

U.S. Economic Outlook for Apr. 9, 2021

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

	q/q % chng : a.r.	2020				2021				2022							
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2019	2020	2021	2022
Production																	
Real GDP (chain-weighted)		-5.0	-31.4	33.4	4.3	5.0	10.0	8.3	4.7	3.8	3.1	2.6	2.3	2.2	-3.5	6.5	4.5
Final Sales		-3.6	-28.1	25.9	2.9	5.3	10.0	8.2	4.7	3.8	3.1	2.6	2.3	2.2	-2.9	5.8	4.5
Final Domestic Demand		-4.6	-27.1	29.8	4.4	6.2	10.4	8.5	4.9	3.7	3.1	2.7	2.4	2.3	-2.7	7.0	4.6
Consumer Spending		-6.9	-33.2	41.0	2.3	7.9	11.1	8.5	4.7	4.2	3.6	2.9	2.6	2.4	-3.9	7.6	4.9
Durables		-12.5	-1.7	82.7	-1.1	22.0	11.0	7.0	4.0	4.0	3.0	2.8	2.5	4.8	6.3	16.2	4.3
Nondurables		7.1	-15.0	31.1	-1.6	9.0	8.5	6.5	4.0	4.0	3.0	2.7	2.6	3.1	2.6	7.0	4.1
Services		-9.8	-41.8	38.0	4.3	4.0	12.0	9.5	5.0	4.3	4.0	3.0	2.5	1.8	-7.3	6.1	5.2
Government Spending		1.3	2.5	-4.8	-0.8	-0.6	9.3	7.8	4.8	0.1	1.1	1.7	1.9	2.3	1.1	2.2	3.0
Business Investment		-6.7	-27.2	22.9	13.1	8.1	7.4	9.3	6.2	5.5	3.2	2.5	2.4	2.9	-4.0	8.0	5.2
Non-residential Construction		-3.7	-33.6	-17.4	-6.2	1.0	8.0	16.0	9.0	8.0	4.0	3.0	2.0	-0.6	-11.0	-2.2	7.3
Equipment		-15.2	-35.9	68.2	25.4	14.0	9.0	8.0	6.0	5.0	3.0	2.0	2.0	2.1	-5.0	15.0	4.8
Intellectual Property		2.4	-11.4	8.4	10.5	3.0	5.0	8.0	5.0	5.0	3.0	3.0	3.0	6.4	1.7	5.2	4.6
Residential Construction		19.0	-35.6	63.0	36.6	1.0	14.0	8.0	6.0	5.0	3.0	2.8	2.7	-1.7	6.1	13.9	5.3
Exports		-9.5	-64.4	59.6	22.3	7.6	5.3	5.6	4.3	3.0	2.5	2.0	1.9	-0.1	-12.9	6.7	3.4
Imports		-15.0	-54.1	93.1	29.8	11.8	9.1	8.0	5.7	3.0	2.5	2.5	2.5	1.1	-9.3	14.6	4.4
Inventory Change	2012\$ blns : a.r.	-80.9	-287.0	-3.7	62.1	49.9	53.9	58.9	58.9	59.9	59.9	60.9	60.9	45.3	-76.4	55.4	60.4
Contrib. to GDP Growth	ppts : a.r.	-1.3	-3.5	6.6	1.4	-0.3	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	-0.6	0.7	0.0
Net Exports	2012\$ blns : a.r.	-788.0	-775.1	-1019.0	-1122.0	-1176.0	-1222.5	-1259.5	-1285.4	-1295.0	-1307.6	-1318.8	-1330.7	-917.6	-926.0	-1235.8	-1313.0
Contrib. to GDP Growth	ppts : a.r.	1.1	0.6	-3.2	-1.5	-1.1	-1.0	-0.8	-0.5	-0.2	-0.2	-0.2	-0.2	-0.2	0.0	-1.7	-0.4
Nominal GDP	\$ blns : a.r.	21,561	19,520	21,170	21,495	21,896	22,543	23,125	23,500	23,827	24,117	24,388	24,643	21,433	20,937	22,766	24,244
Growth	q/q % chng : a.r.	-3.4	-32.8	38.4	6.3	7.7	12.4	10.7	6.7	5.7	5.0	4.6	4.2	4.0	-2.3	8.7	6.5
Real GDP	y/y % chng	0.3	-9.0	-2.8	-2.4	0.1	12.6	6.9	7.0	6.7	4.9	3.5	2.9				
Inflation	q/q % chng : a.r.																
GDP Price Index		1.4	-1.8	3.5	2.0	2.4	2.1	2.3	1.9	1.8	1.9	1.9	1.9	1.8	1.2	2.1	1.9
Core PCE Deflator		1.6	-0.8	3.4	1.3	2.2	1.4	2.5	2.0	2.0	2.0	2.2	2.1	1.7	1.4	1.8	2.1
CPI All Items		1.0	-3.1	4.7	2.4	3.3	2.4	2.6	2.0	2.1	2.1	2.2	2.1	1.8	1.2	2.6	2.2
Ex. Food and Energy		2.0	-1.1	4.0	1.8	1.0	1.6	2.7	2.3	2.2	2.3	2.4	2.4	2.2	1.7	1.8	2.3
Food Prices		2.8	9.8	1.6	1.6	2.0	2.8	2.9	2.6	2.3	2.0	2.0	2.0	1.9	3.4	2.6	2.3
Energy Prices		-12.0	-43.7	23.6	13.4	41.3	10.9	0.0	-2.1	1.0	-0.1	-0.2	-0.2	-2.1	-8.3	12.4	0.4
Services		2.6	-0.4	3.0	1.7	1.4	2.5	2.4	2.4	2.3	2.0	2.0	2.0	2.7	2.1	1.9	2.2
CPI All Items	y/y % chng	2.1	0.4	1.3	1.2	1.8	3.2	2.7	2.6	2.3	2.2	2.1	2.1				
Ex. Food and Energy	y/y % chng	2.2	1.3	1.7	1.6	1.4	2.1	1.8	1.9	2.2	2.4	2.3	2.3				
Core PCE Deflator	y/y % chng	1.8	1.0	1.4	1.4	1.5	2.1	1.8	2.0	2.0	2.1	2.0	2.1				
Financial	% : quarterly avg.																
Fed Funds Rate		1.13	0.13	0.13	0.13	0.13	0.13	2.13	0.38	0.13	0.13						
90-Day T-Bill		1.13	0.14	0.11	0.09	0.05	0.05	0.10	0.10	0.10	0.10	0.10	0.10	2.10	0.37	0.05	0.10
3-Month Libor		1.53	0.66	0.25	0.22	0.20	0.25	2.34	0.67	0.25	0.25						
10-Year Bond Yield		1.38	0.69	0.65	0.86	1.32	1.70	1.70	1.75	1.80	1.85	1.90	2.00	2.14	0.89	1.60	1.90
10-Year BBB Corporate Spread	ppts	2.16	2.78	1.93	1.62	1.30	1.31	1.37	1.42	1.47	1.53	1.58	1.63	1.80	2.12	1.35	1.55
Foreign Trade	\$ blns : a.r.																
Current Account Balance		-458	-653	-724	-754	-807	-848	-881	-904	-914	-928	-940	-958	-480	-647	-860	-935
Share of GDP		-2.1	-3.3	-3.4	-3.5	-3.7	-3.8	-3.8	-3.8	-3.8	-3.8	-3.9	-3.9	-2.2	-3.1	-3.8	-3.9
Merchandise Balance		-775	-886	-990	-1012	-1074	-1118	-1157	-1187	-1202	-1219	-1235	-1251	-864	-916	-1134	-1227
Non-Merchandise Balance		316	233	266	258	267	270	277	283	288	291	294	293	384	268	274	292
Yen	¥/US\$: qtr. avg.	109	108	106	104	106	111	109	106	105	104	104	103	109	107	108	104
Euro	US\$/€ : qtr. avg.	1.10	1.10	1.17	1.19	1.21	1.16	1.17	1.17	1.18	1.19	1.19	1.20	1.12	1.14	1.18	1.19
Pound	US\$/£ : qtr. avg.	1.28	1.24	1.29	1.32	1.38	1.39	1.40	1.41	1.41	1.41	1.42	1.42	1.28	1.28	1.39	1.42
Trade-Wt. Dollar (broad)	Jan. '97 = 100	117.8	122.1	117.6	114.2	112.6	114.4	114.2	113.2	112.2	111.7	111.1	110.5	115.7	117.9	113.6	111.4
WTI Spot	US\$/bbl : qtr. avg.	45.8	27.8	40.9	42.5	57.8	62.0	61.0	59.0	58.5	57.5	56.5	55.5	57.0	39.3	60.0	57.0
Henry Hub Spot	US\$/mmbtu : qtr. avg.	1.9	1.7	2.0	2.5	3.6	2.4	2.3	2.6	2.6	2.4	2.4	2.7	2.6	2.0	2.7	2.5
Incomes	y/y % chng																
Pre-Tax Profits w/IVAs, CCA		-6.7	-19.3	3.5	-0.7	14.8	31.8	6.1	9.3	8.8	7.0	5.5	4.9	0.3	-5.8	14.6	6.5
Personal Income		3.2	10.7	6.8	4.0	15.7	-0.9	2.9	4.5	-6.2	2.5	2.7	3.9	3.9	6.1	5.4	0.6
Real Disposable Income		1.4	12.2	6.4	3.1	14.3	-4.8	0.0	2.0	-8.0	0.5	0.8	2.0	2.2	5.8	2.7	-1.3
Savings Rate	% : quarterly avg.	9.6	26.0	15.7	13.0	20.4	11.5	9.9	8.2	7.8	7.4	7.2	7.1	7.5	16.3	12.6	7.4
Other Indicators	quarterly avg.																
Unemployment Rate	percent	3.8	13.0	8.8	6.7	6.2	5.6	5.0	4.6	4.3	4.						

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