

# International Economic Outlook for Nov. 26, 2021

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

		2020				2021				2022				2020	2021	2022	2023
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>Global GDP Growth</b>	y/y % chng													-3.1	<b>5.8</b>	<b>4.6</b>	<b>4.0</b>
<b>Japan</b>																	
Real GDP	saar : %	-2.3	-28.2	23.5	11.8	-4.1	1.5	-3.0	<b>3.5</b>	<b>4.0</b>	<b>3.5</b>	<b>3.0</b>	<b>2.5</b>	-4.7	<b>1.7</b>	<b>2.5</b>	<b>2.0</b>
	y/y % chng	-2.2	-10.2	-5.4	-0.8	-1.3	7.7	1.3	<b>-0.6</b>	<b>1.4</b>	<b>2.0</b>	<b>3.5</b>	<b>3.2</b>				
CPI All Items	y/y % chng	0.7	0.1	0.0	-0.9	-0.5	-0.7	-0.2	<b>0.6</b>	<b>0.7</b>	<b>0.4</b>	<b>-0.2</b>	<b>0.1</b>	0.0	<b>-0.2</b>	<b>0.2</b>	<b>0.8</b>
Unemployment Rate	%	2.4	2.7	3.0	3.0	2.8	2.9	<b>2.9</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	2.8	<b>2.9</b>	<b>3.0</b>	<b>2.5</b>
3-Month Interest Rate	%	-0.1	0.0	-0.1	-0.1	-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>	-0.1	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>
10-Year Government Bond	%	0.0	0.0	0.0	0.0	0.1	0.1	0.0	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	0.0	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>United Kingdom</b>																	
Real GDP	saar : %	-10.4	-58.1	90.2	4.5	-5.3	23.9	5.1	<b>0.0</b>	<b>3.0</b>	<b>3.0</b>	<b>4.0</b>	<b>4.0</b>	-9.7	<b>6.6</b>	<b>4.0</b>	<b>3.5</b>
	y/y % chng	-2.2	-21.4	-8.1	-7.1	-5.8	23.6	6.6	<b>5.4</b>	<b>7.6</b>	<b>2.8</b>	<b>2.5</b>	<b>3.5</b>				
CPI All Items	y/y % chng	1.7	0.6	0.6	0.5	0.6	2.1	2.8	<b>4.5</b>	<b>4.8</b>	<b>3.6</b>	<b>2.3</b>	<b>1.4</b>	0.9	<b>2.5</b>	<b>3.0</b>	<b>2.0</b>
Unemployment Rate	%	4.0	4.2	4.8	5.1	4.9	4.7	<b>4.4</b>	<b>4.6</b>	<b>4.5</b>	<b>4.5</b>	<b>4.6</b>	<b>4.7</b>	4.5	<b>4.7</b>	<b>4.6</b>	<b>4.5</b>
3-Month Interest Rate	%	0.7	0.4	0.1	0.0	0.1	0.1	0.1	<b>0.2</b>	<b>0.3</b>	<b>0.3</b>	<b>0.5</b>	<b>0.6</b>	0.3	<b>0.1</b>	<b>0.4</b>	<b>0.9</b>
10-Year Government Bond	%	0.5	0.3	0.2	0.3	0.5	0.8	0.7	<b>1.1</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>	0.3	<b>0.8</b>	<b>1.2</b>	<b>1.5</b>
<b>Euro Area</b>																	
Real GDP	saar : %	-13.2	-39.2	60.7	-1.5	-1.2	8.7	9.3	<b>4.9</b>	<b>3.7</b>	<b>4.0</b>	<b>4.2</b>	<b>3.9</b>	-6.5	<b>5.2</b>	<b>5.0</b>	<b>2.5</b>
	y/y % chng	-3.0	-14.5	-4.0	-4.4	-1.2	14.2	3.7	<b>5.3</b>	<b>6.6</b>	<b>5.4</b>	<b>4.2</b>	<b>3.9</b>				
CPI All Items	y/y % chng	1.1	0.2	0.0	-0.3	1.1	1.8	2.8	<b>4.1</b>	<b>3.8</b>	<b>2.6</b>	<b>2.4</b>	<b>1.5</b>	0.3	<b>2.5</b>	<b>2.6</b>	<b>1.5</b>
Unemployment Rate	%	7.3	7.6	8.5	8.2	8.1	8.0	7.5	<b>7.5</b>	<b>7.4</b>	<b>7.4</b>	<b>7.3</b>	<b>7.3</b>	7.9	<b>7.8</b>	<b>7.4</b>	<b>7.3</b>
3-Month Interest Rate	%	-0.4	-0.3	-0.5	-0.5	-0.6	-0.5	-0.6	<b>-0.6</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.6</b>	-0.4	<b>-0.6</b>	<b>-0.6</b>	<b>-0.6</b>
10-Year Government Bond	%	-0.4	-0.4	-0.5	-0.6	-0.4	-0.2	-0.4	<b>-0.2</b>	<b>-0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.2</b>	-0.5	<b>-0.3</b>	<b>0.0</b>	<b>0.3</b>
<b>Germany</b>																	
Real GDP	saar : %	-6.9	-34.4	41.4	3.0	-7.3	8.3	6.9	<b>2.5</b>	<b>4.5</b>	<b>6.5</b>	<b>7.0</b>	<b>6.5</b>	-4.9	<b>2.8</b>	<b>5.5</b>	<b>4.0</b>
	y/y % chng	-1.9	-11.3	-3.7	-2.9	-3.0	10.0	2.6	<b>2.4</b>	<b>5.5</b>	<b>5.1</b>	<b>5.1</b>	<b>6.1</b>				
CPI All Items	y/y % chng	1.6	0.7	-0.2	-0.6	1.7	2.2	3.5	<b>4.6</b>	<b>2.7</b>	<b>2.7</b>	<b>1.9</b>	<b>1.7</b>	0.4	<b>3.0</b>	<b>2.2</b>	<b>1.1</b>
Unemployment Rate	%	5.0	6.1	6.3	6.2	6.0	5.9	5.5	<b>5.5</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	5.9	<b>5.7</b>	<b>5.0</b>	<b>4.5</b>
<b>France</b>																	
Real GDP	saar : %	-20.9	-43.9	97.3	-4.3	0.3	5.3	12.6	<b>3.0</b>	<b>5.0</b>	<b>4.0</b>	<b>3.5</b>	<b>3.3</b>	-8.0	<b>6.8</b>	<b>5.0</b>	<b>2.0</b>
	y/y % chng	-5.4	-18.6	-3.6	-4.3	1.5	18.8	3.3	<b>5.2</b>	<b>6.4</b>	<b>6.1</b>	<b>3.9</b>	<b>3.9</b>				
CPI All Items	y/y % chng	1.3	0.4	0.3	0.1	1.0	1.8	2.2	<b>3.1</b>	<b>2.4</b>	<b>2.3</b>	<b>1.8</b>	<b>1.1</b>	0.5	<b>2.0</b>	<b>1.9</b>	<b>1.0</b>
Unemployment Rate	%	7.8	7.4	8.9	8.0	8.0	8.2	7.9	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	8.0	<b>7.9</b>	<b>7.5</b>	<b>7.4</b>
<b>Italy</b>																	
Real GDP	saar : %	-20.9	-42.4	78.8	-6.5	1.0	11.1	10.8	<b>0.5</b>	<b>4.0</b>	<b>3.5</b>	<b>4.0</b>	<b>4.0</b>	-9.0	<b>6.1</b>	<b>4.5</b>	<b>2.0</b>
	y/y % chng	-5.8	-18.1	-5.4	-6.6	-0.7	17.0	3.8	<b>5.7</b>	<b>6.5</b>	<b>4.6</b>	<b>3.0</b>	<b>3.9</b>				
CPI All Items	y/y % chng	0.2	-0.2	-0.2	-0.4	0.7	1.1	2.1	<b>3.0</b>	<b>2.4</b>	<b>2.4</b>	<b>1.5</b>	<b>1.0</b>	-0.1	<b>1.7</b>	<b>1.8</b>	<b>1.0</b>
Unemployment Rate	%	8.9	8.5	10.1	9.9	10.1	9.8	9.2	<b>9.0</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	9.3	<b>9.5</b>	<b>8.5</b>	<b>8.5</b>
<b>China</b>																	
Real GDP	y/y % chng	-6.8	3.2	4.9	6.5	18.3	7.9	4.9	<b>3.5</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>	2.3	<b>8.0</b>	<b>5.5</b>	<b>5.0</b>
CPI All Items	y/y % chng	5.0	2.7	2.3	0.1	0.0	1.1	0.8	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	2.5	<b>1.0</b>	<b>3.0</b>	<b>2.5</b>
Current Account Balance	% of GDP													2.0	<b>1.7</b>	<b>1.5</b>	<b>1.3</b>
<b>Exchange Rates</b>																	
Yen	¥/US\$	109	108	106	104	106	109	110	<b>114</b>	<b>114</b>	<b>114</b>	<b>113</b>	<b>113</b>	107	<b>110</b>	<b>113</b>	<b>112</b>
Euro	US\$/€	1.10	1.10	1.17	1.19	1.21	1.21	1.18	<b>1.14</b>	<b>1.11</b>	<b>1.11</b>	<b>1.12</b>	<b>1.12</b>	1.14	<b>1.18</b>	<b>1.12</b>	<b>1.13</b>
Pound	US\$/£	1.28	1.24	1.29	1.32	1.38	1.40	1.38	<b>1.36</b>	<b>1.35</b>	<b>1.35</b>	<b>1.35</b>	<b>1.35</b>	1.28	<b>1.38</b>	<b>1.35</b>	<b>1.36</b>
Pound/Euro	£/€	0.86	0.89	0.90	0.90	0.87	0.86	0.86	<b>0.84</b>	<b>0.82</b>	<b>0.83</b>	<b>0.83</b>	<b>0.83</b>	0.89	<b>0.86</b>	<b>0.83</b>	<b>0.83</b>
Yen/Euro	¥/€	120	118	124	125	128	132	130	<b>129</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>	122	<b>130</b>	<b>127</b>	<b>126</b>
Yuan	CNY/US\$	6.98	7.08	6.91	6.62	6.48	6.46	6.47	<b>6.40</b>	<b>6.41</b>	<b>6.42</b>	<b>6.43</b>	<b>6.45</b>	6.90	<b>6.45</b>	<b>6.43</b>	<b>6.42</b>

Bolded values represent forecasts

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