2026 Budget

- The government is currently projecting a deficit of $12.3 billion in 2025–26 — an improvement of $2.3 billion from the outlook published in the *2025 Budget*. Over the medium-term, the government projects a deficit of $13.8 billion in 2026–27, $6.1 billion in 2027–28, followed by a surplus of $0.6 billion in 2028–29.
- Ontario's real GDP rose by 1.6 per cent in 2024, and is estimated to have risen by 1.2 per cent in 2025. Ontario's real GDP is projected to rise 1 per cent in 2026, 1.7 per cent in 2027, 1.8 per cent in 2028, and 2 per cent in 2029. Ontario's nominal GDP rose by 5.1 per cent in 2024, and is estimated to have risen by 4.2 per cent in 2025. Ontario's nominal GDP is projected to rise 3.2 per cent in 2026, 3.9 per cent in 2027, 3.7 per cent in 2028, and 3.9 per cent in 2029.
- The net debt-to-GDP ratio is now forecast to be 36.8 per cent in 2025–26, 37.7 per cent in 2026–27, 38.5 per cent in 2027–28 and 38.2 per cent in 2028–29. The net debt-to-revenue (formerly net debt-to-operating revenue) is forecast to be 204 per cent in 2025–26, 211 per cent in 2026–27, 213 per cent in 2027–28 and 210 per cent in 2028–29. The interest-to-revenue (formerly net interest-to-operating revenue) is forecast to be 6.3 per cent in 2025–26, 6.7 per cent in 2026–27, 6.9 per cent in 2027–28, and 7.1 per cent in 2028–29.
- Building on the Protect Ontario Account announcement in the *2025 Budget*, and later the *2025 Ontario Economic Outlook and Fiscal Review*, the Province is establishing the Protect Ontario Account Investment Fund, which the Province will invest up to $4 billion into the Fund.

2025–26 Borrowing Program and Medium-Term Outlook

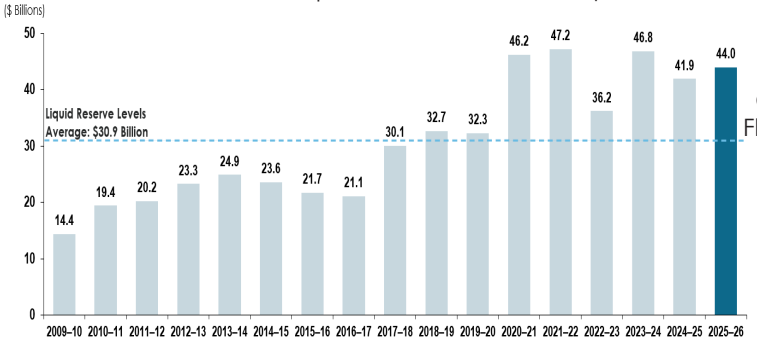
- Ontario has completed long-term borrowing for 2025–26 of $58.6 billion. This is $15.8 billion higher than anticipated in the *2025 Budget* and has allowed Ontario to pre-fund 2026–27 borrowing requirements and the $5 billion *Protect Ontario Account*, first announced in the *2025 Budget*. The borrowing requirement in each year of the medium-term outlook are forecasted to be $10-$15 billion lower than in 2025–26.
- Ontario plans to increase short-term borrowing by $6 billion in 2026–27 and 2027–28. This positions Ontario to respond to recent changes in market demand for short-term Ontario debt.

	2025–26			Medium-Term Outlook		
($ Billions)	***2025 Budget***	**Change from *2025 Budget***	**Interim 2025–26**	**2026–27**	**2027–28**	**2028–29**
Deficit/(Surplus)	14.6	(2.3)	12.3	13.8	6.1	(0.6)
Provincial Investment in Capital Assets	23.1	1.3	24.4	28.0	28.0	22.4
Pre-funding for *Protect Ontario Account*	–	5.0	5.0	–	–	–
Amortization of Capital Assets	(9.1)	–	(9.1)	(10.2)	(10.5)	(11.4)
Non-Cash and Cash Timing Adjustments	(3.1)	1.0	(2.1)	(2.5)	(2.7)	(3.5)
Net Loans and Investments[1]	1.2	1.1	2.4	5.2	5.6	4.9
Debt Maturities and Redemptions	33.1	–	33.1	26.9	27.5	30.7
Total Funding Requirement	**59.8**	**6.1**	**65.9**	**61.2**	**54.1**	**42.7**
Decrease/(Increase) in Short-Term Borrowing	(5.0)	(0.5)	(5.5)	(6.0)	(6.0)	–
Increase/(Decrease) in Year-End Cash and Cash Equivalents	(12.0)	10.2	(1.8)	(8.0)	(5.0)	–
Total Long-Term Public Borrowing	**42.8**	**15.8**	**58.6**	**47.2**	**43.1**	**42.7**

[1] The increase in Net Loans and Investments primarily reflects higher projected loan disbursements associated with Ontario Student Assistance Program (OSAP) policy changes effective in the 2026–27 academic year.
Note: Numbers may not add due to rounding. *Source:* Ontario Financing Authority.

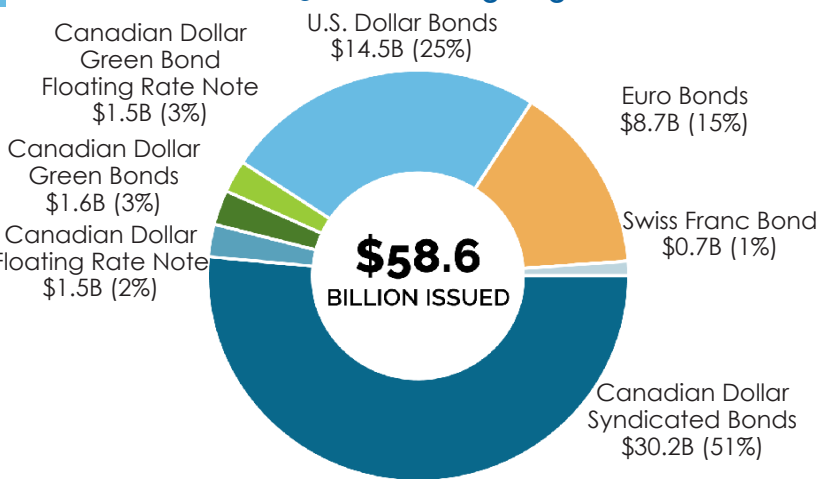
Liquidity

- Ontario balances the objective of minimizing the cost of holding liquid reserves against the need to always have enough cash on hand to pay its bills, invest in capital assets, refinance maturing debt and pay interest.
- As of March 26, 2026, liquid reserve levels were $44.0 billion.



As of March 26, 2026.
Source: Ontario Financing Authority.

2025–26 Borrowing Program

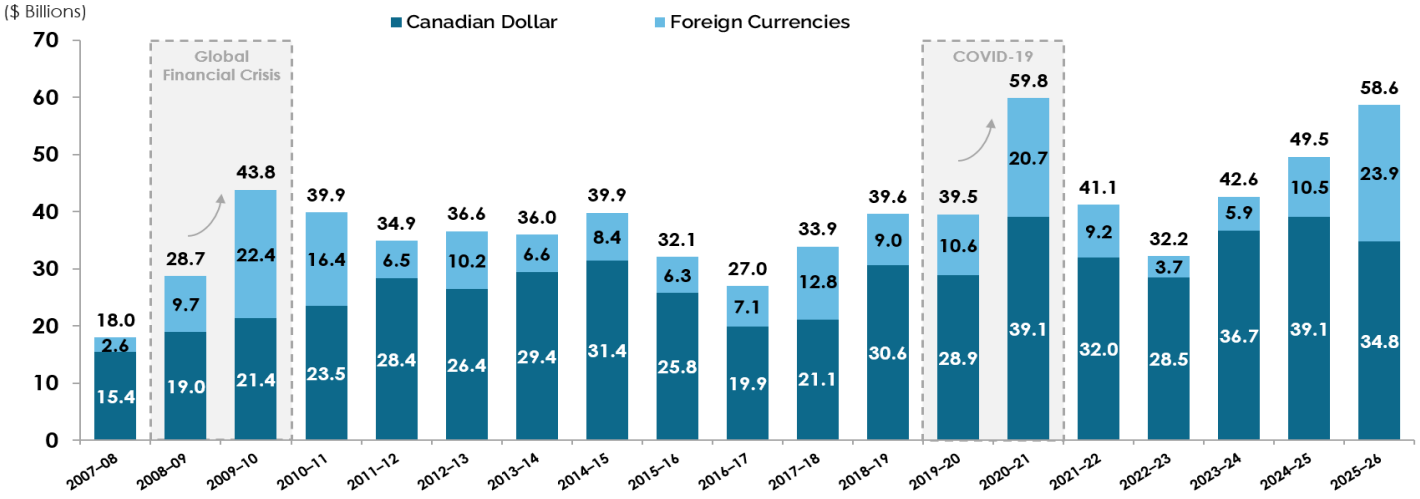


Note: Numbers may not add due to rounding.
As of March 26, 2026.

Long-Term Borrowing

- Ontario has completed long-term borrowing for 2025–26 of $58.6 billion. Approximately $34.8 billion or 59 per cent was completed in Canadian dollars. This percentage was lower than Ontario's guidance for domestic borrowing of 65 to 80 per cent for the 2025–26 fiscal year. This was a result of increased foreign demand and favourable international market conditions allowing for increased foreign issuance. Ontario's new guidance for domestic borrowing will be adjusted to 60 to 80 per cent for 2026–27. Approximately $23.9 billion, or 41 per cent of this year's long-term borrowing, was completed in foreign currencies, primarily in U.S. dollars, euros, and Swiss francs.
- Due to the extension of the term of debt in recent years, the impact on interest on debt in the short-term and medium-term has been lessened. Ontario has issued $160.8 billion of bonds, or almost one third of total debt, with maturities of 30 years or longer since 2010–11. This includes $11.1 billion in 2025–26.

Total Long-Term Borrowing
($ Billions)



	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26
Foreign	14%	34%	51%	41%	19%	28%	18%	21%	19%	26%	38%	23%	27%	35%	22%	12%	14%	21%	41%
Domestic	86%	66%	49%	59%	81%	72%	82%	79%	81%	74%	62%	77%	73%	65%	78%	88%	86%	79%	59%
Weighted-Average Term	12.1	8.6	8.1	12.8	13.0	12.4	13.6	14.1	14.2	13.9	12.1	12.9	14.5	12.0	14.5	15.0	15.2	14.1	12.5

Note: Numbers may not add due to rounding.
As of March 26, 2026.

Canadian Dollar Issuance

- Ontario accounted for 74.7 per cent of Canadian provincial bond trading in 2025. As of December 31, 2025, Ontario accounted for 12.1 per cent of the FTSE Universe Bond Index, 11.9 per cent of the FTSE Mid Bond Index, and 20.8 per cent of the FTSE Long Bond Index.
- Regular issuance of 5-year, 10-year and 30-year issues, which are re-opened to achieve benchmark size (35 issues so far in 2025–26).

Canadian Dollar Benchmark Bonds (As of March 26, 2026)

Term	Ontario		Canada	
5 yr (old)	2.95% September 8, 2030	$3.50B	2.75% September 1, 2030	$42.00B
5 yr (new)	3.00% September 8, 2031	$1.50B	2.75% March 1, 2031	$42.00B
7 yr	3.65% June 2, 2033	$12.95B	2.75% June 1, 2033	$19.00B
10 yr (old)	3.95% December 2, 2035	$7.75B	3.25% December 1, 2035	$42.00B
10 yr (new)	3.90% June 2, 2036	$4.50B	3.25% December 1, 2035	$42.00B
Long (old)	4.60% December 2, 2055	$12.25B	2.75% December 1, 2055	$28.75B
Long (new)	4.45% December 2, 2056	$7.65B	3.50% December 1, 2057	$29.00B

Foreign Issuance

- Foreign currency borrowing helps diversify Ontario's investor base. Dependent on market conditions, the Province borrows in U.S. dollars, euros, British pound sterling, Australian dollars, Swiss francs, and other currencies.
- This year, for the first time, Ontario issued euro denominated 30-year bond, raising $0.6 billion at lower cost than issuing in Canada after being hedged back to Canadian dollars.

USD Issues

Term	Coupon and Issue Date	Amount
3 year	3.80% January 21, 2026	U.S. $ 3.50B
10 year	4.45% November 13, 2025	U.S. $ 2.00B
5 year	3.90% August 27, 2025	U.S. $ 3.00B

Other Currencies

Term	Coupon and Issue Date	Amount
10 year	3.15% February 26, 2026	€ 3.00B
30 year	3.89% February 19, 2026	€ 0.25B
10 year	1.02% July 8, 2025	CHF 0.39B

Protect Ontario Account Investment Fund

- The Province will invest up to $4 billion into the Fund and has initiated a competitive process to partner with an investment manager capable of delivering on investments that advance Ontario's strategic policy goals.
- The Protect Ontario Account Investment Fund will leverage private sector experience, while crowding in investment capital from Ontario based pension funds along with financial institutions and other global investors.
- The fund will focus on developing new economy and enabling industries such as artificial intelligence, defence, advanced manufacturing, life sciences, and research and development in the critical minerals sector.

Green Bonds

- On November 17, 2025, for the first time ever, the Province issued a dual-tranche Green Bond. This is comprised of a $600 million re-opening of Ontario's 30-year Green Bond, and a new 5-year Canadian dollar Green Bond Floating Rate Note (FRN) for $1.5 billion.
- Ontario remains the largest issuer of Canadian dollar Green Bonds, totalling $24.6 billion with $19.85 billion outstanding. A total of 29 projects have received or will receive funding from Ontario's 21 Green Bond issues.
- Ontario plans to continue its leadership in the Canadian dollar Green Bond market and, subject to market conditions, will issue multiple Green Bonds each fiscal year.
- Since 2015, Ontario has published an annual Green Bond Newsletter with its eleventh newsletter released in December 2025.

Fiscal Outlook

- Ontario's 2025–26 deficit is projected to be $12.3 billion — an improvement of $2.3 billion from the outlook published in the *2025 Budget*. This reflects updated economic and revenue information and investments in health, postsecondary education, social services and justice.
- Over the medium-term, the government is projecting deficits of $13.8 billion in 2026–27 and $6.1 billion in 2027–28, followed by a surplus of $0.6 billion in 2028–29.
- Total revenue is projected to increase from $226.2 billion in 2024–25 to $254.1 billion in 2028–29, while total program expense is projected to grow from $212.1 billion to $231.3 billion over the same period.
- Ontario incorporates prudence in the form of a reserve to protect the fiscal outlook against unforeseen adverse changes in the province's revenue and expense, including those resulting from changes in Ontario's economic performance. The reserve has been set at $1.5 billion, $2 billion, and $2.5 billion each year over the medium-term outlook, respectively.

Fiscal Plan ($ Billions)	Actuals									Interim	Medium-Term Outlook		
	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29
Revenue	**141.3**	**151.3**	**154.8**	**157.1**	**165.7**	**185.8**	**194.4**	**209.0**	**226.2**	**226.6**	**231.9**	**243.4**	**254.1**
Expense													
Programs	131.4	142.5	148.7	152.3	169.0	170.5	186.4	195.2	212.1	222.4	227.0	229.0	231.3
Interest and other Debt Servicing Charges	12.3	12.5	13.3	13.5	13.1	13.3	13.9	14.5	15.1	16.0	17.2	18.6	19.7
Total Expense	**143.7**	**155.0**	**162.1**	**165.7**	**182.0**	**183.8**	**200.3**	**209.7**	**227.3**	**238.4**	**244.2**	**247.5**	**251.1**
Reserve	–	–	–	–	–	–	–	–	–	0.5	1.5	2.0	2.5
Surplus/(Deficit)	**(2.4)**	**(3.7)**	**(7.3)**	**(8.6)**	**(16.3)**	**2.0**	**(5.9)**	**(0.7)**	**(1.1)**	**(12.3)**	**(13.8)**	**(6.1)**	**0.6**

Note: Numbers may not add due to rounding.
Sources: Ontario Treasury Board Secretariat and Ontario Ministry of Finance.

Interest and other Debt Servicing Charges (IOD)

- Interest and Other Debt Servicing Charges (IOD) is projected to be $16 billion this year, $0.2 billion lower than the forecast in the *2025 Budget*. Over the medium-term, IOD is forecast to be $17.2 billion in 2026–27, $18.6 billion in 2027–28, and $19.7 billion by 2028–29.

Credit Ratings (Long-Term/Short-Term)

Moody's Investor Service	Aa3 / P-1
Fitch	AA- / F1+
Morningstar DBRS	AA / R-1 (high)
S&P Global Ratings	AA- / A-1+

Risk Management

	Exposure[1]	Policy Limit
Foreign Exchange	0.14%	3.0%
Net Interest Rate Resetting	8.2%	35.0%

[1] Of outstanding debt, interim as of February 27, 2026.

Debt Burden Reduction Strategy

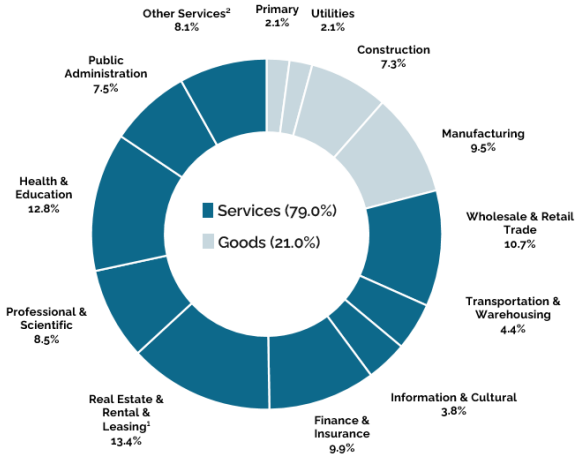
(Per Cent)	Targets	2025–26 Forecast		2026–27 Forecast	
		2025 Budget	*2026 Budget*	*2025 Budget*	*2026 Budget*
Net-Debt-to-GDP[1]	<40.0	37.9	36.8	38.9	37.7
Net Debt-to-Revenue[1]	<200	211	204	215	211
Interest-to-Revenue	<7.5	6.5	6.3	6.7	6.7

[1]For 2026–27, Net Debt reflects financial assets less financial liabilities and is aligned with Net Financial Liabilities, as will be reported in the *Public Accounts of Ontario 2026–27*.
Source: Ontario Financing Authority.

Ontario's Economic Update

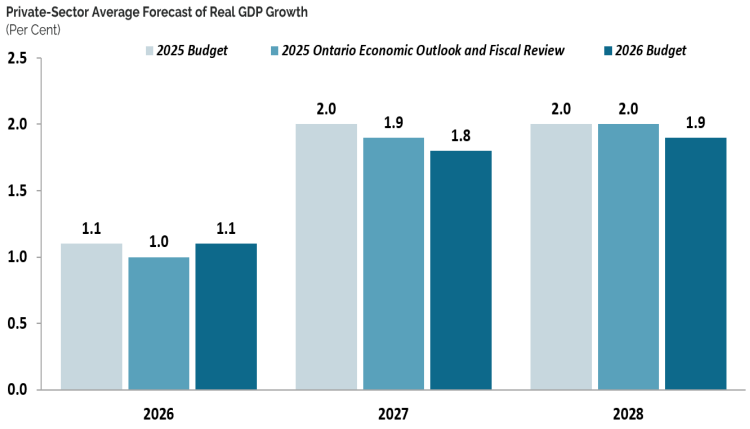
- Ontario's economy remains resilient and performed better than expected in 2025, despite headwinds created by U.S. trade policy. Real GDP is estimated to have increased by 1.2 per cent, up from 0.8 per cent at the time of the *2025 Budget*.
- In the *2026 Ontario Budget*, Ontario's real GDP is projected to rise 1 per cent in 2026, 1.7 per cent in 2027, 1.8 per cent in 2028, and 2 per cent in 2029. Ontario's nominal GDP is projected to rise 3.2 per cent in 2026, 3.9 per cent in 2027, 3.7 per cent in 2028, and 3.9 per cent in 2029. For the purposes of prudent fiscal planning, these projections were set slightly below the average of private-sector forecasts.
- Due to heightened uncertainty around U.S. trade policies, the Ministry of Finance has developed scenarios to assess the potential impact from tariffs on Ontario's economy over the projection period. As significant risks remain regarding the scale, scope and timing of U.S. trade policies these alternative scenarios should not be considered the best case or the worst case. Rather, they illustrate a broader range of possible alternative outcomes.

Ontario's Diverse Economy



[1] Includes estimate of imputed rental income from owner occupied dwellings.
[2] Other services include: management of companies and enterprises; administrative and support waste management and remediation services; arts, entertainment and recreation; accommodation and food services; and other services.
Note: Numbers may not add due to rounding.
Source: Statistics Canada and Ontario Ministry of Finance.

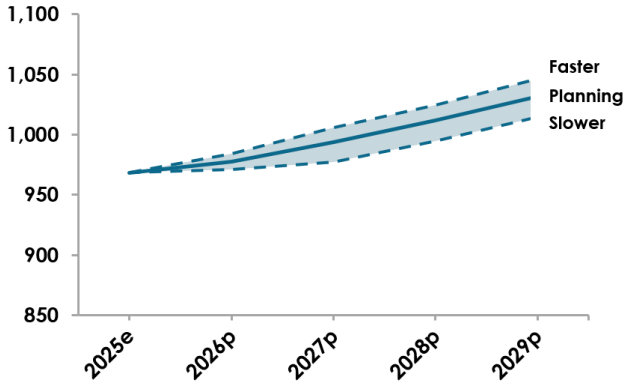
Ontario Real GDP Growth Outlook Modestly Changed



Sources: Ontario Ministry of Finance Survey of Forecasters (April 3, 2025, September 12, 2025, and January 16, 2026).

Ontario Real GDP Scenario Forecasts

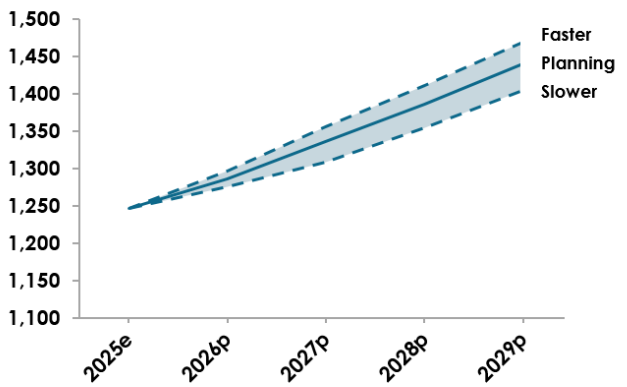
($2017 Billions)



Real GDP Growth Scenarios (Per Cent)	2026p	2027p	2028p	2029p
Faster Growth Scenarios	1.6	2.2	1.9	2.1
Planning Projection	**1.0**	**1.7**	**1.8**	**2.0**
Slower Growth Scenarios	0.3	0.6	1.8	2.0

Ontario Nominal GDP Scenario Forecasts

($ Billions)



Nominal GDP Growth Scenarios (Per Cent)	2026p	2027p	2028p	2029p
Faster Growth Scenarios	4.0	4.6	4.0	4.2
Planning Projection	**3.2**	**3.9**	**3.7**	**3.9**
Slower Growth Scenarios	2.3	2.6	3.5	3.7

e = estimate.
p = Ontario Ministry of Finance planning projection based on external sources as of January 16, 2026 and alternative scenarios.
Source: Ontario Ministry of Finance.

The Ontario Financing Authority is an agency of the Province of Ontario responsible for provincial borrowing and debt management activities.

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