flagged, showing up at the edges.

Core measures are calmer, though not uniformly. CPI-trim was 1.9 percent and CPI-median 2.0 percent in August, both at or below target, while CPI-common sat higher at 2.6 percent. Rent accelerated to 2.8 percent and grocery inflation slowed to 2.8 percent. Atlantic Canada carried the highest provincial inflation rates, with national fuel oil prices up 43.7 percent weighing on provinces where fuel oil is more common.

The labour market went the other way. Employment fell 42,000 in August after a gain of 181,000 from April through July, with unemployment holding at 6.4 percent. Wage growth slowed to 2.0 percent, the slowest since 2017 outside the pandemic year. Nova Scotia added jobs and its unemployment rate edged down to 6.1 percent while the country shed positions.

There is a case on both sides: the Bank cited second-quarter GDP up 3.3 percent and a broadening recovery, while August's job losses and wage growth running below inflation point the other way. Why did yields rise anyway? The Bank noted that financial conditions have tightened and long-term bond yields have moved up globally, including in Canada. Fixed mortgage pricing follows that move.

-42,000
Jobs, August
Unemployment held at 6.4%

3.0%
CPI inflation, August
2.4% excluding gasoline

+40 bps
GoC 5-year, 1 month
3.26% to 3.66% on our feed

6.58%
National cap rate, Q2
CBRE, all-property

2.7%
Halifax vacancy
0.7% for affordable units

INSIDE THIS ISSUE The benchmarks that move your mortgage · where Canada's bank economists agree, and split · the yield curve and the path that got us here · what it all means for your file.

THE BENCHMARKS THAT MOVE YOUR MORTGAGE

BENCHMARK	NOW	WHAT IT IS, AND WHO IT TOUCHES
Bank of Canada policy rate	**2.25%**	The overnight rate. It anchors everything and sets the tone for variable and short-term borrowing.
Prime	**4.45%**	What variable mortgages, HELOCs, and lines of credit price off. It tracks the Bank, normally point for point.
CORRA	**2.30%**	Canada's near risk-free overnight benchmark. It drives floating commercial and construction financing and the term pricing built on top of it.
GoC 5-year yield	**3.66%**	The market yield behind conventional fixed mortgage pricing. A fixed rate is this plus a lender spread.
Canada Mortgage Bond 5yr	**3.80%**	Sets the cost of CMHC-insured and multi-unit financing. Its gap over GoC is the insured spread.
Canada Mortgage Bond 10yr	**4.24%**	The benchmark for longer-term CMHC-insured and multi-unit financing, including the longer terms common in MLI Select deals.

WHAT THE STREET IS WATCHING

Nobody expected a move. Everybody is watching October 28.

We read the major bank economics desks so you do not have to. We report what they publish; we do not add a house forecast of our own. The September hold was universally expected and the desks agree on the rest of 2026: no change. Where they split is 2027. Worth noting that a desk can expect policy hikes and lower long yields at the same time: Scotiabank Economics' September 9 forecast tables put the 5-year Government of Canada yield at 3.50 percent at the end of 2026, slightly below where it sits today. What follows are third-party views as published to mid-September 2026; they are dated and they change.

THE MOST HAWKISH ON TIMING

Scotiabank Economics

Still the one desk with hikes inside 2026. Derek Holt looks for 75 basis points of increases beginning in the fourth quarter and points to October 28 as the decision that matters, given the inflation, jobs, GDP, energy and trade data still to come.

Call: 75 bps of hikes starting Q4 2026

RAISED ITS INFLATION CALL

RBC Economics

Holds the Bank at 2.25 percent through the end of 2026, then 2.50 percent in the first quarter of 2027 and about 3.25 percent by the end of 2027. Notably, RBC lifted its Canadian inflation forecast this month, now seeing headline CPI ending the year closer to 3 percent rather than the roughly 2.5 percent it assumed in August.

Call: hold 2026, about 3.25% by end-2027

THE MEASURED VIEW

CIBC Economics

Sees the policy rate at 2.25 percent through 2026, then a gradual climb to 2.50 percent by the middle of 2027 and 2.75 percent by the end of that year. Continues to flag the renewal wall, the slice of mortgages facing sizeable payment increases, as a real constraint on households.

Call: hold through 2026, 2.75% by end-2027

THE GRADUAL PATH

National Bank

No move for the rest of 2026, then a measured climb: a first step to 2.50 percent early in 2027 and a second to 2.75 percent by mid-year, holding there into the year.

Call: about 2.75% through 2027

FLAT FOR LONGER

TD · BMO

The steady-hand view. TD looks for the policy rate to average 2.25 percent in 2026 and hold well beyond, and BMO has been in the same camp, pointing to an economy still working through tariff disruption and core inflation sitting near target.

Call: hold at 2.25% into 2027

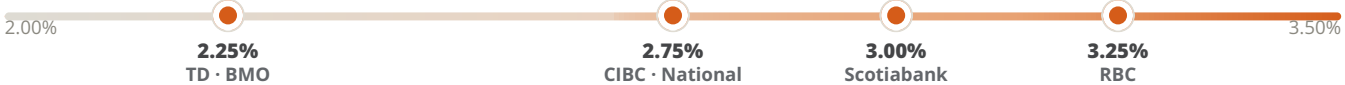
THE THROUGHLINE

The bottom line

Not one major desk forecasts a cut. The floor is 2.25 percent and the argument is only about when the next increase lands and how far it goes. A Reuters poll ahead of the September decision found all 35 economists expecting the hold, with the median path holding through 2026.

Call: hold through 2026 remains the consensus

WHERE THE DESKS SEE THE POLICY RATE, 2026 TO 2027



Ticks mark the level each desk's published path tops out at. Scotiabank is the most hawkish on timing, with hikes inside 2026; RBC ends up highest, but not until late 2027. The floor is 2.25 percent, no desk sits below it, and the range is a full percentage point. That is why we structure financing to your timeline rather than to any one house view.

THE SHAPE OF THE MARKET

How we got here

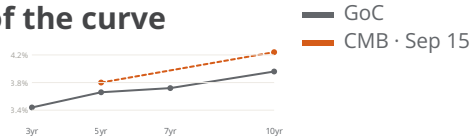
Bank of Canada policy rate, monthly



Jan 2024 · 5.00% Sep 2026 · 2.25%

The Bank cut **275 basis points**, from 5.00 percent in mid-2024 to 2.25 percent by late October 2025, then stopped. Seven straight holds since. The easing phase is over; the question is what comes next, and when.

The shape of the curve



Upward-sloping, and the five and ten year points both moved up this month. The **insured spread**, the gap the Canada Mortgage Bond carries over GoC, is about 0.14 percent at five years and 0.28 at ten. Both legs rose together, so the five-year spread is unchanged.

WHAT IT MEANS FOR YOUR FILE

The borrowing decision

Fixed pricing repriced even though the Bank did not move, which is the reminder that watching the policy rate alone will not tell you where fixed costs are going.

FIXED

Priced off the GoC 5-year, near 3.66 percent, plus a lender spread. Payment certainty, at a level that moved up rather than down this month.

VARIABLE

Priced off Prime at 4.45 percent, less whatever discount a lender offers. Flexibility, and it can still win on a hold if the discounted rate starts below the fixed rate.

A planning test, not a prediction. Rather than guess where yields go, test your file against a move. On a 25-year amortization each 0.25 percentage point adds roughly $14 a month per $100,000 borrowed, about $28 for half a point. On a stabilized commercial property sized to debt service coverage, half a point takes roughly 5 percent off the loan the same income supports, a full point roughly 10 percent. For illustrative purposes only. APR. OAC. Subject to change without notice.

Renewing in the next year? Start four to six months early. The renewal letter is a starting point, not the finish line. An early renewal, a blend and extend, or a move to a different lender only help if you act before you sign.

CMHC corner: insured & multi-unit

CMB 5-year	**3.80%**	+0.14 over GoC
CMB 10-year	**4.24%**	+0.28 over GoC

Insured lending, high-ratio residential through multi-unit, references the bond market rather than the policy rate, and multi-unit in particular the Canada Mortgage Bond. The spread held steady while the benchmarks rose, so the all-in cost of insured financing moved up with the market. On a commercial file the financing-cost-to-cap-rate spread governs (CBRE: 6.58 percent national cap rate, Q2), and we size to debt service coverage, not a headline.

A date for multi-unit borrowers: September 30, 2026. It closes CMHC's transition window for MLI Select energy attestations under the older codes. New construction files scored after it are measured against the 2020 codes, and because those baselines are more efficient, an identical design earns fewer energy points. Worth a conversation now if a project is close to the line. **Coming soon:** a dedicated brief on financing construction and development, covering what a rate commitment actually protects and what happens at takeout.

WHAT WE ARE WATCHING

Sep 21
Macklem in Halifax
Speech to the Halifax Partnership

Oct 9
Jobs report
September Labour Force Survey

Oct 19
Inflation (CPI)
September print

Oct 28
Decision + MPR
Next full forecast

Dates per the Bank of Canada and Statistics Canada schedules, subject to change. The Bank's summary of deliberations for the September decision was released September 16.

PLAIN-LANGUAGE GLOSSARY

CPI. Statistics Canada's inflation measure; its year-over-year change is the Bank's key target.

Core inflation. CPI-trim and CPI-median strip out the most extreme price moves to show the trend.

Canada Mortgage Bond. Government-backed bonds funding insured mortgages; their yield sets CMHC-insured pricing.

Cap rate. Net operating income divided by property value, the income yield a buyer earns.

Debt service coverage. The cushion between a property's income and its loan payments; lenders size loans to it.

Basis point. One one-hundredth of a percent. 25 basis points is 0.25 percent.

Spread. The gap a lender adds over a benchmark, or between two rates. The **insured spread** is the gap between the Canada Mortgage Bond and the GoC yield, a funding benchmark, not the CMHC insurance premium a borrower pays.

THE BROKER'S TAKE | A hold is not the same thing as cheap fixed money. The Bank stood still in September and fixed pricing still moved up, because the two run off different engines. We report what the desks publish rather than adding a forecast of our own. As brokers, not bankers, our job is to structure your financing to your timeline across many lenders, not to bet your file on which desk turns out to be right.

You Dream It. We Finance It. At Every AnchorPoint.

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Sources: Statistics Canada Labour Force Survey (Aug 2026, rel. Sep 4) and CPI (Aug 2026, rel. Sep 14) incl. Bank of Canada core measures; Bank of Canada rate announcement Sep 2, 2026 and its 2026 schedule; GoC and Canada Mortgage Bond yields, CORRA and Prime via our live market feed, as at Sep 15, 2026; forecast views as published to mid-September 2026 by Scotiabank Economics (Derek Holt; forecast tables Sep 9, 2026), RBC Economics, CIBC Economics, TD Economics, National Bank, BMO Capital Markets, and a Reuters poll ahead of the September decision; CBRE Canadian Cap Rates, Q2 2026; CMHC 2026 Mid-Year Rental Market Update (Halifax CMA) and MLI Select updates. Third-party forecasts are those firms' dated views and change.

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