



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

This article and/or presentation is intended as general information only and is not to be relied upon as constituting legal, financial or other professional advice. A professional advisor should be consulted regarding your specific situation. Information presented is believed to be factual and up-to-date but we do not guarantee its accuracy and it should not be regarded as a complete analysis of the subjects discussed. All expressions of opinion reflect the judgment of the authors as of the date of publication and are subject to change. No endorsement of any third parties or their advice, opinions, information, products or services is expressly given or implied by Royal Bank of Canada or any of its affiliates. The material contained is the property of Royal Bank of Canada and may not be reproduced in any way, in whole or in part, without express authorization of the copyright holder in writing. The statements and statistics contained herein have been prepared by RBC Economics Research based on information from sources considered to be reliable. We make no representation or warranty, express or implied, as to its accuracy or completeness. This publication is for the information of investors and businesspersons and does not constitute an offer to sell or a solicitation to buy securities.