

ECONOMIC FORECAST SUMMARY FOR NOVEMBER 6, 2009

BMO Capital Markets Economic Research

CANADA	2009				2010				ANNUAL		
	I	II	III	IV	I	II	III	IV	2008	2009	2010
Real GDP (q/q % chng : a.r.)	-6.1	-3.4	1.3	3.4	2.9	3.3	3.5	2.9	0.4	-2.4	2.6
Consumer Price Index (y/y % chng)	1.2	0.1	-0.9	0.6	1.1	1.4	2.0	1.7	2.4	0.3	1.5
Unemployment Rate (%)	7.6	8.4	8.6	8.8	8.9	8.8	8.5	8.3	6.1	8.3	8.6
Housing Starts (000s : a.r.)	140	128	148	149	147	148	150	155	211	141	150
Current Account Balance (\$blns : a.r.)	-30.9	-44.8	-54.1	-50.2	-50.4	-51.7	-52.9	-53.1	8.1	-45.0	-52.0

Interest Rates

(average for the quarter : %)

Overnight Rate	0.83	0.25	0.25	0.25	0.25	0.25	0.58	1.08	2.96	0.40	0.54
3-month Treasury Bill	0.64	0.25	0.22	0.22	0.22	0.30	0.78	1.25	2.33	0.33	0.64
10-year Bond	2.89	3.20	3.42	3.44 ↓	3.52 ↓	3.62 ↓	3.72	3.82	3.61	3.24	3.67 ↓

Canada/U.S. Interest Rate Spreads

(average for the quarter : bps)

90-day	43	8	6	15 ↓	15 ↓	22 ↓	57 ↓	54	94	18	37 ↓
10-year	15	-11	-10	-2 ↓	-7 ↓	-9 ↓	-12 ↓	-14	-6	-2 ↓	-10 ↓

UNITED STATES

Real GDP (q/q % chng : a.r.)	-6.4	-0.7	3.5	3.0	2.3	2.5	2.7	2.9	0.4	-2.4	2.5
Consumer Price Index (y/y % chng)	-0.2	-0.9	-1.6	1.1	2.0	2.2	1.8	1.7	3.8	-0.4	1.9
Unemployment Rate (%)	8.1	9.2	9.6	10.3 ↑	10.4 ↑	10.3 ↑	10.2 ↑	10.0 ↑	5.8	9.3 ↑	10.2 ↑
Housing Starts (mlns : a.r.)	0.53	0.54	0.59	0.61	0.68	0.74	0.78	0.82	0.90	0.57	0.75
Current Account Balance (\$blns : a.r.)	-418	-395	-432	-415	-411	-405	-406	-398	-706	-415	-405

Interest Rates

(average for the quarter : %)

Fed Funds Target Rate	0.13	0.13	0.13	0.13	0.13	0.13	0.25	0.75	1.86	0.13	0.31
3-month Treasury Bill	0.21	0.17	0.16	0.07	0.07	0.08	0.21 ↑	0.72 ↑	1.39	0.15	0.27 ↑
10-year Note	2.74	3.31	3.52	3.46 ↑	3.58	3.71	3.83	3.96	3.67	3.26	3.77

EXCHANGE RATES

(average for the quarter)

US\$/C\$	80.3	85.6	91.1	96.0 ↓	97.9 ↓	99.2 ↓	100.6 ↓	100.3	94.3	88.3 ↓	99.5 ↓
C\$/US\$	1.245	1.168	1.097	1.042	1.021	1.008	0.994	0.997	1.067	1.138	1.005
¥/US\$	94	97	94	91	93	95	97	99	103	94	96
US\$/Euro	1.30	1.36	1.43	1.49	1.51	1.52	1.53	1.55	1.47	1.40	1.53
US\$/£	1.44	1.55	1.64	1.61	1.62	1.66	1.70	1.74	1.85	1.56	1.68

Note: Blocked areas represent BMO Capital Markets forecasts
Up and down arrows indicate changes to the forecast ↑↓



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