

# International Economic Outlook for May 7, 2021

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

		2020				2021				2022							
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2019	2020	2021	2022
<b>Global GDP Growth</b>	y/y % chng													2.8	-3.3	<b>6.0</b>	<b>5.0</b>
<b>Japan</b>																	
Real GDP	saar : %	-2.2	-29.3	22.8	11.7	<b>2.0</b>	<b>1.7</b>	<b>0.7</b>	<b>1.0</b>	<b>2.8</b>	<b>2.5</b>	<b>2.5</b>	<b>2.5</b>	0.3	-4.9	<b>3.5</b>	<b>2.0</b>
	y/y % chng	-2.1	-10.3	-5.8	-1.3	<b>-0.2</b>	<b>9.2</b>	<b>4.0</b>	<b>1.4</b>	<b>1.5</b>	<b>1.7</b>	<b>2.2</b>	<b>2.6</b>				
CPI All Items	y/y % chng	0.5	0.1	0.2	-0.8	-0.4	<b>-0.1</b>	<b>-0.2</b>	<b>0.5</b>	<b>0.3</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	0.5	0.0	<b>-0.1</b>	<b>0.4</b>
Unemployment Rate	%	2.4	2.7	3.0	3.0	<b>2.8</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	0.0	2.8	<b>3.0</b>	<b>3.0</b>
3-Month Interest Rate	%	-0.1	0.0	-0.1	-0.1	-0.1	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	-0.1	-0.1	<b>-0.1</b>	<b>-0.1</b>
10-Year Government Bond	%	0.0	0.0	0.0	0.0	0.1	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	-0.1	0.0	<b>0.1</b>	<b>0.1</b>
<b>United Kingdom</b>																	
Real GDP	saar : %	-10.9	-57.9	87.1	5.2	<b>-7.5</b>	<b>18.0</b>	<b>12.0</b>	<b>10.0</b>	<b>2.3</b>	<b>2.0</b>	<b>1.5</b>	<b>1.0</b>	1.4	-9.8	<b>6.5</b>	<b>5.5</b>
	y/y % chng	-2.2	-21.4	-8.5	-7.3	<b>-6.5</b>	<b>21.1</b>	<b>6.5</b>	<b>7.7</b>	<b>10.4</b>	<b>6.5</b>	<b>3.9</b>	<b>1.7</b>				
CPI All Items	y/y % chng	1.7	0.6	0.6	0.5	0.6	<b>1.4</b>	<b>1.1</b>	<b>1.5</b>	<b>2.0</b>	<b>2.0</b>	<b>2.1</b>	<b>2.1</b>	1.8	0.9	<b>1.1</b>	<b>2.0</b>
Unemployment Rate	%	4.0	4.2	4.7	5.0	<b>5.0</b>	<b>5.2</b>	<b>5.2</b>	<b>5.2</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	0.0	4.5	<b>5.2</b>	<b>5.0</b>
3-Month Interest Rate	%	0.7	0.4	0.1	0.0	0.1	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	0.8	0.3	<b>0.1</b>	<b>0.1</b>
10-Year Government Bond	%	0.5	0.3	0.2	0.3	0.5	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>1.2</b>	<b>1.3</b>	<b>1.5</b>	0.9	0.3	<b>0.8</b>	<b>1.2</b>
<b>Euro Area</b>																	
Real GDP	saar : %	-14.2	-38.8	60.3	-2.7	-2.5	<b>7.6</b>	<b>6.0</b>	<b>4.3</b>	<b>4.9</b>	<b>3.9</b>	<b>3.2</b>	<b>2.8</b>	1.3	-6.7	<b>4.0</b>	<b>4.5</b>
	y/y % chng	-3.3	-14.6	-4.1	-4.9	-1.8	<b>13.1</b>	<b>2.0</b>	<b>3.8</b>	<b>5.7</b>	<b>4.8</b>	<b>4.1</b>	<b>3.7</b>				
CPI All Items	y/y % chng	1.1	0.2	0.0	-0.3	1.1	<b>0.7</b>	<b>1.5</b>	<b>1.9</b>	<b>1.4</b>	<b>1.2</b>	<b>0.9</b>	<b>0.7</b>	1.2	0.3	<b>1.3</b>	<b>1.0</b>
Unemployment Rate	%	7.3	7.6	8.6	8.3	8.2	<b>8.3</b>	<b>8.0</b>	<b>7.5</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	0.0	8.0	<b>8.0</b>	<b>7.0</b>
3-Month Interest Rate	%	-0.4	-0.3	-0.5	-0.5	-0.6	<b>-0.5</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-0.5</b>	-0.4	-0.4	<b>-0.5</b>	<b>-0.5</b>
10-Year Government Bond	%	-0.4	-0.4	-0.5	-0.6	-0.4	<b>-0.3</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	-0.2	-0.5	<b>-0.3</b>	<b>0.1</b>
<b>Germany</b>																	
Real GDP	saar : %	-7.7	-33.5	39.6	2.2	-6.6	<b>11.0</b>	<b>7.5</b>	<b>5.0</b>	<b>4.0</b>	<b>3.0</b>	<b>2.5</b>	<b>2.5</b>	0.6	-5.1	<b>3.5</b>	<b>4.5</b>
	y/y % chng	-2.2	-11.2	-3.8	-3.3	-3.0	<b>10.3</b>	<b>3.3</b>	<b>4.0</b>	<b>6.8</b>	<b>4.9</b>	<b>3.6</b>	<b>3.0</b>				
CPI All Items	y/y % chng	1.6	0.7	-0.2	-0.6	1.7	<b>1.9</b>	<b>2.5</b>	<b>3.0</b>	<b>1.2</b>	<b>1.4</b>	<b>1.2</b>	<b>1.7</b>	1.4	0.4	<b>2.3</b>	<b>1.4</b>
Unemployment Rate	%	5.0	6.2	6.3	6.1	6.0	<b>6.0</b>	<b>5.8</b>	<b>5.5</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	0.0	5.9	<b>5.8</b>	<b>5.0</b>
<b>France</b>																	
Real GDP	saar : %	-21.2	-44.2	97.4	-5.4	1.8	<b>2.5</b>	<b>2.4</b>	<b>2.3</b>	<b>5.5</b>	<b>5.0</b>	<b>4.5</b>	<b>4.0</b>	1.5	-8.2	<b>5.0</b>	<b>4.0</b>
	y/y % chng	-5.5	-18.6	-3.7	-4.8	1.5	<b>18.1</b>	<b>0.3</b>	<b>2.2</b>	<b>3.2</b>	<b>3.8</b>	<b>4.3</b>	<b>4.7</b>				
CPI All Items	y/y % chng	1.3	0.4	0.3	0.1	1.0	<b>1.6</b>	<b>1.5</b>	<b>1.7</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	1.3	0.5	<b>1.4</b>	<b>1.0</b>
Unemployment Rate	%	7.8	7.2	9.1	8.1	7.9	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>7.5</b>	0.0	8.1	<b>8.0</b>	<b>7.9</b>
<b>Italy</b>																	
Real GDP	saar : %	-20.5	-42.5	79.8	-7.2	-1.6	<b>9.5</b>	<b>5.0</b>	<b>3.0</b>	<b>5.0</b>	<b>3.0</b>	<b>2.5</b>	<b>2.5</b>	0.3	-8.9	<b>4.5</b>	<b>4.0</b>
	y/y % chng	-5.8	-18.1	-5.2	-6.6	-1.4	<b>15.8</b>	<b>1.2</b>	<b>3.9</b>	<b>5.6</b>	<b>4.0</b>	<b>3.4</b>	<b>3.2</b>				
CPI All Items	y/y % chng	0.2	-0.2	-0.2	-0.4	0.7	<b>1.0</b>	<b>1.5</b>	<b>1.8</b>	<b>0.8</b>	<b>1.0</b>	<b>0.7</b>	<b>0.7</b>	0.6	-0.1	<b>1.3</b>	<b>0.8</b>
Unemployment Rate	%	9.0	8.5	9.9	9.8	10.2	<b>10.0</b>	<b>9.0</b>	<b>9.0</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	0.0	9.3	<b>9.6</b>	<b>8.5</b>
<b>China</b>																	
Real GDP	y/y % chng	-6.8	3.2	4.9	6.5	18.3	<b>5.5</b>	<b>5.0</b>	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	6.0	2.3	<b>8.5</b>	<b>6.0</b>
CPI All Items	y/y % chng	5.0	2.7	2.3	0.1	0.0	<b>1.5</b>	<b>2.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	2.9	2.5	<b>1.6</b>	<b>3.0</b>
Current Account Balance	% of GDP													1.0	2.0	<b>1.7</b>	<b>1.3</b>
<b>Exchange Rates</b>																	
Yen	¥/US\$	109	108	106	104	106	<b>109</b>	<b>108</b>	<b>107</b>	<b>107</b>	<b>106</b>	<b>106</b>	<b>105</b>	109	107	<b>108</b>	<b>106</b>
Euro	US\$/€	1.10	1.10	1.17	1.19	1.21	<b>1.20</b>	<b>1.20</b>	<b>1.21</b>	<b>1.21</b>	<b>1.21</b>	<b>1.22</b>	<b>1.22</b>	1.12	1.14	<b>1.20</b>	<b>1.22</b>
Pound	US\$/£	1.28	1.24	1.29	1.32	1.38	<b>1.39</b>	<b>1.40</b>	<b>1.41</b>	<b>1.41</b>	<b>1.41</b>	<b>1.42</b>	<b>1.42</b>	1.28	1.28	<b>1.39</b>	<b>1.42</b>
Pound/Euro	£/€	0.86	0.89	0.90	0.90	0.87	<b>0.86</b>	<b>0.86</b>	<b>0.86</b>	<b>0.86</b>	<b>0.86</b>	<b>0.86</b>	<b>0.86</b>	0.88	0.89	<b>0.86</b>	<b>0.86</b>
Yen/Euro	¥/€	120	118	124	125	128	<b>130</b>	<b>130</b>	<b>130</b>	<b>129</b>	<b>129</b>	<b>129</b>	<b>128</b>	122	122	<b>129</b>	<b>129</b>
Yuan	CNY/US\$	6.98	7.08	6.91	6.62	6.48	<b>6.48</b>	<b>6.47</b>	<b>6.49</b>	<b>6.48</b>	<b>6.46</b>	<b>6.43</b>	<b>6.41</b>	6.91	6.90	<b>6.48</b>	<b>6.45</b>

Bolded values represent forecasts

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