

Manufacturing Sales in October Leave the Q4-2018 Nowcast Slightly Lower at 1.57%

This note is part of a series that will be published after important data releases, documenting mechanical updates of the nowcast for Canadian GDP coming from the Scotiabank nowcasting model. The evolution of this nowcast will inform Scotiabank Economics' official macroeconomic outlook.

The model, which uses a mix of Canadian and US variables at monthly and quarterly frequencies to predict Canadian GDP growth in the current/most recent quarter, is described in the related note [here](#).

- Manufacturing sales in Canada declined by 0.1% m/m in October, while the pace of inventory accumulation increased.
- These data releases leave the Q4-2018 Canadian GDP nowcast relatively unchanged, at 1.57% Q/Q SAAR (consistent with a 2.1% increase in Canadian GDP in 2018 as a whole).

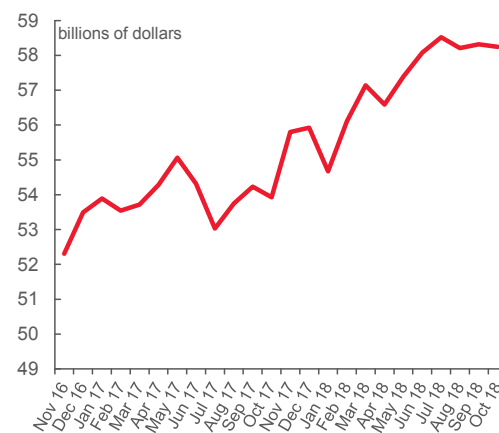
Table 1: Canadian GDP Nowcast, Q4-2018

	Nowcast Date	Q4-2018 GDP Growth, %
Previous Nowcast	14-Dec-18	1.59
<i>Revisions and other data</i>		0.00
<i>Manufacturing sales (Canada)</i>		-0.12
<i>Manufacturing inventories (Canada)</i>		+0.10
Current Nowcast	18-Dec-18	1.57

CONTACTS

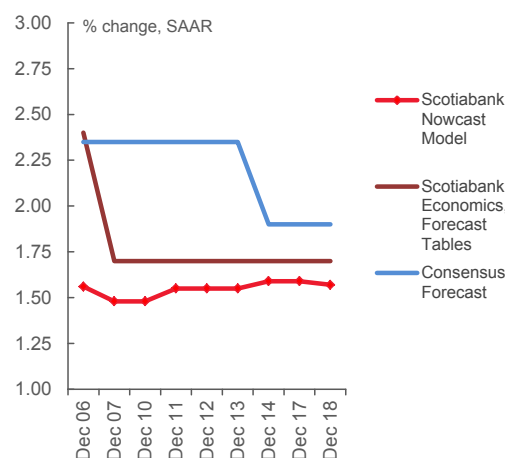
Nikita Perevalov, Senior Economist
 416.866.4205
 Scotiabank Economics
nikita.perevalov@scotiabank.com

Chart 1: Manufacturing Sales, Canada



Sources: Scotiabank Economics, Haver Analytics.

Chart 2: The Evolution of the Scotiabank Economics Q4-2018 Nowcast



Sources: Scotiabank Economics, Haver Analytics.

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