

# International 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				
<b>Global GDP Growth</b>	y/y % chng													3.4	2.9	2.7	3.0
<b>Japan</b>																	
Real GDP	saar : %	3.7	4.5	-2.1	<b>0.0</b>	<b>0.5</b>	<b>0.8</b>	<b>0.8</b>	<b>1.2</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>0.8</b>	0.9	<b>1.7</b>	<b>0.5</b>	<b>1.0</b>
	y/y % chng	1.9	1.9	1.4	<b>1.5</b>	<b>0.7</b>	<b>-0.2</b>	<b>0.5</b>	<b>0.8</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>				
CPI All Items	y/y % chng	3.6	3.4	3.1	<b>3.1</b>	<b>3.1</b>	<b>2.8</b>	<b>2.2</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	<b>1.5</b>	<b>1.6</b>	2.5	<b>3.3</b>	<b>2.4</b>	<b>1.5</b>
Unemployment Rate	%	2.6	2.6	2.7	<b>2.7</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.5</b>	<b>2.5</b>	<b>2.5</b>	2.6	<b>2.6</b>	<b>2.6</b>	<b>2.5</b>
3-Month Interest Rate	%	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>	<b>0.1</b>	<b>0.1</b>	0.1	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
10-Year Government Bond	%	0.4	0.4	0.6	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>	0.2	<b>0.6</b>	<b>0.9</b>	<b>0.9</b>
<b>United Kingdom</b>																	
Real GDP	saar : %	1.3	0.8	-0.1	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>	<b>1.5</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.2</b>		4.3	<b>0.5</b>	<b>0.5</b>	<b>1.9</b>
	y/y % chng	0.5	0.6	0.6	<b>0.5</b>	<b>0.3</b>	<b>0.2</b>	<b>0.6</b>	<b>1.1</b>	<b>1.5</b>	<b>1.9</b>	<b>2.0</b>	<b>2.0</b>				
CPI All Items	y/y % chng	10.2	8.4	6.7	<b>4.0</b>	<b>3.4</b>	<b>2.4</b>	<b>2.8</b>	<b>3.8</b>	<b>3.4</b>	<b>3.0</b>	<b>2.6</b>	<b>2.1</b>	9.1	<b>7.3</b>	<b>3.1</b>	<b>2.8</b>
Unemployment Rate	%	3.8	4.2	<b>4.3</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.4</b>	<b>4.3</b>	<b>4.3</b>	<b>4.3</b>	3.7	<b>4.2</b>	<b>4.5</b>	<b>4.3</b>
3-Month Interest Rate	%	4.2	4.8	5.5	<b>5.4</b>	<b>5.4</b>	<b>5.2</b>	<b>4.9</b>	<b>4.7</b>	<b>4.4</b>	<b>4.2</b>	<b>3.9</b>	<b>3.7</b>	2.0	<b>5.0</b>	<b>5.0</b>	<b>4.1</b>
10-Year Government Bond	%	3.5	4.0	4.4	<b>4.3</b>	<b>4.2</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>3.9</b>	2.4	<b>4.0</b>	<b>4.1</b>	<b>4.0</b>
<b>Euro Area</b>																	
Real GDP	saar : %	0.2	0.6	-0.2	<b>0.1</b>	<b>0.5</b>	<b>0.6</b>	<b>1.1</b>	<b>1.1</b>	<b>1.6</b>	<b>2.0</b>	<b>2.3</b>	<b>2.4</b>	3.4	<b>0.5</b>	<b>0.5</b>	<b>1.6</b>
	y/y % chng	1.2	0.5	0.1	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.6</b>	<b>0.8</b>	<b>1.1</b>	<b>1.5</b>	<b>1.8</b>	<b>2.1</b>				
CPI All Items	y/y % chng	8.0	6.2	5.0	<b>2.6</b>	<b>2.6</b>	<b>2.4</b>	<b>2.6</b>	<b>3.1</b>	<b>3.1</b>	<b>1.9</b>	<b>1.5</b>	<b>1.3</b>	8.4	<b>5.4</b>	<b>2.7</b>	<b>2.0</b>
Unemployment Rate	%	6.6	6.5	6.5	<b>6.5</b>	<b>6.4</b>	<b>6.4</b>	<b>6.3</b>	<b>6.3</b>	<b>6.3</b>	<b>6.3</b>	<b>6.0</b>	<b>6.0</b>	6.7	<b>6.5</b>	<b>6.4</b>	<b>6.2</b>
3-Month Interest Rate	%	2.6	3.4	3.8	<b>4.0</b>	<b>4.0</b>	<b>3.9</b>	<b>3.6</b>	<b>3.4</b>	<b>3.1</b>	<b>2.9</b>	<b>2.6</b>	<b>2.4</b>	0.3	<b>3.4</b>	<b>3.7</b>	<b>2.8</b>
10-Year Government Bond	%	2.3	2.4	2.6	<b>2.7</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.5</b>	<b>2.4</b>	<b>2.3</b>	1.2	<b>2.5</b>	<b>2.6</b>	<b>2.4</b>
<b>Germany</b>																	
Real GDP	saar : %	0.0	0.6	-0.5	<b>-0.1</b>	<b>0.3</b>	<b>0.5</b>	<b>1.5</b>	<b>1.7</b>	<b>1.5</b>	<b>2.0</b>	<b>2.5</b>	<b>3.0</b>	1.9	<b>-0.1</b>	<b>0.4</b>	<b>1.8</b>
	y/y % chng	-0.2	0.1	-0.4	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.5</b>	<b>1.0</b>	<b>1.3</b>	<b>1.7</b>	<b>1.9</b>	<b>2.2</b>				
CPI All Items	y/y % chng	8.7	6.9	5.7	<b>2.6</b>	<b>2.8</b>	<b>2.5</b>	<b>2.1</b>	<b>3.4</b>	<b>3.0</b>	<b>2.0</b>	<b>1.7</b>	<b>1.4</b>	8.7	<b>5.9</b>	<b>2.7</b>	<b>2.0</b>
Unemployment Rate	%	5.5	5.6	5.7	<b>5.8</b>	<b>6.0</b>	<b>5.6</b>	<b>5.5</b>	<b>5.5</b>	<b>5.4</b>	<b>5.3</b>	<b>5.2</b>	<b>5.0</b>	5.3	<b>5.7</b>	<b>5.7</b>	<b>5.2</b>
<b>France</b>																	
Real GDP	saar : %	0.2	2.5	-0.5	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>	<b>0.7</b>	<b>1.0</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.5</b>	2.5	<b>0.8</b>	<b>0.4</b>	<b>1.0</b>
	y/y % chng	0.9	1.2	0.6	<b>0.6</b>	<b>0.6</b>	<b>0.1</b>	<b>0.4</b>	<b>0.6</b>	<b>0.8</b>	<b>1.0</b>	<b>1.1</b>	<b>1.2</b>				
CPI All Items	y/y % chng	7.0	6.1	5.5	<b>4.1</b>	<b>3.1</b>	<b>2.8</b>	<b>2.6</b>	<b>2.9</b>	<b>2.4</b>	<b>2.1</b>	<b>1.7</b>	<b>1.6</b>	5.9	<b>5.7</b>	<b>2.9</b>	<b>1.9</b>
Unemployment Rate	%	7.1	7.3	7.4	<b>7.4</b>	<b>7.4</b>	<b>7.3</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	7.3	<b>7.3</b>	<b>7.2</b>	<b>7.0</b>
<b>Italy</b>																	
Real GDP	saar : %	2.3	-1.5	0.4	<b>-0.1</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>0.9</b>	<b>1.0</b>	<b>1.1</b>	<b>1.2</b>	3.9	<b>0.7</b>	<b>0.4</b>	<b>0.9</b>
	y/y % chng	2.1	0.3	0.1	<b>0.3</b>	<b>-0.1</b>	<b>0.4</b>	<b>0.5</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>	<b>1.0</b>				
CPI All Items	y/y % chng	9.4	7.8	5.8	<b>1.4</b>	<b>2.2</b>	<b>2.3</b>	<b>1.9</b>	<b>2.5</b>	<b>2.2</b>	<b>1.8</b>	<b>1.6</b>	<b>1.4</b>	8.7	<b>6.0</b>	<b>2.2</b>	<b>1.8</b>
Unemployment Rate	%	7.9	7.7	7.6	<b>7.8</b>	<b>7.6</b>	<b>7.5</b>	<b>7.4</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>	8.1	<b>7.8</b>	<b>7.5</b>	<b>7.3</b>
<b>China</b>																	
Real GDP	y/y % chng	4.5	6.3	4.9	<b>5.1</b>	<b>3.9</b>	<b>4.6</b>	<b>4.5</b>	<b>4.8</b>	<b>4.8</b>	<b>4.6</b>	<b>4.4</b>	<b>4.2</b>	3.0	<b>5.2</b>	<b>4.4</b>	<b>4.5</b>
CPI All Items	y/y % chng	1.3	0.1	-0.1	<b>0.0</b>	<b>0.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.8</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	2.0	<b>0.3</b>	<b>1.3</b>	<b>2.0</b>
Current Account Balance	% of GDP													2.2	<b>1.5</b>	<b>1.2</b>	<b>1.2</b>
<b>Exchange Rates</b>																	
Yen	¥/US\$	132	137	145	<b>150</b>	<b>148</b>	<b>146</b>	<b>143</b>	<b>141</b>	<b>139</b>	<b>138</b>	<b>137</b>	<b>135</b>	131	<b>141</b>	<b>145</b>	<b>137</b>
Euro	US\$/€	1.07	1.09	1.09	<b>1.08</b>	<b>1.10</b>	<b>1.11</b>	<b>1.11</b>	<b>1.12</b>	<b>1.12</b>	<b>1.13</b>	<b>1.13</b>	<b>1.14</b>	1.05	<b>1.08</b>	<b>1.11</b>	<b>1.13</b>
Pound	US\$/£	1.22	1.25	1.27	<b>1.24</b>	<b>1.26</b>	<b>1.26</b>	<b>1.27</b>	<b>1.27</b>	<b>1.28</b>	<b>1.28</b>	<b>1.29</b>	<b>1.30</b>	1.24	<b>1.24</b>	<b>1.27</b>	<b>1.29</b>
Pound/Euro	£/€	0.88	0.87	0.86	<b>0.87</b>	<b>0.87</b>	<b>0.88</b>	<b>0.88</b>	<b>0.88</b>	<b>0.88</b>	<b>0.88</b>	<b>0.88</b>	<b>0.88</b>	0.85	<b>0.87</b>	<b>0.88</b>	<b>0.88</b>
Yen/Euro	¥/€	142	150	157	<b>162</b>	<b>164</b>	<b>162</b>	<b>160</b>	<b>157</b>	<b>156</b>	<b>156</b>	<b>155</b>	<b>154</b>	138	<b>153</b>	<b>161</b>	<b>155</b>
Yuan	CNY/US\$	6.84	7.01	7.24	<b>7.22</b>	<b>7.12</b>	<b>7.07</b>	<b>7.02</b>	<b>6.97</b>	<b>6.91</b>	<b>6.85</b>	<b>6.78</b>	<b>6.72</b>	6.73	<b>7.08</b>	<b>7.04</b>	<b>6.81</b>

Bolded values represent forecasts

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