

# **Estimates of the Equilibrium Exchange Rate for Canada**

**LAFRANCE Robert**

This paper provides a survey of alternative techniques that have been proposed to estimate equilibrium exchange rates, including behavioral and normative models. A number of models are applied to the Canadian data to provide various estimates of the equilibrium real exchange. These estimates provide a plausible range for perceived misalignments and benchmarks to assess the speed at which the exchange rate returns to its equilibrium.

\*\*\*\*\*