

Canadian Economic Outlook for Nov. 17, 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) | 2.6 | -0.2 | 0.2 | -1.0 | 0.0 | 1.5 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 3.4 | 1.0 | 0.5 | 2.0 |
| Final Sales | 4.3 | 0.6 | 1.6 | -1.7 | -0.3 | 1.1 | 1.5 | 1.9 | 2.0 | 2.0 | 2.0 | 2.0 | 1.3 | 2.5 | 0.3 | 1.9 |
| Final Domestic Demand | 1.2 | 1.0 | 0.9 | -0.9 | 0.4 | 1.4 | 1.8 | 1.9 | 2.0 | 2.0 | 2.0 | 2.0 | 2.7 | 0.6 | 0.7 | 1.9 |
| Consumer Spending | 4.7 | 0.2 | 0.2 | -1.8 | -0.4 | 0.8 | 1.5 | 1.8 | 1.8 | 1.9 | 1.8 | 1.8 | 4.8 | 1.9 | 0.1 | 1.7 |
| Durables | 7.5 | -2.0 | 0.0 | -1.5 | 0.0 | 1.0 | 1.5 | 1.5 | 1.5 | 1.5 | 1.3 | 1.3 | -2.3 | 2.7 | 0.1 | 1.4 |
| Nondurables | 0.1 | 1.6 | -0.5 | -1.5 | 0.0 | 1.0 | 1.5 | 1.5 | 1.5 | 1.5 | 1.3 | 1.3 | 0.0 | -0.3 | 0.2 | 1.4 |
| Services | 4.7 | -0.1 | 0.5 | -2.0 | -0.8 | 0.7 | 1.5 | 2.0 | 2.1 | 2.2 | 2.3 | 2.3 | 8.6 | 2.5 | -0.1 | 2.0 |
| Government Spending | -1.7 | 2.0 | 2.3 | 2.0 | 2.1 | 2.8 | 2.4 | 2.4 | 2.5 | 2.4 | 2.4 | 2.4 | 2.0 | 1.2 | 2.3 | 2.5 |
| Business Investment | 5.7 | 10.3 | 2.2 | -1.7 | 1.0 | 1.5 | 2.3 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 8.0 | 3.4 | 1.5 | 2.0 |
| Non-residential Construction | 8.8 | 9.9 | 2.0 | -1.0 | 1.0 | 1.5 | 2.2 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 8.3 | 7.7 | 1.6 | 2.0 |
| Machinery and Equipment | 0.3 | 11.1 | 2.5 | -3.0 | 1.0 | 1.5 | 2.5 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 7.4 | -3.9 | 1.4 | 2.0 |
| Residential Construction | -19.1 | -8.2 | 0.0 | -4.0 | 0.0 | 0.5 | 1.0 | 0.0 | 1.5 | 1.5 | 1.5 | 1.5 | -11.2 | -13.1 | -1.1 | 1.1 |
| Exports | 10.2 | 0.4 | 2.4 | 1.2 | 1.6 | 2.4 | 2.0 | 2.4 | 2.0 | 2.0 | 2.0 | 2.0 | 2.8 | 5.2 | 1.8 | 2.1 |
| Imports | 0.7 | 1.9 | 0.3 | 3.6 | 3.6 | 3.2 | 2.8 | 2.4 | 2.0 | 2.0 | 2.0 | 2.0 | 7.5 | -0.4 | 2.8 | 2.2 |
| Inventory Change | 2012\$ blns : a.r. | | | | | | | | | | | | | | | |
| Contrib. to GDP Growth | ppts : a.r. | | | | | | | | | | | | | | | |
| Net Exports | 2012\$ 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 | 0.6 | 2.9 | 4.5 | 2.3 | 2.2 | 1.9 | 1.9 | 1.9 | 1.8 | 1.8 | 1.9 | 1.9 | 7.2 | 1.0 | 2.5 | 1.9 |
| CPI All Items | 2.2 | 3.3 | 5.0 | 2.5 | 2.5 | 2.4 | 2.0 | 2.1 | 2.1 | 2.3 | 2.3 | 2.1 | 6.8 | 3.9 | 2.8 | 2.2 |
| Ex. Food and Energy | 3.3 | 3.3 | 3.1 | 3.1 | 2.8 | 2.6 | 2.2 | 2.3 | 2.2 | 2.3 | 2.3 | 2.1 | 5.0 | 3.8 | 2.8 | 2.3 |
| Food Prices | 8.3 | 5.9 | 3.8 | 3.0 | 2.1 | 2.0 | 1.5 | 1.9 | 1.9 | 2.2 | 1.9 | 2.1 | 8.7 | 7.5 | 2.6 | 1.9 |
| Energy Prices | -15.8 | -3.8 | 21.5 | -4.2 | 1.1 | 1.1 | 0.8 | 1.3 | 0.8 | 2.3 | 2.4 | 2.0 | 24.2 | -3.5 | 2.0 | 1.5 |
| Services | 3.1 | 5.6 | 5.1 | 2.0 | 2.5 | 2.4 | 2.1 | 2.3 | 2.2 | 2.3 | 2.3 | 2.1 | 5.0 | 4.5 | 2.8 | 2.3 |
| CPI All Items | y/y % chng | | | | | | | | | | | | | | | |
| CPIX8 | y/y % chng | | | | | | | | | | | | | | | |
| Core CPIs (Trim/Median avg.) | y/y % chng : avg. | | | | | | | | | | | | | | | |
| Financial | % : quarterly avg. | | | | | | | | | | | | | | | |
| Overnight Rate | 4.50 | 4.58 | 5.00 | 5.00 | 5.00 | 5.00 | 4.75 | 4.50 | 4.25 | 4.00 | 3.67 | 3.17 | 2.04 | 4.77 | 4.81 | 3.77 |
| 3-Month T-Bill | 4.39 | 4.54 | 5.02 | 5.05 | 5.00 | 5.00 | 4.85 | 4.55 | 4.30 | 4.05 | 3.70 | 3.25 | 2.17 | 4.75 | 4.85 | 3.80 |
| 90-Day BAS | 5.01 | 5.11 | 5.47 | 5.55 | 5.55 | 5.55 | 5.30 | 5.05 | 4.75 | 4.45 | 4.10 | 3.60 | 2.79 | 5.30 | 5.35 | 4.20 |
| 10-Year Bond Yield | 3.04 | 3.10 | 3.64 | 3.85 | 3.70 | 3.60 | 3.55 | 3.55 | 3.55 | 3.55 | 3.55 | 3.55 | 2.77 | 3.40 | 3.60 | 3.55 |
| 10-Year BBB Corporate Spread | ppts | | | | | | | | | | | | | | | |
| 90 Day Canada/U.S. Spread | bps | | | | | | | | | | | | | | | |
| 10 Year Canada/U.S. Spread | bps | | | | | | | | | | | | | | | |
| Foreign Trade | \$ blns : a.r. | | | | | | | | | | | | | | | |
| Current Account Balance | -12.7 | -26.5 | -8.1 | -12.6 | -15.7 | -18.0 | -20.7 | -21.6 | -23.2 | -24.4 | -25.6 | -26.7 | -9.1 | -15.0 | -19.0 | -25.0 |
| Share of GDP | -0.5 | -0.9 | -0.3 | -0.4 | -0.5 | -0.6 | -0.7 | -0.7 | -0.8 | -0.8 | -0.8 | -0.9 | -0.3 | -0.5 | -0.7 | -0.8 |
| Merchandise Balance | 3.3 | -24.5 | -2.9 | -5.8 | -8.7 | -10.7 | -12.8 | -12.9 | -14.0 | -15.2 | -16.3 | -17.5 | 21.9 | -7.5 | -11.2 | -15.7 |
| Non-Merchandise Balance | -16.0 | -2.0 | -5.2 | -6.9 | -7.0 | -7.3 | -8.0 | -8.7 | -9.2 | -9.3 | -9.2 | -9.2 | -31.0 | -7.5 | -7.8 | -9.2 |
| US\$ | US\$/C\$: qtr. avg. | | | | | | | | | | | | | | | |
| | C\$/US\$: qtr. avg. | | | | | | | | | | | | | | | |
| Yen | ¥/C\$: qtr. avg. | | | | | | | | | | | | | | | |
| Euro | C\$/€ : qtr. avg. | | | | | | | | | | | | | | | |
| Corp. Profits Before Tax | y/y % chng | | | | | | | | | | | | | | | |
| Corp. Profits After Tax | y/y % chng | | | | | | | | | | | | | | | |
| Personal Income | y/y % chng | | | | | | | | | | | | | | | |
| Real Disposable Income | y/y % chng | | | | | | | | | | | | | | | |
| Savings Rate | % : quarterly avg. | | | | | | | | | | | | | | | |
| Other Indicators | quarterly avg. | | | | | | | | | | | | | | | |
| Unemployment Rate | percent | | | | | | | | | | | | | | | |
| Housing Starts | 000s : a.r. | | | | | | | | | | | | | | | |
| Existing Home Sales | y/y % chng | | | | | | | | | | | | | | | |
| MLS Home Price Index | y/y % chng | | | | | | | | | | | | | | | |
| Motor Vehicle Sales | mlns : a.r. | | | | | | | | | | | | | | | |
| Employment Growth | q/q % chng : a.r. | | | | | | | | | | | | | | | |
| Industrial Production | q/q % chng : a.r. | | | | | | | | | | | | | | | |
| Federal Budget Balance | % of FY GDP | | | | | | | | | | | | | | | |

Italicized values represent forecasts

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