

International Economic Outlook for May 23, 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	2.7	2.9
Japan																	
Real GDP	saar : %	-1.6	3.8	1.0	2.4	-0.7	0.1	0.3	0.3	1.0	1.2	1.2	1.2	1.4	0.2	0.7	0.8
	y/y % chng	-0.9	-0.5	0.7	1.4	1.6	0.7	0.5	0.0	0.4	0.7	0.9	1.1				
CPI All Items	y/y % chng	2.5	2.7	2.8	2.9	3.8	3.4	3.1	2.5	2.2	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	0.8	0.8	0.8	0.9	0.9	1.0	0.1	0.3	0.8	0.9
10-Year Government Bond	%	0.7	0.9	0.9	1.0	1.4	1.3	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	0.2	0.5	1.0	1.0	1.0	1.0	1.0	0.4	1.1	1.1	0.9
	y/y % chng	0.7	1.1	1.2	1.5	1.3	0.9	1.0	1.1	0.7	0.9	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	4.1	4.0	3.8	3.8	3.8	3.8	3.8	4.8	5.0	4.1	3.8
10-Year Government Bond	%	4.0	4.2	4.0	4.3	4.6	4.6	4.6	4.6	4.5	4.5	4.4	4.4	4.0	4.1	4.6	4.4
Euro Area																	
Real GDP	saar : %	1.3	0.7	1.7	1.0	1.3	0.2	0.8	1.3	1.3	0.7	0.6	0.6	0.5	0.8	1.0	0.9
	y/y % chng	0.5	0.5	1.0	1.2	1.2	1.1	0.8	0.9	0.9	1.0	1.0	0.8				
CPI All Items	y/y % chng	2.6	2.5	2.2	2.2	2.3	2.3	2.3	2.3	2.4	1.3	1.7	2.2	5.4	2.4	2.3	1.9
Unemployment Rate	%	6.5	6.4	6.3	6.2	6.2	6.3	6.3	6.3	6.2	6.2	6.2	6.2	6.6	6.4	6.3	6.2
3-Month Interest Rate	%	3.9	3.8	3.6	3.0	2.6	2.2	1.9	1.7	1.7	1.7	1.7	1.7	3.4	3.6	2.1	1.7
10-Year Government Bond	%	2.3	2.5	2.3	2.3	2.6	2.5	2.5	2.4	2.3	2.3	2.2	2.2	2.5	2.3	2.5	2.2
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	2.3	2.1	2.4	2.5	1.7	1.9	2.0	6.0	2.5	2.4	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 : %	0.5	1.3	1.8	-0.3	0.5	0.2	0.4	0.5	0.7	0.7	0.7	0.7	1.1	1.1	0.5	0.6
	y/y % chng	1.4	1.0	1.3	0.8	0.8	0.6	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	1.1	1.1	1.2	1.6	1.5	1.6	1.6	5.7	2.3	1.2	1.6
Unemployment Rate	%	7.4	7.4	7.4	7.3	7.3	7.5	7.6	7.6	7.7	7.5	7.5	7.5	7.3	7.4	7.5	7.6
Italy																	
Real GDP	saar : %	0.7	0.8	0.0	0.7	1.0	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	0.5	0.6	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	2.1	1.9	2.4	1.9	1.5	1.5	1.5	5.9	1.1	2.1	1.6
Unemployment Rate	%	7.1	6.7	6.3	6.1	6.0	6.2	6.3	6.5	6.5	6.5	6.3	6.2	7.7	6.6	6.3	6.4
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	145	144	143	142	141	141	140	140	151	146	141
Euro	US\$/€	1.09	1.08	1.10	1.07	1.05	1.12	1.13	1.15	1.16	1.16	1.17	1.18	1.08	1.08	1.11	1.17
Pound	US\$/£	1.27	1.26	1.30	1.28	1.26	1.32	1.34	1.35	1.35	1.36	1.36	1.37	1.24	1.28	1.32	1.36
Pound/Euro	£/€	0.86	0.85	0.84	0.83	0.84	0.85	0.85	0.85	0.85	0.86	0.86	0.86	0.87	0.85	0.85	0.86
Yen/Euro	¥/€	161	168	164	163	160	163	164	163	164	164	165	165	152	164	163	164
Yuan	CNY/US\$	7.19	7.24	7.16	7.19	7.27	7.23	7.15	7.17	7.18	7.17	7.16	7.15	7.08	7.20	7.21	7.16

Bolded values represent forecasts

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