

January 13, 2020

International	2010–18	2018	2019e	2020f	2021f	2010–18	2018	2019e	2020f	2021f
	Real GDP (annual % change)					Consumer Prices (y/y % change, year-end)				
World (based on purchasing power parity)	3.8	3.8	2.9	3.1	3.4					
Canada	2.2	2.0	1.6	1.5	2.0	1.7	2.0	2.1	1.8	2.3
United States	2.3	2.9	2.3	1.7	1.8	1.7	2.2	2.0	2.2	2.4
Mexico	3.0	2.1	0.0	1.0	1.8	4.1	4.8	2.8	3.8	3.7
United Kingdom	1.9	1.3	1.1	1.2	1.6	2.2	2.1	1.8	2.0	2.1
Eurozone	1.4	1.9	1.0	1.1	1.3	1.3	1.5	1.2	1.3	1.5
Germany	2.1	1.5	0.5	0.8	1.2	1.3	1.6	1.3	1.4	1.6
France	1.4	1.7	1.3	1.3	1.4	1.1	1.6	1.3	1.4	1.5
China	7.8	6.6	6.1	6.0	5.8	2.5	1.8	4.5	2.1	2.5
India	7.3	7.4	5.1	6.2	7.2	7.3	2.1	6.1	4.3	4.9
Japan	1.4	0.3	0.9	0.6	1.2	0.6	0.3	0.9	0.6	0.8
South Korea	3.4	2.7	1.8	2.1	2.5	1.8	1.3	0.7	1.6	2.1
Australia	2.7	2.7	1.8	2.1	2.5	2.1	1.8	1.6	1.9	2.1
Thailand	3.8	4.1	2.4	2.2	2.7	1.5	0.4	0.9	1.3	1.6
Brazil	1.4	1.3	1.1	2.1	2.1	6.0	3.8	3.3	4.2	4.1
Colombia	3.8	2.6	3.2	3.6	3.6	3.9	3.2	3.8	3.3	3.1
Peru	4.8	4.0	2.3	3.0	3.5	3.0	2.2	1.9	2.0	2.3
Chile	3.5	4.0	1.0	1.4	3.0	3.1	2.6	3.0	2.9	3.0
Commodities	(annual average)									
WTI Oil (USD/bbl)	74	65	57	59	64					
Brent Oil (USD/bbl)	82	72	64	63	67					
WCS - WTI Discount (USD/bbl)	-18	-26	-14	-20	-24					
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	2019e	2020f	2021f	2010–18	2018	2019e	2020f	2021f
	Canada					United States				
	(annual % change, unless noted)					(annual % change, unless noted)				
Real GDP	2.2	2.0	1.6	1.5	2.0	2.3	2.9	2.3	1.7	1.8
Consumer spending	2.6	2.1	1.6	1.6	1.9	2.4	3.0	2.6	2.3	2.0
Residential investment	2.7	-1.5	-0.7	3.6	2.4	4.8	-1.5	-1.8	1.3	1.8
Business investment*	2.4	1.8	0.2	3.7	3.5	5.2	6.4	2.3	1.0	2.5
Government	1.2	3.4	1.8	1.6	1.8	-0.3	1.7	2.3	1.8	1.6
Exports	3.6	3.1	1.9	1.4	2.5	4.1	3.0	0.0	1.3	2.2
Imports	3.9	2.6	0.6	2.0	2.7	4.9	4.4	1.7	2.6	2.9
Nominal GDP	3.9	3.9	3.2	3.3	4.2	4.0	5.4	4.1	3.4	3.8
GDP deflator	1.7	1.8	1.5	1.8	2.1	1.7	2.4	1.8	1.7	2.0
Consumer price index (CPI)	1.7	2.3	2.0	2.0	2.0	1.8	2.4	1.8	2.3	2.4
Core inflation rate**	1.9	1.9	2.0	2.0	1.9	1.6	1.9	1.6	1.9	2.0
Pre-tax corporate profits	5.8	2.5	-0.2	0.9	2.0	4.6	3.4	-0.5	2.3	1.8
Employment	1.2	1.3	2.1	0.9	1.0	1.4	1.7	1.6	1.0	1.0
Unemployment rate (%)	7.0	5.8	5.7	5.8	5.8	6.5	3.9	3.7	3.8	3.8
Current account balance (CAD, USD bn)	-58.4	-55.5	-44.5	-47.3	-43.9	-421	-491	-510	-525	-555
Merchandise trade balance (CAD, USD bn)	-13.0	-22.1	-18.9	-26.9	-27.5	-754	-887	-881	-924	-976
Federal budget balance (FY, CAD, USD bn)	-19.4	-19.0	-14.0	-26.6	-28.1	-813	-779	-960	-1,008	-1,034
percent of GDP	-1.0	-0.9	-0.6	-1.1	-1.1	-4.6	-3.8	-4.5	-4.6	-4.5
Housing starts (000s, mn)	200	213	209	205	203	0.96	1.25	1.25	1.26	1.26
Motor vehicle sales (000s, mn)	1,809	1,983	1,922	1,915	1,915	15.5	17.2	16.9	16.9	17.0
Industrial production	2.7	3.1	-0.8	1.0	1.8	2.2	4.0	0.7	0.8	1.9
	Mexico									
	(annual % change)									
Real GDP	3.0	2.1	0.0	1.0	1.8					
Consumer price index (year-end)	4.1	4.8	2.8	3.8	3.7					
Current account balance (USD bn)	-21.0	-22.2	-0.2	-14.4	-16.7					
Merchandise trade balance (USD bn)	-6.8	-13.6	2.3	-21.1	-29.9					

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	Q4e	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
Real GDP (q/q ann. % change)	0.2	1.6	1.7	1.6	1.9	2.1	2.2	2.3	2.2
Real GDP (y/y % change)	1.5	1.7	1.2	1.3	1.7	1.8	1.9	2.1	2.2
Consumer prices (y/y % change)	2.1	2.3	2.0	2.0	1.8	1.7	1.8	2.0	2.3
Avg. of new core CPIs (y/y % change)	2.1	2.1	2.0	2.0	1.9	1.9	1.9	2.0	2.0
United States									
Real GDP (q/q ann. % change)	1.9	1.3	1.6	1.6	1.8	1.8	1.9	2.0	2.1
Real GDP (y/y % change)	2.3	1.8	1.7	1.6	1.6	1.7	1.8	1.9	2.0
Consumer prices (y/y % change)	2.0	2.2	2.3	2.3	2.2	2.3	2.3	2.4	2.4
Total PCE deflator (y/y % change)	1.5	1.6	1.8	1.8	1.7	1.9	2.0	2.2	2.3
Core PCE deflator (y/y % change)	1.7	1.8	1.9	1.9	1.9	2.0	2.0	2.0	2.0

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	1.50	1.25	1.25	1.25	1.25	1.25	1.25	1.25
US Federal Reserve (upper bound)	1.75	1.75	1.75	1.50	1.50	1.50	1.50	1.50	1.50
Bank of Mexico	7.25	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Central Bank of Brazil	4.50	4.50	5.00	5.50	6.00	6.50	6.75	7.00	7.00
Bank of the Republic of Colombia	4.25	4.25	4.50	4.50	4.50	4.75	4.75	4.75	4.75
Central Reserve Bank of Peru	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.50	2.50
Central Bank of Chile	1.75	1.75	1.50	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	-0.50	-0.50	-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	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
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	4.05	4.00	4.00	4.00	4.00	4.00	4.00	4.00
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	1.25	1.25	1.25	1.25	1.25	1.50	1.50
Bank of Thailand	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.25
Currencies and Interest Rates									
Americas									
				(% , end of period)					
Canadian dollar (USDCAD)	1.30	1.28	1.27	1.26	1.25	1.25	1.25	1.25	1.25
Canadian dollar (CADUSD)	0.77	0.78	0.79	0.79	0.80	0.80	0.80	0.80	0.80
Mexican peso (USDMXN)	18.85	19.51	20.15	20.25	20.52	20.74	20.80	20.92	21.21
Brazilian real (USDBRL)	4.09	4.26	4.32	4.26	4.18	4.21	4.24	4.27	4.30
Colombian peso (USDCOP)	3,287	3,295	3,237	3,258	3,250	3,233	3,215	3,198	3,180
Peruvian sol (USDPEN)	3.31	3.35	3.33	3.35	3.35	3.34	3.38	3.34	3.35
Chilean peso (USDCLP)	753	770	750	720	700	700	690	685	680
Europe									
Euro (EURUSD)	1.12	1.12	1.14	1.15	1.16	1.17	1.18	1.19	1.20
UK pound (GBPUSD)	1.33	1.33	1.34	1.36	1.36	1.38	1.39	1.41	1.42
Asia/Oceania									
Japanese yen (USDJPY)	108	107	107	105	105	103	103	102	102
Australian dollar (AUDUSD)	0.68	0.69	0.70	0.71	0.72	0.72	0.73	0.73	0.74
Chinese yuan (USDCNY)	6.96	6.80	6.80	6.70	6.70	6.60	6.60	6.50	6.50
Indian rupee (USDINR)	71.4	70.5	70.5	70.0	70.0	69.5	69.5	69.0	69.0
South Korean won (USDKRW)	1,156	1,140	1,140	1,120	1,120	1,100	1,100	1,080	1,080
Thai baht (USDTHB)	30.0	30.0	30.0	29.9	29.9	29.8	29.8	29.7	29.7
Canada (Yields, %)									
3-month T-bill	1.66	1.55	1.25	1.25	1.25	1.25	1.25	1.25	1.30
2-year Canada	1.69	1.50	1.35	1.30	1.35	1.40	1.45	1.45	1.50
5-year Canada	1.68	1.45	1.35	1.35	1.40	1.45	1.50	1.55	1.60
10-year Canada	1.70	1.55	1.45	1.50	1.50	1.55	1.60	1.70	1.75
30-year Canada	1.76	1.65	1.60	1.65	1.75	1.80	1.85	1.95	2.00
United States (Yields, %)									
3-month T-bill	1.51	1.55	1.55	1.30	1.30	1.30	1.30	1.30	1.30
2-year Treasury	1.57	1.60	1.55	1.50	1.55	1.60	1.65	1.65	1.65
5-year Treasury	1.69	1.65	1.60	1.60	1.65	1.70	1.75	1.80	1.80
10-year Treasury	1.92	1.80	1.75	1.75	1.80	1.85	1.90	1.95	2.00
30-year Treasury	2.39	2.25	2.15	2.20	2.25	2.30	2.35	2.40	2.45
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	1.5	1.1	2.0	1.3	0.7	1.8	1.5	1.1	1.2	1.6	2.1
2021f	2.0	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	3.2	3.6	4.6	3.4	2.2	4.1	3.3	3.0	2.6	2.0	4.2
2020f	3.3	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	0.9	-0.1	0.8	0.3	0.2	0.9	1.2	0.6	0.7	1.0	1.3
2021f	1.0	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	5.8	12.0	8.8	7.2	8.0	5.2	5.7	5.4	5.4	7.0	4.9
2021f	5.8	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	1,847	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	37	88	1,400	-9,023	-350	37	-8,704	148
2021f	-28,100	-796	7	52	33	100	-6,800	-234	49	-5,883	291

* 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.

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