

International Economic Outlook for June 27, 2025

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 | | | | |
| Global GDP Growth | y/y % chng | | | | | | | | | | | | | 3.5 | 3.3 | 2.8 | 2.9 |
| Japan | | | | | | | | | | | | | | | | | |
| Real GDP | saar : % | -1.3 | 3.9 | 0.9 | 2.2 | -0.2 | 0.1 | 0.3 | 0.3 | 1.0 | 1.2 | 1.2 | 1.2 | 1.4 | 0.2 | 0.8 | 0.8 |
| | y/y % chng | -0.9 | -0.5 | 0.7 | 1.4 | 1.7 | 0.8 | 0.6 | 0.1 | 0.4 | 0.7 | 0.9 | 1.1 | | | | |
| CPI All Items | y/y % chng | 2.5 | 2.7 | 2.8 | 2.9 | 3.8 | 3.5 | 3.1 | 2.5 | 2.3 | 2.2 | 2.4 | 2.5 | 3.3 | 2.7 | 3.2 | 2.3 |
| Unemployment Rate | % | 2.6 | 2.6 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.6 | 2.5 | 2.5 | 2.5 |
| 3-Month Interest Rate | % | 0.1 | 0.3 | 0.4 | 0.5 | 0.8 | 0.8 | 0.9 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.1 | 0.3 | 0.9 | 1.0 |
| 10-Year Government Bond | % | 0.7 | 0.9 | 0.9 | 1.0 | 1.4 | 1.4 | 1.3 | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 | 0.6 | 0.9 | 1.3 | 1.2 |
| United Kingdom | | | | | | | | | | | | | | | | | |
| Real GDP | saar : % | 3.7 | 1.8 | 0.0 | 0.4 | 2.9 | 0.0 | 0.4 | 0.9 | 1.0 | 1.0 | 1.0 | 1.0 | 0.4 | 1.1 | 1.0 | 0.8 |
| | y/y % chng | 0.7 | 1.1 | 1.2 | 1.5 | 1.3 | 0.8 | 0.9 | 1.0 | 0.6 | 0.8 | 1.0 | 1.0 | | | | |
| CPI All Items | y/y % chng | 3.5 | 2.1 | 2.1 | 2.5 | 2.8 | 3.4 | 3.5 | 3.5 | 2.8 | 2.5 | 2.2 | 1.9 | 7.3 | 2.5 | 3.3 | 2.4 |
| Unemployment Rate | % | 4.3 | 4.3 | 4.2 | 4.4 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.1 | 4.3 | 4.5 | 4.5 |
| 3-Month Interest Rate | % | 5.2 | 5.2 | 4.9 | 4.7 | 4.5 | 4.2 | 4.0 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 4.8 | 5.0 | 4.2 | 3.9 |
| 10-Year Government Bond | % | 4.0 | 4.2 | 4.0 | 4.3 | 4.6 | 4.6 | 4.7 | 4.8 | 4.8 | 4.7 | 4.6 | 4.5 | 4.0 | 4.1 | 4.7 | 4.6 |
| Euro Area | | | | | | | | | | | | | | | | | |
| Real GDP | saar : % | 1.0 | 0.9 | 1.6 | 1.2 | 2.5 | 0.2 | 0.8 | 1.3 | 1.2 | 0.7 | 0.6 | 0.6 | 0.6 | 0.8 | 1.3 | 0.9 |
| | y/y % chng | 0.5 | 0.6 | 0.9 | 1.2 | 1.5 | 1.4 | 1.2 | 1.2 | 0.9 | 1.0 | 1.0 | 0.8 | | | | |
| CPI All Items | y/y % chng | 2.6 | 2.5 | 2.2 | 2.2 | 2.3 | 2.0 | 2.2 | 2.2 | 2.0 | 2.0 | 2.1 | 2.1 | 5.4 | 2.4 | 2.2 | 2.1 |
| Unemployment Rate | % | 6.5 | 6.4 | 6.3 | 6.2 | 6.3 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.6 | 6.4 | 6.2 | 6.2 |
| 3-Month Interest Rate | % | 3.9 | 3.8 | 3.6 | 3.0 | 2.6 | 2.1 | 1.8 | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 | 3.4 | 3.6 | 2.0 | 1.6 |
| 10-Year Government Bond | % | 2.3 | 2.5 | 2.3 | 2.3 | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 | 2.5 | 2.4 | 2.3 | 2.5 | 2.3 | 2.6 | 2.4 |
| Germany | | | | | | | | | | | | | | | | | |
| Real GDP | saar : % | 1.0 | -1.2 | 0.4 | -0.8 | 1.7 | 0.1 | 1.5 | 2.5 | 2.2 | 0.3 | 0.2 | 0.2 | -0.1 | -0.2 | 0.6 | 1.3 |
| | y/y % chng | -0.1 | -0.2 | -0.3 | -0.2 | 0.0 | 0.3 | 0.6 | 1.4 | 1.6 | 1.6 | 1.3 | 0.7 | | | | |
| CPI All Items | y/y % chng | 2.7 | 2.6 | 2.2 | 2.5 | 2.6 | 2.1 | 1.9 | 2.2 | 2.2 | 1.7 | 1.9 | 2.0 | 6.0 | 2.5 | 2.2 | 2.0 |
| Unemployment Rate | % | 5.9 | 5.9 | 6.0 | 6.1 | 6.2 | 6.3 | 6.2 | 6.1 | 6.0 | 5.9 | 5.9 | 5.9 | 5.7 | 6.0 | 6.2 | 5.9 |
| France | | | | | | | | | | | | | | | | | |
| Real GDP | saar : % | 0.4 | 0.8 | 1.5 | -0.3 | 0.5 | 0.2 | 0.4 | 0.5 | 0.7 | 0.7 | 0.7 | 0.7 | 1.6 | 1.1 | 0.4 | 0.6 |
| | y/y % chng | 1.7 | 1.0 | 1.1 | 0.6 | 0.6 | 0.5 | 0.2 | 0.4 | 0.4 | 0.6 | 0.6 | 0.7 | | | | |
| CPI All Items | y/y % chng | 3.0 | 2.5 | 2.1 | 1.7 | 1.2 | 0.8 | 0.9 | 1.0 | 1.4 | 1.5 | 1.4 | 1.5 | 5.7 | 2.3 | 1.0 | 1.5 |
| Unemployment Rate | % | 7.4 | 7.4 | 7.4 | 7.3 | 7.4 | 7.3 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.3 | 7.4 | 7.4 | 7.5 |
| Italy | | | | | | | | | | | | | | | | | |
| Real GDP | saar : % | 0.7 | 0.8 | 0.0 | 0.8 | 1.1 | 0.2 | 0.4 | 0.5 | 1.0 | 1.0 | 1.0 | 1.0 | 0.8 | 0.5 | 0.6 | 0.8 |
| | y/y % chng | 0.3 | 0.7 | 0.6 | 0.6 | 0.7 | 0.5 | 0.6 | 0.5 | 0.5 | 0.7 | 0.9 | 1.0 | | | | |
| CPI All Items | y/y % chng | 1.0 | 1.0 | 1.1 | 1.3 | 1.9 | 1.9 | 2.0 | 2.2 | 1.7 | 1.5 | 1.2 | 1.5 | 5.9 | 1.1 | 2.0 | 1.5 |
| Unemployment Rate | % | 7.1 | 6.8 | 6.3 | 6.1 | 6.1 | 6.0 | 6.3 | 6.3 | 6.4 | 6.4 | 6.3 | 6.2 | 7.7 | 6.6 | 6.2 | 6.3 |
| China | | | | | | | | | | | | | | | | | |
| Real GDP | y/y % chng | 5.3 | 4.7 | 4.6 | 5.4 | 5.4 | 4.4 | 4.0 | 4.0 | 4.1 | 4.7 | 4.7 | 4.5 | 5.4 | 5.0 | 4.4 | 4.5 |
| CPI All Items | y/y % chng | 0.0 | 0.3 | 0.5 | 0.2 | -0.1 | -0.2 | 0.0 | 0.5 | 1.0 | 1.1 | 1.1 | 1.2 | 0.2 | 0.2 | 0.1 | 1.1 |
| Current Account Balance | % of GDP | | | | | | | | | | | | | 1.4 | 2.3 | 1.8 | 1.4 |
| Exchange Rates | | | | | | | | | | | | | | | | | |
| Yen | ¥/US\$ | 149 | 156 | 149 | 152 | 152 | 144 | 144 | 142 | 142 | 141 | 141 | 140 | 140 | 151 | 146 | 141 |
| Euro | US\$/€ | 1.09 | 1.08 | 1.10 | 1.07 | 1.05 | 1.13 | 1.16 | 1.17 | 1.18 | 1.18 | 1.19 | 1.20 | 1.08 | 1.08 | 1.13 | 1.19 |
| Pound | US\$/£ | 1.27 | 1.26 | 1.30 | 1.28 | 1.26 | 1.33 | 1.36 | 1.37 | 1.37 | 1.38 | 1.38 | 1.39 | 1.24 | 1.28 | 1.33 | 1.38 |
| Pound/Euro | £/€ | 0.86 | 0.85 | 0.84 | 0.83 | 0.84 | 0.85 | 0.85 | 0.85 | 0.86 | 0.86 | 0.86 | 0.86 | 0.87 | 0.85 | 0.85 | 0.86 |
| Yen/Euro | ¥/€ | 161 | 168 | 164 | 163 | 160 | 164 | 166 | 166 | 166 | 167 | 167 | 168 | 152 | 164 | 164 | 167 |
| Yuan | CNY/US\$ | 7.19 | 7.24 | 7.16 | 7.19 | 7.27 | 7.23 | 7.17 | 7.16 | 7.14 | 7.13 | 7.12 | 7.10 | 7.08 | 7.20 | 7.21 | 7.12 |

Bolded values represent forecasts

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