



ECONOMIC FORECAST DETAIL – CANADA

September 16, 2009

Real growth in the economy

Quarter-over-quarter annualized percent change unless otherwise indicated

	Actual				Forecast								Forecast		
	2008				2009				2010				2008	2009	2010
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2008	2009	2010
Consumer spending	2.5	1.1	0.6	-3.1	-1.2	1.8	2.1	1.5	1.9	2.3	2.3	2.7	3.0	-0.1	2.0
Durables	16.7	-3.0	-0.8	-11.6	-8.4	6.0	11.5	4.4	7.6	6.9	6.1	6.4	5.6	-2.1	7.0
Non-durables	0.1	0.8	-0.2	-1.4	1.4	0.7	0.5	1.1	1.1	1.8	1.7	2.0	1.5	0.4	1.3
Services	0.1	1.7	1.0	-1.4	-0.2	1.7	1.0	1.2	1.2	1.5	1.9	2.3	2.9	0.4	1.4
Government spending	7.4	5.6	1.0	3.4	3.1	5.0	5.1	4.4	3.4	2.2	2.2	2.0	4.8	3.7	3.4
Business investment	-1.7	-2.1	-0.4	-18.6	-28.1	-9.7	0.1	3.8	6.2	7.5	6.3	6.2	-0.8	-13.0	4.2
Residential construction	-6.1	-1.3	-4.9	-23.0	-21.2	6.2	2.1	10.7	12.7	9.9	7.6	6.3	-2.7	-9.1	9.0
Non-residential structures	1.5	1.0	7.6	-1.3	-24.1	-17.8	-7.8	-2.9	1.7	5.1	4.7	4.8	-0.1	-10.4	-0.6
Machinery & equipment	0.2	-5.8	-2.9	-28.5	-37.6	-16.1	5.8	3.6	4.1	7.4	6.7	7.5	0.5	-19.2	4.0
Final domestic demand	2.8	1.5	0.5	-4.9	-6.0	0.4	2.4	2.7	3.1	3.2	3.1	3.2	2.6	-1.8	2.8
Exports	-2.3	-4.1	-4.1	-17.7	-30.4	-19.3	14.2	6.4	7.9	7.1	8.7	9.5	-4.7	-14.4	6.5
Imports	-4.7	3.0	-3.4	-23.4	-38.9	-8.5	20.3	8.5	9.0	7.9	9.1	8.9	0.8	-15.1	8.9
Inventories (change in \$b)	9.2	14.5	15.0	10.3	-8.9	-10.5	-5.1	-3.7	-2.1	-0.2	1.8	3.2	12.2	-7.1	0.7
Real gross domestic product	-0.7	0.3	0.4	-3.7	-6.1	-3.4	2.0	2.4	3.2	3.5	3.5	3.7	0.4	-2.4	2.6

Other indicators

Year-over-year percent change unless otherwise indicated

Business and labour																
Productivity	-0.7	-0.8	-0.7	-0.5	0.5	0.6	1.1	1.4	1.6	1.8	1.6	1.7	-0.6	0.9	1.6	
Pre-tax corporate profits	6.2	13.0	15.7	-11.7	-30.8	-42.9	-42.6	-21.5	1.1	16.9	16.1	16.4	5.7	-35.3	12.4	
Unemployment rate (%)**	5.9	6.1	6.2	6.4	7.6	8.3	8.8	9.2	9.2	9.0	8.8	8.5	6.2	8.5	8.9	
Inflation																
Headline CPI	1.8	2.4	3.4	1.9	1.2	0.1	-0.8	1.2	1.9	1.7	1.7	1.7	2.4	0.4	1.8	
Core CPI	1.4	1.5	1.7	2.2	1.9	1.9	1.6	1.3	1.4	1.4	1.6	1.6	1.7	1.7	1.5	
External trade																
Current account balance (\$b)	23.5	27.0	13.0	-31.0	-30.9	-44.8	-47.0	-44.9	-42.0	-41.7	-40.5	-37.3	8.1	-41.9	-40.4	
% of GDP	1.5	1.7	0.8	-2.0	-2.0	-3.0	-3.1	-2.9	-2.7	-2.6	-2.5	-2.3	0.5	-2.7	-2.5	
Housing starts (000s)**	235	218	208	185	140	128	145	157	169	173	178	182	211	142	176	
Motor vehicle sales (mill., saar)**	1.84	1.72	1.65	1.49	1.42	1.45	1.50	1.51	1.54	1.55	1.57	1.58	1.67	1.47	1.56	

**Quarterly average

Source: Statistics Canada, RBC Economics Research forecasts

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