

U.S. Economic Outlook for Dec. 1, 2023

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

	2023				2024				2025				2022	2023	2024	2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Production	q/q % chng : a.r.															
Real GDP (chain-weighted)	2.2	2.1	5.2	1.0	0.2	0.8	1.3	1.5	1.7	1.9	2.0	2.0	1.9	2.4	1.4	1.7
Final Sales	4.6	2.1	3.7	1.9	0.2	0.8	1.2	1.5	1.7	1.9	2.0	2.0	1.3	2.8	1.4	1.7
Final Domestic Demand	3.8	2.0	3.7	2.0	0.3	0.8	1.3	1.5	1.7	1.9	2.0	2.0	1.7	2.2	1.4	1.7
Consumer Spending	3.8	0.8	3.6	2.1	0.5	1.1	1.3	1.5	1.8	2.0	2.2	2.2	2.5	2.2	1.5	1.8
Durables	14.0	-0.3	6.8	1.0	-1.0	1.0	1.0	1.5	1.9	2.3	2.5	2.5	-0.3	4.1	1.1	1.8
Nondurables	0.5	0.9	3.5	1.4	0.0	1.0	1.0	1.5	1.7	2.0	2.2	2.2	0.6	0.7	1.2	1.7
Services	3.1	1.0	3.0	2.6	1.0	1.2	1.4	1.5	1.8	2.0	2.1	2.1	3.7	2.4	1.7	1.8
Government Spending	4.8	3.3	5.5	2.2	0.4	0.1	0.7	0.8	0.8	1.0	1.0	1.1	-0.9	3.9	1.6	0.8
Business Investment	5.7	7.4	1.3	2.0	0.0	0.6	1.5	2.1	2.3	2.4	2.4	2.4	5.2	4.3	1.4	2.1
Non-residential Construction	30.3	16.1	6.9	3.0	-2.0	0.0	1.5	1.5	1.8	2.0	2.0	2.0	-2.1	12.1	2.1	1.7
Equipment	-4.1	7.7	-3.5	1.0	0.0	0.0	1.0	1.5	1.8	2.0	2.0	2.0	5.2	0.0	0.4	1.6
Intellectual Property	3.8	2.7	2.8	2.5	1.0	1.5	2.0	3.0	3.0	3.0	3.0	3.0	9.1	4.5	2.0	2.8
Residential Construction	-5.3	-2.2	6.2	-3.0	-3.0	-2.0	2.4	2.5	2.5	2.5	2.3	2.2	-9.0	-11.0	-0.7	2.2
Exports	6.8	-9.3	6.0	6.5	-1.0	1.0	1.5	1.8	2.1	2.3	2.3	2.1	7.0	2.8	1.5	2.0
Imports	1.3	-7.6	5.2	5.3	0.0	1.0	1.5	2.0	2.0	2.3	2.3	2.2	8.6	-1.4	1.6	2.0
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	3.9	1.7	3.6	2.2	2.7	2.2	2.2	2.0	2.1	2.0	2.0	1.9	7.1	3.7	2.4	2.0
Core PCE Deflator	5.0	3.7	2.3	2.7	2.8	2.4	2.3	2.2	2.1	2.1	2.0	1.9	5.2	4.2	2.6	2.2
CPI All Items	3.8	2.7	3.6	2.8	3.2	2.4	2.4	2.2	2.3	2.3	2.2	2.1	8.0	4.1	2.8	2.3
Ex. Food and Energy	5.0	4.7	2.8	3.3	3.1	2.6	2.5	2.4	2.3	2.3	2.2	2.1	6.1	4.8	3.0	2.3
Food Prices	5.1	1.3	2.5	3.0	2.3	2.2	2.2	2.2	2.2	2.2	2.2	2.2	10.0	5.7	2.3	2.2
Energy Prices	-8.3	-15.6	14.8	-3.4	6.6	1.1	2.1	-0.2	2.1	2.1	2.1	2.0	24.9	-4.8	2.1	1.6
Services	6.8	3.6	4.3	4.7	3.1	2.6	2.5	2.4	2.3	2.3	2.2	2.1	6.2	6.0	3.3	2.3
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	4.63	5.04	5.38	5.38	5.38	5.38	5.29	5.04	4.79	4.54	4.04	3.63	1.90	5.10	5.27	4.25
90-Day T-Bill	4.78	5.27	5.53	5.55	5.50	5.50	5.45	5.20	4.90	4.65	4.20	3.70	2.08	5.30	5.40	4.35
1-Year T-Bill	4.77	4.95	5.39	5.30	5.10	5.00	4.85	4.60	4.40	4.15	3.90	3.55	2.79	5.10	4.90	4.00
10-Year Bond Yield	3.65	3.59	4.15	4.55	4.30	4.20	4.15	4.10	4.05	4.00	3.95	3.95	2.95	4.00	4.20	4.00
10-Year BBB Corporate Spread	ppts															
Foreign Trade	\$ blns : a.r.															
Current Account Balance	-858	-848	-800	-793	-819	-824	-834	-843	-849	-857	-865	-869	-972	-825	-830	-860
Share of GDP	-3.2	-3.1	-2.9	-2.8	-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-3.8	-3.0	-2.9	-2.9
Merchandise Balance	-1,053	-1,101	-1,082	-1,096	-1,106	-1,115	-1,124	-1,137	-1,147	-1,160	-1,172	-1,185	-1,183	-1,083	-1,121	-1,166
Non-Merchandise Balance	195	252	282	303	287	290	290	294	298	303	307	316	211	258	290	306
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	4.6	-2.7	-0.7	1.5	4.7	5.2	2.7	3.0	3.4	3.7	3.8	4.0	9.8	0.6	3.9	3.7
Personal Income	5.8	5.6	4.8	4.6	3.7	3.8	3.9	4.1	4.4	4.5	4.6	4.6	2.0	5.2	3.9	4.5
Real Disposable Income	3.7	4.9	4.0	3.8	1.2	0.9	1.4	1.7	2.2	2.4	2.5	2.5	-6.0	4.1	1.3	2.4
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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