RBC Economics

Canada economics forecast detail

September 2026

	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**	**0.3**	**3.3**	**1.8**	**1.5**	**1.3**	**1.3**	**1.5**	**1.7**	**1.9**	**1.0**	**1.6**
Household consumption	**1.2**	**4.4**	**-0.8**	**2.9**	**2.4**	**3.3**	**2.8**	**1.7**	**1.5**	**1.5**	**1.5**	**1.6**	**2.4**	**2.4**	**1.8**
Durables	-4.6	1.4	-4.2	-2.5	-4.1	6.9	3.0	2.0	2.3	2.6	2.9	3.2	0.7	-0.2	2.8
Semidurables	10.4	1.8	2.1	1.1	2.4	4.6	3.0	1.0	1.1	1.2	1.0	1.1	6.2	2.5	1.5
Nondurables	2.3	2.5	-1.2	0.7	4.8	-0.1	0.0	1.0	0.8	0.8	0.7	0.7	1.9	1.4	0.7
Services	1.1	6.2	-0.2	5.2	2.8	3.9	3.8	2.0	1.7	1.7	1.7	1.6	2.5	3.3	2.1
Government Spending	**1.8**	**4.1**	**-2.1**	**2.3**	**-0.1**	**3.9**	**3.0**	**3.0**	**2.5**	**2.1**	**0.5**	**0.5**	**2.4**	**1.7**	**2.3**
Government fixed investment	**-0.6**	**10.4**	**15.5**	**24.6**	**-9.8**	**-11.0**	**5.0**	**6.0**	**1.5**	**1.0**	**1.2**	**1.0**	**7.2**	**2.7**	**1.8**
Business Fixed Investment	**-4.2**	**-0.5**	**-1.3**	**-1.7**	**-5.0**	**9.5**	**2.5**	**2.6**	**2.7**	**3.1**	**3.2**	**3.3**	**0.3**	**0.4**	**3.2**
Residential	-10.2	0.2	4.4	-9.4	-10.6	10.4	-2.0	2.2	2.3	2.5	3.0	3.0	0.5	-2.3	2.4
Nonresidential	0.2	-0.4	-5.9	2.3	-3.9	12.3	5.8	2.6	2.2	2.6	2.3	2.2	0.2	1.7	3.4
Structures	-3.2	10.2	-0.9	-1.1	-11.8	6.5	15.0	1.7	1.7	1.6	1.6	1.6	1.7	0.2	3.5
M&E	6.0	-15.9	-14.2	8.7	11.5	22.6	-8.0	4.0	3.0	4.2	3.3	3.3	-2.4	4.4	3.1
Intellectual property	-0.6	-3.2	-2.0	9.4	8.8	-2.3	4.1	4.2	5.5	6.3	7.1	8.0	0.4	3.7	5.1
Final domestic demand	**0.2**	**3.6**	**-0.5**	**2.7**	**-0.1**	**3.9**	**2.9**	**2.3**	**1.9**	**1.9**	**1.6**	**1.6**	**2.2**	**1.9**	**2.2**
Exports	**4.5**	**-23.4**	**4.1**	**6.7**	**1.3**	**15.1**	**-6.0**	**1.8**	**1.9**	**2.1**	**2.2**	**3.0**	**-1.4**	**2.4**	**1.8**
Imports	**3.6**	**1.2**	**-10.9**	**2.0**	**13.1**	**1.1**	**3.0**	**4.0**	**4.8**	**4.9**	**4.5**	**4.2**	**-0.3**	**2.9**	**4.1**
Inventories (change in $b)	**1.8**	**26.9**	**13.7**	**-12.6**	**10.0**	**-16.1**	**-3.0**	**-3.5**	**-1.9**	**-0.2**	**3.5**	**6.5**	**7.4**	**-3.1**	**2.0**
Labour market indicators															
Unemployment rate (%)	6.7	6.9	7.0	6.8	6.6	6.7	6.4	6.3	6.2	6.0	5.9	5.8	6.9	6.5	6.0
Policy rate and government bond yields															
Overnight rate	2.75	2.75	2.50	2.25	2.25	2.25	2.25	2.25	2.50	2.75	3.00	3.25	2.25	2.25	3.25
Two-year	2.47	2.59	2.47	2.59	2.83	2.75	3.20	3.20	3.20	3.30	3.35	3.40	2.59	3.20	3.40
10-year	2.97	3.27	3.19	3.44	3.47	3.38	3.85	3.75	3.70	3.70	3.75	3.75	3.44	3.75	3.75
Inflation															
Headline CPI (y/y%)	2.3	1.8	2.0	2.2	2.2	2.9	3.0	2.9	3.0	2.4	1.9	1.6	2.1	2.7	2.2
CPI ex-food & energy (y/y%)	2.5	2.6	2.5	2.5	2.1	1.6	1.9	1.9	2.3	2.5	2.3	2.3	2.5	1.9	2.4
Other															
Housing starts (000s)	224	282	273	255	242	256	238	220	212	209	204	203	259	239	207
Motor vehicle sales (mill,saar)	1.98	1.99	1.96	1.90	1.89	1.98	2.00	2.01	2.02	2.03	2.05	2.06	1.96	1.97	2.04
Productivity	2.1	1.0	1.1	0.1	-0.5	1.2	0.4	1.0	1.6	0.8	0.9	0.8	1.09	0.52	1.02
Pre-tax corporate profits	10.9	3.1	6.6	4.5	5.6	26.3	19.4	17.9	14.2	-0.6	1.5	1.6	6.20	17.22	3.86
Current account balance ($B)	-11.7	-87.2	-20.2	-4.0	-33.2	35.3	0.0	-2.8	-18.0	-27.6	-33.0	-31.9	-30.8	-0.2	-27.6

RBC Economics

U.S. economics forecast detail

September 2026

	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**	**2.1**	**1.5**	**2.4**	**2.2**	**2.2**	**2.3**	**2.3**	**2.2**	**2.1**	**2.1**	**2.2**
Consumer Expenditures	0.6	2.5	3.5	1.9	0.5	3.4	2.6	1.9	1.6	1.6	1.6	1.7	2.6	2.2	1.9
Durables	-3.4	2.3	1.5	0.1	0.5	5.7	-0.7	1.5	1.9	1.8	1.5	1.5	3.6	1.5	1.6
Non-Durables	2.2	2.2	3.9	0.4	0.6	3.5	2.0	1.6	1.2	1.3	1.0	1.0	3.0	1.8	1.5
Services	0.8	2.6	3.6	2.7	0.5	3.1	3.3	2.0	1.6	1.7	1.8	1.9	2.3	2.4	2.0
Government spending	**-1.0**	**-0.1**	**2.2**	**-5.6**	**4.4**	**-1.0**	**2.8**	**2.0**	**1.4**	**1.1**	**1.0**	**1.0**	**1.1**	**0.6**	**1.4**
Residential Investment	**-1.0**	**-5.1**	**-7.1**	**-1.7**	**-7.8**	**1.2**	**-8.0**	**3.9**	**3.8**	**3.7**	**3.6**	**3.5**	**-2.2**	**-4.1**	**2.0**
Non-Residential Investment	**9.5**	**7.3**	**3.2**	**2.4**	**10.6**	**8.5**	**9.6**	**3.8**	**3.0**	**3.1**	**3.1**	**3.0**	**4.1**	**6.9**	**4.3**
Non-Res. Structures	-3.1	-7.5	-5.0	-6.6	-4.7	-1.8	2.3	-1.5	-1.2	-0.9	-0.6	-0.3	-5.3	-3.7	-0.7
Non-Res. Equipment	21.3	8.5	5.2	4.3	15.8	13.6	17.3	5.0	3.0	3.1	3.1	3.0	8.3	10.9	5.7
Intellectual Property	6.5	15.0	5.6	5.4	13.8	8.8	5.3	5.2	5.1	4.9	4.8	4.7	5.6	8.6	5.3
Final Domestic Demand	**1.4**	**2.4**	**2.8**	**0.6**	**2.2**	**3.3**	**3.2**	**2.2**	**1.8**	**1.8**	**1.8**	**1.8**	**2.4**	**2.3**	**2.2**
Exports	**0.2**	**-1.8**	**9.6**	**-3.2**	**10.9**	**4.5**	**-4.0**	**3.0**	**2.0**	**1.5**	**1.2**	**1.8**	**1.6**	**3.6**	**1.4**
Imports	**38.0**	**-29.3**	**-4.4**	**-1.0**	**11.8**	**12.5**	**8.2**	**8.0**	**2.5**	**2.5**	**2.0**	**1.5**	**2.7**	**3.6**	**4.7**
Inventories (change in $b)	**172.0**	**-18.3**	**-23.9**	**-15.6**	**-16.7**	**-53.1**	**-8.0**	**35.0**	**66.0**	**106.0**	**142.0**	**160.0**	**28.6**	**-10.7**	**118.5**
Labour market indicators															
Unemployment rate (%)	4.1	4.2	4.3	4.5	4.3	4.3	4.1	4.2	4.2	4.2	4.3	4.3	4.3	4.2	4.3
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	4.00	4.50	4.50	4.50	4.50	4.50	3.75	4.50	4.50
Two-year	3.89	3.72	3.60	3.47	3.79	4.14	4.80	4.85	4.65	4.73	4.73	4.63	3.47	4.85	4.63
10-year	4.23	4.24	4.16	4.18	4.30	4.44	4.85	4.75	4.70	4.70	4.60	4.55	4.18	4.75	4.55
Inflation															
Headline CPI (y/y%)	2.7	2.4	2.9	2.7	2.7	3.9	3.4	3.6	3.1	2.0	2.1	1.7	2.6	3.4	2.2
CPI ex-food & energy (y/y%)	3.1	2.8	3.1	2.7	2.5	2.7	2.4	2.6	2.5	2.5	2.6	2.6	2.8	2.6	2.6
Other															
Housing starts (000s)	1396.7	1356.0	1347.3	1323.3	1417.7	1337.0	1299.8	1316.4	1332.8	1348.9	1364.8	1380.5	1355.8	1342.7	1356.7
Motor vehicle sales (mill,saar)	16.4	16.2	16.6	15.7	15.5	16.4	16.3	16.6	16.9	17.2	17.4	17.7	15.5	16.2	17.3
Productivity	2.0	2.1	2.6	2.5	3.0	2.1	1.4	1.5	1.8	2.0	2.0	1.9	2.3	2.0	2.0
Pre-tax corporate profits	6.4	3.6	9.3	9.6	12.8	22.8	19.0	13.2	12.1	3.7	3.3	3.1	7.3	16.9	5.4