

U.S. Economic Outlook for Nov. 29, 2024

A Publication of BMO Capital Markets Economic Research • Douglas Porter, CFA, Chief Economist, BMO Financial Group

| | 2024 | | | | 2025 | | | | 2026 | | | | 2023 | 2024 | 2025 | 2026 |
|------------------------------|-------------------------------|--------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|---------------|---------------|---------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | | |
| Production | q/q % chng : a.r. | | | | | | | | | | | | | | | |
| Real GDP (chain-weighted) | 1.6 | 3.0 | 2.8 | 2.0 | 2.0 | 2.0 | 2.0 | 2.1 | 2.0 | 1.9 | 1.9 | 1.8 | 2.9 | 2.7 | 2.2 | 2.0 |
| Final Sales | 2.1 | 1.9 | 3.0 | 2.0 | 2.0 | 2.1 | 2.0 | 2.1 | 2.0 | 1.9 | 1.9 | 1.8 | 3.3 | 2.6 | 2.1 | 2.0 |
| Final Domestic Demand | 2.7 | 2.8 | 3.5 | 2.2 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.9 | 1.9 | 1.8 | 2.7 | 3.0 | 2.3 | 2.0 |
| Consumer Spending | 1.9 | 2.8 | 3.5 | 2.7 | 2.2 | 2.2 | 2.2 | 2.2 | 2.1 | 2.0 | 1.9 | 1.8 | 2.5 | 2.7 | 2.5 | 2.1 |
| Durables | -1.8 | 5.5 | 7.6 | 4.0 | 3.0 | 3.0 | 3.0 | 2.5 | 2.2 | 2.0 | 1.8 | 1.8 | 3.9 | 2.8 | 3.9 | 2.3 |
| Nondurables | -0.8 | 1.7 | 4.6 | 3.2 | 2.0 | 2.0 | 2.0 | 2.2 | 2.2 | 2.0 | 1.8 | 1.8 | 0.8 | 1.9 | 2.5 | 2.0 |
| Services | 3.4 | 2.7 | 2.6 | 2.3 | 2.1 | 2.1 | 2.1 | 2.1 | 2.0 | 2.0 | 2.0 | 1.8 | 2.9 | 2.9 | 2.2 | 2.0 |
| Government Spending | 1.8 | 3.1 | 5.0 | 1.7 | 0.8 | 0.8 | 0.7 | 1.1 | 1.6 | 1.7 | 1.8 | 1.8 | 3.9 | 3.3 | 1.6 | 1.4 |
| Business Investment | 4.5 | 3.9 | 3.8 | 1.5 | 2.3 | 2.4 | 2.4 | 2.4 | 2.0 | 1.8 | 1.8 | 1.8 | 6.0 | 3.9 | 2.5 | 2.1 |
| Non-residential Construction | 6.3 | 0.2 | -4.7 | 0.0 | 1.8 | 2.0 | 2.0 | 2.0 | 2.0 | 1.8 | 1.8 | 1.8 | 10.8 | 3.3 | 0.6 | 1.9 |
| Equipment | 0.3 | 9.8 | 10.6 | 0.5 | 1.8 | 2.0 | 2.0 | 2.0 | 2.0 | 1.8 | 1.8 | 1.8 | 3.5 | 4.0 | 3.2 | 1.9 |
| Intellectual Property | 7.5 | 0.7 | 2.5 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 | 1.8 | 1.8 | 1.8 | 5.8 | 4.1 | 2.8 | 2.3 |
| Residential Construction | 13.7 | -2.8 | -5.0 | -2.5 | 2.5 | 2.5 | 2.3 | 2.2 | 2.0 | 1.8 | 1.8 | 1.8 | -8.3 | 3.6 | 0.2 | 2.0 |
| Exports | 1.9 | 1.0 | 7.5 | 5.0 | 3.2 | 3.2 | 3.3 | 3.3 | 2.0 | 1.8 | 1.8 | 1.8 | 2.8 | 3.3 | 3.9 | 2.4 |
| Imports | 6.1 | 7.6 | 10.2 | 5.5 | 3.0 | 2.6 | 2.6 | 2.6 | 1.8 | 1.8 | 1.8 | 1.8 | -1.2 | 5.7 | 4.5 | 2.1 |
| Inventory Change | 2017\$ blns : a.r. | | | | | | | | | | | | | | | |
| Contrib. to GDP Growth | ppts : a.r. | | | | | | | | | | | | | | | |
| Net Exports | 2017\$ blns : a.r. | | | | | | | | | | | | | | | |
| Contrib. to GDP Growth | ppts : a.r. | | | | | | | | | | | | | | | |
| Nominal GDP | \$ blns : a.r. | | | | | | | | | | | | | | | |
| Growth | q/q % chng : a.r. | | | | | | | | | | | | | | | |
| Real GDP | y/y % chng | | | | | | | | | | | | | | | |
| Inflation | q/q % chng : a.r. | | | | | | | | | | | | | | | |
| GDP Price Index | 3.0 | 2.5 | 1.9 | 2.1 | 2.0 | 2.0 | 2.0 | 2.1 | 2.0 | 2.0 | 2.0 | 2.0 | 3.6 | 2.4 | 2.0 | 2.0 |
| Core PCE Deflator | 3.7 | 2.8 | 2.1 | 2.8 | 2.2 | 2.2 | 2.0 | 2.2 | 2.0 | 2.0 | 2.0 | 2.0 | 4.1 | 2.8 | 2.3 | 2.1 |
| CPI All Items | 3.8 | 2.8 | 1.2 | 2.7 | 2.6 | 2.2 | 2.2 | 2.4 | 2.2 | 2.2 | 2.2 | 2.2 | 4.1 | 2.9 | 2.3 | 2.2 |
| Ex. Food and Energy | 4.2 | 3.2 | 2.2 | 3.2 | 2.4 | 2.4 | 2.2 | 2.4 | 2.2 | 2.2 | 2.2 | 2.2 | 4.8 | 3.4 | 2.5 | 2.2 |
| Food Prices | 2.6 | 1.1 | 2.3 | 2.3 | 1.4 | 1.5 | 2.0 | 2.4 | 2.3 | 2.2 | 2.2 | 2.2 | 5.8 | 2.2 | 1.8 | 2.2 |
| Energy Prices | 1.2 | 2.3 | -12.0 | -1.9 | 8.3 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 | -4.9 | -1.3 | 0.9 | 2.1 |
| Services | 6.6 | 4.3 | 3.2 | 3.9 | 2.4 | 2.4 | 2.2 | 2.4 | 2.2 | 2.2 | 2.2 | 2.2 | 6.0 | 4.9 | 2.9 | 2.2 |
| CPI All Items | y/y % chng | | | | | | | | | | | | | | | |
| Ex. Food and Energy | y/y % chng | | | | | | | | | | | | | | | |
| Core PCE Deflator | y/y % chng | | | | | | | | | | | | | | | |
| Financial | % : quarterly avg. | | | | | | | | | | | | | | | |
| Fed Funds Rate | 5.38 | 5.38 | 5.21 | 4.63 | 4.29 | 4.04 | 3.79 | 3.54 | 3.38 | 3.38 | 3.38 | 3.38 | 5.10 | 5.15 | 3.92 | 3.38 |
| 90-Day T-Bill | 5.45 | 5.47 | 5.22 | 4.60 | 4.30 | 4.05 | 3.80 | 3.50 | 3.30 | 3.30 | 3.30 | 3.30 | 5.28 | 5.20 | 3.90 | 3.30 |
| 1-Year T-Bill | 4.90 | 5.14 | 4.45 | 4.25 | 4.15 | 3.95 | 3.75 | 3.55 | 3.45 | 3.45 | 3.45 | 3.45 | 5.08 | 4.70 | 3.85 | 3.45 |
| 10-Year Bond Yield | 4.16 | 4.44 | 3.95 | 4.25 | 4.25 | 4.15 | 4.00 | 3.90 | 3.90 | 3.90 | 3.90 | 3.95 | 3.96 | 4.20 | 4.10 | 3.90 |
| 10-Year BBB Corporate Spread | ppts | | | | | | | | | | | | | | | |
| Foreign Trade | \$ blns : a.r. | | | | | | | | | | | | | | | |
| Current Account Balance | -964 | -1,067 | -1,134 | -1,155 | -1,166 | -1,172 | -1,178 | -1,183 | -1,191 | -1,200 | -1,210 | -1,220 | -905 | -1,080 | -1,175 | -1,205 |
| Share of GDP | -3.4 | -3.7 | -3.9 | -3.9 | -3.9 | -3.9 | -3.9 | -3.8 | -3.8 | -3.8 | -3.8 | -3.8 | -3.3 | -3.7 | -3.9 | -3.8 |
| Merchandise Balance | -1,108 | -1,189 | -1,243 | -1,269 | -1,283 | -1,295 | -1,306 | -1,317 | -1,328 | -1,341 | -1,354 | -1,367 | -1,063 | -1,202 | -1,300 | -1,347 |
| Non-Merchandise Balance | 144 | 121 | 110 | 114 | 118 | 123 | 128 | 134 | 138 | 141 | 144 | 147 | 158 | 122 | 126 | 142 |
| Yen | ¥/US\$: qtr. avg. | | | | | | | | | | | | | | | |
| Euro | US\$/€ : qtr. avg. | | | | | | | | | | | | | | | |
| Pound | US\$/£ : qtr. avg. | | | | | | | | | | | | | | | |
| Trade-Wt. Dollar (broad) | Jan. '97 = 100 | | | | | | | | | | | | | | | |
| WTI Spot | US\$/bbl : qtr. avg. | | | | | | | | | | | | | | | |
| Henry Hub Spot | US\$/mmbtu : qtr. avg. | | | | | | | | | | | | | | | |
| Incomes | y/y % chng | | | | | | | | | | | | | | | |
| Pre-Tax Profits w/IVA,CCA | 8.2 | 10.8 | 6.1 | 2.6 | 5.4 | 2.8 | 4.1 | 4.1 | 4.1 | 4.1 | 4.0 | 3.9 | 6.9 | 6.8 | 4.1 | 4.0 |
| Personal Income | 5.9 | 5.5 | 5.2 | 4.9 | 3.6 | 3.7 | 4.0 | 4.1 | 4.1 | 4.1 | 4.1 | 4.0 | 5.9 | 5.4 | 3.9 | 4.1 |
| Real Disposable Income | 3.4 | 2.8 | 2.6 | 2.1 | 1.1 | 1.4 | 1.7 | 1.9 | 2.0 | 2.0 | 2.0 | 2.0 | 5.1 | 2.7 | 1.5 | 2.0 |
| Savings Rate | % : quarterly avg. | | | | | | | | | | | | | | | |
| Other Indicators | quarterly avg. | | | | | | | | | | | | | | | |
| Unemployment Rate | percent | | | | | | | | | | | | | | | |
| Housing Starts | mlns : a.r. | | | | | | | | | | | | | | | |
| Existing Home Sales | mlns : a.r. | | | | | | | | | | | | | | | |
| Home Prices (Case-Shiller) | y/y % chng | | | | | | | | | | | | | | | |
| Motor Vehicle Sales | mlns : a.r. | | | | | | | | | | | | | | | |
| Civilian Employment Growth | q/q % chng : a.r. | | | | | | | | | | | | | | | |
| Industrial Production | q/q % chng : a.r. | | | | | | | | | | | | | | | |
| CBO Budget Deficit | % of GDP | | | | | | | | | | | | | | | |

Bolded values represent forecasts



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