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Fires, Floods and a Strike Don't Change the Story

- **Weather-related events and the port strike are muddying the outlook but underlying growth dynamics suggest the economy is slowing gradually. A rebound from those disruptions is likely to provide a modest boost to growth in the later months of this year but will not alter the underlying path for the economy.**
- **After roughly accounting for these disturbances, we continue to expect a basically stalled economy for the next few quarters. We now expect growth of 1.2% this year followed by a small expansion of 0.7% next year. These outcomes would be well below our estimate of potential output and put downward pressure on inflation as a result.**
- **We are hopeful that the Bank of Canada is done raising rates, but core inflation measures remain stubbornly high. We expect a moderation of inflation but Governor Macklem will need to raise rates further if core inflation exceeds our forecasts. Given the stability of core inflation in recent months, the risks to the inflation outlook are definitely tilted to the upside, meaning that risks to the policy rate are also tilted in that direction.**

A number of unusual and powerful factors have buffeted the Canadian economy through the summer. Wildfires affected most provinces for much of the last few months. Major flooding in a few areas had major impacts on economic activity in those areas. And of course, the strike at the Port of Vancouver had a major impact on trade. Each of these factors impact our ability to get a clear picture of how the economy evolved in the second and likely third quarter, but we remain of the view that the Canadian economy is gradually slowing and that activity will essentially stall over the next few quarters when looking through the impact of these temporary shocks. As a result, we now expect the Canadian economy to expand by 1.2% this year, below our last forecast of 1.7%. In 2024, the economy is expected to expand by a very modest 0.7%.

Assessing the impact of these weather-related disturbances and the strike is critical to the Bank of Canada. Governor Macklem has been looking for evidence that the economy is slowing as he fine tunes policy settings. It is impossible at this stage to have a firm view on the impact of these shocks. We know they had a sufficient drag on the economy in Q2 to lead to a decline in GDP. Under normal circumstances, our economy would rebound from temporary distortions in the quarter or two following the disturbance. That extent of that rebound, however, is very much clouded (no pun intended) by the July strike, and the wildfires impacting western Canada through much of August. We have reflected that in our view, held back growth in Q3 to incorporate these factors. Relative to our last forecast, the catch-up is more likely to be felt in the final quarter of the year.

To be very honest, we do not have a good read on the sum total of these impacts and their timing. Incoming data will provide key insights on that. August employment data, for instance, which showed a strong rebound in employment and hours suggests that things will completely rebound sooner than we currently think. The US economy is showing remarkable strength in the third quarter, which should see some that bleed into Canada in Q4 if historical relations hold. What is more important in our view is to assess the impact of expected growth on the Bank of Canada's policy setting. Governor Macklem chose to keep rates steady in September owing to evidence that the economy is weakening, despite clear concern about the stubbornly elevated levels of core inflation.

Accepting the uncertainty around potential outcomes in the short-run outlook, we undertook to evaluate what growth profile might trigger another increase by the Bank of Canada, or alternatively what quarterly profile might cause an earlier cut in interest rates. Generally speaking, anything less than a 1.5% decline in GDP growth in Q3 (or equivalent

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spread out over Q3 and Q4) would not be cause for the BoC to advance the cuts we continue to foresee in 2024Q2. On the other hand, given the current level of inflation, a more modest positive surprise leading to a growth of 2.4% could force at least one other move by the BoC. Since our current view is growth of 0.7% in each of the next two quarters, that suggests that minor wiggles around our view would not be enough to force a change in path for the Bank of Canada.

It is a very different story on the inflation side. Though we expect core inflation to decelerate in coming months, Governor Macklem has very little ability to tolerate a rise in core inflation. A very small rise in core inflation, or if core inflation were to remain at current levels beyond this quarter, would force the Bank of Canada to raise its policy rate further. That remains the dominant concern in our view. While we expect rates to remain on hold at current levels until 2024Q2, that depends critically on a reduction in inflation. Given the stickiness of recent core inflation readings, this means risks are clearly tilted to the upside as they concern interest rates.

International												
	2010-19	2020	2021	2022	2023f	2024f	2010-19	2020	2021	2022	2023f	2024f
	Real GDP (annual % change)						Consumer Prices (annual % change, unless noted)					
World (based on purchasing power parity)	3.7	-2.8	6.3	3.2	2.8	2.6						
Canada	2.3	-5.1	5.0	3.4	1.2	0.7	1.6	0.7	3.4	6.8	3.8	2.5
United States	2.3	-2.8	5.9	2.1	2.1	0.6	1.8	1.3	4.7	8.0	4.3	2.9
Mexico	2.3	-8.7	5.8	3.9	3.2	1.6	4.0	3.4	5.7	7.9	5.6	4.4
United Kingdom	2.0	-11.0	7.6	4.1	0.2	0.9	2.2	0.9	2.6	9.1	7.5	2.9
Eurozone	1.4	-6.3	5.6	3.5	0.4	1.1	1.4	0.3	2.6	8.4	5.5	2.4
Germany	2.0	-4.1	2.7	1.9	-0.3	1.1	1.4	0.4	3.2	8.7	6.1	2.5
France	1.4	-7.9	7.2	2.6	0.5	1.1	1.3	0.5	2.1	5.9	5.5	2.5
China	7.7	2.2	8.4	3.0	5.1	4.5	2.6	2.5	0.9	2.0	0.6	1.9
India	6.7	-5.8	9.1	7.0	6.1	6.4	6.2	5.1	6.7	6.6	5.4	4.6
Japan	1.2	-4.3	2.4	1.1	1.8	1.0	0.5	0.0	-0.3	2.5	3.0	1.9
South Korea	3.3	-0.7	4.3	2.6	1.2	2.2	1.7	0.5	2.5	5.1	3.4	2.2
Australia	2.6	-1.8	5.3	3.7	1.5	1.5	2.1	0.9	2.9	6.6	5.5	3.2
Thailand	3.6	-6.1	1.5	2.6	3.0	3.6	1.6	-0.8	1.2	6.1	1.8	2.0
Brazil*	1.4	-3.3	5.0	2.9	2.5	1.5	5.8	3.2	8.3	9.3	4.8	4.1
Colombia	3.7	-7.3	11.0	7.3	1.8	2.6	3.7	2.5	3.5	10.2	11.8	5.5
Peru	4.5	-10.9	13.4	2.7	0.5	2.3	2.8	1.8	4.0	7.9	6.7	4.6
Chile	3.3	-6.1	11.7	2.4	-0.5	2.3	3.0	3.1	4.5	11.6	7.5	3.1
Commodities												
	(annual average)											
WTI Oil (USD/bbl)	74	39	68	95	76	76						
Brent Oil (USD/bbl)	82	43	70	101	81	80						
WCS - WTI Discount (USD/bbl)	-18	-12	-14	-21	-17	-16						
Nymex Natural Gas (USD/mmbtu)	3.39	2.02	3.85	6.61	2.95	3.75						
Copper (USD/lb)	3.10	2.80	4.23	4.00	3.90	4.00						
Zinc (USD/lb)	1.02	1.03	1.36	1.58	1.20	1.20						
Nickel (USD/lb)	7.00	6.25	8.37	11.66	10.20	9.25						
Iron Ore (USD/tonne)	101	109	160	121	106	90						
Metallurgical Coal (USD/tonne)	179	127	204	372	250	200						
Gold, (USD/oz)	1,342	1,769	1,799	1,803	1,900	1,900						
Silver, (USD/oz)	21.64	20.48	25.15	21.80	23.74	23.75						

Sources: Scotiabank Economics, Statistics Canada, Focus Economics, BEA, BLS, IMF, Bloomberg.
*Consumer Prices: average of quarterly y/y% change

North America												
	2010-19	2020	2021	2022	2023f	2024f	2010-19	2020	2021	2022	2023f	2024f
	Canada						United States					
	(annual % change, unless noted)						(annual % change, unless noted)					
Real GDP	2.3	-5.1	5.0	3.4	1.2	0.7	2.3	-2.8	5.9	2.1	2.1	0.6
Consumer spending	2.5	-6.1	5.0	4.8	2.2	1.4	2.2	-3.0	8.3	2.7	2.3	0.7
Residential investment	2.5	5.0	14.9	-11.1	-12.4	6.3	4.5	7.2	10.7	-10.6	-12.0	2.1
Business investment*	3.0	-9.8	4.2	6.5	1.7	4.8	5.1	-4.9	6.4	3.9	3.1	1.6
Government	1.1	1.9	5.5	2.0	1.0	1.4	0.1	2.6	0.6	-0.6	3.3	1.0
Exports	3.6	-8.9	1.4	2.8	5.9	0.3	3.9	-13.2	6.1	7.1	2.2	3.0
Imports	3.7	-9.3	7.8	7.5	-0.8	2.5	4.3	-9.0	14.1	8.1	-2.1	3.4
Inventories, contribution to annual GDP growth	0.1	-1.8	1.0	2.1	-1.5	-0.7	0.2	-0.7	0.2	0.7	-0.6	-0.1
Nominal GDP	4.0	-4.5	13.6	10.9	1.7	3.2	4.0	-1.5	10.7	9.2	5.7	2.0
GDP deflator	1.7	0.6	8.2	7.2	0.5	2.4	1.7	1.3	4.5	7.0	3.5	1.4
Consumer price index (CPI)	1.6	0.7	3.4	6.8	3.8	2.5	1.8	1.3	4.7	8.0	4.3	2.9
Core inflation rate**	1.7	1.8	2.7	4.9	3.7	2.3	1.6	1.3	3.5	5.0	4.2	2.7
Pre-tax corporate profits	6.3	-1.4	35.8	8.4	-18.7	-1.2	5.9	-5.9	22.6	6.5	-4.6	1.1
Employment	1.3	-5.6	5.0	4.0	2.3	1.3	1.2	-5.8	2.9	4.3	2.1	0.6
Unemployment rate (%)	6.9	9.7	7.5	5.3	5.4	6.0	6.2	8.1	5.4	3.6	3.7	4.1
Current account balance (CAD, USD bn)	-56.9	-47.6	-6.7	-9.1	4.4	-18.8	-407	-597	-831	-972	-867	-897
Merchandise trade balance (CAD, USD bn)	-13.6	-40.3	4.7	21.9	10.7	1.8	-763	-913	-1084	-1183	-1075	-1147
Federal budget balance (FY, CAD, USD bn) ***	-18.7	-327.7	-90.2	-43.0	-40.1	-35.0	-829	-3,132	-2,775	-1,376	-1,689	-1,571
percent of GDP	-1.0	-14.8	-3.6	-1.5	-1.4	-1.2	-4.8	-14.9	-11.9	-5.4	-6.3	-5.7
Housing starts (000s, mn)	201	218	271	262	235	240	1.31	1.40	1.61	1.55	1.43	1.47
Motor vehicle sales (000s, mn)	1,816	1,567	1,667	1,528	1,638	1,715	15.7	14.5	14.9	13.8	15.4	16.5
Industrial production	2.4	-8.2	4.5	3.8	0.7	0.5	1.7	-7.2	4.4	3.4	0.1	0.8
	Mexico											
	(annual % change)											
Real GDP	2.3	-8.7	5.8	3.9	3.2	1.6						
Consumer price index	4.0	3.4	5.7	7.9	5.6	4.4						
Unemployment rate (%)	4.4	4.4	4.1	3.3	3.3	3.7						

Sources: Scotiabank Economics, Statistics Canada, CMHC, BEA, BLS, Bloomberg. *For Canada it includes capital expenditures by businesses and non-profit institutions.
 ** US: core PCE deflator; Canada: average of 2 core measures published by the BoC. *** In order to align with US reporting, as of the August 2020 issue of Scotiabank's Forecast Tables, Canadian Federal and Provincial Budget Balances for FY2020/21 are noted in calendar year 2020, FY2021/22 in calendar year 2021.

Quarterly Forecasts																
	2021				2022				2023				2024			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f			
Canada																
Real GDP (q/q ann. % change)	6.9	2.6	3.6	2.3	-0.1	2.6	-0.2	0.7	0.7	0.4	0.6	1.3	2.6			
Real GDP (y/y % change)	3.9	3.2	4.7	3.8	2.1	2.1	1.1	0.7	1.0	0.4	0.6	0.8	1.2			
Consumer prices (y/y % change)	4.7	5.8	7.5	7.2	6.7	5.1	3.5	3.6	3.1	3.1	2.8	2.1	2.2			
Average of new core CPIs (y/y % change)*	3.4	4.2	5.1	5.1	5.1	4.7	3.9	3.6	2.8	2.5	2.3	2.2	2.1			
CPIXFET (y/y % change)**	3.2	4.0	5.1	5.4	5.4	4.8	4.0	3.5	3.1	2.9	2.6	2.3	2.1			
Unemployment Rate (%)	6.3	5.7	5.1	5.1	5.1	5.0	5.2	5.5	5.7	5.9	6.0	6.1	6.1			
United States																
Real GDP (q/q ann. % change)	7.0	-1.6	-0.6	3.2	2.6	2.0	2.1	3.1	-0.2	0.0	0.0	0.6	1.2			
Real GDP (y/y % change)	5.7	3.7	1.8	1.9	0.9	1.8	2.5	2.4	1.8	1.3	0.7	0.1	0.5			
Consumer prices (y/y % change)	6.8	8.0	8.6	8.3	7.1	5.8	4.1	3.7	3.7	3.4	3.1	2.7	2.5			
Total PCE deflator (y/y % change)	5.7	6.4	6.6	6.3	5.7	4.9	3.7	3.4	3.4	3.1	2.8	2.4	2.2			
Core PCE deflator (y/y % change)	4.7	5.3	5.0	4.9	4.8	4.6	4.4	4.0	3.8	3.2	2.9	2.6	2.3			
Unemployment Rate (%)	4.2	3.8	3.6	3.6	3.6	3.5	3.6	3.7	3.9	4.0	4.1	4.2	4.3			

* Average of 2 core measures published by the BoC. ** CPI ex. food, energy and indirect taxes. Sources: Scotiabank Economics, Statistics Canada, BEA, BLS, Bloomberg.

Central Bank Rates													
	2021	2022				2023				2024			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
Americas	(% end of period)												
Bank of Canada	0.25	0.50	1.50	3.25	4.25	4.50	4.75	5.00	5.00	5.00	4.75	4.25	3.75
US Federal Reserve (upper bound)	0.25	0.50	1.75	3.25	4.50	5.00	5.25	5.50	5.50	5.50	5.25	4.75	4.00
Bank of Mexico	5.50	6.50	7.75	9.25	10.50	11.25	11.25	11.25	11.25	10.75	9.75	8.75	8.25
Central Bank of Brazil	9.25	11.75	13.25	13.75	13.75	13.75	13.75	12.75	11.75	10.75	9.75	9.25	9.00
Bank of the Republic of Colombia	3.00	5.00	7.50	10.00	12.00	13.00	13.25	13.25	12.75	11.25	9.25	7.75	6.75
Central Reserve Bank of Peru	2.50	4.00	5.50	6.75	7.50	7.75	7.75	7.75	7.00	6.50	6.00	5.50	5.00
Central Bank of Chile	4.00	7.00	9.00	10.75	11.25	11.25	11.25	9.50	7.75	6.75	5.75	4.75	4.25
Europe													
European Central Bank MRO Rate	0.00	0.00	0.00	1.25	2.50	3.50	4.00	4.50	4.50	4.50	4.25	4.00	3.75
European Central Bank Deposit Rate	-0.50	-0.50	-0.50	0.75	2.00	3.00	3.50	4.00	4.00	4.00	3.75	3.50	3.25
Bank of England	0.25	0.75	1.25	2.25	3.50	4.25	5.00	5.50	5.50	5.50	5.00	4.50	4.25
Asia/Oceania													
Reserve Bank of Australia	0.10	0.10	0.85	2.35	3.10	3.60	4.10	4.10	4.35	4.35	4.10	3.85	3.60
Bank of Japan	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10
People's Bank of China	3.80	3.70	3.70	3.65	3.65	3.65	3.55	4.35	4.35	4.35	4.35	4.35	4.35
Reserve Bank of India	4.00	4.00	4.90	5.90	6.25	6.50	6.50	6.50	6.50	6.50	6.25	6.00	6.00
Bank of Korea	1.00	1.25	1.75	2.50	3.25	3.50	3.50	3.50	3.50	3.25	3.00	3.00	2.75
Bank of Thailand	0.50	0.50	0.50	1.00	1.25	1.75	2.00	2.25	2.25	2.25	2.25	2.25	2.25
Currencies and Interest Rates													
Americas	(end of period)												
Canadian dollar (USDCAD)	1.26	1.25	1.29	1.38	1.36	1.35	1.32	1.30	1.30	1.27	1.27	1.25	1.25
Canadian dollar (CADUSD)	0.79	0.80	0.78	0.72	0.74	0.74	0.76	0.77	0.77	0.79	0.79	0.80	0.80
Mexican peso (USDMXN)	20.53	19.87	20.12	20.14	19.50	18.05	17.12	17.30	17.90	17.90	18.30	18.50	18.90
Brazilian real (USDBRL)	5.58	4.74	5.26	5.42	5.28	5.06	4.79	4.89	4.97	4.98	4.93	4.79	4.80
Colombian peso (USDCOP)	4,080	3,771	4,155	4,609	4,853	4,623	4,172	4,050	4,250	4,249	4,278	4,302	4,316
Peruvian sol (USDPEN)	4.00	3.68	3.83	3.98	3.81	3.76	3.63	3.75	3.78	3.88	3.80	3.80	3.75
Chilean peso (USDCLP)	852	786	918	969	851	795	802	870	870	870	870	870	870
Europe													
Euro (EURUSD)	1.14	1.11	1.05	0.98	1.07	1.08	1.09	1.12	1.12	1.15	1.15	1.18	1.18
UK pound (GBPUSD)	1.35	1.31	1.22	1.12	1.21	1.23	1.27	1.35	1.35	1.38	1.38	1.40	1.40
Asia/Oceania													
Japanese yen (USDJPY)	115	122	136	145	131	133	144	135	135	130	130	125	125
Australian dollar (AUDUSD)	0.73	0.75	0.69	0.64	0.68	0.67	0.67	0.69	0.69	0.70	0.70	0.72	0.72
Chinese yuan (USDCNY)	6.36	6.34	6.70	7.12	6.90	6.87	7.25	7.20	7.20	7.10	7.00	6.98	6.90
Indian rupee (USDINR)	74.3	75.8	79.0	81.3	82.7	82.2	82.0	82.5	82.0	81.5	81.0	81.0	80.0
South Korean won (USDKRW)	1,189	1,212	1,299	1,431	1,260	1,302	1,318	1,308	1,300	1,270	1,250	1,250	1,225
Thai baht (USDTHB)	33.4	33.3	35.3	37.7	34.6	34.1	35.3	34.9	34.0	34.0	33.5	33.5	33.1
Canada (Yields, %)													
3-month T-bill	0.19	0.73	2.31	3.78	4.32	4.42	4.91	5.05	5.10	4.90	4.65	4.10	3.60
2-year Canada	0.95	2.29	3.15	3.79	4.05	3.73	4.58	4.65	4.35	3.90	3.75	3.65	3.50
5-year Canada	1.26	2.41	3.11	3.33	3.41	3.02	3.68	4.00	3.75	3.75	3.60	3.60	3.60
10-year Canada	1.42	2.40	3.22	3.17	3.30	2.90	3.27	3.65	3.40	3.40	3.50	3.60	3.70
30-year Canada	1.68	2.38	3.13	3.09	3.28	3.00	3.09	3.50	3.45	3.60	3.65	3.70	3.75
United States (Yields, %)													
3-month T-bill	0.06	0.55	1.73	3.21	4.40	4.65	5.17	5.30	5.30	5.25	4.75	4.10	3.70
2-year Treasury	0.73	2.33	3.09	4.28	4.43	4.03	4.90	5.00	4.60	4.20	3.75	3.60	3.50
5-year Treasury	1.26	2.46	3.04	4.09	4.00	3.57	4.16	4.35	4.10	3.80	3.75	3.70	3.70
10-year Treasury	1.51	2.34	3.01	3.83	3.88	3.47	3.84	4.25	3.85	3.70	3.75	3.80	3.85
30-year Treasury	1.90	2.45	3.18	3.78	3.97	3.65	3.86	4.35	4.20	3.90	3.90	3.90	3.90

Sources: Scotiabank Economics, Bloomberg.

The Provinces											
	(annual % change except where noted)										
	CA	NL	PE	NS	NB	QC	ON	MB	SK	AB	BC
Real GDP											
2010-19	2.3	1.1	2.1	1.2	0.7	1.9	2.3	2.2	2.3	2.6	2.9
2020	-5.1	-4.6	-1.6	-3.5	-2.7	-5.0	-4.7	-4.4	-4.8	-8.0	-3.0
2021	5.0	0.6	7.9	6.2	5.9	6.0	5.2	1.8	-0.9	4.8	6.1
2022e	3.4	-1.7	2.9	2.6	1.8	2.8	3.7	3.9	5.7	4.8	3.6
2023f	1.2	0.8	1.8	1.5	1.4	0.8	1.3	1.1	1.4	1.9	0.7
2024f	0.7	0.5	1.1	0.9	0.7	0.6	0.8	0.7	0.4	0.7	0.9
Nominal GDP											
2010-19	4.0	3.7	4.2	3.0	2.8	3.8	4.1	3.9	3.5	3.7	4.5
2020	-4.5	-10.0	1.4	0.0	-1.6	-1.9	-2.9	-1.3	-7.6	-15.7	-0.7
2021	13.6	17.7	14.3	10.9	13.8	11.8	10.3	8.4	13.1	26.2	14.2
2022e	10.9	12.1	7.9	9.7	8.5	9.0	9.1	9.9	18.3	20.4	9.4
2023f	1.7	1.0	3.2	2.6	2.7	1.9	2.6	2.3	-0.7	-0.8	1.8
2024f	3.2	3.3	3.6	3.4	3.2	3.1	3.2	2.9	2.8	3.0	3.4
Employment											
2010-19	1.3	0.6	1.5	0.3	0.0	1.2	1.4	1.0	0.9	1.3	2.0
2020	-5.6	-6.2	-3.4	-4.6	-3.1	-5.4	-5.4	-4.4	-5.1	-7.1	-6.3
2021	5.0	3.4	4.0	5.6	3.1	4.3	5.2	3.7	2.6	5.4	6.2
2022	4.0	4.4	5.4	3.6	2.8	3.0	4.6	3.2	3.5	5.2	3.2
2023f	2.3	1.7	3.2	2.4	3.0	2.2	2.3	2.2	1.2	3.1	1.3
2024f	1.3	0.9	1.4	1.2	1.3	1.1	1.4	1.1	1.0	1.5	1.3
Unemployment Rate (%)											
2010-19	6.9	13.3	10.6	8.7	9.4	7.1	7.0	5.6	5.3	6.2	6.2
2020	9.7	14.3	10.5	9.9	10.3	8.9	9.8	8.1	8.4	11.3	9.1
2021	7.5	13.1	9.8	8.6	9.2	6.1	8.1	6.5	6.6	8.6	6.6
2022	5.3	11.3	7.6	6.5	7.2	4.3	5.6	4.6	4.7	5.8	4.6
2023f	5.4	10.7	7.4	6.3	7.1	4.4	5.6	4.9	4.8	5.9	5.1
2024f	6.0	11.5	8.1	7.2	7.8	5.2	6.1	5.6	5.5	6.4	5.8
Total CPI, annual average											
2010-19	1.6	2.0	1.6	1.7	1.8	1.5	1.9	1.8	1.8	1.7	1.6
2020	0.7	0.2	0.0	0.3	0.2	0.8	0.6	0.5	0.6	1.1	0.8
2021	3.4	3.7	5.1	4.1	3.8	3.8	3.5	3.2	2.6	3.2	2.8
2022	6.8	6.4	8.9	7.5	7.3	6.7	6.8	7.9	6.6	6.5	6.9
2023f	3.8	3.1	3.1	3.7	3.5	4.1	3.7	4.2	4.1	3.2	4.0
2024f	2.5	2.2	2.3	2.4	2.4	2.5	2.5	2.7	2.6	2.4	2.4
Housing Starts (units, 000s)											
2010-19	201	2.2	0.8	4.2	2.7	44	70	6.6	6.0	31	34
2020	218	0.8	1.2	4.9	3.5	54	81	7.3	3.1	24	38
2021	271	1.0	1.3	6.0	3.8	68	100	8.0	4.2	32	48
2022	262	1.4	1.3	5.7	4.7	57	96	8.1	4.2	37	47
2023f	235	1.1	1.0	5.5	3.8	45	90	7.4	4.0	31	46
2024f	240	1.7	1.0	5.3	3.7	50	88	7.7	5.1	33	44
Motor Vehicle Sales (units, 000s)											
2010-19	1,816	33	7	52	42	441	738	56	54	239	199
2020	1,567	27	7	40	35	378	653	47	42	184	179
2021	1,667	29	8	45	38	413	667	50	43	197	203
2022	1,528	24	7	39	34	369	635	45	41	182	181
2023f	1,638	26	7	40	35	385	690	47	42	186	185
2024f	1,715	27	8	44	37	400	710	50	44	200	195
Budget Balances, (CAD mn)											
2019*	-39,392	1,117	22	2	49	32	-8,672	5	-319	-12,152	-322
2020	-327,729	-1,492	-6	-342	409	-7,539	-16,404	-2,124	-1,127	-16,962	-5,468
2021	-90,200	-400	-27	351	488	-772	2,051	-704	-1,468	3,944	1,306
2022e	-43,000	784	-95	-259	863	-5,021	-6,549	-378	1,581	11,641	704
2023f	-40,100	-160	-52	-279	200	-3,998	-1,300	-363	1,017	2,444	-4,216

* NL budget balance in 2019 is net of one-time revenue boost via Atlantic Accord.

Sources: Scotiabank Economics, Statistics Canada, CMHC, Budget documents; Quebec budget balance figures are after Generations Fund and before Stabilization Reserve transfers.

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