

Scotiabank Nowcast: Employment Gains In December Edge Q4-2019 up to 0.03%

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 is described in a related note [here](#).

- Canadian employment ended the year on a positive note, with 35K jobs created in December, partly reversing a 71K decline in the previous month.
- Most of the jobs created were full-time and came from Ontario (+21K) and Quebec (+25K) and concentrated in accommodation (+25K) and construction (+17K) industries.
- The report suggests that the labour market has started to stabilize after a few months of lacklustre jobs numbers, even though the gains were concentrated in a few industries.
- Overall, the report boosts expected GDP growth in December to +0.16% m/m, pushing the nowcast to a slightly positive territory for the quarter, still far below the Bank of Canada's latest growth forecast (+1.3%).

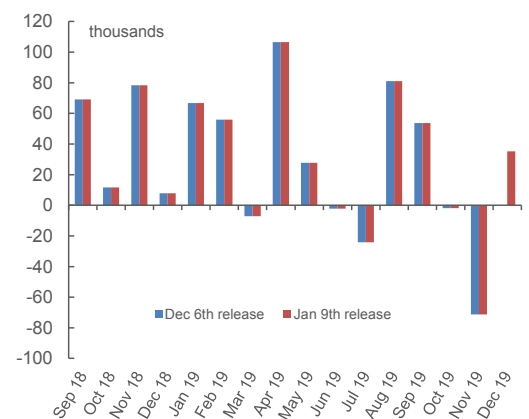
Table 1: Canadian GDP Nowcast, Q4-2019

	Nowcast Date	Q4-2019 GDP Growth, %	GDP by industry, %m/m		
			Oct ^{actual}	Nov	Dec
Previous nowcast	07-Jan-20	-0.03	-0.13	0.03	0.08
Revisions to prior months		0.00			
Employment, Canada		0.06			
Hours worked, Canada		0.00			
Current Nowcast	10-Jan-20	0.03	-0.13	0.02	0.16

CONTACTS

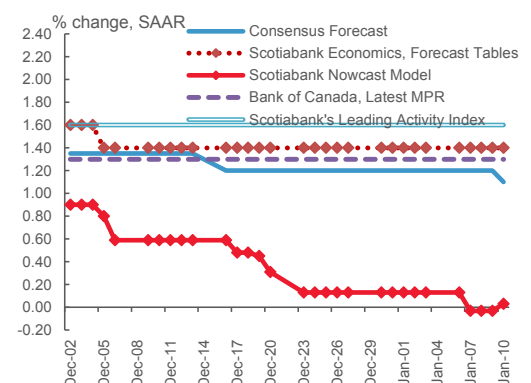
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Chart 1: Employment, Canada



Sources: Scotiabank Economics, Haver Analytics, Statistics Canada

Chart 2: The Evolution of the Scotiabank Economics Q4-2019 Nowcast



Sources: Scotiabank Economics, Bloomberg, Haver Analytics.

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