



Laurentian Bank Securities ECONOMIC RESEARCH AND STRATEGY

Forecast Tables – December 2017

Canadian Economic Outlook															
	(q/q saar)								annual average				Q4/Q4		
	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4	2016	2017	2018	2019	2016	2017	2018
Real GDP	3.7	4.3	1.7	2.4	1.9	1.8	2.0	2.0	1.4	3.0	2.1	1.9	2.0	3.0	2.0
Consumer Expenditure	3.7	5.0	4.0	2.8	2.2	2.2	2.1	1.9	2.4	3.7	2.7	1.9	2.6	3.9	2.1
Business Investment	11.3	7.4	3.5	5.4	2.4	2.7	2.9	2.9	-8.9	1.5	3.5	3.1	-8.5	6.8	2.7
Non-residential structures	0.5	9.1	2.2	2.0	2.0	2.3	2.5	2.7	-11.5	-1.1	2.6	2.6	-8.6	3.4	2.4
Machinery and equipment	28.1	6.8	6.1	3.8	3.5	3.7	4.0	3.8	-6.0	5.5	4.2	4.5	-8.0	10.8	3.7
Residential Investment	11.7	-3.6	-1.4	3.0	-2.0	-2.5	2.0	3.0	3.3	2.7	-0.4	1.1	2.9	2.3	0.1
Government Spending	0.0	3.2	4.6	2.6	2.7	2.7	2.6	2.3	2.7	2.1	2.9	2.5	3.1	2.6	2.6
Exports	2.4	6.1	-10.2	4.8	2.6	2.6	2.8	2.9	0.9	0.9	1.5	2.3	0.7	0.5	2.7
Imports	13.7	6.6	-0.2	3.2	1.5	1.6	1.8	1.9	-1.0	3.3	2.0	2.2	-1.5	5.7	1.7
Total CPI Inflation *	1.9	1.3	1.4	1.9	1.6	1.5	1.9	2.0	1.4	1.6	1.8	1.8	1.4	1.9	2.0
Unemployment rate (%)*	6.7	6.5	6.2	6.0	5.9	5.8	5.8	5.8	7.0	6.3	5.8	5.7	-	-	-
Employment	2.1	1.6	1.7	2.7	1.0	1.0	0.8	0.7	0.7	1.8	1.4	0.7	1.1	2.0	0.9
Housing Starts (in 000s)*	223	207	223	229	210	210	210	210	198	221	210	205	-	-	-
Nominal GDP	7.0	3.9	1.8	5.6	4.4	3.0	4.6	4.6	2.0	5.2	4.0	3.7	3.9	4.5	4.1

*Average for the period.

Updated: December 2017

Financial Forecasts													
	15Q4	16Q1	16Q2	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4
Canada													
Overnight Rate Target	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.00	1.00	1.25	1.25	1.25	1.25
3-Month Treasury Bills	0.51	0.45	0.50	0.52	0.48	0.54	0.71	1.00	0.95	1.20	1.25	1.25	1.25
2-Year Bond	0.48	0.54	0.52	0.54	0.74	0.75	1.09	1.52	1.55	1.75	1.80	1.85	1.90
5-Year Bond	0.73	0.68	0.57	0.61	1.11	1.11	1.38	1.75	1.75	2.00	2.05	2.10	2.15
10-Year Bond	1.39	1.23	1.06	1.19	1.72	1.62	1.75	2.10	1.92	2.05	2.15	2.30	2.40
30-Year Bond	2.15	2.00	1.71	1.85	2.31	2.30	2.14	2.47	2.20	2.40	2.55	2.65	2.80
United States													
Federal Funds Rate Target*	0.375	0.375	0.375	0.375	0.625	0.875	1.125	1.125	1.375	1.375	1.625	1.625	1.875
3-Month Treasury Bills	0.16	0.21	0.22	0.33	0.61	0.74	1.01	1.10	1.30	1.35	1.55	1.60	1.85
2-Year Bond	1.06	0.76	0.59	0.76	1.18	1.25	1.38	1.48	1.80	1.80	1.90	1.95	2.05
5-Year Bond	1.76	1.21	1.00	1.24	1.93	1.93	1.89	1.93	2.15	2.20	2.30	2.40	2.50
10-Year Bond	2.27	1.78	1.46	1.59	2.44	2.39	2.30	2.38	2.40	2.50	2.65	2.80	3.00
30-Year Bond	3.01	2.61	2.28	2.31	3.07	3.01	2.83	2.86	2.75	2.90	3.10	3.20	3.40
Canadian Dollar (US\$/C\$)	0.72	0.77	0.76	0.76	0.75	0.75	0.77	0.80	0.79	0.80	0.81	0.81	0.82
S&P 500 Index	2044	2060	2099	2168	2239	2366	2423	2519	2650	2700	2735	2780	2800
TSX Index	13010	13494	14064	14726	15288	15548	15350	15635	16500	16900	17300	17600	18000
Oil WTI (US\$/barrel)	37.0	38.3	48.3	48.2	53.7	50.7	46	52	60	62	64	66	67

Quarter-end data and annual averages

Updated: December 2017 * midpoint of the target range for the Fed funds