

# International Economic Outlook for Sept. 22, 2023

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

		2022				2023				2024				2021	2022	2023	2024
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>Global GDP Growth</b>	y/y % chng													6.3	3.4	<b>2.8</b>	<b>2.8</b>
<b>Japan</b>																	
Real GDP	saar : %	-2.3	5.3	-1.2	0.2	3.2	4.8	<b>0.2</b>	<b>0.5</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>	2.3	1.0	<b>2.0</b>	<b>1.0</b>
	y/y % chng	0.7	1.4	1.5	0.5	1.8	1.7	<b>2.1</b>	<b>2.2</b>	<b>1.6</b>	<b>0.6</b>	<b>0.8</b>	<b>0.9</b>				
CPI All Items	y/y % chng	0.9	2.4	2.9	3.9	3.6	3.4	<b>3.2</b>	<b>3.3</b>	<b>3.3</b>	<b>3.1</b>	<b>2.7</b>	<b>2.0</b>	-0.2	2.5	<b>3.4</b>	<b>2.8</b>
Unemployment Rate	%	2.7	2.6	2.6	2.5	2.6	2.6	<b>2.7</b>	<b>2.7</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	2.8	2.6	<b>2.6</b>	<b>2.6</b>
3-Month Interest Rate	%	0.1	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>	<b>0.1</b>	0.1	0.1	<b>0.1</b>	<b>0.1</b>
10-Year Government Bond	%	0.2	0.2	0.2	0.3	0.4	0.4	<b>0.6</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	0.1	0.2	<b>0.6</b>	<b>0.8</b>
<b>United Kingdom</b>																	
Real GDP	saar : %	2.0	0.2	-0.4	0.5	0.6	0.8	<b>-0.5</b>	<b>0.1</b>	<b>0.3</b>	<b>0.5</b>	<b>1.0</b>	<b>1.5</b>	7.6	4.1	<b>0.3</b>	<b>0.4</b>
	y/y % chng	10.6	3.8	2.0	0.6	0.2	0.4	<b>0.4</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>0.5</b>	<b>0.8</b>				
CPI All Items	y/y % chng	6.3	9.1	10.0	10.7	10.2	8.4	<b>6.6</b>	<b>5.2</b>	<b>4.8</b>	<b>4.0</b>	<b>4.7</b>	<b>4.6</b>	2.6	9.1	<b>7.5</b>	<b>4.6</b>
Unemployment Rate	%	3.8	3.7	3.6	3.7	3.8	4.2	<b>4.3</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	4.5	3.7	<b>4.2</b>	<b>4.5</b>
3-Month Interest Rate	%	0.8	1.3	2.3	3.6	4.2	4.8	<b>5.6</b>	<b>5.8</b>	<b>5.8</b>	<b>5.6</b>	<b>5.4</b>	<b>5.1</b>	0.1	2.0	<b>5.1</b>	<b>5.5</b>
10-Year Government Bond	%	1.4	2.0	2.6	3.5	3.5	4.0	<b>4.4</b>	<b>4.3</b>	<b>4.1</b>	<b>4.0</b>	<b>3.8</b>	<b>3.6</b>	0.7	2.4	<b>4.0</b>	<b>3.9</b>
<b>Euro Area</b>																	
Real GDP	saar : %	2.6	3.3	1.3	-0.2	0.3	0.5	<b>-0.3</b>	<b>0.9</b>	<b>0.6</b>	<b>0.6</b>	<b>0.7</b>	<b>0.7</b>	5.6	3.4	<b>0.5</b>	<b>0.6</b>
	y/y % chng	5.4	4.2	2.3	1.7	1.1	0.5	<b>0.1</b>	<b>0.4</b>	<b>0.4</b>	<b>0.5</b>	<b>0.7</b>	<b>0.6</b>				
CPI All Items	y/y % chng	6.1	8.0	9.3	10.0	8.0	6.2	<b>5.2</b>	<b>4.1</b>	<b>4.7</b>	<b>4.1</b>	<b>4.4</b>	<b>4.1</b>	2.6	8.4	<b>5.8</b>	<b>4.4</b>
Unemployment Rate	%	6.8	6.7	6.7	6.7	6.6	6.5	<b>6.5</b>	<b>6.5</b>	<b>6.4</b>	<b>6.4</b>	<b>6.3</b>	<b>6.3</b>	7.7	6.7	<b>6.5</b>	<b>6.4</b>
3-Month Interest Rate	%	-0.5	-0.4	0.5	1.8	2.6	3.4	<b>3.8</b>	<b>4.0</b>	<b>4.0</b>	<b>3.9</b>	<b>3.7</b>	<b>3.4</b>	-0.5	0.3	<b>3.5</b>	<b>3.8</b>
10-Year Government Bond	%	0.2	1.1	1.4	2.1	2.3	2.4	<b>2.5</b>	<b>2.6</b>	<b>2.5</b>	<b>2.4</b>	<b>2.3</b>	<b>2.2</b>	-0.3	1.2	<b>2.5</b>	<b>2.4</b>
<b>Germany</b>																	
Real GDP	saar : %	4.1	-0.5	1.5	-1.6	-0.4	0.1	<b>0.0</b>	<b>0.5</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	3.1	1.9	<b>-0.2</b>	<b>0.3</b>
	y/y % chng	4.0	1.6	1.2	0.8	-0.3	-0.1	<b>-0.5</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>				
CPI All Items	y/y % chng	6.1	8.3	9.4	10.8	8.7	6.9	<b>6.1</b>	<b>4.7</b>	<b>5.2</b>	<b>4.6</b>	<b>4.2</b>	<b>4.2</b>	3.2	8.7	<b>6.6</b>	<b>4.5</b>
Unemployment Rate	%	5.1	5.1	5.4	5.5	5.5	5.6	<b>5.7</b>	<b>5.7</b>	<b>5.6</b>	<b>5.6</b>	<b>5.5</b>	<b>5.5</b>	5.7	5.3	<b>5.6</b>	<b>5.6</b>
<b>France</b>																	
Real GDP	saar : %	-0.3	1.5	1.3	0.4	0.1	2.1	<b>0.1</b>	<b>1.0</b>	<b>0.5</b>	<b>0.5</b>	<b>0.6</b>	<b>0.7</b>	6.4	2.5	<b>0.8</b>	<b>0.7</b>
	y/y % chng	4.4	3.9	1.2	0.7	0.8	1.0	<b>0.7</b>	<b>0.8</b>	<b>0.9</b>	<b>0.5</b>	<b>0.6</b>	<b>0.6</b>				
CPI All Items	y/y % chng	4.2	5.9	6.5	7.0	7.0	6.1	<b>5.3</b>	<b>4.6</b>	<b>3.7</b>	<b>3.4</b>	<b>3.7</b>	<b>3.6</b>	2.1	5.9	<b>5.7</b>	<b>3.6</b>
Unemployment Rate	%	7.4	7.5	7.2	7.2	7.1	7.3	<b>7.4</b>	<b>7.4</b>	<b>7.3</b>	<b>7.3</b>	<b>7.2</b>	<b>7.2</b>	7.9	7.3	<b>7.3</b>	<b>7.3</b>
<b>Italy</b>																	
Real GDP	saar : %	0.3	4.8	1.4	-0.6	2.5	-1.6	<b>0.1</b>	<b>0.5</b>	<b>1.0</b>	<b>0.9</b>	<b>0.6</b>	<b>0.7</b>	7.0	3.8	<b>0.7</b>	<b>0.5</b>
	y/y % chng	6.5	5.1	2.5	1.5	2.0	0.4	<b>0.1</b>	<b>0.3</b>	<b>0.0</b>	<b>0.6</b>	<b>0.7</b>	<b>0.8</b>				
CPI All Items	y/y % chng	5.9	7.5	9.1	12.4	9.4	7.8	<b>6.0</b>	<b>5.3</b>	<b>7.3</b>	<b>7.4</b>	<b>7.1</b>	<b>4.2</b>	1.9	8.7	<b>7.0</b>	<b>6.5</b>
Unemployment Rate	%	8.4	8.1	8.0	7.9	7.9	7.7	<b>7.7</b>	<b>7.7</b>	<b>7.6</b>	<b>7.6</b>	<b>7.5</b>	<b>7.5</b>	9.5	8.1	<b>7.7</b>	<b>7.6</b>
<b>China</b>																	
Real GDP	y/y % chng	4.8	0.4	3.9	2.9	4.5	6.3	<b>4.5</b>	<b>4.8</b>	<b>3.8</b>	<b>4.3</b>	<b>4.7</b>	<b>5.1</b>	8.5	3.0	<b>5.0</b>	<b>4.5</b>
CPI All Items	y/y % chng	1.1	2.2	2.7	1.8	1.3	0.1	<b>0.0</b>	<b>0.5</b>	<b>1.0</b>	<b>1.5</b>	<b>2.0</b>	<b>2.0</b>	0.9	2.0	<b>0.5</b>	<b>1.6</b>
Current Account Balance	% of GDP													2.0	2.2	<b>1.5</b>	<b>1.2</b>
<b>Exchange Rates</b>																	
Yen	¥/US\$	116	130	138	141	132	137	<b>145</b>	<b>149</b>	<b>148</b>	<b>146</b>	<b>143</b>	<b>141</b>	110	131	<b>141</b>	<b>145</b>
Euro	US\$/€	1.12	1.06	1.01	1.02	1.07	1.09	<b>1.09</b>	<b>1.07</b>	<b>1.08</b>	<b>1.08</b>	<b>1.09</b>	<b>1.10</b>	1.18	1.05	<b>1.08</b>	<b>1.09</b>
Pound	US\$/£	1.34	1.26	1.18	1.17	1.22	1.25	<b>1.27</b>	<b>1.21</b>	<b>1.21</b>	<b>1.21</b>	<b>1.22</b>	<b>1.23</b>	1.38	1.24	<b>1.24</b>	<b>1.22</b>
Pound/Euro	£/€	0.84	0.85	0.86	0.87	0.88	0.87	<b>0.86</b>	<b>0.88</b>	<b>0.89</b>	<b>0.89</b>	<b>0.89</b>	<b>0.89</b>	0.86	0.85	<b>0.87</b>	<b>0.89</b>
Yen/Euro	¥/€	131	138	139	144	142	150	<b>157</b>	<b>159</b>	<b>159</b>	<b>158</b>	<b>156</b>	<b>155</b>	130	138	<b>152</b>	<b>157</b>
Yuan	CNY/US\$	6.35	6.61	6.85	7.11	6.84	7.01	<b>7.24</b>	<b>7.27</b>	<b>7.19</b>	<b>7.10</b>	<b>7.02</b>	<b>6.93</b>	6.45	6.73	<b>7.09</b>	<b>7.06</b>

Bolded values represent forecasts

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