

Building Momentum

- **Late-2020 data suggest strong underlying momentum in Canada and the US despite the surge in the virus. Combined with conservative assumptions on the passage and impact of the American Rescue Plan in the United States, this leads us to raise our forecasts for real GDP growth in 2021 to 5.3% for Canada and to 5.8% in the US.**
- **COVID remains a clear and present danger to the economy despite the (disappointing) vaccine rollout and will hold back economic activity in the first months of this year. A strong rebound is expected once we see sustained progress in controlling the virus.**
- **Indications from the Bank of Canada and the Federal Reserve that policy rates will remain on hold until 2023 and 2024, respectively, seem overly cautious. We think the Bank of Canada will taper its quantitative easing program more aggressively around mid-year and raise interest rates in 2022Q4. The Fed seems more likely to raise rates mid-2023 than in 2024. In both countries, a more pronounced steepening of the yield curve is expected over the next two years.**

Major increases in our 2021 Canadian and US forecasts are in order. The final quarter of 2020 revealed that both economies were significantly more immune to the surge in COVID and associated containment measures than earlier anticipated. The parameters of President Biden's fiscal plan are also becoming clearer, so we are now including an additional USD1 trillion in US fiscal spending. We had already incorporated USD400 billion of spending in anticipation of President Biden's fiscal plan, bringing the total assumed spend in our forecast to USD1.4 trillion. This leads to a jump in our forecast for US growth in 2021 to 5.8%, well above the 5.0% we predicted in our January update. In Canada, the growth surprise at year-end suggests much stronger momentum going into 2021. This is leading to a particularly large revision to the growth outlook in Canada, which is further boosted by a stronger forecast for the US economy. We now forecast an expansion of 5.3% this year.

In both countries, several drivers of growth support the strong growth forecast:

- Equity markets are generating substantial wealth effects. These markets don't appear to be richly priced given the growth and interest rate outlook, so these wealth effects are unlikely to be sustainably reversed in the near-term.
- The same is true for housing on both sides of the border, with owner's equity rising in recent quarters. In Canada in particular, the housing market remains even more undersupplied (chart 1) than it was pre-pandemic, suggesting recent gains in home prices are sustainable. January home sales already suggest the year is off to a very solid start.
- Commodity prices have risen significantly in light of improved growth performance in China in particular, but they also reflect a generally more positive global outlook for the year. Higher commodity prices are another form of wealth shock for the Canadian economy.

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Chart 1



- We have built into our forecast an additional CAD20 billion in fiscal support in Canada in the Spring budget as part of the yet-to-be-announced Build Back Better plan. In the US, there is a risk of even more supportive fiscal policy than assumed in this forecast. President Biden may well implement his proposed USD1.9 trillion fiscal plan. We are only assuming USD1.4 trillion in this forecast. Moreover, we are attaching a relatively low multiplier on this fiscal impulse—0.25—meaning that GDP rises by \$25 for every \$100 spent. In its review of the CARES Act, the CBO estimates the multiplier of that stimulus to have been 0.58, more than double what we assume in this forecast.
- Canadian firms and households are sitting on extremely high levels of deposits and there is clear evidence of pent-up demand. On the household side, the most recent data for November reveal personal deposits are CAD141 billion higher than they were a year ago. These deposits will eventually fall. The timing and speed of that is unknown, but we assume that it will occur once there is more clarity on the COVID front in the next couple of months. It is also unclear how those savings will be drawn down. Some will no doubt go to consumption of goods and services, but it may also be that a portion of these savings end up being invested or used to pay down debt. Given the resilience of spending on non-COVID-affected areas, it is safe to assume that spending on travel, food, accommodation and entertainment will particularly benefit once those activities are more easily undertaken.

Downside risks remain important, of course. We are still dealing with COVID. The virus is evolving and there are risks that vaccines may prove ineffective against some of these variants. Likewise, vaccine rollout globally is proceeding more slowly than desired. We cannot rule out additional infection surges until herd immunity is achieved. If future COVID waves were to occur, we might need to scale back our forecasts. Then again, we are being very conservative on the impact of the Biden fiscal plan and that offsets much of these virus-related risks.

The revised outlook in both countries suggests that central bank projections to maintain rates at current levels until 2023 in Canada and 2024 in the US may be overly cautious. Very simplistically in the US, GDP growth fell by 3.5% in 2020 and should grow by almost 6% this year. The shock, at an aggregate level, will be completely undone this year if the virus is reasonably contained. This will also be the case in Canada. The output gap could be closed as early as 2021Q3 in the US and 2021Q4 in Canada. From a policy perspective, these developments will need to be weighed against the scarring from last year. Unemployment rates will be well above pre-pandemic levels for much of the next two years. Firms in many industries will struggle until COVID is well and truly in the rear-view mirror. The balancing of powerful growth dynamics against risks to the outlook and ongoing economic repair will be a challenge for central banks this year. They will not want to trigger a premature tightening of financial conditions by sounding overly optimistic.

Nevertheless, we think economic conditions over the next few quarters will justify an earlier rate increase than currently projected by the Bank of Canada and the Federal Reserve. In Canada, we are pencilling in a first increase in 2022Q4. Before that happens, we assume the Bank of Canada will next taper its quantitative easing program around the middle of this year—once most COVID-related risks dissipate. In the US, our current view is that the Fed Funds target rate will rise mid-2023. In both countries, we expect the yield curve to steepen well ahead of the move in the policy rate and expect 10-year government bond yields to hit 1.6% and 1.9% in Canada and the US, respectively, by the end of this year.

International	2010–19	2019	2020e	2021f	2022f	2010–19	2019	2020e	2021f	2022f	
											Real GDP (annual % change)
World (based on purchasing power parity)	3.7	2.9	-3.8	5.6	4.4						
Canada	2.2	1.9	-5.4	5.3	4.3	1.7	2.1	0.8	1.8	2.5	
United States	2.3	2.2	-3.5	5.8	4.3	1.7	2.0	1.2	2.1	2.7	
Mexico	2.7	0.0	-8.3	3.3	2.1	4.0	2.8	3.2	3.8	3.6	
United Kingdom	1.8	1.4	-10.9	5.1	4.2	2.2	1.3	0.6	1.3	1.8	
Eurozone	1.4	1.3	-7.2	4.2	3.9	1.3	1.3	-0.3	1.0	1.3	
Germany	1.9	0.6	-5.0	3.9	3.5	1.3	1.5	-0.3	1.3	1.4	
France	1.4	1.5	-9.0	6.0	3.7	1.1	1.5	0.0	1.0	1.2	
China	7.9	6.0	2.3	8.3	5.9	2.5	4.5	0.2	2.0	2.6	
India	7.2	4.8	-8.0	7.0	7.2	6.7	7.4	4.6	4.1	5.3	
Japan	1.4	0.3	-4.9	3.0	1.0	0.6	0.8	-1.2	0.5	1.0	
South Korea	3.5	2.0	-1.0	3.0	2.8	1.8	0.7	0.5	1.7	1.9	
Australia	2.7	1.9	-3.1	2.8	2.6	2.1	1.8	0.9	1.6	2.1	
Thailand	3.8	2.4	-6.2	4.9	3.8	1.5	0.9	-0.3	1.3	1.7	
Brazil	1.5	1.4	-5.0	4.6	3.0	6.0	4.3	4.5	5.1	4.6	
Colombia	3.8	3.3	-7.5	5.0	4.0	3.9	3.8	1.6	2.8	3.0	
Peru	4.8	2.2	-11.4	8.7	4.0	3.0	1.9	2.0	2.6	2.3	
Chile	3.6	1.1	-6.0	6.0	3.5	3.2	3.0	3.0	3.0	3.0	
Argentina	1.8	-2.1	-10.4	4.1	3.4	23.0	53.8	36.1	42.9	36.5	
Commodities											
			(annual average)								
WTI Oil (USD/bbl)	74	57	39	51	57						
Brent Oil (USD/bbl)	82	64	43	53	60						
WCS - WTI Discount (USD/bbl)	-18	-14	-12	-14	-14						
Nymex Natural Gas (USD/mmbtu)	3.39	2.53	2.02	2.80	2.58						
Copper (USD/lb)	3.10	2.73	2.80	3.40	3.50						
Zinc (USD/lb)	1.02	1.16	1.03	1.20	1.15						
Nickel (USD/lb)	7.00	6.31	6.25	7.50	7.25						
Iron Ore (USD/tonne)	101	93	109	115	85						
Metallurgical Coal (USD/tonne)	179	185	127	125	140						
Gold, (USD/oz)	1,342	1,393	1,771	1,850	1,850						
Silver, (USD/oz)	21.64	16.21	20.54	22.00	22.00						

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

North America	2010-19	2019	2020e	2021f	2022f	2010-19	2019	2020e	2021f	2022f
	Canada					United States				
	(annual % change, unless noted)					(annual % change, unless noted)				
Real GDP	2.2	1.9	-5.4	5.3	4.3	2.3	2.2	-3.5	5.8	4.3
Consumer spending	2.5	1.7	-6.3	5.1	4.3	2.4	2.4	-3.9	6.3	4.4
Residential investment	2.5	-0.2	3.6	12.9	4.0	4.4	-1.7	5.9	12.6	3.6
Business investment*	2.6	0.5	-11.2	2.2	6.1	5.0	2.9	-4.0	7.5	4.8
Government	1.2	1.7	-0.1	3.0	2.4	0.0	2.3	1.1	1.3	2.5
Exports	3.4	1.3	-9.7	6.2	5.2	3.8	-0.1	-12.9	13.4	7.3
Imports	3.7	0.4	-11.6	8.8	4.5	4.5	1.1	-9.7	14.1	5.3
Nominal GDP	4.0	3.6	-4.8	8.2	7.4	4.0	4.0	-2.3	7.8	7.0
GDP deflator	1.7	1.7	0.6	2.8	3.0	1.7	1.8	1.2	1.9	2.6
Consumer price index (CPI)	1.7	1.9	0.7	1.4	2.4	1.8	1.8	1.3	1.9	2.5
Core inflation rate**	2.7	1.9	1.7	1.7	2.1	1.6	1.7	1.4	1.8	2.3
Pre-tax corporate profits	6.3	0.6	-8.7	12.0	4.9	5.2	0.3	-5.1	12.7	4.9
Employment	1.3	2.2	-5.1	4.4	3.3	1.5	1.4	-5.7	1.7	3.2
Unemployment rate (%)	6.9	5.7	9.6	7.8	5.8	6.2	3.7	8.1	6.0	4.0
Current account balance (CAD, USD bn)	-57.0	-47.4	-38.2	-37.2	-32.0	-411	-480	-621	-663	-654
Merchandise trade balance (CAD, USD bn)	-13.1	-15.4	-35.6	-40.1	-34.9	-764	-864	-900	-1003	-1041
Federal budget balance (FY, CAD, USD bn) ***	-20.9	-39.4	-381.6	-141.2	-50.7	-830	-984	-3,311	-4,110	-1,336
percent of GDP	-1.2	-1.8	-17.3	-5.9	-2.0	-4.8	-4.6	-15.8	-18.2	-5.5
Housing starts (000s, mn)	201	209	219	208	203	0.99	1.30	1.40	1.58	1.52
Motor vehicle sales (000s, mn)	1,819	1,915	1,540	1,799	1,913	15.7	16.9	14.4	16.7	17.3
Industrial production	2.4	-0.2	-8.6	4.5	4.4	2.1	0.9	-6.8	5.2	3.2
	Mexico									
	(annual % change)									
Real GDP	2.7	0.0	-8.3	3.3	2.1					
Consumer price index (year-end)	4.0	2.8	3.2	3.8	3.6					
Current account balance (USD bn)	-19.8	-4.4	22.8	-20.7	-23.9					
Merchandise trade balance (USD bn)	-5.6	5.4	30.2	-9.8	-19.8					

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 3 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	2019	2020				2021				2022			
Canada	Q4	Q1	Q2	Q3	Q4e	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
Real GDP (q/q ann. % change)	0.4	-7.3	-38.1	40.5	7.8	0.6	5.9	7.8	6.2	4.3	2.7	1.5	1.6
Real GDP (y/y % change)	1.7	-0.3	-12.5	-5.2	-3.4	-1.5	12.7	5.5	5.1	6.0	5.2	3.6	2.5
Consumer prices (y/y % change)	2.1	1.8	0.0	0.3	0.8	0.7	1.4	1.5	1.8	2.1	2.4	2.5	2.5
Avg. of new core CPIs (y/y % change)	2.0	1.8	1.6	1.6	1.7	1.6	1.6	1.7	1.8	1.9	2.1	2.2	2.2
Unemployment Rate (%)	5.7	6.4	13.1	10.1	8.8	8.8	8.4	7.5	6.7	6.0	5.7	5.7	5.7
	United States												
Real GDP (q/q ann. % change)	2.4	-5.0	-31.4	33.4	4.0	1.7	9.0	10.5	6.6	3.1	1.4	1.2	1.2
Real GDP (y/y % change)	2.3	0.3	-9.0	-2.8	-2.5	-0.8	11.4	6.3	6.9	7.3	5.3	3.0	1.7
Consumer prices (y/y % change)	2.0	2.1	0.4	1.3	1.2	1.5	1.8	2.0	2.1	2.3	2.5	2.6	2.7
Total PCE deflator (y/y % change)	1.5	1.7	0.6	1.2	1.2	1.3	1.6	1.8	2.0	2.2	2.4	2.5	2.5
Core PCE deflator (y/y % change)	1.6	1.8	1.0	1.4	1.4	1.6	1.7	1.9	2.1	2.2	2.3	2.3	2.3
Unemployment Rate (%)	3.6	3.8	13.1	8.8	6.8	6.7	6.2	5.7	5.2	4.6	4.1	3.8	3.6

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

Central Bank Rates	2019		2020			2021				2022			
	Q4	Q1	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
Americas	(% , end of period)												
Bank of Canada	1.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50
US Federal Reserve (upper bound)	1.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Bank of Mexico	7.25	6.50	5.00	4.25	4.25	4.00	4.00	3.50	3.50	3.75	4.00	4.25	4.50
Central Bank of Brazil	4.50	3.75	2.25	2.00	2.00	2.00	2.50	3.50	4.50	5.00	5.50	6.00	6.50
Bank of the Republic of Colombia	4.25	3.75	2.75	1.75	1.75	1.75	1.75	2.00	2.50	3.00	3.50	4.00	4.00
Central Reserve Bank of Peru	2.25	1.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50
Central Bank of Chile	1.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	1.00	1.50
Central Bank of Argentina	55.00	38.00	38.00	38.00	38.00	40.00	42.00	44.00	46.00	48.00	48.00	48.00	48.00
Europe													
European Central Bank MRO Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
European Central Bank Deposit Rate	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
Bank of England	0.75	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Asia/Oceania													
Reserve Bank of Australia	0.75	0.25	0.25	0.25	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
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	4.15	4.05	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Reserve Bank of India	5.15	4.40	4.00	4.00	4.00	3.50	3.50	3.50	3.50	3.50	3.75	4.25	4.75
Bank of Korea	1.25	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	1.00
Bank of Thailand	1.25	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	1.00
Currencies and Interest Rates													
Americas	(end of period)												
Canadian dollar (USDCAD)	1.30	1.41	1.36	1.33	1.27	1.27	1.26	1.23	1.23	1.24	1.24	1.25	1.25
Canadian dollar (CADUSD)	0.77	0.71	0.74	0.75	0.79	0.79	0.79	0.81	0.81	0.81	0.81	0.80	0.80
Mexican peso (USDMXN)	18.93	23.67	22.99	22.11	19.91	20.80	21.43	21.95	22.09	22.23	22.03	22.05	22.35
Brazilian real (USDBRL)	4.02	5.21	5.47	5.61	5.19	5.21	5.02	4.76	4.55	4.47	4.54	4.67	4.63
Colombian peso (USDCOP)	3287	4065	3758	3828	3428	3473	3465	3458	3450	3438	3425	3413	3400
Peruvian sol (USDPEN)	3.31	3.43	3.54	3.60	3.62	3.65	3.63	3.58	3.55	3.54	3.52	3.51	3.50
Chilean peso (USDCLP)	753	854	821	784	711	720	720	720	720	720	720	710	700
Argentine Peso (USDARS)	59.87	64.40	70.46	76.18	84.15	89.90	95.80	99.70	106.10	108.30	107.20	105.00	101.40
Europe													
Euro (EURUSD)	1.12	1.10	1.12	1.17	1.22	1.23	1.25	1.26	1.26	1.25	1.25	1.24	1.24
UK pound (GBPUSD)	1.33	1.24	1.24	1.29	1.37	1.36	1.37	1.39	1.40	1.39	1.39	1.38	1.38
Asia/Oceania													
Japanese yen (USDJPY)	109	108	108	105	103	103	102	100	100	102	102	104	104
Australian dollar (AUDUSD)	0.70	0.61	0.69	0.72	0.77	0.77	0.78	0.80	0.80	0.79	0.79	0.78	0.78
Chinese yuan (USDCNY)	6.96	7.08	7.01	6.79	6.53	6.40	6.40	6.20	6.20	6.00	6.00	6.20	6.20
Indian rupee (USDINR)	71.4	75.5	75.5	73.8	73.1	72.0	72.0	70.0	70.0	68.0	68.0	70.0	70.0
South Korean won (USDKRW)	1,156	1,219	1,203	1,170	1,086	1,080	1,080	1,060	1,060	1,040	1,040	1,060	1,060
Thai baht (USDTHB)	30.0	32.8	30.9	31.7	30.0	29.8	29.8	29.6	29.6	29.4	29.4	29.6	29.6
Canada (Yields, %)													
3-month T-bill	1.66	0.21	0.20	0.12	0.07	0.10	0.15	0.15	0.15	0.20	0.25	0.40	0.60
2-year Canada	1.69	0.42	0.29	0.25	0.20	0.20	0.30	0.40	0.60	0.75	0.90	1.00	1.10
5-year Canada	1.68	0.58	0.36	0.35	0.39	0.50	0.70	0.95	1.15	1.25	1.35	1.50	1.60
10-year Canada	1.70	0.69	0.53	0.56	0.68	1.00	1.10	1.35	1.60	1.65	1.75	1.80	1.85
30-year Canada	1.76	1.30	0.99	1.11	1.21	1.55	1.65	1.80	1.95	2.00	2.05	2.10	2.10
United States (Yields, %)													
3-month T-bill	1.51	0.05	0.14	0.09	0.08	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.15
2-year Treasury	1.57	0.25	0.15	0.13	0.12	0.15	0.25	0.30	0.45	0.60	0.70	0.85	1.00
5-year Treasury	1.69	0.38	0.29	0.28	0.36	0.50	0.65	0.85	1.05	1.15	1.25	1.40	1.55
10-year Treasury	1.92	0.67	0.66	0.68	0.91	1.20	1.30	1.65	1.90	2.00	2.10	2.15	2.20
30-year Treasury	2.39	1.32	1.41	1.46	1.64	1.95	2.00	2.25	2.35	2.40	2.45	2.50	2.50

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	2.2	1.0	2.3	1.1	0.7	1.9	2.3	2.1	2.2	2.6	2.8	
2019	1.9	4.0	5.1	2.4	1.2	2.7	2.1	0.6	-0.7	0.1	2.7	
2020e	-5.4	-5.0	-3.6	-4.0	-3.3	-5.1	-5.7	-3.4	-5.1	-6.8	-5.0	
2021f	5.3	2.9	4.5	5.1	4.4	6.0	5.6	4.5	4.8	4.4	5.5	
2022f	4.3	1.8	3.3	3.6	3.4	4.6	4.7	3.5	3.6	3.9	4.3	
Nominal GDP												
2010–19	4.0	3.5	4.3	2.9	2.8	3.8	4.1	3.8	3.3	3.7	4.5	
2019	3.6	4.1	7.0	3.8	3.0	4.3	3.8	1.0	0.1	2.7	4.4	
2020e	-4.8	-7.0	-1.7	-2.1	-1.4	-4.1	-4.8	-1.5	-7.7	-9.3	-2.3	
2021f	8.2	7.6	6.6	7.1	6.4	7.9	8.6	6.4	8.5	9.3	8.0	
2022f	7.4	6.0	5.7	5.9	5.8	7.5	7.6	6.0	7.3	8.4	7.1	
Employment												
2010–19	1.3	0.5	1.4	0.4	-0.1	1.2	1.5	0.8	1.0	1.4	1.6	
2019	2.2	0.6	2.7	2.2	0.8	1.8	2.9	0.9	1.8	0.5	2.6	
2020	-5.1	-5.7	-2.7	-4.6	-2.7	-4.6	-5.0	-3.5	-5.0	-7.2	-6.2	
2021f	4.4	3.1	4.5	4.6	4.3	4.7	4.5	4.3	4.5	4.0	4.3	
2022f	3.3	2.4	2.9	3.0	2.8	3.4	3.4	3.0	3.1	3.4	3.4	
Unemployment Rate (%)												
2010–19	6.9	13.0	10.5	8.6	9.3	7.0	7.0	5.5	5.2	6.2	6.1	
2019	5.7	11.9	8.8	7.2	8.0	5.1	5.6	5.3	5.4	6.9	4.7	
2020	9.6	13.7	10.4	9.6	9.8	8.8	9.6	7.9	8.3	11.3	8.8	
2021f	7.8	12.9	8.9	7.9	8.4	6.9	7.8	6.4	6.6	10.1	7.3	
2022f	5.8	10.9	7.5	6.2	6.8	4.8	5.7	4.7	4.8	8.1	5.2	
Housing Starts (units, 000s)												
2010–19	201	2.2	0.8	4.2	2.7	44	70	6.6	6.0	31	34	
2019	209	0.9	1.5	4.7	2.9	48	69	6.9	2.4	27	45	
2020e	219	0.8	1.0	4.9	3.6	55	81	7.3	3.1	24	38	
2021f	208	0.8	1.1	4.6	3.0	50	75	6.1	2.7	27	38	
2022f	203	1.0	1.2	4.2	2.5	49	75	6.5	3.0	26	35	
Motor Vehicle Sales (units, 000s)												
2010–19	1,819	33	7	51	41	432	715	55	53	237	194	
2019	1,915	34	8	53	41	454	789	53	46	227	214	
2020	1,540	28	7	44	34	376	612	46	40	186	180	
2021f	1,799	31	8	51	39	441	715	52	46	211	206	
2022f	1,913	32	8	53	41	471	764	55	48	222	219	
Budget Balances, (CAD mn)												
2019*	-39,400	-1,383	22	2	98	4	-8,672	5	-319	-12,152	-321	
2020e	-381,600	-1,838	-178	-779	-183	-2,991	-38,468	-2,048	-2,045	-21,329	-13,643	
2021f	-141,200		-70			-8,250	-33,100		-1,350	-15,524		
2022f	-50,700		-38			-7,000	-28,150		-855	-9,865		

* 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 Stabilization Reserve transfers.

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