

Canadian and U.S. forecast details

September 2025

ECONOMIC FORECAST DETAIL – CANADA

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

	2024				2025				2026				2024	2025F	2026F
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Real gross domestic product	2.1	2.5	2.4	2.1	2.0	-1.6	0.5	0.8	1.5	1.7	2.0	2.2	1.6	1.2	1.2
Household consumption	3.2	1.7	4.4	4.9	0.5	4.5	0.9	1.0	1.2	1.5	1.5	1.7	2.4	2.7	1.5
Durables	-1.8	-7.2	13.1	17.2	-5.9	10.4	0.1	0.0	1.0	1.2	1.5	2.0	3.8	4.5	1.4
Semidurables	7.5	2.6	3.1	8.8	13.0	4.4	1.1	1.0	1.0	1.5	0.6	1.0	1.3	6.4	1.3
Nondurables	-0.1	2.7	2.0	1.1	4.2	1.7	1.0	1.6	1.3	1.8	0.6	1.0	0.6	2.2	1.3
Services	5.5	3.2	3.6	3.4	-0.8	4.3	1.0	1.0	1.3	1.5	2.0	2.0	3.0	2.1	1.6
Government Spending	5.9	5.6	5.5	2.4	-0.4	5.1	1.0	2.0	4.0	4.0	3.0	3.0	3.7	2.6	3.1
Government fixed investment	14.2	6.8	4.0	7.3	-5.6	8.8	1.0	2.1	3.0	4.0	4.0	4.0	7.3	2.7	3.3
Business Fixed Investment	-2.1	2.6	-2.9	9.4	-4.9	-2.4	3.2	1.0	2.4	3.0	3.3	3.4	-1.4	0.2	2.2
Residential	-4.5	-9.4	5.4	16.8	-12.2	6.3	8.0	2.0	4.0	4.0	4.0	4.2	-0.6	2.0	4.3
Nonresidential	-0.6	15.0	-11.9	4.7	1.1	-10.1	-1.1	-0.4	1.2	1.7	2.5	2.5	-2.4	-1.7	0.2
Structures	1.6	9.6	-0.8	1.4	-3.9	6.3	2.0	1.0	1.8	1.6	1.7	1.7	-2.1	1.2	1.9
M&E	-4.1	24.3	-27.7	10.5	10.1	-32.6	-6.8	-3.0	0.0	2.0	4.0	4.0	-2.9	-6.6	-2.9
Intellectual property	0.6	0.3	6.4	4.1	-1.4	-0.5	3.6	3.0	1.5	4.0	4.1	4.2	0.0	1.7	2.9
Final domestic demand	3.2	2.9	3.2	5.2	-0.9	3.5	1.3	1.3	2.1	2.4	2.3	2.4	2.1	2.2	2.0
Exports	-0.7	-4.8	-0.6	7.1	5.8	-26.8	3.3	3.0	0.6	1.0	1.8	2.0	0.6	-2.9	-0.4
Imports	-1.1	0.0	-1.0	2.5	3.6	-5.1	-2.8	5.0	3.0	3.5	2.8	2.7	0.7	0.2	2.1
Inventories (change in \$b)	17.8	25.3	20.0	-6.0	2.7	30.0	20.0	13.0	10.0	7.0	5.0	5.0	14.3	16.4	6.8
Labour market indicators															
Unemployment rate (%)	5.9	6.3	6.6	6.7	6.6	6.9	7.1	7.1	6.9	6.7	6.4	6.3	6.4	6.9	6.6
Policy rate and government bond yields															
Overnight rate	5.00	4.75	4.25	3.25	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	3.25	2.75	2.75
Two-year	4.22	3.99	2.92	2.93	2.46	2.59	2.60	2.90	2.95	3.00	3.00	3.05	2.93	2.46	2.59
10-year	3.52	3.50	2.95	3.23	2.97	3.28	3.25	3.40	3.45	3.45	3.50	3.50	3.23	2.97	3.28
Inflation															
Headline CPI (y/y%)	2.8	2.7	2.0	1.9	2.3	1.8	2.0	2.1	2.0	2.2	2.1	2.1	2.4	2.0	2.1
CPI ex-food & energy (y/y%)	2.9	2.8	2.5	2.1	2.5	2.6	2.7	2.6	2.6	2.4	2.4	2.3	2.6	2.6	2.4
Other															
Housing starts (000s)	244	250	238	248	223	283	257	238	226	224	219	219	245	250	222
Motor vehicle sales (mill,saar)	1.93	1.86	1.89	2.01	1.98	2.03	2.03	2.03	2.04	2.04	2.05	2.06	1.92	2.02	2.05
Productivity	-0.6	-0.7	-0.5	0.0	0.5	0.1	0.5	-0.3	-0.3	0.3	0.1	0.3	-0.48	0.17	0.09
Pre-tax corporate profits	-7.1	2.7	-4.6	-3.0	8.8	2.2	4.6	-2.0	-3.2	0.8	2.0	4.5	-3.10	3.28	0.98

Economic forecast detail — United States

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

	2024				2025				2026				2024	2025F	2026F
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Real gross domestic product	1.6	3.0	3.1	2.5	-0.5	3.3	0.5	1.0	1.2	1.5	1.7	1.8	2.8	1.6	1.4
Consumer Expenditures	1.9	2.8	3.7	4.0	0.5	1.6	1.3	0.8	0.8	1.1	1.4	1.5	2.8	2.0	1.1
Durables	-1.7	5.4	7.6	12.4	-3.7	2.6	1.5	0.0	0.5	0.7	1.1	1.5	3.3	3.2	0.8
Non-Durables	-0.8	1.7	4.6	3.1	2.1	2.3	2.0	0.5	0.5	1.0	1.6	1.6	1.9	2.5	1.1
Services	3.4	2.7	2.8	3.0	0.6	1.2	1.1	1.0	1.0	1.2	1.4	1.5	2.9	1.7	1.1
Government spending	1.8	3.0	5.1	3.1	-0.6	-0.2	0.6	1.0	1.0	1.7	1.0	1.6	3.4	1.3	1.0
Residential Investment	13.7	-2.8	-4.3	5.5	-1.3	-4.7	-5.0	3.1	3.8	4.1	4.0	3.9	4.2	-1.4	2.1
Non-Residential Investment	4.5	3.9	4.0	-3.0	10.3	5.7	2.4	1.5	2.4	3.7	5.3	5.2	3.6	4.1	3.2
Non-Res. Structures	6.2	0.2	-5.0	2.9	-2.4	-8.9	-2.5	0.5	1.5	2.5	4.4	4.5	3.5	-2.7	0.8
Non-Res. Equipment	0.3	9.9	10.8	-8.7	23.7	7.4	4.5	0.5	0.8	3.0	5.7	5.5	3.4	7.7	2.9
Intellectual Property	7.5	0.7	3.1	-0.5	6.0	12.8	3.0	3.0	4.5	4.9	5.3	5.2	3.9	4.7	4.7
Final Domestic Demand	2.7	2.8	3.7	3.0	1.5	1.6	1.1	1.0	1.2	1.7	1.8	2.0	3.0	2.0	1.4
Exports	1.9	1.0	9.6	-0.2	0.4	-1.3	-6.0	-0.5	0.5	1.0	2.3	1.8	3.3	0.2	-0.2
Imports	6.1	7.6	10.7	-1.9	38.0	-29.8	4.0	2.0	3.0	3.5	3.5	2.8	5.3	3.5	0.6
Inventories (change in \$b)	17.7	71.7	57.9	8.9	160.5	-32.9	-2.0	15.0	35.0	45.0	50.0	50.0	39.1	35.2	45.0
Labour market indicators															
Unemployment rate (%)	3.8	4.0	4.2	4.1	4.1	4.2	4.3	4.5	4.6	4.6	4.5	4.4	4.0	4.3	4.5
Policy rate and government bond yields															
Fed Funds Rate (% eop, top of range)	5.50	5.50	5.00	4.50	4.50	4.50	4.25	3.95	3.45	2.95	2.95	2.95	4.50	3.95	2.95
Two-year	4.66	4.71	3.66	4.25	3.89	3.72	3.60	3.50	3.30	3.15	3.25	3.50	4.25	3.50	3.50
10-year	4.27	4.36	3.81	4.58	4.23	4.24	4.15	4.00	3.85	3.75	3.85	4.05	4.58	4.00	4.05
Inflation															
Headline CPI (y/y%)	3.2	3.2	2.6	2.7	2.7	2.4	2.9	3.0	2.7	2.8	2.6	2.4	2.9	2.8	2.6
CPI ex-food & energy (y/y%)	3.8	3.4	3.2	3.3	3.1	2.8	3.1	3.4	3.3	3.4	3.1	2.7	3.4	3.1	3.1
Other															
Housing starts (000s)	1415.0	1342.7	1337.7	1387.0	1401.0	1346.0	1445.7	1458.1	1459.1	1460.1	1461.1	1462.1	1370.6	1412.7	1460.6
Motor vehicle sales (mill, saar)	15.5	15.6	15.6	16.5	16.4	16.1	16.3	16.3	16.4	16.5	16.7	16.9	15.7	16.3	16.6
Productivity	3.3	3.1	2.5	2.1	1.2	1.5	1.0	0.6	1.4	0.7	0.8	0.7	2.7	1.1	0.9
Pre-tax corporate profits	8.2	10.8	6.0	6.9	6.3	4.3	4.8	0.0	2.9	1.6	2.2	2.4	7.9	3.8	2.3