

# U.S. Economic Outlook for Nov. 25, 2022

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

	2021				2022				2023				2021	2022	2023	2024
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>Production</b>	<b>q/q % chng : a.r.</b>															
Real GDP (chain-weighted)	6.3	7.0	2.7	7.0	-1.6	-0.6	2.6	<b>1.0</b>	<b>-1.5</b>	<b>-1.0</b>	<b>0.6</b>	<b>1.2</b>	5.9	<b>1.9</b>	<b>0.0</b>	<b>1.4</b>
Final Sales	9.2	7.9	0.7	1.9	-1.8	1.3	3.3	<b>0.7</b>	<b>-1.4</b>	<b>-1.0</b>	<b>0.7</b>	<b>1.2</b>	5.7	<b>1.2</b>	<b>0.2</b>	<b>1.5</b>
Final Domestic Demand	9.9	8.2	1.7	2.0	1.3	0.2	0.5	<b>1.4</b>	<b>-1.1</b>	<b>-0.9</b>	<b>0.8</b>	<b>1.2</b>	6.7	<b>1.6</b>	<b>0.1</b>	<b>1.5</b>
Consumer Spending	10.8	12.1	3.0	3.1	1.3	2.0	1.4	<b>1.7</b>	<b>-1.1</b>	<b>-0.9</b>	<b>0.9</b>	<b>1.2</b>	8.3	<b>2.7</b>	<b>0.4</b>	<b>1.6</b>
Durables	44.7	10.6	-22.0	5.1	7.6	-2.8	-0.8	<b>2.0</b>	<b>-3.0</b>	<b>-3.0</b>	<b>0.7</b>	<b>1.0</b>	18.5	<b>-0.2</b>	<b>-1.1</b>	<b>1.3</b>
Nondurables	14.9	12.2	1.7	0.7	-4.4	-2.5	-1.4	<b>1.0</b>	<b>-2.0</b>	<b>-1.0</b>	<b>0.9</b>	<b>1.1</b>	8.8	<b>-0.6</b>	<b>-0.7</b>	<b>1.5</b>
Services	4.0	12.3	9.2	3.5	2.1	4.6	2.8	<b>1.9</b>	<b>-0.3</b>	<b>-0.4</b>	<b>1.0</b>	<b>1.2</b>	6.3	<b>4.4</b>	<b>1.0</b>	<b>1.6</b>
Government Spending	6.5	-3.0	-0.2	-1.0	-2.3	-1.6	2.4	<b>1.4</b>	<b>-0.5</b>	<b>-0.6</b>	<b>0.6</b>	<b>1.3</b>	0.6	<b>-0.9</b>	<b>0.4</b>	<b>1.3</b>
Business Investment	8.9	9.9	0.6	1.1	7.9	0.1	3.7	<b>2.2</b>	<b>-0.7</b>	<b>-0.3</b>	<b>0.5</b>	<b>1.5</b>	6.4	<b>3.4</b>	<b>0.8</b>	<b>1.5</b>
Non-residential Construction	1.9	-2.5	-6.7	-12.7	-4.3	-12.7	-15.3	<b>-6.0</b>	<b>-2.0</b>	<b>-2.0</b>	<b>-1.0</b>	<b>1.0</b>	-6.4	<b>-9.2</b>	<b>-5.0</b>	<b>1.0</b>
Equipment	6.1	14.0	-2.2	1.6	11.4	-2.0	10.8	<b>2.0</b>	<b>-2.0</b>	<b>-1.0</b>	<b>0.0</b>	<b>1.4</b>	10.3	<b>4.7</b>	<b>0.9</b>	<b>1.3</b>
Intellectual Property	15.6	12.6	7.4	8.1	10.8	8.9	6.9	<b>5.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.5</b>	<b>1.7</b>	9.7	<b>8.7</b>	<b>3.0</b>	<b>1.7</b>
Residential Construction	11.6	-4.9	-5.8	-1.1	-3.1	-17.8	-26.4	<b>-9.0</b>	<b>-6.0</b>	<b>-4.0</b>	<b>-1.0</b>	<b>1.0</b>	10.7	<b>-9.5</b>	<b>-9.0</b>	<b>0.8</b>
Exports	0.4	4.9	-1.1	23.5	-4.6	13.8	14.4	<b>-4.5</b>	<b>-2.0</b>	<b>0.5</b>	<b>1.1</b>	<b>1.6</b>	6.1	<b>7.0</b>	<b>1.4</b>	<b>1.6</b>
Imports	7.6	7.9	6.6	18.6	18.4	2.2	-6.9	<b>1.0</b>	<b>0.0</b>	<b>0.5</b>	<b>1.2</b>	<b>1.7</b>	14.1	<b>8.6</b>	<b>-0.2</b>	<b>1.6</b>
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															
<b>Inflation</b>	<b>q/q % chng : a.r.</b>															
GDP Price Index	5.2	6.3	6.2	6.8	8.3	9.0	4.1	<b>3.3</b>	<b>4.1</b>	<b>2.9</b>	<b>2.7</b>	<b>2.5</b>	4.5	<b>6.9</b>	<b>3.7</b>	<b>2.3</b>
Core PCE Deflator	3.2	6.1	4.9	4.8	5.6	4.7	4.5	<b>4.9</b>	<b>4.9</b>	<b>3.5</b>	<b>3.1</b>	<b>2.9</b>	3.5	<b>5.0</b>	<b>4.2</b>	<b>2.8</b>
CPI All Items	4.1	8.2	6.7	7.9	9.2	10.5	5.7	<b>5.4</b>	<b>5.6</b>	<b>3.7</b>	<b>3.2</b>	<b>2.9</b>	4.7	<b>8.1</b>	<b>5.0</b>	<b>2.7</b>
Ex. Food and Energy	1.4	7.8	5.3	5.6	6.5	6.6	6.4	<b>5.4</b>	<b>5.1</b>	<b>3.7</b>	<b>3.2</b>	<b>3.0</b>	3.6	<b>6.2</b>	<b>4.8</b>	<b>2.9</b>
Food Prices	2.4	4.3	7.7	9.4	10.3	12.6	12.4	<b>8.8</b>	<b>7.2</b>	<b>4.2</b>	<b>3.3</b>	<b>2.7</b>	3.9	<b>10.0</b>	<b>7.1</b>	<b>2.9</b>
Energy Prices	49.4	21.9	21.4	32.2	38.9	50.8	-10.4	<b>-0.5</b>	<b>7.8</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	20.8	<b>26.2</b>	<b>3.7</b>	<b>-1.1</b>
Services	2.1	5.0	3.6	4.6	6.0	8.9	7.8	<b>7.3</b>	<b>6.0</b>	<b>3.8</b>	<b>3.2</b>	<b>3.0</b>	2.8	<b>6.2</b>	<b>5.7</b>	<b>3.0</b>
CPI All Items	y/y % chng															
Ex. Food and Energy	y/y % chng															
Core PCE Deflator	y/y % chng															
<b>Financial</b>	<b>% : quarterly avg.</b>															
Fed Funds Rate	0.13	0.13	0.13	0.13	0.21	0.96	2.63	<b>3.79</b>	<b>4.63</b>	<b>4.88</b>	<b>4.88</b>	<b>4.88</b>	0.13	<b>1.90</b>	<b>4.81</b>	<b>4.17</b>
90-Day T-Bill	0.05	0.02	0.05	0.05	0.30	1.10	2.75	<b>4.20</b>	<b>4.70</b>	<b>4.80</b>	<b>4.80</b>	<b>4.80</b>	0.05	<b>2.10</b>	<b>4.80</b>	<b>4.10</b>
1-Year T-Bill	0.08	0.06	0.08	0.20	0.96	2.20	3.40	<b>4.60</b>	<b>4.85</b>	<b>4.85</b>	<b>4.70</b>	<b>4.55</b>	0.10	<b>2.80</b>	<b>4.75</b>	<b>3.95</b>
10-Year Bond Yield	1.32	1.59	1.33	1.54	1.94	2.93	3.10	<b>3.90</b>	<b>4.00</b>	<b>3.90</b>	<b>3.85</b>	<b>3.75</b>	1.44	<b>2.95</b>	<b>3.90</b>	<b>3.50</b>
10-Year BBB Corporate Spread	ppts															
<b>Foreign Trade</b>	<b>\$ blns : a.r.</b>															
Current Account Balance	-755	-826	-905	-899	-1,130	-1,004	<b>-869</b>	<b>-917</b>	<b>-938</b>	<b>-947</b>	<b>-954</b>	<b>-962</b>	-846	<b>-980</b>	<b>-950</b>	<b>-980</b>
Share of GDP	-3.4	-3.6	-3.8	-3.7	-4.6	-4.0	<b>-3.4</b>	<b>-3.5</b>	<b>-3.6</b>	<b>-3.6</b>	<b>-3.6</b>	<b>-3.6</b>	-3.6	<b>-3.9</b>	<b>-3.6</b>	<b>-3.6</b>
Merchandise Balance	-1,061	-1,070	-1,090	-1,140	-1,367	-1,242	<b>-1,136</b>	<b>-1,181</b>	<b>-1,197</b>	<b>-1,205</b>	<b>-1,215</b>	<b>-1,226</b>	-1,090	<b>-1,231</b>	<b>-1,211</b>	<b>-1,256</b>
Non-Merchandise Balance	306	244	185	241	237	238	<b>267</b>	<b>264</b>	<b>259</b>	<b>258</b>	<b>261</b>	<b>264</b>	244	<b>251</b>	<b>261</b>	<b>276</b>
Yen	¥/US\$ : qtr. avg.															
Euro	US\$/€ : qtr. avg.															
Pound	US\$/£ : qtr. avg.															
Trade-Wt. Dollar (broad)	Jan. '97 = 100															
WTI Spot	US\$/bbl : qtr. avg.															
Henry Hub Spot	US\$/mmbtu : qtr. avg.															
<b>Incomes</b>	<b>y/y % chng</b>															
Pre-Tax Profits w/IVA,CCA	16.1	39.2	15.3	22.3	10.9	7.7	<b>2.8</b>	<b>1.3</b>	<b>0.4</b>	<b>-4.1</b>	<b>-1.1</b>	<b>0.2</b>	22.6	<b>5.5</b>	<b>-1.2</b>	<b>3.0</b>
Personal Income	16.1	2.1	4.9	6.9	-3.5	3.4	4.3	<b>4.8</b>	<b>4.8</b>	<b>4.1</b>	<b>3.5</b>	<b>3.2</b>	7.4	<b>2.2</b>	<b>3.9</b>	<b>3.9</b>
Real Disposable Income	14.5	-4.4	-1.5	-0.4	-12.8	-5.5	-3.9	<b>-2.8</b>	<b>-0.7</b>	<b>-0.4</b>	<b>-0.7</b>	<b>-0.4</b>	1.9	<b>-6.4</b>	<b>-0.5</b>	<b>1.4</b>
Savings Rate	% : quarterly avg.															
<b>Other Indicators</b>	<b>quarterly avg.</b>															
Unemployment Rate	percent															
Housing Starts	mlns : a.r.															
Existing Home Sales	mlns : a.r.															
Home Prices (Case-Shiller)	y/y % chng															
Motor Vehicle Sales	mlns : a.r.															
Civilian Employment Growth	q/q % chng : a.r.															
Industrial Production	q/q % chng : a.r.															
CBO Budget Deficit	% of GDP															

Bolded values represent forecasts

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