

Canada and US market forecast tables

March 15, 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	2.1	9.3	-0.4	2.0	2.2	0.0	-1.0	0.3	1.5	2.0	2.2	2.6	5.1	4.8	1.3	1.1
Durables	7.9	-13.7	-6.7	14.4	2.0	-2.5	-1.5	0.5	1.2	2.3	2.5	3.5	8.5	-2.0	0.6	1.0
Semi-Durables	-5.3	23.1	-14.2	-4.0	1.0	0.0	-2.0	1.0	1.1	1.5	1.4	2.3	14.1	6.6	-1.3	0.8
Non-durables	3.2	2.2	-3.1	-0.3	1.0	1.0	-1.3	0.0	1.5	1.9	1.5	2.3	1.1	0.1	0.0	1.0
Services	1.1	17.5	4.5	1.3	3.0	0.1	-0.7	0.3	1.6	2.0	2.6	2.5	5.1	8.6	2.5	1.2
NPISH consumption	0.7	6.1	2.5	0.4	2.2	0.0	-1.0	0.3	1.5	2.0	2.2	2.6	5.1	4.8	1.2	1.1
Government expenditures	2.9	-2.3	4.8	2.4	1.5	1.2	1.5	1.5	1.3	2.2	2.7	3.3	6.4	2.0	1.8	1.8
Government fixed investment	8.6	-3.0	-6.2	11.9	1.5	2.0	2.5	2.5	2.6	2.6	2.6	2.6	0.9	2.1	2.4	2.5
Residential investment	7.2	-30.3	-18.9	-8.8	-15.0	-5.0	-3.0	0.5	3.8	4.5	5.3	5.9	14.9	-11.1	-11.5	2.2
Non-residential investment	3.6	12.9	3.9	-5.5	6.1	-1.2	-0.4	1.5	2.2	2.3	2.6	3.0	4.3	7.8	1.5	1.6
Non-residential structures	4.2	5.8	9.4	10.2	6.2	1.0	0.0	2.0	2.3	2.5	2.8	3.2	0.8	8.0	5.2	2.0
Machinery & equipment	2.5	25.9	-4.7	-27.6	6.0	-5.2	-1.0	0.5	2.1	2.0	2.2	2.5	9.9	7.6	-4.8	1.0
Intellectual property	1.1	10.0	5.1	11.6	1.0	1.0	2.5	1.0	2.0	1.7	2.1	2.2	4.0	0.6	4.1	1.8
Final domestic demand	3.1	2.1	-0.8	1.0	0.9	-0.2	-0.4	0.8	1.8	2.3	2.6	3.0	5.8	2.7	0.4	1.5
Exports	-7.5	6.9	10.6	0.8	12.3	2.2	1.3	2.0	1.0	1.3	2.0	2.5	1.4	2.6	5.6	1.6
Imports	1.3	27.5	-1.8	-12.0	8.0	2.6	0.0	1.9	2.0	2.7	3.0	3.1	7.8	7.2	1.4	2.1
Inventories (change in \$b)	19.4	57.6	52.1	22.3	15.7	14.9	9.4	7.9	8.5	9.4	11.3	11.0	-4.1	37.8	12.0	10.0
Real gross domestic product	2.4	3.6	2.3	0.0	1.0	-0.5	-1.0	0.5	1.5	2.0	2.6	2.8	5.0	3.4	0.6	1.2

Other indicators

Year-over-year % change unless otherwise indicated

Business and labour

Productivity	-2.1	-1.4	-0.5	-0.7	-1.7	-1.1	-0.9	-0.4	0.7	0.7	1.1	1.4	-5.6	-1.2	-1.0	1.0
Pre-tax corporate profits	7.1	20.3	15.8	-6.7	-14.5	-22.2	-14.1	-0.6	4.2	3.8	3.7	3.6	35.8	8.9	-13.4	3.8
Unemployment rate (%)*	5.7	5.1	5.1	5.1	5.1	5.4	5.8	6.6	6.8	6.8	6.8	6.7	7.5	5.3	5.7	6.8
Inflation																
Headline CPI	5.8	7.5	7.2	6.7	5.1	3.2	2.6	1.9	2.0	2.3	2.3	2.1	3.4	6.8	3.2	2.2
CPI ex. food and energy	4.0	5.1	5.4	5.4	4.7	3.7	3.0	2.9	2.8	2.6	2.5	2.3	2.4	5.0	3.6	2.6
External trade																
Current account balance (\$b)*	11.0	22.0	-33.7	-42.6	-54.8	-51.4	-42.0	-35.7	-36.9	-42.0	-43.4	-41.1	-6.7	-10.8	-46.0	-40.8
% of GDP*	0.4	0.8	-1.2	-1.5	-2.0	-1.8	-1.5	-1.3	-1.3	-1.4	-1.5	-1.4	-0.3	-0.4	-1.7	-1.4
Housing starts (000s)*	241	271	281	258	242	266	266	262	273	280	288	288	271	262	259	283
Motor vehicle sales (mill., saar)*	1.62	1.58	1.52	1.60	1.70	1.69	1.68	1.69	1.69	1.70	1.71	1.72	1.68	1.58	1.69	1.71

*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				2021	2022	2023F	2024
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Consumer spending	1.3	2.0	2.3	1.4	1.4	-1.7	-0.8	0.6	1.0	1.4	1.8	2.2	8.3	2.8	0.6	0.8
Durables	7.7	-2.8	-0.8	-1.9	2.0	-1.5	-1.0	0.5	0.5	0.8	1.8	2.0	18.5	-0.5	-0.5	0.5
Non-durables	-4.4	-2.4	-0.1	0.2	0.5	-1.0	0.0	0.5	1.0	1.5	2.0	2.2	8.8	-0.5	-0.2	0.9
Services	2.1	4.6	3.7	2.4	1.6	-2.0	-1.0	0.7	1.1	1.5	1.8	2.2	6.3	4.5	1.1	0.8
Government spending	-2.3	-1.6	3.7	3.6	2.0	0.5	-0.5	0.0	1.1	1.2	2.0	2.2	0.6	-0.6	1.6	0.9
Residential investment	-3.1	-17.8	-27.1	-25.9	-11.0	-2.5	-2.0	1.5	2.0	1.8	2.5	2.5	10.7	-10.7	-13.6	1.2
Non-residential investment	7.9	0.1	6.2	3.3	3.3	-1.2	-1.3	0.7	1.6	2.0	2.3	2.1	6.4	3.8	1.8	1.1
Non-residential structures	-4.4	-12.7	-3.6	8.5	6.5	-3.0	-3.5	0.5	2.0	4.2	3.5	3.8	-6.4	-6.9	0.8	1.4
Equipment & software	11.4	-2.1	10.6	-3.2	3.0	-1.5	-2.5	0.5	1.4	1.5	2.3	2.0	10.3	4.3	0.7	0.7
Intellectual property	10.8	8.9	6.8	7.4	2.0	0.0	1.0	1.0	1.5	1.4	1.7	1.5	9.7	8.9	3.4	1.3
Final domestic demand	1.3	0.2	1.5	0.7	1.3	-1.3	-0.8	0.6	1.1	1.5	2.0	2.2	6.7	1.7	0.3	0.9
Exports	-4.6	13.8	14.6	-1.6	7.5	1.0	0.0	0.0	0.8	1.0	1.5	3.0	6.1	7.2	4.2	0.8
Imports	18.4	2.3	-7.3	-4.2	6.3	-5.0	-4.5	0.0	0.5	2.5	3.5	4.5	14.1	8.2	-1.6	0.4
Inventories (change in \$b)	214.5	110.2	38.7	136.3	120.0	90.0	30.0	25.0	15.0	25.0	35.0	35.0	-19.4	124.9	66.3	27.5
Real gross domestic product	-1.6	-0.6	3.2	2.7	1.0	-1.2	-1.5	0.5	1.0	1.5	2.0	2.0	5.9	2.1	0.7	0.7

Other indicators

Year-over-year % change unless otherwise indicated

Business and labour																
Productivity	-0.9	-2.4	-1.5	-1.8	-0.6	0.0	-0.5	-0.7	-0.1	0.6	1.1	1.2	2.2	-1.7	-0.4	0.7
Pre-tax corporate profits	10.9	7.7	5.5	6.9	7.1	1.5	0.6	-1.3	-1.2	0.2	1.8	2.6	22.6	7.7	1.9	0.8
Unemployment rate (%)*	3.8	3.6	3.6	3.6	3.6	4.1	4.5	4.7	4.8	4.8	4.8	4.8	5.4	3.7	4.2	4.8
Inflation																
Headline CPI	8.0	8.6	8.3	7.1	5.7	3.7	2.9	2.6	2.3	2.4	2.3	2.2	4.7	8.0	3.7	2.3
CPI ex. food and energy	6.3	6.0	6.3	6.0	5.4	4.6	3.8	3.3	2.9	2.8	2.6	2.5	3.6	6.2	4.3	2.7
External trade																
Current account balance (\$b)*	-1130	-955	-868	-847	-841	-798	-767	-770	-770	-781	-800	-821	-846	-950	-794	-793
% of GDP*	-4.6	-3.8	-3.4	-3.2	-3.2	-3.0	-2.9	-2.9	-2.9	-2.9	-2.9	-3.0	-3.6	-3.7	-3.0	-2.9
Housing starts (000s)*	1720	1647	1450	1405	1350	1351	1352	1353	1354	1355	1356	1357	1605	1556	1352	1356
Motor vehicle sales (millions, saar)*	14.1	13.3	13.4	14.3	15.0	14.9	13.7	13.9	14.2	14.3	14.6	14.8	14.9	13.8	14.4	14.5

*Period average

Source: Bureau of Economic Analysis, RBC Economics