

APPENDIX 1

International	2000–16	2016	2017	2018f	2019f	2000–16	2016	2017	2018f	2019f
		Real GDP (annual % change)					Consumer Prices (y/y % change, year-end)			
World (based on purchasing power parity)	3.9	3.2	3.7	3.8	3.7					
Canada	2.1	1.4	3.0	2.0	2.1	1.9	1.4	1.8	2.7	2.1
United States	1.9	1.5	2.3	2.8	2.3	2.2	1.8	2.1	2.4	2.4
Mexico	2.2	2.9	2.0	2.1	2.5	4.4	3.4	6.8	4.2	3.8
United Kingdom	1.9	1.8	1.7	1.5	1.9	2.0	0.7	2.7	2.0	1.8
Eurozone	1.3	1.8	2.4	2.3	2.3	1.8	1.1	1.4	1.9	1.7
Germany	1.3	1.9	2.2	3.0	3.0	1.5	1.7	1.7	1.6	1.9
France	1.3	1.2	2.2	2.5	2.0	1.4	0.6	1.2	1.5	1.5
China	9.4	6.7	6.9	6.6	6.3	2.3	2.1	1.8	2.1	2.5
India	7.1	7.9	6.3	7.5	7.5	6.9	3.4	5.2	4.6	5.6
Japan	0.9	1.0	1.7	1.1	0.9	0.1	0.3	1.0	1.0	2.3
South Korea	4.2	2.9	3.1	2.8	2.8	2.6	1.3	1.5	2.1	2.5
Australia	3.0	2.6	2.2	2.8	2.5	2.8	1.5	1.9	2.2	2.6
Thailand	4.0	3.3	3.9	4.1	3.6	2.0	1.1	0.8	1.1	2.0
Brazil	2.6	-3.5	1.0	2.3	2.5	6.7	6.3	3.0	4.1	4.6
Colombia	4.0	2.0	1.8	2.5	3.5	5.1	5.8	4.1	3.3	3.4
Peru	5.1	4.0	2.5	3.5	4.0	2.8	3.2	1.4	2.0	2.5
Chile	4.0	1.3	1.5	3.7	3.9	3.4	2.7	2.3	2.9	3.0
Commodities		(annual average)								
WTI Oil (USD/bbl)	63	43	51	68	71					
Brent Oil (USD/bbl)	66	45	55	74	77					
WCS - WTI Discount* (USD/bbl)	-17	-14	-13	-23	-23					
Nymex Natural Gas (USD/mmbtu)	4.94	2.55	3.02	2.93	2.90					
Copper (USD/lb)	2.35	2.21	2.80	3.10	3.25					
Zinc (USD/lb)	0.81	0.95	1.31	1.45	1.45					
Nickel (USD/lb)	7.26	4.36	4.72	6.50	7.00					
Aluminium (USD/lb)	0.86	0.73	0.89	0.95	1.00					
Iron Ore (USD/tonne)	67	58	72	63	60					
Metallurgical Coal (USD/tonne)	127	114	187	190	160					
Gold, London PM Fix (USD/oz)	869	1,251	1,257	1,311	1,300					
Silver, London PM Fix (USD/oz)	14.67	17.14	17.05	18.00	19.00					

* 2008-16 average.
 Sources: Scotiabank Economics, Statistics Canada, BEA, BLS, IMF, Bloomberg.

APPENDIX 2

North America	2000–16	2016	2017	2018f	2019f	2000–16	2016	2017	2018f	2019f
	Canada					United States				
	(annual % change, unless noted)					(annual % change, unless noted)				
Real GDP	2.1	1.4	3.0	2.0	2.1	1.9	1.5	2.3	2.8	2.3
Consumer spending	2.9	2.3	3.4	2.1	2.0	2.4	2.7	2.8	2.6	2.3
Residential investment	3.7	3.4	2.8	0.1	0.4	-0.4	5.5	1.8	1.8	2.1
Business investment	2.2	-8.8	2.7	6.8	2.6	2.3	-0.6	4.7	6.2	2.8
Government	2.2	2.7	2.6	2.6	1.5	1.0	0.8	0.1	2.2	2.5
Exports	1.3	1.0	1.1	2.5	3.7	3.6	-0.3	3.4	4.3	2.7
Imports	2.9	-1.0	3.6	4.5	2.6	3.4	1.3	4.0	5.0	3.4
Nominal GDP	4.2	2.0	5.4	4.3	4.7	3.9	2.8	4.1	5.0	4.6
GDP deflator	2.1	0.6	2.3	2.3	2.5	2.0	1.3	1.8	2.1	2.3
Consumer price index (CPI)	1.9	1.4	1.6	2.4	2.3	2.2	1.3	2.1	2.4	2.4
CPI ex. food & energy	1.6	1.9	1.6	1.8	2.0	2.0	2.2	1.8	2.2	2.3
Pre-tax corporate profits	3.6	-1.9	19.9	4.8	4.3	5.5	-2.1	4.4	5.1	1.7
Employment	1.3	0.7	1.9	1.2	1.0	0.7	1.8	1.6	1.4	1.1
Unemployment rate (%)	7.1	7.0	6.3	5.8	5.7	6.2	4.9	4.4	3.8	3.7
Current account balance (CAD, USD bn)	-17.1	-65.4	-63.3	-71.0	-60.2	-504	-433	-449	-516	-574
Merchandise trade balance (CAD, USD bn)	25.1	-25.9	-24.0	-30.1	-22.5	-672	-751	-807	-908	-984
Federal budget balance* (FY, CAD, USD bn)	-2.8	-1.0	-17.8	-20.0	-18.0	-532	-585	-665	-840	-1,030
percent of GDP	-0.2	0.0	-0.9	-0.9	-0.8	-3.7	-3.1	-3.4	-4.1	-4.8
Housing starts (000s, mn)	199	198	220	208	196	1.27	1.17	1.20	1.32	1.30
Motor vehicle sales (000s, mn)	1,657	1,949	2,041	2,000	1,950	15.5	17.5	17.1	17.1	17.0
Industrial production	0.6	0.1	5.2	2.4	1.0	0.6	-2.0	1.6	3.0	1.9
	Mexico									
	(annual % change)									
Real GDP	2.2	2.9	2.0	2.1	2.5					
Consumer price index (year-end)	4.4	3.4	6.8	4.2	3.8					
Current account balance (USD bn)	-14.8	-23.3	-19.4	-27.4	-29.9					
Merchandise trade balance (USD bn)	-7.2	-13.1	-11.0	-4.6	-6.7					

Sources: Scotiabank Economics, Statistics Canada, CMHC, BEA, BLS, Bloomberg. * Canada federal deficit ex risk adjustment of \$3.0bn for FY19.

Quarterly Forecasts	2017		2018				2019			
	Q4	Q1	Q2e	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	
Canada										
Real GDP (q/q ann. % change)	1.7	1.3	2.2	2.2	2.5	2.1	2.0	1.9	1.8	
Real GDP (y/y % change)	3.0	2.3	1.7	1.9	2.1	2.2	2.2	2.1	2.0	
Consumer prices (y/y % change)	1.8	2.1	2.2	2.6	2.7	2.5	2.4	2.2	2.1	
Avg. of new core CPIs (y/y % change)	1.7	1.9	1.9	2.0	2.1	2.2	2.2	2.2	2.2	
United States										
Real GDP (q/q ann. % change)	2.9	2.0	3.6	2.5	2.4	2.2	2.0	2.0	2.0	
Real GDP (y/y % change)	2.6	2.8	2.9	2.8	2.6	2.7	2.3	2.1	2.0	
Consumer prices (y/y % change)	2.1	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	
CPI ex. food & energy (y/y % change)	1.7	1.9	2.2	2.3	2.3	2.3	2.3	2.4	2.4	
Core PCE deflator (y/y % change)	1.5	1.6	1.9	2.0	2.1	2.1	2.1	2.1	2.1	

Sources: Scotiabank Economics, Statistics Canada, BEA, BLS, Bloomberg.

APPENDIX 3

	2017		2018				2019			
Central Bank Rates	Q4	Q1	Q2	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	
Americas	(% , end of period)									
Bank of Canada	1.00	1.25	1.25	1.50	1.75	2.00	2.25	2.25	2.50	
US Federal Reserve (upper bound)	1.50	1.75	2.00	2.25	2.50	2.50	2.75	2.75	3.00	
Bank of Mexico	7.25	7.50	7.75	7.75	8.00	8.25	8.25	8.25	8.00	
Central Bank of Brazil	7.00	6.50	6.50	6.75	7.25	8.00	8.50	9.00	9.00	
Bank of the Republic of Colombia	4.75	4.50	4.25	4.25	4.50	4.75	5.00	5.25	5.50	
Central Reserve Bank of Peru	3.25	2.75	2.75	2.75	2.75	3.00	3.00	3.25	3.25	
Central Bank of Chile	2.50	2.50	2.50	2.75	3.00	3.25	3.25	3.50	3.50	
Europe										
European Central Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Bank of England	0.50	0.50	0.50	0.75	0.75	0.75	0.75	0.75	1.00	
Asia/Oceania										
Reserve Bank of Australia	1.50	1.50	1.50	1.50	1.75	1.75	2.00	2.00	2.25	
Bank of Japan	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	
People's Bank of China	4.35	4.35	4.35	4.35	4.35	4.60	4.60	4.85	4.85	
Reserve Bank of India	6.00	6.00	6.25	6.25	6.50	6.50	6.50	6.50	6.50	
Bank of Korea	1.50	1.50	1.50	1.75	2.00	2.00	2.25	2.25	2.25	
Bank of Thailand	1.50	1.50	1.50	1.50	1.75	1.75	2.00	2.00	2.25	
Currencies and Interest Rates										
Americas	(end of period)									
Canadian dollar (USDCAD)	1.26	1.29	1.31	1.28	1.28	1.25	1.22	1.22	1.25	
Canadian dollar (CADUSD)	0.80	0.78	0.76	0.78	0.78	0.80	0.82	0.82	0.80	
Mexican peso (USDMXN)	19.66	18.18	19.81	20.19	20.20	20.32	20.13	20.19	20.48	
Brazilian real (USDBRL)	3.31	3.31	3.86	3.85	3.90	3.85	3.80	3.75	3.70	
Colombian peso (USDCOP)	2,986	2,794	2,926	2,950	3,000	2,950	2,900	2,850	2,850	
Peruvian sol (USDPEN)	3.24	3.23	3.28	3.20	3.18	3.18	3.14	3.15	3.12	
Chilean peso (USDCLP)	615	604	653	624	602	599	596	593	590	
Europe										
Euro (EURUSD)	1.20	1.23	1.17	1.17	1.20	1.22	1.25	1.30	1.35	
UK pound (GBPUSD)	1.35	1.40	1.32	1.30	1.32	1.32	1.35	1.37	1.40	
Asia/Oceania										
Japanese yen (USDJPY)	113	106	108	110	110	110	110	108	105	
Australian dollar (AUDUSD)	0.78	0.77	0.73	0.73	0.73	0.75	0.77	0.77	0.77	
Chinese yuan (USDCNY)	6.51	6.28	6.50	6.45	6.45	6.40	6.40	6.30	6.30	
Indian rupee (USDINR)	63.9	65.2	68.0	67.0	67.0	66.0	66.0	65.0	65.0	
South Korean won (USDKRW)	1,067	1,064	1,100	1,080	1,080	1,070	1,070	1,060	1,060	
Thai baht (USDTHB)	32.6	31.2	33.0	32.5	32.5	32.0	32.0	31.5	31.5	
Canada (Yields, %)										
3-month T-bill	1.06	1.15	1.26	1.55	1.80	2.05	2.30	2.30	2.50	
2-year Canada	1.69	1.78	1.91	2.05	2.30	2.40	2.50	2.55	2.60	
5-year Canada	1.87	1.97	2.07	2.25	2.45	2.55	2.60	2.65	2.70	
10-year Canada	2.05	2.09	2.17	2.40	2.55	2.60	2.65	2.70	2.75	
30-year Canada	2.27	2.23	2.20	2.50	2.70	2.80	2.85	2.90	2.95	
United States (Yields, %)										
3-month T-bill	1.38	1.70	1.92	2.20	2.45	2.50	2.70	2.75	3.00	
2-year Treasury	1.88	2.27	2.53	2.60	2.70	2.80	2.90	3.00	3.10	
5-year Treasury	2.21	2.56	2.73	2.85	2.90	2.95	3.00	3.10	3.20	
10-year Treasury	2.40	2.74	2.84	3.00	3.05	3.10	3.15	3.20	3.30	
30-year Treasury	2.74	2.97	2.96	3.15	3.20	3.30	3.35	3.40	3.45	

Sources: Scotiabank Economics, Bloomberg.

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Foreign Exchange Strategy

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