

Canadian Economic Outlook for Oct. 16, 2020

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

		Q1	Q2	Q3	Q4	2019	2020	2021	2018	2019	2020	2021	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019	2020	2021
Production		<i>q/q % chng : a.r.</i>											
Real GDP (chain-weighted)		1.2	3.2	1.1	0.6	-8.2	-38.7	46.0	3.9	7.7	5.3	4.0	3.2
Final Sales		-0.8	4.5	3.1	0.4	-7.1	-32.7	37.5	3.8	5.8	4.9	3.8	3.2
Final Domestic Demand		3.4	0.1	3.2	0.8	-7.5	-37.4	39.4	4.3	5.8	4.7	3.9	3.3
Consumer Spending		2.4	0.4	2.2	1.8	-12.4	-43.0	50.1	6.3	6.9	5.1	4.2	3.4
Durables		5.1	-3.0	0.8	-1.3	-31.1	-49.8	81.0	10.0	10.0	7.0	4.5	4.0
Non-durables		1.5	-0.4	1.9	1.1	12.2	-13.8	8.0	2.0	3.0	2.0	2.5	2.0
Services		2.1	1.4	2.8	3.3	-14.0	-51.8	63.0	7.0	7.8	6.0	5.0	4.0
Government Spending		3.0	0.4	2.7	1.0	-0.2	-11.6	7.2	0.7	2.0	2.5	2.3	2.0
Business Investment		21.5	-7.8	3.1	-4.8	-2.7	-56.7	56.6	6.0	8.7	6.7	5.5	4.7
Non-residential Construction		6.9	1.6	7.7	0.7	6.9	-51.5	52.0	6.0	8.0	6.0	5.0	4.5
Machinery and Equipment		46.9	-20.3	-3.7	-13.2	-17.2	-64.6	65.0	6.0	10.0	8.0	6.5	5.0
Residential Construction		-4.0	7.2	13.8	1.2	-3.0	-47.6	75.0	2.0	8.0	8.0	5.0	5.0
Exports		-2.7	9.0	-0.4	-4.5	-8.6	-55.6	86.2	23.1	5.0	2.3	3.3	3.2
Imports		10.0	-4.4	0.2	-3.2	-9.9	-64.1	90.7	24.1	4.7	2.0	3.4	3.3
Inventory Change	<i>2012S blns : a.r.</i>	23.8	18.8	8.4	9.4	4.3	-37.9	-0.1	0.7	10.0	12.2	13.0	13.1
Contrib. to GDP Growth	<i>ppts : a.r.</i>	1.8	-1.0	-1.9	0.2	-1.0	-7.7	8.5	0.2	1.8	0.4	0.1	0.0
Net Exports	<i>2012S blns : a.r.</i>	-13.0	8.9	8.0	5.7	7.9	33.6	35.7	36.3	37.2	37.8	38.0	38.1
Contrib. to GDP Growth	<i>ppts : a.r.</i>	-4.3	4.4	-0.2	-0.4	0.5	4.0	-2.6	-0.6	0.0	0.1	-0.1	-0.1
Nominal GDP	<i>\$ blns : a.r.</i>	2,262	2,306	2,312	2,336	2,275	1,990	2,220	2,255	2,305	2,346	2,381	2,412
Growth	<i>q/q % chng : a.r.</i>	6.0	8.0	1.1	4.2	-9.9	-41.5	54.9	6.4	9.2	7.3	6.1	5.3
Real GDP	<i>y/y % chng</i>	1.5	2.0	1.6	1.5	-0.9	-13.0	-4.6	-3.9	0.0	14.5	5.2	5.0
Inflation		<i>q/q % chng : a.r.</i>											
GDP Price Index		4.9	4.5	0.0	3.3	-1.8	-4.6	6.1	2.4	1.4	1.9	2.1	2.0
CPI All Items		1.7	3.3	1.6	1.7	0.5	-3.3	2.8	1.3	1.6	1.7	1.7	1.6
Ex. Food and Energy		1.9	2.7	2.1	1.1	1.4	-0.4	0.1	1.2	1.5	1.6	1.6	1.5
Food Prices		3.9	2.7	4.0	2.9	1.2	4.3	-0.7	1.3	2.0	2.1	1.8	2.1
Energy Prices		-7.8	20.5	-8.5	3.4	-14.0	-42.3	47.2	2.0	2.5	2.8	2.4	2.0
Services		1.9	3.8	3.8	-1.3	1.8	2.0	0.9	1.4	1.9	2.4	2.3	1.5
CPI All Items	<i>y/y % chng</i>	1.6	2.1	1.9	2.1	1.8	0.0	0.4	0.3	0.6	1.9	1.6	1.7
CPIX8	<i>y/y % chng</i>	1.6	1.9	1.9	1.8	1.7	1.0	0.8	0.8	0.8	1.6	1.7	1.9
New Core CPIs	<i>y/y % chng : avg.</i>	1.9	2.0	2.0	2.0	1.9	1.7	1.5	1.1	1.2	1.4	1.7	1.9
Financial		<i>% : quarterly avg.</i>											
Overnight Rate		1.75	1.75	1.75	1.75	1.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
3-Month T-Bill		1.65	1.67	1.64	1.66	1.29	0.22	0.16	0.10	0.10	0.10	0.10	0.10
90-Day BAs		2.14	2.00	1.96	1.99	1.81	0.66	0.52	0.50	0.45	0.40	0.40	0.40
10-Year Bond Yield		1.86	1.62	1.36	1.52	1.20	0.59	0.55	0.60	0.70	0.75	0.80	0.85
10-Year BBB Corporate Spread	<i>ppts</i>	2.10	1.92	1.86	1.85	2.03	2.72	2.15	2.10	2.15	2.20	2.20	2.20
90 Day Canada/U.S. Spread	<i>bps</i>	-79	-68	-38	5	16	8	5	1	1	1	1	1
10 Year Canada/U.S. Spread	<i>bps</i>	-80	-72	-43	-28	-18	-10	-10	-16	-16	-15	-14	-14
Foreign Trade		<i>\$ blns : a.r.</i>											
Current Account Balance		-69.3	-35.7	-45.9	-37.2	-52.9	-34.5	-32.9	-31.9	-33.5	-33.7	-33.7	-35.1
Share of GDP		-3.1	-1.5	-2.0	-1.6	-2.3	-1.7	-1.5	-1.4	-1.5	-1.4	-1.4	-1.5
Merchandise Balance		-37.2	-8.3	-16.7	-11.6	-34.7	-30.8	-29.2	-27.5	-28.4	-27.1	-24.5	-23.3
Non-Merchandise Balance		-32.1	-27.4	-29.1	-25.6	-18.2	-3.8	-3.7	-4.4	-5.0	-6.6	-9.2	-11.8
US\$	<i>US\$/C\$: qtr. avg.</i>	75.2	74.8	75.7	75.8	74.4	72.2	75.1	75.7	75.9	76.2	76.5	76.8
	<i>C\$/US\$: qtr. avg.</i>	1.329	1.338	1.321	1.320	1.343	1.385	1.332	1.321	1.317	1.312	1.307	1.302
Yen	<i>¥/C\$: qtr. avg.</i>	82.9	82.2	81.3	82.4	81.1	77.6	79.7	79.6	80.0	80.7	81.4	82.1
Euro	<i>€/C\$: qtr. avg.</i>	1.51	1.50	1.47	1.46	1.48	1.53	1.56	1.55	1.56	1.57	1.58	1.58
Corp. Profits Before Tax	<i>y/y % chng</i>	-15.3	-8.9	-19.6	-1.2	-13.8	-51.0	-40.6	-22.8	1.3	66.3	53.2	22.3
Corp. Profits After Tax	<i>y/y % chng</i>	-1.5	1.5	-6.5	-1.6	-4.1	-42.0	-34.3	-14.2	1.3	66.3	53.2	22.3
Personal Income	<i>y/y % chng</i>	4.2	5.2	5.0	5.1	4.4	8.2	-0.7	-1.9	-1.2	-5.3	3.4	3.8
Real Disposable Income	<i>y/y % chng</i>	2.1	2.9	3.2	3.1	3.2	14.1	4.5	3.2	3.1	-7.2	1.4	1.8
Savings Rate	<i>% : quarterly avg.</i>	2.3	3.1	3.0	3.6	7.6	28.2	14.9	10.7	7.8	5.9	4.8	3.7
Other Indicators		<i>quarterly avg. (000s and mlns are a.r.)</i>											
Unemployment Rate	<i>percent</i>	5.8	5.6	5.6	5.7	6.3	13.0	10.0	8.5	8.0	7.6	7.4	7.0
Housing Starts	<i>000s</i>	187	224	223	201	209	191	239	210	210	206	202	202
Existing Home Sales	<i>y/y % chng</i>	-3.4	6.1	9.2	14.5	12.9	-29.2	30.6	7.5	2.1	54.2	-20.5	-5.5
MLS Home Price Index	<i>y/y % chng</i>	0.2	0.7	1.9	3.1	6.7	6.2	10.1	10.9	8.6	8.8	4.1	2.5
Motor Vehicle Sales	<i>mlns</i>	2.01	1.97	1.96	1.90	1.69	1.02	1.86	1.90	1.94	1.99	2.02	2.05
Employment Growth	<i>q/q % chng : a.r.</i>	3.0	2.6	1.1	0.5	-5.8	-38.4	39.2	10.9	3.9	3.2	3.6	3.0
Industrial Production	<i>q/q % chng : a.r.</i>	-3.2	6.2	-5.8	-3.1	-7.9	-48.0	64.1	8.9	3.7	3.0	2.5	1.6
Federal Budget Balance	<i>% of FY GDP</i>												

Shaded values represent forecasts

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