Forecast Update: Recession Likely Unless Robust Fiscal Actions Taken Very Soon

- **Lack of coordinated and effective policy actions may contribute to a recession in some countries. With continued turmoil in markets, exacerbated by developments in oil markets, we now expect global growth of 2.5% in 2020.**

- **Urgent and effective action to deal with the health dimension COVID-19 are of course critical, but so are urgent measures to deal with the economic fallout from the virus. These are not the same things.**

- **The fall in oil prices, in conjunction with continued declines in equity prices as well as the impact of virus-related fears, should lead to back-to -back declines in economic activity in Canada unless a timely fiscal package is deployed in the country.**

- **We think a recession will be avoided in Canada as we assume the Federal government deploys fiscal stimulus to counter the negative effect of recent developments. A package of about 1% of GDP should lift growth above zero in Q3 and provide a modest buffer to downside risks. Measures aimed at providing just-in-time stimulus should be prioritized, such as transfers through the GST rebate program, or payroll tax holidays. These should be enacted as soon as April. The outlook also requires the Bank of Canada to cut aggressively, bringing its policy rate to 0.25%, its lowest level on record, by the June 3rd meeting.**

- **Canadian growth is forecast to average just 0.7% in 2020 if the Bank of Canada and Federal Governments roll out the stimulus we expect. Without the stimulus, the country would likely be in recession, and growth would come it at 0.3% for the year. If the stimulus is delayed relative to our assumptions, growth would be significantly lower, and the chance of a recession would rise commensurately.**

Given the rapid pace at which policy and market developments are occurring, notably the sharp fall in the price of oil since last Friday, we are updating our forecasts that were published last week. We now expect global growth to be 2.5% in 2020. Since the situation remains highly uncertain, it is difficult to express a high degree of confidence in the outlook beyond the next quarter. Nevertheless, some developments point to significant economic weakness to come. These include:

◊ The rapidly rising number of COVID-19 cases globally, and, perhaps most importantly from a market perspective, the likelihood for that increase to be more apparent in the United States;

◊ Still as yet muddled plans to deal with the virus in many countries;

◊ The evident impact of the pathogen in Italy and the likely impacts on Europe more broadly;

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Canadian GDP Growth Forecast (Q/Q % SAAR)

	Q1-20	Q2-20	Q3-20	Q4-20	2020F
No fiscal stimulus	0.00	-0.98	-0.67	2.58	0.30
Added fiscal stimulus	0.00	-0.26	1.74	1.76	0.70

Source: Scotiabank Economics.

◊ The very sharp fall in oil prices, whose decline originated with the virus-related slowdown in Chinese activity, and was propelled downward by Saudi Arabia's actions over the weekend;

◊ The continued volatility in financial markets, with equity markets well below last week's levels;

◊ The lack of clarity on plans by almost all countries to deal with the economic fallout from these developments.

Owing to these facts, there is a real prospect of recession in some parts of the world. This is clearly the case in Europe, for instance, given the lock-down in Italy. Urgent and effective actions to deal with the health dimension of the crisis are of course critical, but so are urgent measures to deal with the economic fallout from COVID-19. These are not the same things. With the exception of some central banks, policymakers appear to be struggling on that front, leading to costly delays in action. With downside risks clearly titled to the downside, policymakers must undertake substantial, forceful and costly actions to stimulate economies, even if we realize after the fact that the situation was not as bad as feared. It is almost certain that taking insurance by doing more rather than not enough is likely to be less costly than waiting until we have full knowledge of the damage being done. Insurance will be less costly than cleaning up.

In Canada, we now expect growth of 0.7% in 2020. There are four main drivers of expected weakness in Canada: the virus itself and its immediate impact on the health and well-being of Canadians, global economic disruptions resulting from COVID-19, the associated decline in equity markets, and the sharp decline in oil prices. Each of these factors will have a negative impact on growth. They will all act to affect growth in the second and third quarters of this year. At this time, it seems clear that growth will fall below zero in Q2, and is also likely to fall below zero in Q3 unless fiscal policy provides a timely boost to activity. A reasonably mild recession appears likely unless timely and targeted fiscal measures are deployed in the very near future to deal with the economic impacts of the virus. Importantly, risks appear clearly tilted to the downside. The measures and funding required to contain the virus (such as those announced today by the Prime Minister) should be viewed as separate from those that are deployed to reduce the economic impact of recent developments.

With borrowing costs at record lows, and well below zero in real terms, we assume the Federal government will move forward with a robust plan to support the economy. At this point, the path for the debt-GDP ratio is political, not an economic constraint. A number of approaches are likely to be necessary. Activation of lending programs to support affected businesses should be a priority. Changes to existing income support programs will be undertaken to assist households directly affected by the virus resulting from containment efforts.

Perhaps most importantly from an economic perspective, direct fiscal stimulus is immediately required. This could take a number of forms: using the GST rebate program to provide direct financial support to qualifying households; contribution holidays for the Canadian and Quebec Pension Plans and/or Employment Insurance programs; or temporary boosts to the Canada Child Benefit (CCB) or Old Age Security Pension/Guaranteed Income Support (OAS/GIS) programs. Each of these programs would allow households to obtain immediate financial relief, thus providing remarkably timely stimulus to the economy. The next GST rebates are sent on April 3, for instance. Contribution holidays could be enacted immediately, as could increases in the Canada Child Benefit or OAS/GIS programs.

Our recommendation is to place a priority on approaches that provide financial support to those most likely to spend it—less well-off Canadians. For that reason, the GST Rebate may have the broadest scope given that it is already means-tested. Moreover, as is clear from the experience with the CCB, households appear more likely to spend money that is explicitly given to them in the form of a direct transfer rather than financial relief through tax cuts.

How large should the stimulus be? One challenge with deploying stimulus in the current environment is the risk that households will simply not be as likely to spend given virus-related fears. While direct transfers will have a more immediate impact on growth, some of these transfers will not be spent. Moreover, direct support measures in the form of tax rebates do not have the same impact as increases in government spending (like infrastructure) which directly affect GDP. We believe stimulus of about 1 per cent of GDP, delivered in Q2 and Q3 would be sufficient to pre-empt a negative print in the third quarter and to provide a small buffer against some downside risk. If downside risks are assessed to be more serious between now and the budget date, which is as yet undetermined, a larger package may be preferable.

One could argue that stimulus may not be required given that we would only see a mild recession in the absence of fiscal action. This may well be true, but our assessment of risks is firmly tilted to the downside. We know, for instance, that there will be many more cases reported in Canada and the US over the next weeks. Given this asymmetry in the risks to the outlook, we think it is better to run the risk of over-stimulating than to fall short.

In addition to fiscal support, we now expect the Bank of Canada to act even more aggressively to support the economy, with cuts of 50 basis points at the next two meetings. Given the volatility in markets, there is a risk of an inter-meeting move, and also the possibility of a 75 basis point move at the April meeting. The same is true in the US, where we now expect the Federal Reserve to cut interest rates by 75 basis points at its meeting next week. In the current circumstances, central banks cannot disappoint markets, so it is best to assume more rather than less aggressive easing.

Assuming a 1% of GDP stimulus package, delivered along one of the lines we suggest above, and significant additional easing by the Bank of Canada, we forecast Canada will grow by about 0.7% in 2020, with only one quarter of negative growth in Q2 (-0.3%). The outlook would be significantly worse if stimulus is lower than we assume, or if it is delayed.

The task ahead for policymakers is clearly very challenging and it will be virtually impossible to get the policy mix exactly right given the uncertainties facing us. A few things are certain however:

◊ Policy makers must act to not only counter current developments but also to guard against potential for downside risks. The cost of providing too much support is far less worrisome than the alternative.

◊ Households, firms, and markets are looking for decisive action and leadership. An underwhelming policy response, as we have seen to date, carries with it the very real possibility of a vicious feedback loop in which fear continues to feed upon itself. This is to be avoided at all costs.

International	2010–18	2018	2019	2020f	2021f	2010–18	2018	2019	2020f	2021f
			Real GDP (annual % change)					Consumer Prices (y/y % change, year-end)		
World (based on purchasing power parity)	3.8	3.7	2.9	2.5	3.5					
Canada	2.2	2.0	1.6	0.7	1.8	1.7	2.0	2.1	0.9	2.6
United States	2.3	2.9	2.3	1.1	2.0	1.7	2.2	2.0	1.4	2.7
Mexico	3.0	2.1	-0.1	0.4	1.6	4.1	4.8	2.8	3.8	3.7
United Kingdom	1.9	1.3	1.4	0.9	1.5	2.2	2.1	1.8	1.3	1.8
Eurozone	1.4	1.9	1.2	0.6	1.3	1.3	1.5	1.3	1.1	1.4
Germany	2.1	1.5	0.6	0.5	1.3	1.3	1.6	1.5	1.3	1.4
France	1.4	1.7	1.3	0.7	1.4	1.1	1.6	1.5	0.9	1.1
China	7.9	6.8	6.1	4.7	6.5	2.5	1.8	4.5	2.3	2.5
India	7.2	6.8	5.3	5.8	6.5	7.3	2.1	7.4	4.3	4.9
Japan	1.4	0.3	0.7	0.0	1.4	0.6	0.3	0.8	0.6	0.8
South Korea	3.4	2.7	2.0	1.8	2.6	1.8	1.3	0.7	1.6	2.1
Australia	2.7	2.7	1.8	1.9	2.5	2.1	1.8	1.8	1.9	2.1
Thailand	3.8	4.1	2.4	1.6	2.8	1.5	0.4	0.9	1.2	1.6
Brazil	1.4	1.3	1.1	1.8	2.1	6.0	3.8	4.3	4.2	4.1
Colombia	3.8	2.5	3.3	3.3	3.6	3.9	3.2	3.8	3.5	3.1
Peru	4.8	4.0	2.2	2.4	3.5	3.0	2.2	1.9	1.7	2.0
Chile	3.5	4.0	1.2	1.4	2.5	3.1	2.6	3.0	3.0	3.0

Commodities	2010–18	2018	2019	2020f	2021f
			(annual average)		
WTI Oil (USD/bbl)	74	65	57	38	50
Brent Oil (USD/bbl)	82	72	64	41	51
WCS - WTI Discount (USD/bbl)	-18	-26	-14	-14	-21
Nymex Natural Gas (USD/mmbtu)	3.39	3.07	2.53	2.39	2.63
Copper (USD/lb)	3.10	2.96	2.72	2.80	3.00
Zinc (USD/lb)	1.02	1.33	1.16	1.10	1.05
Nickel (USD/lb)	7.00	5.95	6.32	6.50	7.00
Aluminium (USD/lb)	0.89	0.96	0.81	0.90	0.90
Iron Ore (USD/tonne)	101	70	94	78	70
Metallurgical Coal (USD/tonne)	179	207	184	145	150
Gold, (USD/oz)	1,342	1,268	1,393	1,525	1,450
Silver, (USD/oz)	21.64	15.71	16.21	18.75	17.75

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

North America	2010–18	2018	2019	2020f	2021f	2010–18	2018	2019	2020f	2021f
	Canada (annual % change, unless noted)					United States (annual % change, unless noted)				
Real GDP	2.2	2.0	1.6	0.7	1.8	2.3	2.9	2.3	1.1	2.0
Consumer spending	2.6	2.1	1.6	1.6	1.8	2.4	3.0	2.6	1.9	2.2
Residential investment	2.7	-1.5	-0.5	2.5	1.9	4.8	-1.5	-1.5	0.7	2.4
Business investment*	2.4	1.8	-0.8	-2.5	0.4	5.2	6.4	2.1	-2.7	2.0
Government	1.2	3.4	1.6	1.5	2.0	-0.3	1.7	2.3	2.3	2.0
Exports	3.6	3.1	1.2	-1.5	2.3	4.1	3.0	0.0	-0.4	2.0
Imports	3.9	2.6	0.3	-0.4	1.9	4.9	4.4	1.7	1.6	2.7
Nominal GDP	3.9	3.9	3.6	1.6	4.2	4.0	5.4	4.1	2.6	4.0
GDP deflator	1.7	1.8	1.9	0.9	2.4	1.7	2.4	1.7	1.5	1.9
Consumer price index (CPI)	1.7	2.3	1.9	1.4	2.2	1.8	2.4	1.8	1.6	2.5
Core inflation rate**	1.9	1.9	2.0	1.8	1.8	1.6	1.9	1.6	1.7	2.0
Pre-tax corporate profits	5.8	2.5	0.3	-0.9	1.1	4.6	3.4	-0.6	0.3	0.9
Employment	1.2	1.3	2.1	0.7	0.8	1.4	1.6	1.4	0.9	0.7
Unemployment rate (%)	7.0	5.8	5.7	6.0	6.1	6.5	3.9	3.7	4.0	4.3
Current account balance (CAD, USD bn)	-58.4	-55.5	-45.4	-41.7	-34.3	-421	-491	-510	-537	-567
Merchandise trade balance (CAD, USD bn)	-13.0	-22.1	-18.2	-21.7	-18.3	-754	-887	-881	-927	-978
Federal budget balance (FY, CAD, USD bn)	-19.4	-19.0	-14.0	-26.6	-53.1	-813	-779	-960	-1,008	-1,034
percent of GDP	-1.0	-0.9	-0.6	-1.1	-2.2	-4.6	-3.8	-4.5	-4.6	-4.5
Housing starts (000s, mn)	200	213	209	205	203	0.96	1.25	1.30	1.26	1.26
Motor vehicle sales (000s, mn)	1,810	1,983	1,922	1,915	1,915	15.5	17.2	16.9	16.9	17.0
Industrial production	2.7	3.1	-1.1	-1.3	0.9	2.2	4.0	0.8	0.1	1.8
	Mexico (annual % change)									
Real GDP	3.0	2.1	-0.1	0.4	1.6					
Consumer price index (year-end)	4.1	4.8	2.8	3.8	3.7					
Current account balance (USD bn)	-21.2	-23.0	-2.4	-8.8	-17.3					
Merchandise trade balance (USD bn)	-6.8	-13.6	5.8	-1.7	-10.2					

Sources: Scotiabank Economics, Statistics Canada, CMHC, BEA, BLS, Bloomberg. *For Canada it includes capital expenditures by businesses and non-profit institutions.
** US: core PCE deflator; Canada: average of 3 core measures published by the BoC.

Quarterly Forecasts	2019	2020				2021			
Canada	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
Real GDP (q/q ann. % change)	0.3	0.0	-0.3	1.7	1.8	1.8	2.2	2.3	2.5
Real GDP (y/y % change)	1.5	1.2	0.3	0.4	0.8	1.2	1.9	2.0	2.2
Consumer prices (y/y % change)	2.1	2.1	1.0	1.4	0.9	1.2	2.5	2.6	2.6
Avg. of new core CPIs (y/y % change)	2.1	1.9	1.8	1.7	1.6	1.7	1.8	1.8	1.8
United States									
Real GDP (q/q ann. % change)	2.1	0.4	-0.4	1.3	1.9	2.3	2.4	2.6	2.6
Real GDP (y/y % change)	2.3	1.7	1.0	0.8	0.8	1.2	2.0	2.3	2.5
Consumer prices (y/y % change)	2.0	2.2	1.3	1.3	1.4	2.0	2.6	2.7	2.7
Total PCE deflator (y/y % change)	1.4	1.5	0.9	1.0	1.2	2.0	2.4	2.6	2.7
Core PCE deflator (y/y % change)	1.6	1.7	1.7	1.7	1.7	1.9	2.0	2.0	2.1

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

	2019	2020				2021			
Central Bank Rates	**Q4**	**Q1f**	**Q2f**	**Q3f**	**Q4f**	**Q1f**	**Q2f**	**Q3f**	**Q4f**
Americas				(%, end of period)					
Bank of Canada	1.75	1.25	0.25	0.25	0.25	0.25	0.25	0.50	0.75
US Federal Reserve (upper bound)	1.75	0.50	0.25	0.25	0.25	0.25	0.25	0.50	0.75
Bank of Mexico	7.25	6.25	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Central Bank of Brazil	4.50	3.75	3.25	3.25	3.50	3.75	4.25	4.75	5.25
Bank of the Republic of Colombia	4.25	4.25	4.25	4.25	4.25	4.50	4.50	4.50	4.50
Central Reserve Bank of Peru	2.25	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Central Bank of Chile	1.75	1.75	1.25	1.00	1.00	1.00	1.25	1.75	2.00
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	-0.50	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60
Bank of England	0.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50
Asia/Oceania									
Reserve Bank of Australia	0.75	0.50	0.25	0.25	0.25	0.25	0.25	0.25	0.25
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	4.15	3.95	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Reserve Bank of India	5.15	5.15	4.90	4.90	4.90	4.90	5.00	5.25	5.50
Bank of Korea	1.25	1.25	1.00	1.00	1.00	1.00	1.00	1.25	1.25
Bank of Thailand	1.25	1.00	0.75	0.75	0.75	0.75	0.75	1.00	1.00
Currencies and Interest Rates									
Americas				(%, end of period)					
Canadian dollar (USDCAD)	1.30	1.40	1.40	1.39	1.37	1.35	1.32	1.31	1.30
Canadian dollar (CADUSD)	0.77	0.71	0.71	0.72	0.73	0.74	0.76	0.76	0.77
Mexican peso (USDMXN)	18.93	20.94	20.74	20.68	20.94	21.06	20.91	21.34	21.87
Brazilian real (USDBRL)	4.02	4.65	4.21	4.32	4.37	4.44	4.22	4.17	4.11
Colombian peso (USDCOP)	3,287	3,700	3,359	3,357	3,357	3,233	3,215	3,198	3,180
Peruvian sol (USDPEN)	3.31	3.51	3.49	3.42	3.40	3.37	3.38	3.34	3.35
Chilean peso (USDCLP)	753	820	790	770	760	750	730	700	700
Europe									
Euro (EURUSD)	1.12	1.15	1.15	1.16	1.16	1.17	1.18	1.19	1.20
UK pound (GBPUSD)	1.33	1.32	1.32	1.33	1.33	1.34	1.36	1.38	1.38
Asia/Oceania									
Japanese yen (USDJPY)	109	101	100	101	102	102	103	104	104
Australian dollar (AUDUSD)	0.70	0.65	0.63	0.63	0.64	0.65	0.66	0.67	0.67
Chinese yuan (USDCNY)	6.96	6.90	6.80	6.70	6.70	6.60	6.60	6.50	6.50
Indian rupee (USDINR)	71.4	71.0	70.5	70.0	70.0	69.5	69.5	69.0	69.0
South Korean won (USDKRW)	1,156	1,220	1,200	1,180	1,180	1,160	1,160	1,140	1,140
Thai baht (USDTHB)	30.0	31.6	31.6	31.4	31.4	31.2	31.2	31.0	31.0
Canada (Yields, %)									
3-month T-bill	1.66	0.60	0.35	0.25	0.25	0.25	0.35	0.60	0.90
2-year Canada	1.69	0.55	0.40	0.45	0.60	0.75	0.90	1.05	1.20
5-year Canada	1.68	0.60	0.50	0.60	0.75	1.00	1.15	1.25	1.40
10-year Canada	1.70	0.65	0.70	0.85	1.00	1.20	1.40	1.50	1.65
30-year Canada	1.76	0.90	0.95	1.05	1.20	1.40	1.60	1.70	1.85
United States (Yields, %)									
3-month T-bill	1.51	0.35	0.10	0.10	0.10	0.10	0.10	0.35	0.60
2-year Treasury	1.57	0.40	0.45	0.50	0.60	0.75	0.85	1.00	1.20
5-year Treasury	1.69	0.50	0.60	0.70	0.90	1.15	1.30	1.40	1.45
10-year Treasury	1.92	0.65	0.75	0.90	1.15	1.35	1.50	1.60	1.75
30-year Treasury	2.39	1.20	1.35	1.45	1.60	1.75	1.85	1.95	2.05

Sources: Scotiabank Economics, Bloomberg.

The Provinces	(annual % change except where noted)										
Real GDP	**CA**	**NL**	**PE**	**NS**	**NB**	**QC**	**ON**	**MB**	**SK**	**AB**	**BC**
2010–18	2.2	0.5	2.0	0.9	0.6	1.7	2.2	2.2	2.5	2.8	2.8
2018	2.0	-3.5	2.6	1.5	0.8	2.5	2.2	1.3	1.3	1.6	2.6
2019e	1.6	2.1	2.7	1.7	0.6	2.5	1.7	1.3	1.0	0.5	2.1
2020f	0.7	1.1	2.0	1.3	0.7	1.8	1.5	1.1	1.2	1.6	2.1
2021f	1.8	0.5	2.0	1.3	0.7	1.7	1.8	1.4	1.6	2.5	2.4
Nominal GDP											
2010–18	3.9	3.2	3.9	2.7	2.8	3.7	4.1	4.0	3.3	3.8	4.5
2018	3.9	1.7	4.2	3.3	3.2	4.8	3.7	2.2	1.4	3.8	4.5
2019e	3.6	3.6	4.6	3.4	2.2	4.1	3.3	3.0	2.6	2.0	4.2
2020f	1.6	3.0	3.9	3.2	2.3	3.5	3.2	3.0	2.9	3.3	4.4
2021f	4.2	3.0	4.0	3.1	2.1	3.6	4.0	3.2	4.1	5.2	5.1
Employment											
2010–18	1.2	0.5	1.2	0.2	-0.2	1.1	1.3	0.8	0.9	1.5	1.4
2018	1.3	0.5	3.0	1.5	0.3	0.9	1.6	0.6	0.4	1.9	1.1
2019e	2.1	0.6	2.7	2.2	0.8	1.8	2.9	0.9	1.8	0.5	2.6
2020f	0.7	-0.1	0.8	0.3	0.2	0.9	1.2	0.6	0.7	1.0	1.3
2021f	0.8	0.0	0.6	0.1	0.2	0.8	1.0	0.6	0.6	1.2	1.3
Unemployment Rate (%)											
2010–18	7.0	13.3	10.8	8.8	9.3	7.4	7.3	5.5	5.2	6.1	6.4
2018	5.8	13.8	9.4	7.6	8.0	5.5	5.6	6.0	6.1	6.6	4.7
2019e	5.7	11.9	8.8	7.2	8.0	5.1	5.6	5.3	5.4	6.9	4.7
2020f	6.0	12.0	8.8	7.2	8.0	5.2	5.7	5.4	5.4	7.0	4.9
2021f	6.1	11.8	9.0	7.3	7.9	5.3	5.7	5.5	5.4	6.9	5.0
Housing Starts (units, 000s)											
2010–18	200	2.4	0.8	4.1	2.7	44	70	6.5	6.4	31	33
2018	213	1.1	1.1	4.8	2.3	47	79	7.4	3.6	26	41
2019e	209	0.9	1.3	4.7	2.9	48	69	7.0	2.4	27	45
2020f	205	1.2	1.1	4.3	2.4	46	75	6.0	3.3	30	37
2021f	203	1.1	1.0	4.2	2.4	44	77	5.9	3.7	31	33
Motor Vehicle Sales (units, 000s)											
2010–18	1,810	33	7	52	42	439	725	56	54	241	197
2018	1,983	28	8	51	38	449	853	67	47	226	217
2019e	1,922	31	9	51	40	442	820	57	48	218	207
2020f	1,915	28	8	50	40	430	815	52	49	227	213
2021f	1,915	25	8	50	40	430	815	50	50	232	218
Budget Balances, Fiscal Year Ending March 31 (CAD mn)											
2019	-14,000	-552	57	120	73	4,803	-7,435	-163	-268	-6,711	1,535
2020f*	-26,600	-944	1	41	98	1,900	-9,023	-325	37	-7,540	203
2021f	-53,100	-796	7	55	92	0	-6,800	-234	49	-6,810	227

* NL budget balance in 2020 is net of one-time revenue boost via Atlantic Accord. Sources: Scotiabank Economics, Statistics Canada, CMHC, Budget documents; Quebec budget balance figures are after Generations Fund transfers.

Note: The provincial forecasts above come from our January *Provincial Outlook* (accessed here https://www.scotiabank.com/ca/en/about/global-economics/provincial-trends.html). We will next update our provincial forecasts in the April 2020 *Provincial Outlook* report.