



Canada and United States forecast details

June 2026

ECONOMIC FORECAST DETAIL – CANADA

| Real growth in the economy (Quarter-over-quarter annualized % change unless otherwise indicated) | | | | | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2025 | | | | 2026 | | | | 2027 | | | | 2025 | 2026F | 2027F |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| Real gross domestic product | 2.9 | -1.0 | 1.9 | -1.0 | -0.1 | 1.7 | 1.8 | 1.5 | 1.3 | 1.3 | 1.5 | 1.7 | 1.9 | 0.6 | 1.5 |
| Household consumption | 1.2 | 4.4 | -0.8 | 2.9 | 1.5 | 1.8 | 1.5 | 1.7 | 1.5 | 1.5 | 1.5 | 1.6 | 2.4 | 1.7 | 1.6 |
| Durables | -4.6 | 1.4 | -4.2 | -2.5 | -6.4 | 2.0 | 1.5 | 2.0 | 2.3 | 2.6 | 2.9 | 3.2 | 0.7 | -1.9 | 2.3 |
| Semidurables | 10.4 | 1.8 | 2.1 | 1.1 | -2.0 | 0.0 | 0.6 | 1.0 | 1.1 | 1.2 | 1.0 | 1.1 | 6.2 | 0.2 | 1.0 |
| Nondurables | 2.3 | 2.5 | -1.2 | 0.7 | 5.5 | 1.5 | 0.6 | 1.0 | 0.8 | 0.8 | 0.7 | 0.7 | 1.9 | 1.9 | -2.7 |
| Services | 1.1 | 6.2 | -0.2 | 5.2 | 2.0 | 2.0 | 2.0 | 2.0 | 1.7 | 1.7 | 1.7 | 1.6 | 2.5 | 2.6 | -0.6 |
| Government Spending | 1.8 | 4.1 | -2.1 | 2.3 | -1.0 | -0.6 | 3.0 | 3.0 | 2.5 | 2.1 | 0.5 | 0.5 | 2.4 | 0.6 | 2.0 |
| Government fixed investment | -0.6 | 10.4 | 15.5 | 24.6 | -9.6 | 0.0 | 5.0 | 6.0 | 1.5 | 1.0 | 1.2 | 1.0 | 7.2 | 5.0 | 2.5 |
| Business Fixed Investment | -4.2 | -0.5 | -1.3 | -1.7 | -3.0 | 0.2 | 2.9 | 2.6 | 2.7 | 3.1 | 3.2 | 3.3 | 0.3 | -0.7 | 2.7 |
| Residential | -10.2 | 0.2 | 4.4 | -9.4 | -7.9 | -2.5 | 3.0 | 2.2 | 2.3 | 2.5 | 3.0 | 3.0 | 0.5 | -3.3 | 2.2 |
| Nonresidential | 0.2 | -0.4 | -5.9 | 2.3 | -3.2 | 0.2 | 2.5 | 2.5 | 2.1 | 2.6 | 2.2 | 2.2 | 0.2 | -0.7 | 2.2 |
| Structures | -3.2 | 10.2 | -0.9 | -1.1 | -10.2 | -4.7 | 1.7 | 1.7 | 1.7 | 1.6 | 1.6 | 1.6 | 1.7 | -3.0 | 1.2 |
| M&E | 6.0 | -15.9 | -14.2 | 8.7 | 10.2 | 9.0 | 4.0 | 4.0 | 3.0 | 4.2 | 3.3 | 3.3 | -2.4 | 3.4 | 4.0 |
| Intellectual property | -0.6 | -3.2 | -2.0 | 9.4 | 13.8 | 8.0 | 4.1 | 4.2 | 5.5 | 6.3 | 7.1 | 8.0 | 0.4 | 6.9 | 5.8 |
| Final domestic demand | 0.2 | 3.6 | -0.5 | 2.7 | -0.4 | 0.9 | 2.2 | 2.3 | 1.9 | 1.9 | 1.6 | 1.6 | 2.2 | 1.1 | 1.9 |
| Exports | 4.5 | -23.4 | 4.1 | 6.7 | -0.5 | 10.0 | 3.0 | 1.8 | 1.9 | 2.1 | 2.2 | 3.0 | -1.4 | 2.2 | 2.6 |
| Imports | 3.6 | 1.2 | -10.9 | 2.0 | 12.0 | 6.0 | 4.2 | 5.0 | 4.8 | 4.9 | 4.5 | 4.2 | -0.3 | 3.8 | 4.8 |
| Inventories (change in \$b) | 1.8 | 26.9 | 13.7 | -12.6 | 10.6 | 8.5 | 7.9 | 9.0 | 10.9 | 12.9 | 16.9 | 19.8 | 7.4 | 9.0 | 15.1 |
| Labour market indicators | | | | | | | | | | | | | | | |
| Unemployment rate (%) | 6.7 | 6.9 | 7.0 | 6.8 | 6.6 | 6.7 | 6.5 | 6.3 | 6.2 | 6.0 | 5.9 | 5.8 | 6.9 | 6.5 | 6.0 |
| Policy rate and government bond yields | | | | | | | | | | | | | | | |
| Overnight rate | 2.75 | 2.75 | 2.50 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.50 | 2.75 | 3.00 | 3.25 | 2.25 | 2.25 | 3.25 |
| Two-year | 2.47 | 2.59 | 2.47 | 2.59 | 2.83 | 2.85 | 3.00 | 3.10 | 3.25 | 3.30 | 3.35 | 3.40 | 2.59 | 3.10 | 3.40 |
| 10-year | 2.97 | 3.27 | 3.19 | 3.44 | 3.47 | 3.50 | 3.55 | 3.60 | 3.60 | 3.60 | 3.60 | 3.60 | 3.44 | 3.6 | 3.6 |
| Inflation | | | | | | | | | | | | | | | |
| Headline CPI (y/y%) | 2.3 | 1.8 | 2.0 | 2.2 | 2.2 | 2.9 | 2.6 | 2.4 | 2.5 | 2.1 | 2.1 | 2.1 | 2.1 | 2.5 | 2.2 |
| CPI ex-food & energy (y/y%) | 2.5 | 2.6 | 2.5 | 2.5 | 2.1 | 1.6 | 1.8 | 1.7 | 2.2 | 2.4 | 2.3 | 2.3 | 2.5 | 1.8 | 2.3 |
| Other | | | | | | | | | | | | | | | |
| Housing starts (000s) | 224 | 282 | 273 | 255 | 242 | 251 | 221 | 216 | 208 | 200 | 198 | 198 | 259 | 232 | 201 |
| Motor vehicle sales (mill,saar) | 1.96 | 2.00 | 1.96 | 1.91 | 1.86 | 1.87 | 1.88 | 1.89 | 1.90 | 1.91 | 1.93 | 1.94 | 1.96 | 1.88 | 1.92 |
| Productivity | 2.1 | 0.9 | 1.1 | 0.1 | -0.6 | 0.4 | -0.2 | 0.4 | 1.2 | 1.1 | 1.0 | 0.9 | 1.07 | -0.01 | 1.02 |
| Pre-tax corporate profits | 10.9 | 3.1 | 6.6 | 4.5 | 5.3 | 14.5 | 9.2 | 6.3 | 4.4 | -1.1 | 0.4 | 1.7 | 6.20 | 8.75 | 1.30 |
| Current account balance (\$B) | -11.7 | -87.2 | -20.2 | -4.0 | -28.7 | -2.6 | -11.4 | -23.8 | -32.7 | -47.3 | -51.6 | -53.1 | -30.8 | -16.6 | -46.2 |

ECONOMIC FORECAST DETAIL — UNITED STATES

Real growth in the economy (Quarter-over-quarter annualized % change unless otherwise indicated)

| | 2025 | | | | 2026 | | | | 2027 | | | | 2025 | 2026F | 2027F |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| Real gross domestic product | -0.6 | 3.8 | 4.4 | 0.5 | 1.6 | 2.4 | 1.7 | 1.8 | 1.8 | 1.9 | 1.9 | 1.8 | 2.1 | 2.0 | 1.9 |
| Consumer Expenditures | 0.6 | 2.5 | 3.5 | 1.9 | 1.4 | 2.0 | 1.4 | 1.5 | 1.6 | 1.6 | 1.6 | 1.7 | 2.6 | 1.9 | 1.6 |
| Durables | -3.4 | 2.3 | 1.5 | 0.1 | 0.4 | 2.9 | 1.1 | 1.5 | 1.9 | 1.8 | 1.5 | 1.5 | 3.6 | 1.2 | 1.7 |
| Non-Durables | 2.2 | 2.2 | 3.9 | 0.4 | 0.5 | 2.2 | 1.6 | 1.6 | 1.2 | 1.3 | 1.0 | 1.0 | 3.0 | 1.5 | 1.4 |
| Services | 0.8 | 2.6 | 3.6 | 2.7 | 1.8 | 1.8 | 1.4 | 1.5 | 1.6 | 1.7 | 1.8 | 1.9 | 2.3 | 2.2 | 1.6 |
| Government spending | -1.0 | -0.1 | 2.2 | -5.6 | 4.4 | 2.0 | 1.0 | 1.6 | 1.4 | 1.1 | 1.0 | 1.0 | 1.1 | 0.8 | 1.3 |
| Residential Investment | -1.0 | -5.1 | -7.1 | -1.7 | -6.3 | 1.1 | 4.0 | 3.9 | 3.8 | 3.7 | 3.6 | 3.5 | -2.2 | -2.2 | 3.6 |
| Non-Residential Investment | 9.5 | 7.3 | 3.2 | 2.4 | 10.1 | 6.5 | 4.1 | 4.0 | 3.0 | 3.1 | 3.1 | 3.0 | 4.1 | 5.8 | 3.6 |
| Non-Res. Structures | -3.1 | -7.5 | -5.0 | -6.6 | -5.4 | -2.8 | -1.8 | -1.5 | -1.2 | -0.9 | -0.6 | -0.3 | -5.3 | -4.5 | -1.2 |
| Non-Res. Equipment | 21.3 | 8.5 | 5.2 | 4.3 | 17.2 | 12.6 | 5.7 | 5.5 | 3.0 | 3.1 | 3.1 | 3.0 | 8.3 | 9.6 | 4.4 |
| Intellectual Property | 6.5 | 15.0 | 5.6 | 5.4 | 11.6 | 4.9 | 5.3 | 5.2 | 5.1 | 4.9 | 4.8 | 4.7 | 5.6 | 7.4 | 5.0 |
| Final Domestic Demand | 1.4 | 2.4 | 2.8 | 0.6 | 2.7 | 2.6 | 1.8 | 2.0 | 1.8 | 1.8 | 1.8 | 1.8 | 2.4 | 2.1 | 1.9 |
| Exports | 0.2 | -1.8 | 9.6 | -3.2 | 13.1 | 5.5 | 2.3 | 1.8 | 2.0 | 1.5 | 1.2 | 1.8 | 1.6 | 5.0 | 2.0 |
| Imports | 38.0 | -29.3 | -4.4 | -1.0 | 21.1 | 8.0 | 3.5 | 2.8 | 2.5 | 2.5 | 2.0 | 1.5 | 2.7 | 3.9 | 2.9 |
| Inventories (change in \$b) | 172.0 | -18.3 | -23.9 | -15.6 | -25.7 | -12.0 | -8.0 | -7.0 | 0.0 | 16.0 | 29.0 | 25.0 | 28.6 | -13.2 | 17.5 |
| Labour market indicators | | | | | | | | | | | | | | | |
| Unemployment rate (%) | 4.1 | 4.2 | 4.3 | 4.5 | 4.3 | 4.3 | 4.4 | 4.4 | 4.4 | 4.4 | 4.4 | 4.4 | 4.3 | 4.4 | 4.4 |
| Policy rate and government bond yields | | | | | | | | | | | | | | | |
| Fed Funds Rate (% eop, top of range) | 4.50 | 4.50 | 4.25 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 |
| Two-year | 3.89 | 3.72 | 3.60 | 3.47 | 3.79 | 4.10 | 4.25 | 4.15 | 4.35 | 4.45 | 4.35 | 4.30 | 3.47 | 4.15 | 4.30 |
| 10-year | 4.23 | 4.24 | 4.16 | 4.18 | 4.30 | 4.45 | 4.50 | 4.35 | 4.45 | 4.50 | 4.45 | 4.40 | 4.18 | 4.35 | 4.40 |
| Inflation | | | | | | | | | | | | | | | |
| Headline CPI (y/y%) | 2.7 | 2.4 | 2.9 | 2.7 | 2.7 | 3.9 | 3.4 | 3.1 | 2.6 | 1.5 | 1.7 | 1.8 | 2.6 | 3.3 | 1.9 |
| CPI ex-food & energy (y/y%) | 3.1 | 2.8 | 3.1 | 2.7 | 2.5 | 2.8 | 2.6 | 2.8 | 2.8 | 2.6 | 2.5 | 2.4 | 2.8 | 2.7 | 2.6 |
| Other | | | | | | | | | | | | | | | |
| Housing starts (000s) | 1396.7 | 1356.0 | 1347.3 | 1323.3 | 1412.7 | 1417.8 | 1436.4 | 1454.7 | 1472.8 | 1490.6 | 1508.2 | 1525.5 | 1355.8 | 1430.4 | 1499.2 |
| Motor vehicle sales (mill,saar) | 16.4 | 16.2 | 16.6 | 15.7 | 15.4 | 15.9 | 16.0 | 16.3 | 16.6 | 16.9 | 17.1 | 17.3 | 15.5 | 15.9 | 17.0 |
| Productivity | 2.0 | 2.1 | 2.6 | 2.5 | 2.8 | 2.1 | 1.1 | 1.1 | 1.5 | 1.6 | 1.6 | 1.6 | 2.3 | 1.8 | 1.6 |
| Pre-tax corporate profits | 6.4 | 3.6 | 9.3 | 9.6 | 12.0 | 14.0 | 9.8 | 4.2 | 3.8 | 2.6 | 2.5 | 2.4 | 7.3 | 9.8 | 2.8 |