

Canada and United States forecast tables

September 13, 2023

Economic forecast detail — Canada

Real growth in the economy

Quarter-over-quarter annualized % change unless otherwise indicated

	Forecast												Forecast			
	2022				2023				2024				2021	2022	2023F	2024F
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Household Consumption	2.0	9.0	0.3	1.1	4.7	0.2	-0.4	0.5	0.5	1.1	2.2	2.5	5.1	4.8	2.0	0.8
Durables	4.5	-14.6	-0.5	13.6	7.5	-2.0	-1.0	0.5	0.5	1.3	2.5	3.5	8.5	-2.3	2.7	0.7
Semi-Durables	-6.6	25.1	-13.7	-3.5	17.9	1.8	1.0	1.0	0.3	0.5	1.4	2.3	14.1	6.6	3.6	0.9
Non-durables	3.2	2.0	-2.7	-1.3	0.1	1.6	-1.3	0.0	0.3	0.9	1.5	2.3	1.1	0.0	-0.3	0.5
Services	2.0	17.1	3.9	0.0	4.7	-0.1	0.0	0.7	0.7	1.3	2.6	2.5	5.1	8.6	2.7	1.0
NPI&H consumption	3.6	5.9	2.9	1.7	9.3	7.9	-0.4	0.5	0.5	1.1	2.2	2.5	5.1	4.8	4.8	1.3
Government expenditures	3.1	-2.5	4.7	2.3	-3.7	2.5	1.5	1.5	1.3	2.2	2.7	3.3	6.4	2.0	0.6	1.9
Government fixed investment	7.9	-2.0	-5.3	10.6	10.2	-0.8	2.5	2.5	2.6	2.6	2.6	2.6	0.9	2.1	3.9	2.4
Residential investment	6.8	-30.3	-18.4	-9.9	-19.1	-8.2	2.0	3.0	7.1	11.3	15.3	14.0	14.9	-11.2	-12.6	6.9
Non-residential investment	4.7	13.9	1.0	-5.1	5.7	10.3	1.5	-3.0	0.0	1.8	2.6	3.0	4.3	8.0	3.2	1.1
Non-residential structures	3.8	9.7	6.5	11.6	8.8	9.9	4.0	-3.0	0.0	2.0	2.8	3.2	0.8	8.3	7.9	1.4
Machinery & equipment	6.3	21.5	-7.8	-28.6	0.3	11.1	-3.0	-3.0	0.0	1.5	2.2	2.5	9.9	7.4	-4.6	0.4
Intellectual property	16.8	4.3	-9.6	1.2	7.5	2.6	2.5	1.0	1.0	1.7	2.1	2.2	4.0	0.7	1.9	1.6
Final domestic demand	3.4	2.0	-0.9	0.2	1.2	1.0	0.5	0.7	1.2	2.2	3.3	3.6	5.8	2.7	0.6	1.6
Exports	-8.2	8.1	11.3	2.2	10.2	0.4	-3.0	-3.0	0.0	0.0	0.1	0.3	1.4	2.8	4.2	-0.9
Imports	2.0	29.0	-2.3	-12.6	0.7	1.9	-2.5	0.0	2.0	2.5	4.0	3.5	7.8	7.5	-1.0	1.5
Inventories (change in \$b)	20.1	60.2	53.3	24.3	16.1	11.1	6.0	5.0	3.5	3.2	3.0	3.5	-4.1	39.5	9.5	3.3
Real gross domestic product	2.6	3.6	2.3	-0.1	2.6	-0.2	-0.5	-0.5	0.3	1.4	2.0	2.6	5.0	3.4	1.0	0.6

Other indicators

Year-over-year % change unless otherwise indicated

Business and labour

Productivity	-2.1	-1.3	-0.5	-0.7	-1.5	-1.7	-1.7	-1.3	-0.2	0.3	0.7	0.9	-5.6	-1.1	-1.6	0.4
Pre-tax corporate profits	6.8	19.4	15.5	-7.2	-17.6	-30.9	-22.6	-10.3	-3.5	4.5	1.9	2.5	35.8	8.4	-20.9	1.3
Unemployment rate (%)*	5.7	5.1	5.1	5.1	5.0	5.2	5.6	6.0	6.5	6.6	6.5	6.4	7.5	5.3	5.5	6.5
Inflation																
Headline CPI	5.8	7.5	7.2	6.7	5.1	3.5	3.6	3.0	2.9	2.3	1.6	1.5	3.4	6.8	3.8	2.1
CPI ex. food and energy	4.0	5.1	5.4	5.4	4.8	4.0	3.3	3.0	2.8	2.4	2.1	2.1	2.4	5.0	3.8	2.3
External trade																
Current account balance (\$b)*	15.7	19.3	-39.3	-32.2	-12.7	-26.5	-14.5	-12.9	-17.1	-22.2	-30.4	-31.7	-6.7	-9.1	-16.7	-25.3
% of GDP*	0.6	0.7	-1.4	-1.2	-0.5	-0.9	-0.5	-0.5	-0.6	-0.8	-1.0	-1.1	-0.3	-0.4	-0.6	-0.9
Housing starts (000s)*	243	270	281	259	223	249	251	241	246	260	272	285	271	262	241	265
Motor vehicle sales (mill., saar)*	1.61	1.53	1.51	1.60	1.67	1.71	1.70	1.71	1.71	1.71	1.73	1.74	1.69	1.56	1.70	1.72

*Period average

Source: Statistics Canada, RBC Economics

Economic forecast detail — United States

Real growth in the economy

Quarter-over-quarter annualized % change unless otherwise indicated

	Forecast												Forecast			
	2022				2023				2024							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2021	2022	2023F	2024F
Consumer spending	1.3	2.0	2.3	1.0	4.2	1.7	2.3	-0.2	-1.0	0.6	1.4	2.2	8.3	2.7	2.2	0.5
Durables	7.7	-2.8	-0.8	-1.3	16.3	-0.3	0.0	-0.5	-1.0	0.5	0.8	2.0	18.5	-0.4	3.2	0.0
Non-durables	-4.4	-2.4	-0.1	0.6	0.5	1.2	1.5	-0.5	-1.1	1.0	1.5	2.1	8.8	-0.5	0.4	0.4
Services	2.1	4.6	3.7	1.6	3.2	2.2	0.5	0.0	0.5	0.5	1.8	2.2	6.3	4.5	2.6	0.7
Government spending	-2.3	-1.6	3.7	3.8	5.0	3.3	1.5	0.8	-1.0	0.7	2.0	2.0	0.6	-0.6	3.2	0.8
Residential investment	-3.1	-17.8	-27.1	-25.1	-4.0	-3.6	4.6	-1.5	0.0	0.5	2.5	2.5	10.7	-10.6	-11.4	0.6
Non-residential investment	7.9	0.1	6.2	4.0	0.6	6.2	1.3	-1.2	-3.6	1.5	1.9	2.0	6.4	3.9	2.9	0.0
Non-residential structures	-4.4	-12.7	-3.6	15.7	15.8	11.3	-3.0	-2.0	-2.0	4.2	3.5	3.8	-6.4	-6.6	6.8	0.8
Equipment & software	11.4	-2.1	10.6	-3.5	-8.9	7.7	2.4	-3.0	-5.0	1.5	2.3	2.0	10.3	4.3	-0.4	-0.4
Intellectual property	10.8	8.9	6.8	6.2	3.1	2.2	2.5	1.0	-3.0	0.0	0.8	1.5	9.7	8.8	4.1	0.1
Final domestic demand	1.3	0.2	1.5	0.7	3.5	2.3	2.1	-0.2	-1.3	0.7	1.6	2.1	6.7	1.7	1.9	0.5
Exports	-4.6	13.8	14.6	-3.7	7.8	-10.6	6.0	-5.0	-2.5	1.0	0.0	1.0	6.1	7.1	2.0	-1.3
Imports	18.4	2.3	-7.3	-5.5	2.0	-7.0	2.0	-3.0	1.5	1.5	3.5	4.0	14.1	8.1	-2.7	0.6
Inventories (change in \$b)	214.5	110.2	38.7	136.5	3.5	-1.8	25.0	15.0	30.0	12.0	20.0	30.0	-19.4	125.0	10.4	23.0
Real gross domestic product	-1.6	-0.6	3.2	2.6	2.0	2.1	3.0	-0.5	-1.5	0.3	1.5	2.0	5.9	2.1	2.1	0.4

Other indicators

Year-over-year % change unless otherwise indicated

Business and labour																
Productivity	-0.9	-2.4	-1.5	-1.8	-0.3	1.4	1.6	0.8	0.7	-0.1	-0.3	0.3	2.2	-1.6	0.9	0.1
Pre-tax corporate profits	10.9	7.7	5.5	2.6	-1.8	-6.5	-5.3	-4.0	-1.1	-0.9	-1.7	-0.3	22.6	6.5	-4.4	-1.0
Unemployment rate (%)*	3.8	3.6	3.6	3.6	3.5	3.6	3.7	4.0	4.5	4.8	4.8	4.8	5.4	3.7	3.7	4.7
Inflation																
Headline CPI	8.0	8.6	8.3	7.1	5.8	4.0	3.5	2.9	2.4	2.1	1.7	1.8	4.7	8.0	4.0	2.0
CPI ex. food and energy	6.3	6.0	6.3	6.0	5.6	5.2	4.3	3.6	3.0	2.4	2.4	2.4	3.6	6.2	4.7	2.5
External trade																
Current account balance (\$b)*	-1135.6	-995.1	-891.0	-864.6	-877.2	-877.9	-875.9	-882.9	-906.9	-910.9	-936.9	-963.9	-831.4	-971.6	-878.5	-929.7
% of GDP*	-4.6	-3.9	-3.5	-3.3	-3.3	-3.3	-3.2	-3.2	-3.3	-3.3	-3.4	-3.5	-3.6	-3.8	-3.3	-3.4
Housing starts (000s)*	1718	1636	1446	1405	1385	1443	1378	1366	1373	1383	1395	1410	1606	1551	1393	1390
Motor vehicle sales (millions, saar)*	14.1	13.3	13.4	14.3	15.3	15.6	13.7	13.9	14.2	14.3	14.4	14.7	14.9	13.8	14.6	14.4

*Period average

Source: Bureau of Economic Analysis, RBC Economics