

U.S. Economic Outlook for June 7, 2024

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

	2023	Q1	Q2	Q3	Q4	2024	Q1	Q2	Q3	Q4	2025	Q1	Q2	Q3	Q4	2022	2023	2024	2025
Production	q/q % chng : a.r.																		
Real GDP (chain-weighted)		2.2	2.1	4.9	3.4		1.3	1.4	1.3	1.6		2.0	1.9	2.0	2.0	1.9	2.5	2.2	1.8
Final Sales		4.6	2.1	3.6	3.9		1.7	1.0	1.4	1.6		2.0	1.9	2.0	2.0	1.3	2.9	2.2	1.8
Final Domestic Demand		3.8	2.0	3.5	3.6		2.5	1.7	1.4	1.6		2.0	1.9	2.0	2.0	1.7	2.3	2.5	1.8
Consumer Spending		3.8	0.8	3.1	3.3		2.0	2.0	1.5	1.7		2.1	1.9	2.0	2.1	2.5	2.2	2.2	1.9
Durables		14.0	-0.3	6.7	3.2		-4.1	2.0	1.5	1.6		2.2	2.3	2.5	2.5	-0.3	4.2	1.0	2.1
Nondurables		0.5	0.9	3.9	2.9		-0.6	1.5	1.5	1.6		2.0	2.0	2.2	2.2	0.6	0.8	1.5	1.9
Services		3.1	1.0	2.2	3.4		3.9	2.1	1.5	1.7		2.1	1.8	1.9	2.0	3.7	2.3	2.6	1.9
Government Spending		4.8	3.3	5.8	4.6		1.3	1.5	0.3	0.5		1.0	1.4	1.1	1.1	-0.9	4.1	2.5	1.0
Business Investment		5.7	7.4	1.4	3.7		3.3	2.7	2.3	2.4		2.3	2.4	2.4	2.4	5.2	4.5	3.1	2.4
Non-residential Construction		30.3	16.1	11.2	10.9		0.4	-0.5	1.5	1.5		1.8	2.0	2.0	2.0	-2.1	13.2	4.5	1.6
Equipment		-4.1	7.7	-4.4	-1.1		0.3	4.0	2.0	1.5		1.8	2.0	2.0	2.0	5.2	-0.3	0.8	2.0
Intellectual Property		3.8	2.7	1.8	4.3		7.9	3.0	3.0	3.5		3.0	3.0	3.0	3.0	9.1	4.5	4.3	3.1
Residential Construction		-5.3	-2.2	6.7	2.8		15.4	-5.0	2.4	2.5		2.5	2.5	2.3	2.2	-9.0	-10.6	4.4	2.0
Exports		6.8	-9.3	5.4	5.1		1.2	-0.3	1.5	1.8		2.1	2.3	2.3	2.1	7.0	2.6	1.5	1.9
Imports		1.3	-7.6	4.2	2.2		7.7	5.4	1.5	2.0		2.0	2.3	2.3	2.2	8.6	-1.7	3.6	2.3
Inventory Change	2017\$ blns : a.r.	27.2	14.9	77.8	54.9		27.8	55.0	50.0	50.0		50.0	50.0	50.0	50.0	127.0	44.0	45.8	50.0
Contrib. to GDP Growth	ppts : a.r.	-2.2	0.0	1.3	-0.5		-0.5	0.5	-0.1	0.0		0.0	0.0	0.0	0.0	0.5	-0.4	0.0	0.0
Net Exports	2017\$ blns : a.r.	-935.1	-928.2	-930.7	-918.5		-975.3	-1,023.7	-1,027.5	-1,033.9		-1,038.4	-1,044.3	-1,050.3	-1,056.6	-1,051.0	-928.1	-1,015.1	-1,047.4
Contrib. to GDP Growth	ppts : a.r.	0.6	0.0	0.0	0.2		-0.9	-0.8	-0.1	-0.1		-0.1	-0.1	-0.1	-0.1	-0.5	0.6	-0.4	-0.1
Nominal GDP	\$ blns : a.r.	26,814	27,063	27,610	27,957		28,256	28,535	28,778	29,044		29,328	29,615	29,910	30,207	25,744	27,361	28,653	29,765
Growth	q/q % chng : a.r.	6.3	3.8	8.3	5.1		4.3	4.0	3.5	3.8		4.0	4.0	4.0	4.0	9.1	6.3	4.7	3.9
Real GDP	y/y % chng	1.7	2.4	2.9	3.1		2.9	2.7	1.8	1.4		1.6	1.7	1.9	2.0				
Inflation	q/q % chng : a.r.																		
GDP Price Index		3.9	1.7	3.3	1.6		3.0	2.5	2.1	2.2		2.0	2.0	2.0	2.0	7.1	3.6	2.5	2.1
Core PCE Deflator		5.0	3.7	2.0	2.0		3.6	3.1	2.5	2.3		2.1	2.1	2.1	2.2	5.2	4.1	2.8	2.3
CPI All Items		3.8	3.0	3.4	2.7		3.8	3.6	2.3	2.4		2.1	2.3	2.2	2.3	8.0	4.1	3.2	2.3
Ex. Food and Energy		4.9	4.7	3.0	3.4		4.2	3.6	2.7	2.5		2.3	2.3	2.3	2.4	6.2	4.8	3.5	2.5
Food Prices		5.1	1.6	2.4	2.8		2.6	0.8	1.2	1.4		1.9	2.2	1.7	1.4	10.0	5.8	1.9	1.7
Energy Prices		-8.8	-11.6	10.7	-4.4		1.2	9.0	0.8	3.7		0.5	2.1	2.1	2.1	25.0	-4.9	1.9	2.2
Services		6.6	4.0	4.5	5.1		6.6	4.7	3.1	2.5		2.3	2.3	2.3	2.4	6.2	6.0	4.8	2.6
CPI All Items	y/y % chng	5.7	4.0	3.6	3.2		3.2	3.4	3.1	3.0		2.6	2.3	2.3	2.2				
Ex. Food and Energy	y/y % chng	5.5	5.2	4.4	4.0		3.8	3.5	3.5	3.2		2.8	2.5	2.4	2.3				
Core PCE Deflator	y/y % chng	4.8	4.6	3.8	3.2		2.8	2.7	2.8	2.9		2.5	2.3	2.2	2.2				
Financial	% : quarterly avg.																		
Fed Funds Rate		4.63	5.04	5.38	5.38		5.38	5.38	5.29	5.04		4.79	4.54	4.38	4.21	1.90	5.10	5.27	4.48
90-Day T-Bill		4.78	5.27	5.53	5.52		5.45	5.45	5.45	5.20		4.95	4.65	4.40	4.25	2.08	5.28	5.40	4.55
1-Year T-Bill		4.77	4.95	5.39	5.22		4.90	5.15	5.00	4.80		4.60	4.40	4.25	4.15	2.79	5.08	4.95	4.35
10-Year Bond Yield		3.65	3.59	4.15	4.44		4.16	4.45	4.25	4.05		4.00	4.00	3.95	3.95	2.95	3.96	4.25	3.95
10-Year BBB Corporate Spread	ppts	1.66	1.71	1.50	1.42		1.21	1.13	1.23	1.37		1.52	1.66	1.80	1.95	1.70	1.57	1.24	1.73
Foreign Trade	\$ blns : a.r.																		
Current Account Balance		-851	-860	-786	-779		-873	-927	-934	-947		-959	-972	-981	-990	-972	-819	-920	-975
Share of GDP		-3.2	-3.2	-2.8	-2.8		-3.1	-3.2	-3.2	-3.3		-3.3	-3.3	-3.3	-3.3	-3.8	-3.0	-3.2	-3.3
Merchandise Balance		-1,047	-1,095	-1,037	-1,060		-1,137	-1,183	-1,193	-1,206		-1,218	-1,231	-1,244	-1,257	-1,183	-1,060	-1,180	-1,237
Non-Merchandise Balance		196	236	251	281		264	256	259	259		259	259	263	267	211	241	259	262
Yen	¥/US\$: qtr. avg.	132	137	145	148		149	155	153	151		149	148	147	145	131	140	152	147
Euro	US\$/€ : qtr. avg.	1.07	1.09	1.09	1.08		1.09	1.08	1.08	1.09		1.10	1.10	1.11	1.12	1.05	1.08	1.08	1.11
Pound	US\$/£ : qtr. avg.	1.22	1.25	1.27	1.24		1.27	1.26	1.27	1.28		1.28	1.29	1.29	1.30	1.24	1.24	1.27	1.29
Trade-Wt. Dollar (broad)	Jan. '97 = 100	120.3	119.6	120.2	121.8		121.0	122.3	121.7	120.8		120.0	119.2	118.5	117.7	120.7	120.5	121.5	118.8
WTI Spot	US\$/bbl : qtr. avg.	76.1	73.8	82.3	78.3		77.3	80.7	81.0	81.0		80.0	80.0	80.0	80.0	94.6	77.6	80.0	80.0
Henry Hub Spot	US\$/mmbtu : qtr. avg.	2.7	2.2	2.6	2.7		2.1	2.1	2.8	3.0		3.5	3.0	3.0	3.5	6.4	2.5	2.5	3.3
Incomes	y/y % chng																		
Pre-Tax Profits w/IVAs, CCA		4.6	-2.7	-0.6	5.1		7.2	8.0	5.3	2.2		3.8	3.8	3.9	4.0	9.8	1.5	5.6	3.9
Personal Income		5.8	5.6	4.8	4.4		4.5	4.5	4.6	4.9		4.2	4.3	4.4	4.4	2.0	5.1	4.6	4.3
Real Disposable Income		3.7	4.9	4.1	3.8		1.6	1.1	1.5	1.7		1.8	2.1	2.3	2.3	-6.0	4.1	1.5	2.1
Savings Rate	% : quarterly avg.	4.8	5.1	4.3	3.7		3.8	3.7	3.8	3.8		3.9	4.0	4.1	4.1	3.3	4.5	3.8	4.0
Other Indicators	quarterly avg.																		
Unemployment Rate	percent	3.5	3.6	3.7	3.8		3.8	4.0	4.1	4.2		4.2	4.2	4.1	4.0	3.6	3.6	4.0	4.1
Housing Starts	mlns : a.r.	1.37	1.46	1.38	1.48		1.40	1.39	1.44	1.46		1.47	1.47	1.48	1.49	1.55</			

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