

July 12, 2019

International	2000–17	2017	2018	2019f	2020f	2000–17	2017	2018	2019f	2020f
	Real GDP (annual % change)					Consumer Prices (y/y % change, year-end)				
World (based on purchasing power parity)	3.9	3.8	3.7	3.1	3.2					
Canada	2.1	3.0	1.9	1.4	2.0	1.9	1.8	2.0	1.9	1.9
United States	2.0	2.2	2.9	2.5	1.6	2.2	2.1	2.2	1.7	2.1
Mexico	2.2	2.1	2.0	0.9	1.1	4.4	6.8	4.8	4.1	4.1
United Kingdom	1.9	1.8	1.4	1.1	1.2	2.1	3.0	2.1	1.8	2.0
Eurozone	1.4	2.4	1.9	1.1	1.3	1.8	1.3	1.5	1.3	1.4
Germany	1.4	2.2	1.4	0.7	1.2	1.5	1.4	1.6	1.5	1.6
France	1.4	2.3	1.7	1.3	1.3	1.4	1.2	1.6	1.3	1.4
China	9.3	6.8	6.6	6.2	6.0	2.3	1.8	1.8	2.6	2.3
India	7.1	6.9	7.4	6.5	7.0	6.8	5.2	2.1	4.1	4.8
Japan	0.9	1.9	0.8	0.8	0.6	0.1	1.1	0.3	1.8	0.8
South Korea	4.9	3.2	2.7	2.0	2.7	2.5	1.4	1.3	1.2	1.6
Australia	2.9	2.4	2.8	2.3	2.6	2.7	1.9	1.8	1.6	1.9
Thailand	4.1	4.0	4.1	3.2	3.4	1.9	0.8	0.4	1.2	1.6
Brazil	2.5	1.1	1.1	0.9	1.8	6.5	3.0	3.8	4.3	4.6
Colombia	3.9	1.4	2.6	3.2	3.6	5.1	4.1	3.2	3.2	3.1
Peru	5.0	2.5	3.9	3.1	3.7	2.7	1.4	2.2	2.2	2.3
Chile	3.9	1.5	4.0	3.2	3.2	3.3	2.3	2.6	2.8	3.0
Commodities	(annual average)									
WTI Oil (USD/bbl)	62	51	65	56	55					
Brent Oil (USD/bbl)	65	55	72	65	62					
WCS - WTI Discount* (USD/bbl)	-16	-13	-26	-14	-21					
Nymex Natural Gas (USD/mmbtu)	4.83	3.02	3.07	2.71	2.75					
Copper (USD/lb)	2.38	2.80	2.96	2.80	3.00					
Zinc (USD/lb)	0.84	1.31	1.33	1.22	1.20					
Nickel (USD/lb)	7.12	4.72	5.95	5.70	6.00					
Aluminium (USD/lb)	0.87	0.89	0.96	0.90	0.90					
Iron Ore (USD/tonne)	67	72	70	90	72					
Metallurgical Coal (USD/tonne)	131	187	206	195	170					
Gold, London PM Fix (USD/oz)	890	1,257	1,268	1,350	1,350					
Silver, London PM Fix (USD/oz)	14.80	17.05	15.71	15.37	15.00					
* 2008-16 average.										
Sources: Scotiabank Economics, Statistics Canada, BEA, BLS, IMF, Bloomberg.										

July 12, 2019

North America	2000–17	2017	2018	2019f	2020f	2000–17	2017	2018	2019f	2020f
	Canada					United States				
	(annual % change, unless noted)					(annual % change, unless noted)				
Real GDP	2.1	3.0	1.9	1.4	2.0	2.0	2.2	2.9	2.5	1.6
Consumer spending	2.9	3.5	2.1	2.0	1.9	2.4	2.5	2.6	2.2	1.9
Residential investment	3.6	2.4	-1.5	-3.6	1.3	-0.3	3.3	-0.3	-1.9	0.8
Business investment*	2.2	2.2	2.2	0.2	5.5	3.0	5.3	6.9	4.0	2.3
Government	2.2	2.7	3.0	1.6	1.7	1.0	-0.1	1.5	2.0	1.6
Exports	1.3	1.1	3.2	1.7	2.4	3.7	3.0	4.0	2.0	1.8
Imports	3.0	4.2	2.9	1.5	2.8	3.7	4.6	4.5	1.8	2.9
Nominal GDP	4.3	5.6	3.6	2.7	4.2	4.0	4.2	5.2	4.2	3.3
GDP deflator	2.1	2.6	1.7	1.3	2.1	1.9	1.9	2.3	1.6	1.6
Consumer price index (CPI)	1.9	1.6	2.3	1.8	2.0	2.2	2.1	2.4	1.7	2.0
CPI ex. food & energy	1.6	1.6	1.9	1.9	2.0	2.0	1.8	2.1	2.0	2.2
Pre-tax corporate profits	0.0	20.1	0.5	-4.1	2.1	5.3	3.2	7.8	0.2	1.9
Employment	1.4	1.9	1.3	2.1	1.0	0.7	1.6	1.7	1.5	1.0
Unemployment rate (%)	7.1	6.3	5.8	5.7	5.9	6.1	4.4	3.9	3.8	3.9
Current account balance (CAD, USD bn)	-18.7	-59.4	-58.5	-57.6	-55.9	-500	-440	-491	-543	-606
Merchandise trade balance (CAD, USD bn)	22.9	-23.9	-22.0	-26.1	-28.0	-680	-805	-887	-894	-971
Federal budget balance (FY, CAD, USD bn)	-3.6	-17.8	-19.0	-11.8	-19.8	-540	-665	-779	-896	-892
percent of GDP	-0.2	-0.9	-0.9	-0.5	-0.8	-3.7	-3.4	-3.8	-4.2	-4.0
Housing starts (000s, mn)	200	220	213	202	199	1.26	1.20	1.25	1.24	1.26
Motor vehicle sales (000s, mn)	1,678	2,036	1,983	1,935	1,915	15.6	17.1	17.2	16.8	16.7
Industrial production	0.0	4.9	2.9	0.4	1.9	0.7	2.3	4.0	1.9	1.7
	Mexico									
	(annual % change)									
Real GDP	2.2	2.1	2.0	0.9	1.1					
Consumer price index (year-end)	4.4	6.8	4.8	4.1	4.1					
Current account balance (USD bn)	-15.0	-19.6	-21.6	-22.1	-20.8					
Merchandise trade balance (USD bn)	-7.2	-11.0	-13.6	-5.8	-13.1					

Sources: Scotiabank Economics, Statistics Canada, CMHC, BEA, BLS, Bloomberg. *For Canada it includes capital expenditures by businesses and non-profit institutions.

Quarterly Forecasts	2018		2019			2020			
	Q4	Q1	Q2e	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
Canada									
Real GDP (q/q ann. % change)	0.3	0.4	2.5	1.5	2.3	2.4	2.0	1.5	1.7
Real GDP (y/y % change)	1.6	1.3	1.3	1.2	1.7	2.2	2.0	2.0	1.9
Consumer prices (y/y % change)	2.0	1.6	2.1	1.8	1.9	2.1	2.1	2.0	1.9
Avg. of new core CPIs (y/y % change)	1.9	1.9	2.1	2.0	2.0	2.0	2.0	2.0	2.0
United States									
Real GDP (q/q ann. % change)	2.2	3.1	1.8	1.9	1.4	1.5	1.5	1.9	2.1
Real GDP (y/y % change)	3.0	3.2	2.6	2.2	2.1	1.6	1.6	1.6	1.7
Consumer prices (y/y % change)	2.2	1.6	1.6	1.6	1.7	2.0	2.0	2.0	2.1
CPI ex. food & energy (y/y % change)	2.2	2.1	2.0	2.0	2.0	2.1	2.2	2.2	2.2
Core PCE deflator (y/y % change)	1.9	1.7	1.6	1.6	1.7	1.8	1.9	1.9	1.9

Sources: Scotiabank Economics, Statistics Canada, BEA, BLS, Bloomberg.

Central Bank Rates	2018		2019			2020			
	Q4	Q1	Q2	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
Americas	(% , end of period)								
Bank of Canada	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
US Federal Reserve (upper bound)	2.50	2.50	2.50	2.00	1.75	1.75	1.75	1.75	1.75
Bank of Mexico	8.25	8.25	8.25	8.25	8.25	8.25	8.00	7.75	7.50
Central Bank of Brazil	6.50	6.50	6.50	6.50	7.00	7.75	8.25	8.50	8.50
Bank of the Republic of Colombia	4.25	4.25	4.25	4.25	4.25	4.25	4.50	4.50	4.50
Central Reserve Bank of Peru	2.75	2.75	2.75	2.75	2.75	2.50	2.50	2.50	2.50
Central Bank of Chile	2.75	3.00	2.50	2.50	2.50	2.50	2.50	2.75	3.25
Europe									
European Central Bank MRO Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
European Central Bank Deposit Rate	-0.40	-0.40	-0.40	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
Bank of England	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Asia/Oceania									
Reserve Bank of Australia	1.50	1.50	1.25	1.00	0.75	0.75	0.75	0.75	0.75
Bank of Japan	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10
People's Bank of China	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35
Reserve Bank of India	6.50	6.25	5.75	5.50	5.25	5.25	5.25	5.25	5.25
Bank of Korea	1.75	1.75	1.75	1.50	1.50	1.50	1.50	1.50	1.50
Bank of Thailand	1.75	1.75	1.75	1.75	1.75	1.50	1.50	1.50	1.50
Currencies and Interest Rates									
Americas	(end of period)								
Canadian dollar (USDCAD)	1.36	1.33	1.31	1.31	1.28	1.28	1.28	1.25	1.25
Canadian dollar (CADUSD)	0.73	0.75	0.76	0.76	0.78	0.78	0.78	0.80	0.80
Mexican peso (USDMXN)	19.65	19.43	19.22	20.24	20.87	21.12	20.99	21.10	21.44
Brazilian real (USDBRL)	3.88	3.92	3.85	3.97	4.18	4.08	4.11	4.07	4.18
Colombian peso (USDCOP)	3,254	3,189	3,211	3,150	3,120	3,050	3,100	3,182	3,167
Peruvian sol (USDPEN)	3.37	3.32	3.29	3.34	3.35	3.36	3.32	3.33	3.30
Chilean peso (USDCLP)	694	680	679	660	645	645	645	640	640
Europe									
Euro (EURUSD)	1.15	1.12	1.14	1.13	1.15	1.19	1.22	1.24	1.24
UK pound (GBPUSD)	1.28	1.30	1.27	1.25	1.25	1.28	1.30	1.32	1.40
Asia/Oceania									
Japanese yen (USDJPY)	110	111	108	108	108	107	107	105	105
Australian dollar (AUDUSD)	0.70	0.71	0.70	0.75	0.75	0.77	0.77	0.78	0.78
Chinese yuan (USDCNY)	6.88	6.71	6.87	6.70	6.70	6.60	6.60	6.50	6.50
Indian rupee (USDINR)	69.8	69.1	69.0	68.0	68.0	67.0	67.0	66.0	66.0
South Korean won (USDKRW)	1,116	1,135	1,155	1,140	1,140	1,120	1,120	1,100	1,100
Thai baht (USDTHB)	32.5	31.7	30.7	31.0	31.0	30.5	30.5	30.0	30.0
Canada (Yields, %)									
3-month T-bill	1.65	1.67	1.65	1.65	1.65	1.65	1.65	1.65	1.65
2-year Canada	1.86	1.55	1.47	1.50	1.40	1.35	1.35	1.35	1.35
5-year Canada	1.89	1.52	1.39	1.45	1.40	1.40	1.40	1.40	1.40
10-year Canada	1.97	1.62	1.46	1.50	1.55	1.60	1.65	1.65	1.70
30-year Canada	2.18	1.89	1.68	1.70	1.80	1.90	2.00	2.05	2.10
United States (Yields, %)									
3-month T-bill	2.36	2.39	2.09	1.85	1.60	1.60	1.60	1.60	1.60
2-year Treasury	2.49	2.26	1.76	1.70	1.70	1.80	1.80	1.80	1.80
5-year Treasury	2.51	2.23	1.77	1.75	1.80	1.90	1.90	1.90	1.90
10-year Treasury	2.68	2.41	2.00	2.10	2.20	2.35	2.40	2.45	2.45
30-year Treasury	3.01	2.82	2.53	2.65	2.70	2.85	2.85	2.90	2.90

Sources: Scotiabank Economics, Bloomberg.

The Provinces	(annual % change except where noted)											
	CA	NL	PE	NS	NB	QC	ON	MB	SK	AB	BC	
Real GDP												
2000–17	2.1	2.4	1.8	1.3	1.2	1.8	2.0	2.3	2.0	2.8	2.7	
2017	3.0	0.9	3.5	1.5	1.8	2.8	2.8	3.2	2.2	4.4	3.8	
2018e	1.9	-2.7	2.6	1.2	0.1	2.5	2.2	1.3	1.6	2.3	2.4	
2019f	1.4	2.0	2.1	1.3	0.6	2.1	1.4	1.5	1.4	0.5	2.2	
2020f	2.0	0.8	2.0	1.3	0.8	1.8	1.8	1.5	1.6	2.5	3.0	
Nominal GDP												
2000–17	4.3	5.6	4.2	3.3	3.4	3.7	3.9	4.4	5.4	5.9	4.7	
2017	5.6	4.3	4.8	2.9	4.3	5.0	4.1	5.4	4.8	10.0	6.9	
2018e	3.6	0.5	4.6	3.2	1.9	4.2	3.4	3.1	3.8	4.5	4.4	
2019f	2.8	3.0	4.1	3.0	2.2	3.2	2.5	3.3	3.3	1.3	4.2	
2020f	4.1	3.8	3.9	3.3	2.5	3.7	3.7	3.3	4.0	4.6	5.7	
Employment												
2000–17	1.4	0.6	1.1	0.6	0.4	1.3	1.3	1.0	1.1	2.2	1.5	
2017	1.9	-3.7	3.1	0.6	0.4	2.2	1.8	1.7	-0.2	1.0	3.7	
2018	1.3	0.5	3.0	1.5	0.3	0.9	1.6	0.6	0.4	1.9	1.1	
2019f	2.1	1.9	1.4	2.3	0.5	1.5	2.5	1.2	1.6	1.0	3.0	
2020f	1.0	0.2	0.8	0.3	0.2	0.8	1.2	0.6	0.7	1.0	1.5	
Unemployment Rate (%)												
2000–17	7.1	14.3	11.1	8.8	9.5	7.9	7.0	5.1	5.0	5.3	6.5	
2017	6.3	14.8	9.8	8.4	8.1	6.1	6.0	5.4	6.3	7.8	5.1	
2018	5.8	13.8	9.4	7.6	8.0	5.5	5.6	6.0	6.1	6.6	4.7	
2019f	5.7	11.8	9.0	6.8	8.0	5.2	5.6	5.5	5.5	6.7	4.6	
2020f	5.9	11.6	9.0	6.8	8.0	5.4	5.8	5.5	5.5	6.8	4.7	
Housing Starts (units, 000s)												
2000–17	200	2.5	0.8	4.3	3.4	44	72	5.2	5.2	34	29	
2017	220	1.4	0.9	4.0	2.3	46	79	7.5	4.9	29	44	
2018	213	1.1	1.1	4.8	2.3	47	79	7.4	3.6	26	41	
2019f	202	1.0	0.9	3.9	2.1	46	69	6.8	3.2	26	44	
2020f	199	1.3	0.8	3.8	2.0	41	72	6.0	4.8	30	37	
Motor Vehicle Sales (units, 000s)												
2000–17	1,657	29	6	48	38	413	635	47	45	216	180	
2017	2,041	33	9	59	42	453	847	62	56	245	235	
2018	1,984	28	8	51	38	449	853	67	47	226	217	
2019f	1,935	30	9	51	39	447	813	60	49	220	217	
2020f	1,915	30	9	50	37	440	800	56	48	217	228	
Budget Balances, Fiscal Year Ending March 31 (CAD mn)												
2017	-18,957	-1,148	-1	151	-117	2,361	-2,435	-789	-1,218	-10,784	2,727	
2018	-18,961	-911	1	230	67	2,622	-3,672	-695	-303	-8,023	301	
2019e	-11,815	-522	14	28	5	2,500	-11,700	-470	-380	-6,711	374	

Sources: Scotiabank Economics, Statistics Canada, CMHC, Budget documents; Quebec budget balance figures are after Generations Fund transfers.

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