

Latest Forecast Tables

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Interest Rate Outlook

Interest Rates	Spot Rate Oct-04	2023				2024				2025			
		Q1	Q2	Q3	Q4F	Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F
CANADA													
Overnight Target Rate	5.00	4.50	4.75	5.00	5.00	5.00	4.50	4.00	3.50	3.00	2.50	2.25	2.25
3-mth T-Bill Rate	5.13	4.34	4.90	5.07	5.00	4.75	4.25	3.75	3.25	2.75	2.38	2.25	2.25
2-yr Govt. Bond Yield	4.91	3.74	4.58	4.87	4.90	4.60	4.30	4.00	3.70	3.40	3.10	2.80	2.50
5-yr Govt. Bond Yield	4.35	3.02	3.68	4.25	4.30	4.05	3.75	3.50	3.30	3.10	2.90	2.75	2.60
10-yr Govt. Bond Yield	4.17	2.90	3.26	4.03	4.10	3.85	3.65	3.45	3.25	3.05	2.90	2.85	2.85
30-yr Govt. Bond Yield	3.94	3.00	3.08	3.81	3.85	3.75	3.65	3.55	3.45	3.35	3.20	3.15	3.15
10-yr-2-yr Govt Spread	-0.74	-0.84	-1.32	-0.84	-0.80	-0.75	-0.65	-0.55	-0.45	-0.35	-0.20	0.05	0.35
U.S.													
Fed Funds Target Rate	5.50	5.00	5.25	5.50	5.75	5.75	5.50	5.00	4.50	4.00	3.50	3.00	2.75
3-mth T-Bill Rate	5.34	4.68	5.17	5.32	5.65	5.55	5.15	4.65	4.15	3.65	3.15	2.75	2.65
2-yr Govt. Bond Yield	5.05	4.06	4.87	5.03	5.00	4.70	4.40	4.10	3.80	3.50	3.20	2.90	2.75
5-yr Govt. Bond Yield	4.72	3.60	4.13	4.60	4.65	4.35	4.10	3.80	3.55	3.35	3.15	2.95	2.95
10-yr Govt. Bond Yield	4.74	3.48	3.81	4.59	4.70	4.45	4.20	4.00	3.80	3.60	3.40	3.25	3.20
30-yr Govt. Bond Yield	4.88	3.67	3.85	4.73	4.90	4.75	4.50	4.30	4.10	3.90	3.70	3.55	3.50
10-yr-2-yr Govt Spread	-0.31	-0.58	-1.06	-0.44	-0.30	-0.25	-0.20	-0.10	0.00	0.10	0.20	0.35	0.45
CANADA - U.S. SPREADS													
Can - U.S. T-Bill Spread	-0.21	-0.34	-0.27	-0.25	-0.65	-0.80	-0.90	-0.90	-0.90	-0.90	-0.77	-0.50	-0.40
Can - U.S. 10-Year Bond Spread	-0.57	-0.58	-0.55	-0.56	-0.60	-0.60	-0.55	-0.55	-0.55	-0.55	-0.50	-0.40	-0.35

F: Forecast by TD Economics, October 2023; Forecasts are end-of-period.

Source: Bloomberg, Bank of Canada, Federal Reserve.

Foreign Exchange Outlook

Currency	Exchange rate	Spot Price Oct-04	2023				2024				2025			
			Q1	Q2	Q3	Q4F	Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4
Exchange rate to U.S. dollar														
Chinese Yuan	CNY per USD	7.30	6.87	7.25	7.30	7.35	7.40	7.45	7.40	7.30	7.20	7.10	7.00	6.9
Japanese yen	JPY per USD	149	133	144	149	150	149	147	146	144	143	141	140	131
Euro	USD per EUR	1.05	1.09	1.09	1.06	1.05	1.04	1.03	1.05	1.07	1.09	1.12	1.14	1.1
U.K. pound	USD per GBP	1.21	1.24	1.27	1.22	1.22	1.21	1.20	1.22	1.25	1.27	1.30	1.30	1.3
Canadian dollar	CAD per USD	1.37	1.35	1.32	1.35	1.37	1.38	1.39	1.38	1.35	1.33	1.30	1.27	1.2
Australian dollar	USD per AUD	0.63	0.67	0.67	0.65	0.63	0.62	0.62	0.62	0.63	0.65	0.66	0.67	0.7
NZ dollar	USD per NZD	0.59	0.63	0.61	0.60	0.58	0.57	0.57	0.57	0.58	0.60	0.61	0.62	0.6
Exchange rate to Euro														
U.S. dollar	USD per EUR	1.05	1.09	1.09	1.06	1.05	1.04	1.03	1.05	1.07	1.09	1.12	1.14	1.1
Japanese yen	JPY per EUR	157	144	158	158	158	154	151	153	154	156	157	159	16
U.K. pound	GBP per EUR	0.87	0.88	0.86	0.87	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.88	0.8

Canadian dollar	CAD per EUR	1.44	1.47	1.45	1.43	1.44	1.44	1.43	1.45	1.45	1.45	1.45	1.45	1.4
Australian dollar	AUD per EUR	1.66	1.62	1.64	1.64	1.68	1.68	1.67	1.69	1.69	1.69	1.69	1.69	1.6
NZ dollar	NZD per EUR	1.78	1.73	1.78	1.76	1.82	1.82	1.82	1.84	1.84	1.84	1.84	1.84	1.7
Exchange rate to Japanese yen														
U.S. dollar	JPY per USD	149	133	144	149	150	149	147	146	144	143	141	140	131
Euro	JPY per EUR	157	144	158	158	158	154	151	153	154	156	157	159	161
U.K. pound	JPY per GBP	181	164	184	183	183	180	176	178	180	181	183	182	181
Canadian dollar	JPY per CAD	108.4	98.2	109.2	110.4	109.5	107.6	105.8	105.5	106.5	107.6	108.7	109.8	110
Australian dollar	JPY per AUD	94.2	89.0	96.3	96.4	93.8	92.2	90.6	90.4	91.3	92.2	93.2	94.1	99.
NZ dollar	JPY per NZD	88.1	83.2	88.6	89.9	86.3	84.9	83.4	83.2	84.0	84.9	85.7	86.6	91.
Exchange rate to Canadian dollar														
U.S. dollar	USD per CAD	0.73	0.74	0.76	0.74	0.73	0.73	0.72	0.73	0.74	0.76	0.77	0.79	0.8
Japanese yen	JPY per CAD	108.4	98.2	109.2	110.4	109.5	107.6	105.8	105.5	106.5	107.6	108.7	109.8	110
Euro	CAD per EUR	1.44	1.47	1.45	1.43	1.44	1.44	1.43	1.45	1.45	1.45	1.45	1.45	1.4
U.K. pound	CAD per GBP	1.67	1.67	1.68	1.65	1.67	1.67	1.67	1.69	1.69	1.69	1.69	1.66	1.6
Australian dollar	AUD per CAD	1.15	1.10	1.13	1.15	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.1
NZ dollar	NZD per CAD	1.23	1.18	1.23	1.23	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.2

F: Forecast by TD Economics, October 2023; Forecasts are end-of-period.
Source: Federal Reserve, Bloomberg.

Global Stock Markets

Major Market Indexes	Price Oct-04	30-Day % Chg.	YTD % Chg.	52-Week High	52-Week Low
S&P 500	4,247	-6.0	10.6	4,589	3,577
S&P/TSX Composite	18,989	-7.6	-2.0	20,767	18,206
DAX	15,100	-4.7	8.4	16,470	12,172
FTSE 100	7,412	-0.7	-0.5	8,014	6,826
Nikkei	30,527	-6.7	17.0	33,753	25,717
MSCI AC World Index*	645	-6.2	6.5	707	550

*Weighted equity index including both developed and emerging markets.
Source: Bloomberg, TD Economics.

Commodity Price Outlook

Commodity	Price Oct-04	52-Week High	52-Week Low	2023				2024				Q1F
				Q1	Q2	Q3	Q4F	Q1F	Q2F	Q3F	Q4F	
Crude Oil (WTI, \$US/bbl)	85	94	67	76	74	80	84	82	80	80	78	78
Natural Gas (\$US/MMBtu)	2.72	7.49	1.77	2.66	2.16	2.65	2.95	3.15	3.25	3.25	3.55	3.65
Gold (\$US/troy oz.)	1818	2050	1628	1889	1977	1930	1975	2000	1975	1950	1900	1900
Silver (US\$/troy oz.)	20.89	26.05	18.28	22.56	24.19	23.60	24.25	25.25	24.25	23.50	23.00	23.00
Copper (cents/lb)	360	423	338	405	384	385	390	390	380	375	375	410
Nickel (US\$/lb)	8.50	14.26	8.48	11.81	10.13	9.50	9.75	9.75	10.00	10.00	10.00	10.20
Aluminum (Cents/lb)	104	121	97	109	103	100	105	110	110	115	115	115
Wheat (\$US/bu)	10.53	12.49	9.46	7.32	6.50	6.30	6.50	6.75	6.85	7.00	7.10	7.30

F: Forecast by TD Economics, October 2023; Forecast are period averages; E: Estimate.
Source: Bloomberg, USDA (Haver).

Canadian Economic Outlook

[Period-Over-Period Annualized Per Cent Change Unless Otherwise Indicated]

Economic Indicators	2023				2024				2025				Annual Average			4th Qtr/4th	
	Q1	Q2	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	23F	24F	25F	23F	24F
Real GDP	2.6	-0.2	1.0	0.5	0.4	0.8	1.1	1.3	1.5	1.7	1.8	1.9	1.2	0.7	1.5	1.0	0.9
Consumer Expenditure	4.7	0.2	1.4	0.6	0.1	0.4	0.7	0.9	1.1	1.2	1.3	1.4	2.2	0.6	1.1	1.7	0.5

Durable Goods	7.5	-2.0	2.0	0.3	-1.0	0.0	0.5	0.7	0.9	1.0	1.1	1.2	3.1	0.0	0.8	1.9	0.1
Business Investment	6.0	8.8	2.4	-2.1	-1.0	0.0	1.1	1.6	2.0	2.5	2.8	3.0	3.1	0.4	1.9	3.7	0.4
Non-Res. Structures	8.8	9.9	4.0	-3.0	-2.0	-0.5	1.0	1.7	2.3	2.8	3.0	3.1	7.9	0.1	2.1	4.8	0.1
Equipment & IPP*	3.0	7.8	0.8	-1.1	0.1	0.6	1.2	1.5	1.8	2.2	2.5	2.9	-2.0	0.7	1.8	2.6	0.8
Residential Investment	-19.1	-8.2	-8.0	-4.0	2.0	2.5	3.0	3.5	4.0	3.7	3.4	3.1	-14.0	-0.8	3.5	-10.0	2.7
Govt. Expenditure	-1.7	2.0	2.7	2.4	2.2	2.1	2.0	2.0	2.0	1.9	1.9	1.9	1.3	2.2	2.0	1.3	2.1
Final Domestic Demand	1.2	1.0	1.2	0.5	0.6	0.9	1.2	1.4	1.6	1.7	1.7	1.8	0.7	0.9	1.5	1.0	1.0
Exports	10.2	0.4	-3.6	2.5	1.6	1.8	2.0	2.2	2.2	2.3	2.3	2.3	4.5	1.2	2.2	2.3	1.9
Imports	0.7	1.9	-5.0	2.1	1.3	1.5	1.7	1.9	2.0	2.1	2.1	2.2	-1.2	0.8	2.0	-0.1	1.6
Change in Non-Farm Inventories (2012, \$Bn)	21.2	14.8	9.8	9.1	8.0	6.8	5.6	4.4	3.4	2.9	2.8	3.3	13.8	6.2	3.1	--	--
Final Sales	2.8	1.9	2.2	0.6	0.9	1.1	1.4	1.7	1.8	1.8	1.8	1.7	2.1	1.2	1.7	1.9	1.3
International Current Account Balance (\$Bn)	-12.7	-26.5	-25.9	-24.0	-24.5	-25.6	-27.5	-30.3	-32.5	-34.2	-35.6	-36.7	-22.3	-27.0	-34.8	--	--
% of GDP	-0.5	-0.9	-0.9	-0.8	-0.8	-0.9	-0.9	-1.0	-1.1	-1.1	-1.2	-1.2	-0.8	-0.9	-1.1	--	--
Pre-Tax Corp. Profits	-25.9	-26.7	-12.9	-3.8	-4.5	-4.4	0.5	3.3	5.5	7.1	9.1	8.9	-23.8	-6.0	4.8	-17.9	-1.3
% of GDP	12.4	11.4	10.9	10.7	10.5	10.3	10.3	10.3	10.3	10.4	10.5	10.6	11.4	10.3	10.5	--	--
GDP Deflator (y/y)	1.3	-1.1	0.9	2.4	2.9	2.8	2.6	2.3	2.1	2.0	2.0	2.0	0.9	2.6	2.0	2.4	2.3
Nominal GDP	3.1	2.7	4.1	3.6	3.0	3.2	3.3	3.3	3.5	3.7	3.8	3.9	2.1	3.3	3.5	3.4	3.2
Labour Force	4.3	2.4	2.6	1.2	1.0	0.9	1.0	1.1	1.1	1.0	1.0	0.9	2.4	1.3	1.0	2.6	1.0
Employment	4.7	1.6	1.0	-0.1	-0.1	-0.4	-0.1	0.7	1.2	1.4	1.4	1.3	2.3	0.1	0.9	1.8	0.0
Change in Empl. ('000s)	231	80	52	-4	-6	-19	-4	36	61	72	70	68	444	30	188	359	7
Unemployment Rate (%)	5.0	5.2	5.5	5.8	6.1	6.4	6.7	6.7	6.7	6.6	6.5	6.4	5.4	6.5	6.6	--	--
Personal Disp. Income	-2.5	10.7	10.8	-0.4	0.8	0.5	1.2	2.3	2.8	3.2	3.3	3.4	4.9	2.4	2.5	4.5	1.2
Pers. Savings Rate (%)	3.7	5.1	6.2	5.3	4.8	4.2	3.8	3.6	3.4	3.4	3.3	3.3	5.1	4.1	3.3	--	--
Cons. Price Index (y/y)	5.2	3.5	3.4	3.1	3.3	3.0	2.6	2.4	2.2	2.1	2.0	2.0	3.8	2.8	2.1	3.1	2.4
CPIX (y/y)**	4.7	3.6	3.3	3.2	3.3	3.1	2.8	2.6	2.4	2.2	2.1	2.1	3.7	3.0	2.2	3.2	2.6
BoC Inflation (y/y)***	4.8	3.9	3.6	3.5	3.4	3.1	2.9	2.7	2.4	2.2	2.1	2.0	3.9	3.0	2.1	3.5	2.7
Housing Starts ('000s)	223	249	240	230	221	216	212	209	215	221	225	229	236	215	223	--	--
Home Prices (y/y)	-17.3	1.3	4.0	2.7	2.4	-4.6	0.1	4.5	6.3	5.5	5.1	4.6	-3.0	0.5	5.4	2.7	4.5
Real GDP / Worker (y/y)	-0.6	-1.0	-1.5	-0.8	-0.2	0.5	0.8	0.9	0.8	0.6	0.4	0.4	-1.0	0.5	0.5	-0.8	0.9

F: Forecast by TD Economics, September 2023.

Note: Home price measure shown is the CREA Composite Sale Price.

* Intellectual Property Products. ** CPIX: CPI excluding the 8 most volatile components.

*** BoC Inflation: Simple average of CPI-trim and CPI-median.

Source: Statistics Canada, Bank of Canada, Canada Mortgage and Housing Corporation, Haver Analytics, TD Economics.

U.S. Economic Outlook

[Period-Over-Period Annualized Per Cent Change Unless Otherwise Indicated]

Economic Indicators	2023				2024				2025				Annual Average			4th Qtr/4th	
	Q1	Q2	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	23F	24F	25F	23F	24F
Real GDP	2.0	2.1	3.7	0.9	0.4	0.6	1.4	1.9	1.9	1.9	1.9	1.9	2.3	1.3	1.7	2.2	1.0
Consumer Expenditure	4.2	1.7	3.7	1.3	0.4	0.6	1.2	1.5	1.7	1.8	1.8	1.8	2.5	1.3	1.6	2.7	0.9
Durable Goods	16.3	-0.3	6.4	4.0	-1.7	-2.9	0.9	2.8	3.0	3.1	3.1	3.1	4.3	0.8	2.4	6.4	-0.3
Business Investment	0.6	6.2	1.2	0.4	0.9	1.0	4.4	4.9	3.7	3.3	2.9	2.8	3.0	1.9	3.6	2.1	2.8
Non-Res. Structures	15.8	11.3	5.0	0.0	-3.0	-5.0	8.0	10.0	5.0	3.0	2.0	2.0	8.0	1.1	4.7	7.8	2.3
Equipment & IPP*	-0.9	4.8	0.2	0.6	2.0	2.6	3.4	3.6	3.3	3.3	3.1	3.1	2.2	2.1	3.3	1.1	2.9
Residential Investment	-4.0	-3.6	4.4	-4.8	-3.4	0.2	3.0	6.2	8.6	11.5	8.9	7.4	-11.6	-0.7	7.4	-2.0	1.4
Govt. Expenditure	5.0	3.3	1.9	1.5	1.3	1.0	0.8	0.6	0.5	0.4	0.5	0.5	3.3	1.4	0.6	2.9	0.9
Final Domestic Demand	3.5	2.3	3.1	1.0	0.5	0.7	1.6	2.0	2.0	2.1	2.0	1.9	2.1	1.3	1.9	2.5	1.2
Exports	7.8	-10.6	7.0	1.0	-1.0	0.1	0.7	2.7	3.1	3.0	3.1	3.0	2.5	0.4	2.5	1.0	0.6
Imports	2.0	-7.0	5.6	2.9	0.7	1.5	2.6	4.1	4.4	3.9	3.2	2.7	-1.9	1.8	3.6	0.8	2.2
Change in Private Inventories	3.5	-1.8	24.0	32.4	37.5	41.3	41.6	46.0	50.4	50.0	49.6	49.2	14.5	41.6	49.8	--	--
Final Sales	4.2	2.2	3.2	0.7	0.3	0.5	1.4	1.8	1.8	2.0	1.9	1.9	2.7	1.1	1.7	2.6	1.0
International Current																	

Account Balance (\$Bn)	-877	-849	-794	-837	-823	-829	-844	-864	-880	-903	-920	-932	-840	-840	-909	--	--
% of GDP	-3.3	-3.2	-2.9	-3.0	-3.0	-3.0	-3.0	-3.0	-3.1	-3.1	-3.1	-3.1	-3.1	-3.0	-3.1	--	--
Pre-tax Corporate Profits																	
Including IVA&CCA	-15.5	-1.5	27.1	2.2	-14.0	-6.5	-0.8	2.0	4.9	6.5	7.8	7.2	-1.7	-1.7	3.7	2.0	-5.0
% of GDP	10.6	10.5	11.0	10.9	10.4	10.2	10.1	10.0	10.0	10.1	10.2	10.2	10.7	10.2	10.1	--	--
GDP Deflator (y/y)	5.3	3.6	3.1	2.9	2.5	2.7	2.6	2.5	2.4	2.2	2.2	2.2	3.7	2.6	2.2	2.9	2.5
Nominal GDP	6.1	4.1	6.3	3.7	3.1	3.3	3.8	4.2	4.1	4.1	4.2	4.2	6.0	3.8	4.0	5.0	3.6
Labor Force	3.8	1.3	2.0	1.6	0.7	0.5	0.4	0.4	0.4	0.4	0.3	0.3	1.8	1.0	0.4	2.2	0.5
Employment	2.5	1.7	1.5	0.9	0.3	-0.5	-0.5	-0.3	0.6	0.9	0.8	0.8	2.3	0.4	0.3	1.6	-0.2
Change in Empl. ('000s)	966	666	571	334	134	-188	-201	-124	253	357	311	306	3488	564	512	2537	-379
Unemployment Rate (%)	3.5	3.5	3.6	3.8	3.9	4.1	4.3	4.5	4.4	4.3	4.2	4.1	3.6	4.2	4.2	--	--
Personal Disp. Income	12.9	5.9	3.7	4.3	4.8	3.2	3.6	3.9	4.8	4.4	4.5	4.5	7.5	4.1	4.3	6.7	3.9
Pers. Savings Rate (%)	4.3	4.5	3.6	3.3	3.7	3.8	3.8	3.9	4.1	4.3	4.5	4.6	3.9	3.8	4.4	--	--
Cons. Price Index (y/y)	5.8	4.1	3.5	3.5	3.1	2.9	2.7	2.2	2.1	2.0	2.0	2.0	4.2	2.7	2.0	3.5	2.2
Core CPI (y/y)	5.6	5.2	4.4	4.0	3.6	3.1	3.0	2.8	2.6	2.4	2.3	2.3	4.8	3.1	2.4	4.0	2.8
Core PCE Price Index (y/y)	4.6	4.4	4.0	3.7	3.2	2.9	2.8	2.5	2.3	2.2	2.1	2.0	4.2	2.8	2.2	3.7	2.5
Housing Starts (mns)	1.39	1.44	1.44	1.40	1.38	1.31	1.30	1.31	1.35	1.37	1.40	1.43	1.42	1.33	1.39	--	--
Real Output per Hour** (y/y)	-0.6	1.3	1.6	1.1	1.4	0.8	0.6	1.2	1.5	1.4	1.2	0.9	0.9	1.0	1.2	1.1	1.2

F: Forecast by TD Economics, September 2023.

* Intellectual Property Products. ** Non-farm business sector.

Source: Bureau of Labor Statistics, Bureau of Economic Analysis, Census Bureau, TD Economics.

Economic Indicators: G7 & Europe

	2022	2023F	2024F	2025F
Real GDP (Annual Per Cent Change)				
G7 (30.8%)*	2.3	1.5	1.0	1.5
U.S.	2.1	2.3	1.3	1.7
Japan	1.0	1.8	1.0	1.0
Euro Area	3.4	0.6	0.6	1.2
Germany	1.9	-0.3	0.5	1.3
France	2.5	0.7	0.6	1.4
Italy	3.8	0.7	0.5	0.9
United Kingdom	4.1	0.3	0.6	1.6
Canada	3.4	1.2	0.7	1.5
Consumer Price Index (Annual Per Cent Change)				
G7	7.3	4.7	2.6	1.9
U.S.	8.0	4.2	2.7	2.0
Japan	2.5	3.1	1.9	1.5
Euro Area	8.4	5.4	2.5	2.0
Germany	8.7	6.1	2.7	2.0
France	5.9	5.7	2.4	2.0
Italy	8.7	6.4	2.2	1.8
United Kingdom	9.1	7.4	2.9	1.8
Canada	6.8	3.8	2.8	2.1
Unemployment Rate (Per Cent Annual Averages)				
U.S.	3.6	3.6	4.2	4.2
Japan	2.6	2.6	2.4	2.3
Euro Area	6.7	6.7	7.4	7.0
Germany	5.3	5.7	5.9	5.5
France	7.3	7.4	7.8	7.5
Italy	8.1	7.8	8.6	8.2
United Kingdom	3.7	4.3	4.9	4.4
Canada	5.3	5.4	6.5	6.6

F: Forecast by TD Economics, September 2023.

* Share of 2021 world gross domestic product (GDP) at PPP.

Source: National Statistics Agencies, TD Economics.

Global Economic Outlook

[Annual Per Cent Change Unless Otherwise Indicated]

Real GDP	2021 Share*	Forecast		
	(%)	2023F	2024F	2025F
World	100.0	3.1	2.6	2.9
North America	19.0	2.2	1.3	1.8
United States	15.8	2.3	1.3	1.7
Canada	1.4	1.2	0.7	1.5
Mexico	1.8	2.9	1.8	2.2
European Union (EU-27)	14.8	0.7	0.9	1.4
Euro Area (EU-20)	12.0	0.6	0.6	1.2
Germany	3.3	-0.3	0.5	1.3
France	2.3	0.7	0.6	1.4
Italy	1.9	0.7	0.5	0.9
Other EU Members	2.8	0.3	1.9	2.2
United Kingdom	2.3	0.3	0.6	1.6
Asia	44.0	4.3	3.9	4.0
Japan	3.8	1.8	1.0	1.0
Asian NIC's	3.5	1.2	2.3	2.2
Hong Kong	0.3	4.0	2.1	2.4
Korea	1.7	1.2	2.2	2.3
Singapore	0.4	0.8	2.7	2.5
Taiwan	1.0	0.3	2.4	2.1
Russia	3.1	1.7	1.5	1.0
Australia & New Zealand	1.2	1.6	1.5	2.4
Emerging Asia	32.5	5.3	4.8	4.9
ASEAN-5	5.5	4.5	5.1	5.1
China	18.5	5.0	4.2	4.3
India**	7.0	6.7	6.0	6.3
Central/South America	5.5	1.7	1.6	2.3
Brazil	2.4	3.3	1.8	2.1
Other Emerging Markets	13.3	3.8	3.0	3.1
Other Advanced	1.1	1.7	1.9	2.2

F: Forecast by TD Economics, September 2023.

* Share of 2021 world gross domestic product (GDP) at PPP.

** Forecast for India refers to fiscal year.

Source: International Monetary Fund, TD Economics.

Long-Term U.S. Economic Outlook

[Period-Over-Period Annualized Per Cent Change Unless Otherwise Indicated]

Economic Indicator	Annual Average							Fourth Quarter / Fourth Quarter						
	23F	24F	25F	26F	27F	28F	29F	23F	24F	25F	26F	27F	28F	29F
Real GDP	2.3	1.3	1.7	1.9	1.8	1.7	1.7	2.2	1.0	1.9	1.9	1.7	1.7	1.7
Consumer Expenditure	2.5	1.3	1.6	1.9	1.9	2.0	2.0	2.7	0.9	1.8	1.9	2.0	2.0	2.0
Durable Goods	4.3	0.8	2.4	3.1	3.1	3.1	3.1	6.4	-0.3	3.1	3.1	3.1	3.1	3.1
Business Investment	3.0	1.9	3.6	2.9	2.8	2.7	2.7	2.1	2.8	3.2	2.8	2.8	2.7	2.7
Non-Res. Structures	8.0	1.1	4.7	2.1	2.0	2.0	2.0	7.8	2.3	3.0	2.0	2.0	2.0	2.0
Equipment & IPP*	2.2	2.1	3.3	3.1	3.0	2.9	2.9	1.1	2.9	3.2	3.0	3.0	2.9	2.9
Residential Investment	-11.6	-0.7	7.4	6.4	2.3	1.6	1.6	-2.0	1.4	9.1	4.5	1.7	1.6	1.7
Govt. Expenditure	3.3	1.4	0.6	0.4	0.2	0.1	0.1	2.9	0.9	0.5	0.4	0.1	0.1	0.1
Final Domestic Demand	2.1	1.3	1.9	1.9	1.8	1.7	1.7	2.5	1.2	2.0	1.9	1.7	1.7	1.7
Exports	2.5	0.4	2.5	3.0	3.0	3.0	2.9	1.0	0.6	3.1	3.0	3.0	3.0	2.9

Imports	-1.9	1.8	3.6	2.8	2.6	2.7	2.7	0.8	2.2	3.6	2.7	2.6	2.7	2.7
Change in Private Inventories	14.5	41.6	49.8	48.7	48.2	47.9	47.8	---	---	---	---	---	---	---
Final Sales	2.7	1.1	1.7	1.9	1.8	1.7	1.7	2.6	1.0	1.9	1.9	1.7	1.7	1.7
International Current Account Balance (\$Bn)	-840	-840	-909	-964	-982	-962	-914	---	---	---	---	---	---	---
% of GDP	-3.1	-3.0	-3.1	-3.2	-3.1	-2.9	-2.7	---	---	---	---	---	---	---
Pre-tax Corporate Profits Including IVA&CCA	-1.7	-1.7	3.7	8.3	7.6	4.1	2.9	2.0	-5.0	6.6	8.9	6.2	3.2	3.2
% of GDP	10.7	10.2	10.1	10.5	10.9	10.9	10.8	---	---	---	---	---	---	---
GDP Deflator (y/y)	3.7	2.6	2.2	2.2	2.3	2.3	2.3	2.9	2.5	2.2	2.2	2.3	2.3	2.3
Nominal GDP	6.0	3.8	4.0	4.2	4.1	4.1	4.1	5.0	3.6	4.1	4.1	4.1	4.1	4.1
Labor Force	1.8	1.0	0.4	0.3	0.3	0.4	0.4	2.2	0.5	0.4	0.3	0.4	0.4	0.4
Employment	2.3	0.4	0.3	0.6	0.3	0.4	0.3	1.6	-0.2	0.8	0.5	0.3	0.4	0.3
Change in Empl. ('000s)	3,488	564	512	1,012	540	559	551	2,537	-379	1,227	750	541	558	521
Unemployment Rate (%)	3.6	4.2	4.2	4.0	4.0	4.0	4.0	---	---	---	---	---	---	---
Personal Disp. Income	7.5	4.1	4.3	4.5	4.5	4.4	4.2	6.7	3.9	4.5	4.4	4.5	4.3	4.1
Pers. Savings Rate (%)	3.9	3.8	4.4	4.9	5.4	5.8	6.0	---	---	---	---	---	---	---
Cons. Price Index (y/y)	4.2	2.7	2.0	2.2	2.2	2.2	2.2	3.5	2.2	2.0	2.3	2.2	2.2	2.2
Core CPI (y/y)	4.8	3.1	2.4	2.2	2.2	2.2	2.3	4.0	2.8	2.3	2.2	2.2	2.3	2.3
Core PCE Price Index (y/y)	4.2	2.8	2.2	2.0	2.0	2.0	2.0	3.7	2.5	2.0	2.0	2.0	2.0	2.0
Housing Starts (mns)	1.42	1.33	1.39	1.49	1.50	1.50	1.50	---	---	---	---	---	---	---
Real Output per Hour** (y/y)	0.9	1.0	1.2	1.3	1.6	1.6	1.6	1.1	1.2	0.9	1.5	1.6	1.6	1.6

F: Forecast by TD Economics, September 2023.

* Intellectual property products. ** Non-farm business sector.

Source: Bureau of Labor Statistics, Bureau of Economic Analysis, Census Bureau, TD Economics.

Long-Term Canadian Economic Outlook

[Period-Over-Period Annualized Per Cent Change Unless Otherwise Indicated]

Economic Indicator	Annual Average							4th Quarter / 4th Quarter						
	23F	24F	25F	26F	27F	28F	29F	23F	24F	25F	26F	27F	28F	29F
Real GDP	1.2	0.7	1.5	1.9	1.8	1.8	1.7	1.0	0.9	1.7	1.9	1.8	1.8	1.7
Consumer Expenditure	2.2	0.6	1.1	1.4	1.6	1.6	1.7	1.7	0.5	1.3	1.5	1.6	1.6	1.7
Durable Goods	3.1	0.0	0.8	1.3	1.5	1.6	1.6	1.9	0.1	1.1	1.4	1.5	1.6	1.7
Business Investment	3.1	0.4	1.9	2.7	2.3	2.0	1.9	3.7	0.4	2.6	2.6	2.2	1.9	1.8
Non-Res. Structures	7.9	0.1	2.1	2.8	2.3	2.0	1.9	4.8	0.1	2.8	2.6	2.2	2.0	1.8
Equipment & IPP*	-2.0	0.7	1.8	2.6	2.3	2.0	1.9	2.6	0.8	2.3	2.5	2.1	1.9	1.8
Residential Investment	-14.0	-0.8	3.5	2.9	2.3	2.0	1.9	-10.0	2.7	3.5	2.7	2.2	2.0	1.8
Govt. Expenditure	1.3	2.2	2.0	1.9	1.8	1.8	1.8	1.3	2.1	1.9	1.9	1.8	1.8	1.8
Final Domestic Demand	0.7	0.9	1.5	1.8	1.8	1.7	1.7	1.0	1.0	1.7	1.8	1.8	1.7	1.7
Exports	4.5	1.2	2.2	2.4	2.4	2.5	2.5	2.3	1.9	2.3	2.4	2.4	2.5	2.5
Imports	-1.2	0.8	2.0	2.2	2.4	2.4	2.5	-0.1	1.6	2.1	2.3	2.4	2.4	2.5
Change in Non-farm Inventories (2012 \$Bn)	13.8	6.2	3.1	4.6	6.1	6.6	7.0	--	--	--	--	--	--	--
Final Sales	2.1	1.2	1.7	1.7	1.7	1.7	1.7	1.9	1.3	1.8	1.7	1.7	1.7	1.7
International Current Account Balance (\$Bn)	-22.3	-27.0	-34.8	-38.6	-40.4	-41.3	-42.0	--	--	--	--	--	--	--
% of GDP	-0.8	-0.9	-1.1	-1.2	-1.2	-1.2	-1.2	--	--	--	--	--	--	--
Pre-tax Corp. Profits	-23.8	-6.0	4.8	8.4	7.5	6.7	6.1	-17.9	-1.3	7.7	8.2	7.2	6.4	5.9
% of GDP	11.4	10.3	10.5	10.9	11.3	11.6	11.9	--	--	--	--	--	--	--
GDP Deflator (y/y)	0.9	2.6	2.0	2.0	2.0	2.0	2.0	2.4	2.3	2.0	2.0	2.0	2.0	2.0

Nominal GDP	2.1	3.3	3.5	3.9	3.9	3.8	3.8	3.4	3.2	3.7	3.9	3.8	3.8	3.8
Labour Force	2.4	1.3	1.0	0.9	0.9	0.8	0.8	2.6	1.0	1.0	0.9	0.9	0.8	0.8
Employment	2.3	0.1	0.9	1.3	1.2	0.8	0.8	1.8	0.0	1.3	1.3	1.0	0.8	0.8
Change in Empl. ('000s)	444	30	188	274	240	175	167	359	7	271	271	207	171	164
Unemployment Rate (%)	5.4	6.5	6.6	6.2	5.9	5.9	5.9	--	--	--	--	--	--	--
Personal Disp. Income	4.9	2.4	2.5	3.3	3.4	3.4	3.7	4.5	1.2	3.2	3.4	3.4	3.4	3.8
Pers. Savings Rate (%)	5.1	4.1	3.3	3.1	2.9	2.6	2.6	--	--	--	--	--	--	--
Cons. Price Index (y/y)	3.8	2.8	2.1	2.0	2.0	2.0	2.0	3.1	2.4	2.0	2.0	2.0	2.0	2.0
CPIX (y/y) **	3.7	3.0	2.2	2.0	2.0	2.0	2.0	3.2	2.6	2.1	2.0	2.0	2.0	2.0
BoC Inflation (y/y) ***	3.9	3.0	2.1	2.0	2.0	2.0	2.0	3.5	2.7	2.0	2.0	2.0	2.0	2.0
Housing Starts ('000s)	236	215	223	235	238	238	238	--	--	--	--	--	--	--
Home Prices (y/y)	-3.0	0.5	5.4	3.6	2.7	2.4	2.4	2.7	4.5	4.6	3.1	2.5	2.4	2.4
Real GDP / Worker (y/y)	-1.0	0.5	0.5	0.5	0.7	0.9	0.9	-0.8	0.9	0.4	0.6	0.8	0.9	1.0

F: Forecast by TD Economics, September 2023.

* Intellectual Property Products. ** CPIX: CPI ex. 8 most volatile components. *** BoC Inflation: Avg. of CPI-trim and CPI-median.

Note: Home price measure shown is the CREA Composite Sale Price.

Source: Statistics Canada, Bank of Canada, CMHC, CREA, TD Economics.

Long-Term Interest Rates

[Period-Over-Period Annualized Per Cent Change Unless Otherwise Indicated]

Interest Rates	Annual Average							End of Period						
	23F	24F	25F	26F	27F	28F	29F	23F	24F	25F	26F	27F	28F	29F
U.S. FIXED INCOME														
Fed Funds Target Rate (%)*	5.30	4.95	3.15	2.75	2.75	2.75	2.75	5.50	4.25	2.75	2.75	2.75	2.75	2.75
3-mth T-Bill Rate (%)	5.15	4.65	2.90	2.65	2.65	2.65	2.65	5.40	3.90	2.65	2.65	2.65	2.65	2.65
2-yr Govt. Bond Yield (%)	4.65	3.95	2.90	2.75	2.75	2.75	2.75	4.70	3.50	2.75	2.75	2.75	2.75	2.75
5-yr Govt. Bond Yield (%)	4.05	3.45	3.00	2.95	2.95	2.95	2.95	4.15	3.15	2.95	2.95	2.95	2.95	2.95
10-yr Govt. Bond Yield (%)	3.95	3.60	3.25	3.20	3.20	3.20	3.20	4.10	3.35	3.20	3.20	3.20	3.20	3.20
10-yr-2-yr Govt. Spread (%)	-0.70	-0.35	0.35	0.45	0.45	0.45	0.45	-0.60	-0.15	0.45	0.45	0.45	0.45	0.45
CANADIAN FIXED INCOME														
Overnight Target Rate (%)	4.80	4.25	2.50	2.25	2.25	2.25	2.25	5.00	3.50	2.25	2.25	2.25	2.25	2.25
3-mth T-Bill Rate (%)	4.80	4.00	2.40	2.25	2.25	2.25	2.25	5.00	3.25	2.25	2.25	2.25	2.25	2.25
2-yr Govt. Bond Yield (%)	4.40	3.55	2.50	2.35	2.35	2.35	2.35	4.40	3.10	2.35	2.35	2.35	2.35	2.35
5-yr Govt. Bond Yield (%)	3.65	3.25	2.65	2.60	2.60	2.60	2.60	3.75	2.95	2.60	2.60	2.60	2.60	2.60
10-yr Govt. Bond Yield (%)	3.40	3.30	2.85	2.85	2.85	2.85	2.85	3.60	3.05	2.85	2.85	2.85	2.85	2.85
10-yr-2-yr Govt. Spread (%)	-1.00	-0.25	0.35	0.50	0.50	0.50	0.50	-0.80	-0.05	0.50	0.50	0.50	0.50	0.50

F: Forecast by TD Economics, September 2023.

* Intellectual Property Products. ** CPIX: CPI ex. 8 most volatile components. *** BoC Inflation: Avg. of CPI-trim and CPI-median.

Note: Home price measure shown is the CREA Composite Sale Price.

Source: Statistics Canada, Bank of Canada, CMHC, CREA, TD Economics.

Home Sales and Price Outlook

[Annual Average Growth, %]

Provinces	Home Sales			Home Prices		
	2023F	2024F	2025F	2023F	2024F	2025F
National	-10.7	5.2	15.4	-3.0	0.5	5.4
Newfoundland & Labrador	-15.6	4.2	6.7	1.1	3.7	1.8
Prince Edward Island	-4.1	5.0	15.2	0.1	1.5	1.9
Nova Scotia	-18.9	4.1	15.6	3.2	2.7	2.5

New Brunswick	-13.4	4.9	12.3	3.6	3.9	3.0
Québec	-11.7	5.0	6.0	0.6	2.5	3.0
Ontario	-13.2	3.0	27.0	-5.3	-0.5	2.7
Manitoba	-8.1	6.6	10.8	-2.3	4.5	3.4
Saskatchewan	-0.8	4.2	3.1	0.2	3.0	4.2
Alberta	-7.2	8.3	3.1	0.8	4.4	3.9
British Columbia	-7.9	6.8	18.4	-1.4	1.2	2.5

Source: CREA, CMHC, TD Economics. Forecasts by TD Economics as of September 2023.

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