



# Laurentian Bank Securities ECONOMIC RESEARCH AND STRATEGY

## Forecast Tables – April 2017

Canadian Economic Forecasts																
	(q/q saar)									Annual Average				Q4/Q4		
	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2015	2016	2017	2018	2015	2016	2017
Real GDP	0.5	2.7	-1.2	3.8	2.6	3.2	1.6	1.6	1.7	0.9	1.4	2.3	1.9	0.4	1.9	2.0
Consumption	1.7	2.3	2.1	2.7	2.6	3.1	1.7	1.7	1.6	1.9	2.2	2.4	1.7	1.7	2.4	2.0
Business investment	-12.0	-7.8	-3.6	-0.2	-15.8	7.7	3.1	3.6	5.0	-11.1	-7.9	-0.3	3.5	-15.2	-7.0	4.8
Non-residential structures	-16.1	-12.6	-7.1	14.9	-21.7	5.0	4.0	4.5	7.0	-16.0	-10.7	-0.4	4.3	-21.4	-7.6	5.1
Machinery and equipment	-10.1	-2.5	1.5	-12.5	-10.3	7.0	1.5	2.0	2.0	-3.3	-5.0	-1.3	2.3	-6.1	-6.1	3.1
Residential construction	1.8	10.3	-0.1	-4.7	4.8	1.5	-3.5	-4.5	-2.0	3.8	2.9	-0.7	-1.0	2.3	2.4	-2.2
Government spending	-0.1	3.3	4.6	-0.9	2.6	2.3	2.3	2.9	3.3	1.9	1.9	2.2	3.2	2.0	2.4	2.7
Exports	-2.1	9.3	-14.8	9.4	1.3	3.9	3.3	3.0	3.0	3.6	1.0	2.5	2.7	1.8	0.8	3.3
Imports	-6.3	3.5	1.1	4.8	-13.5	7.1	2.8	2.9	2.9	0.3	-1.0	0.7	2.3	-2.9	-1.3	3.9
Total CPI Inflation	1.3	1.5	1.6	1.2	1.4	1.9	1.4	1.8	2.2	1.1	1.4	1.8	1.9	1.3	1.4	2.2
Unemployment rate (%)*	7.1	7.2	7.0	7.0	6.9	6.7	6.6	6.6	6.6	6.9	7.0	6.6	6.5	-	-	-
Employment	0.4	0.3	0.9	0.7	2.6	1.4	0.9	1.0	1.0	0.8	0.7	1.3	0.9	0.8	1.1	1.1
Housing starts (in 000s)*	193	199	198	199	197	204	190	180	180	194	198	189	180	-	-	-
Nominal GDP	-0.3	2.4	-0.4	6.3	7.0	5.5	1.6	3.3	3.9	0.2	2.0	4.4	3.1	-0.4	3.8	3.6

\*Average for the period.

Updated: April 2017

Financial Forecasts													
	14Q4	15Q1	15Q2	15Q3	15Q4	16Q1	16Q2	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4
<b>Canada</b>													
Overnight Rate Target	1.00	0.75	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
3-Month Treasury Bills	0.91	0.55	0.58	0.43	0.51	0.45	0.50	0.52	0.48	0.54	0.50	0.50	0.60
2-Year Bond	1.01	0.51	0.49	0.53	0.48	0.54	0.52	0.54	0.74	0.75	0.80	0.90	0.80
5-Year Bond	1.34	0.77	0.81	0.81	0.73	0.68	0.57	0.61	1.11	1.11	1.20	1.35	1.10
10-Year Bond	1.79	1.36	1.68	1.45	1.39	1.23	1.06	1.19	1.72	1.62	1.75	1.95	2.05
30-Year Bond	2.33	1.99	2.31	2.21	2.15	2.00	1.71	1.85	2.31	2.30	2.35	2.50	2.60
<b>United States</b>													
Federal Funds Rate Target*	0.125	0.125	0.125	0.125	0.375	0.375	0.375	0.375	0.625	0.875	0.875	1.125	1.125
3-Month Treasury Bills	0.04	0.03	0.01	0.00	0.16	0.21	0.22	0.33	0.61	0.74	0.85	1.00	1.15
2-Year Bond	0.67	0.56	0.64	0.64	1.06	0.76	0.59	0.76	1.18	1.25	1.40	1.65	1.80
5-Year Bond	1.65	1.37	1.63	1.37	1.76	1.21	1.00	1.24	1.93	1.93	2.10	2.30	2.40
10-Year Bond	2.17	1.94	2.35	2.06	2.27	1.78	1.46	1.59	2.44	2.39	2.55	2.80	2.85
30-Year Bond	2.75	2.54	3.11	2.87	3.01	2.61	2.28	2.31	3.07	3.01	3.10	3.35	3.45
Canadian Dollar (US\$/C\$)	0.86	0.79	0.80	0.75	0.72	0.77	0.76	0.76	0.75	0.75	0.77	0.78	0.79
S&P 500 Index	2059	2068	2063	1920	2044	2060	2099	2168	2239	---	---	---	2500
TSX Index	14632	14902	14553	13307	13010	13494	14064	14726	15288	---	---	---	16500
Oil WTI (US\$/barrel)	53.5	47.7	59.5	45.1	37.0	38.3	48.3	48.2	53.7	50.7	59	63	67

Quarter-end data and annual averages

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