

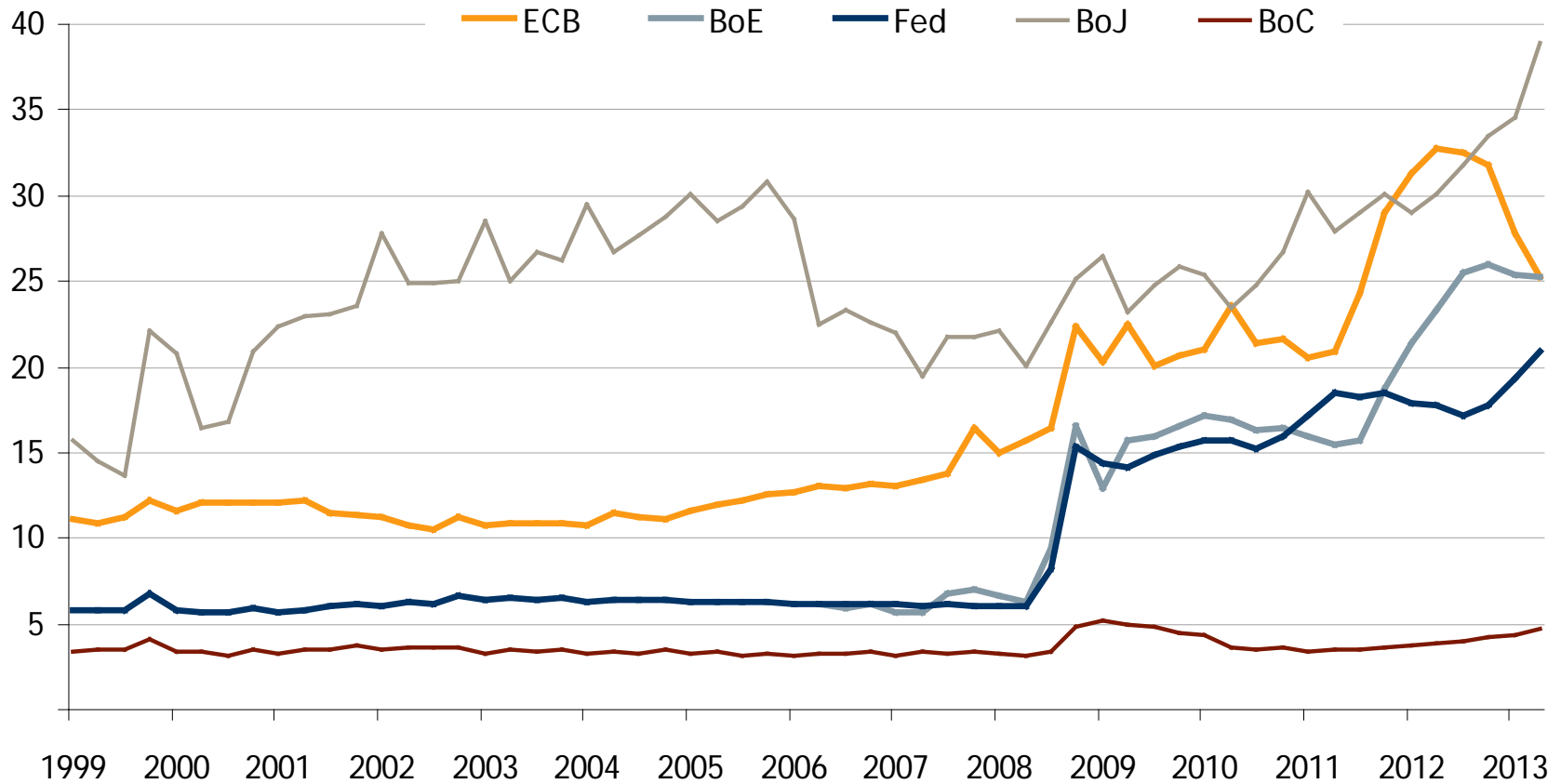
Economic Outlook: leaning into the headwinds

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September 2013



Central Bank Balance Sheets

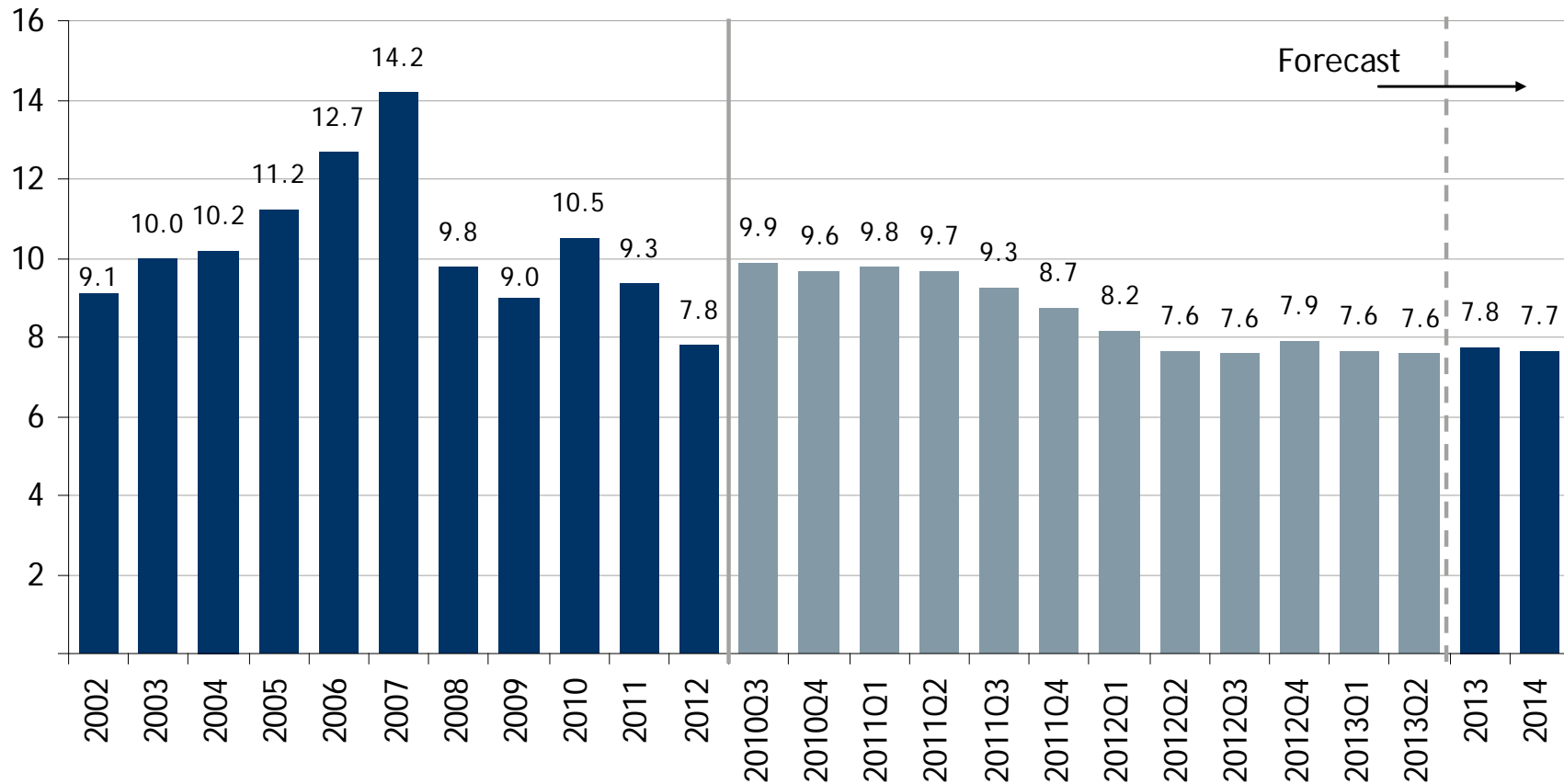
% of nominal GDP



Source: Bank of Canada, Statistics Canada, U.S. Federal Reserve, Bureau of Economic Analysis, European Central Bank, Eurostat, Bank of England, U.K. Office for National Statistics, Bank of Japan, RBC Economics Research

Real GDP: China

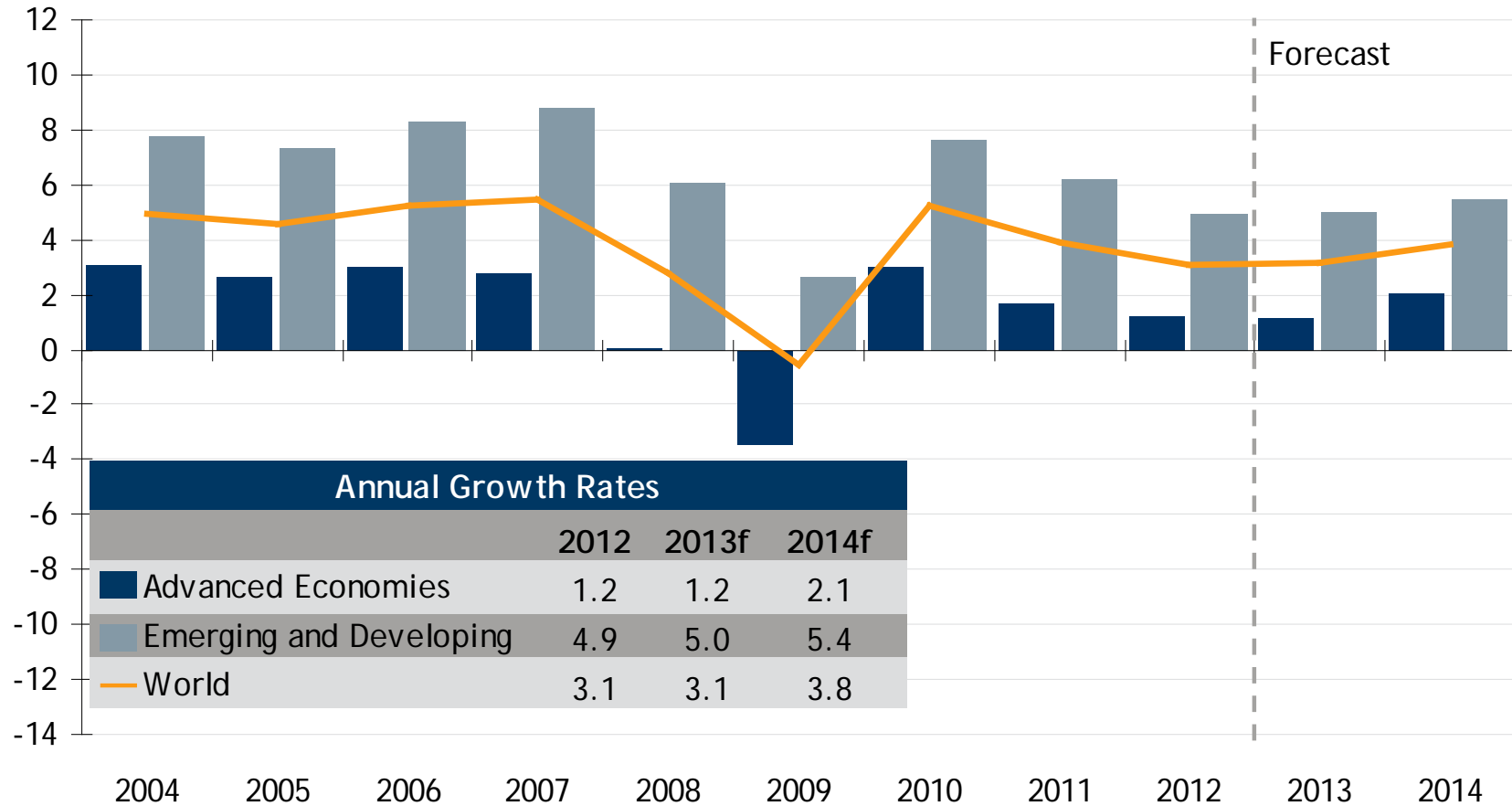
% change, year-over-year



Source: CNBS, Haver Analytics, RBC Emerging Markets Research, RBC Economics Research Forecasts

Advanced versus emerging economies GDP growth

% change, year-over-year

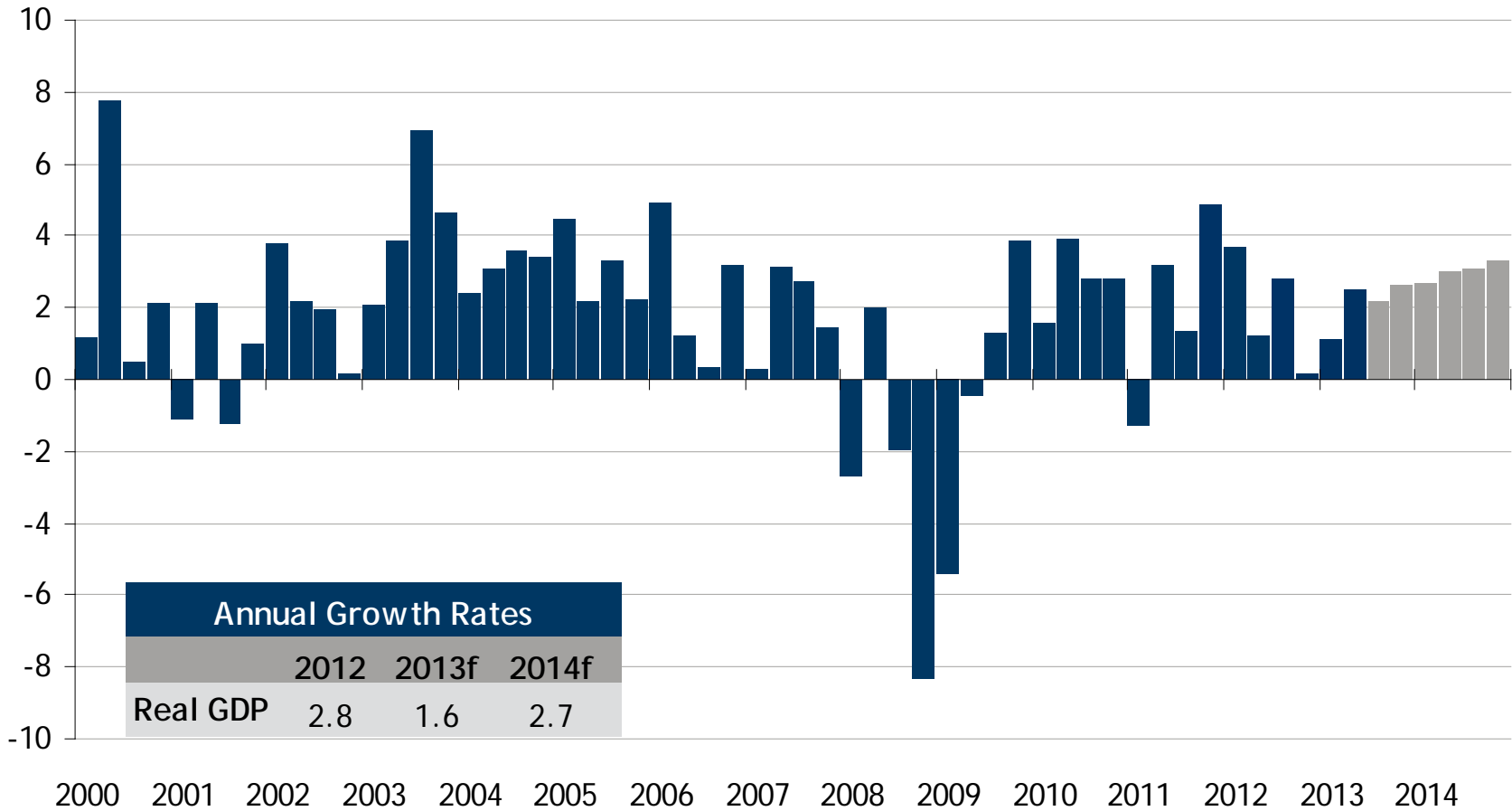


Source: International Monetary Fund, RBC Economics Research Forecasts

U.S. real GDP

Quarter-over-quarter annualized % change

Forecasted Values:

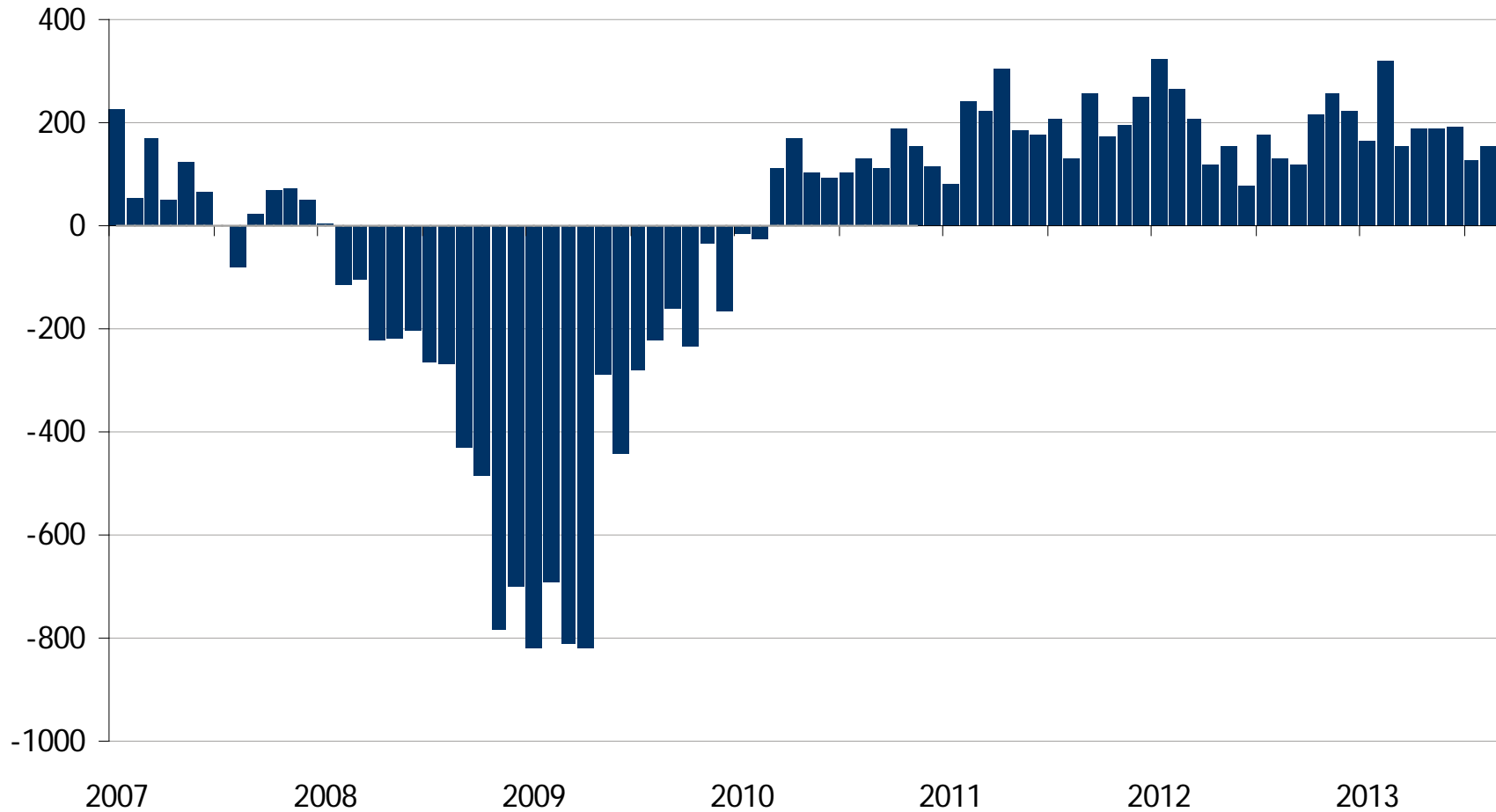


Annual Growth Rates			
	2012	2013f	2014f
Real GDP	2.8	1.6	2.7

Source: Bureau of Economic Analysis, RBC Economics Research

Private sector employment growth: U.S.

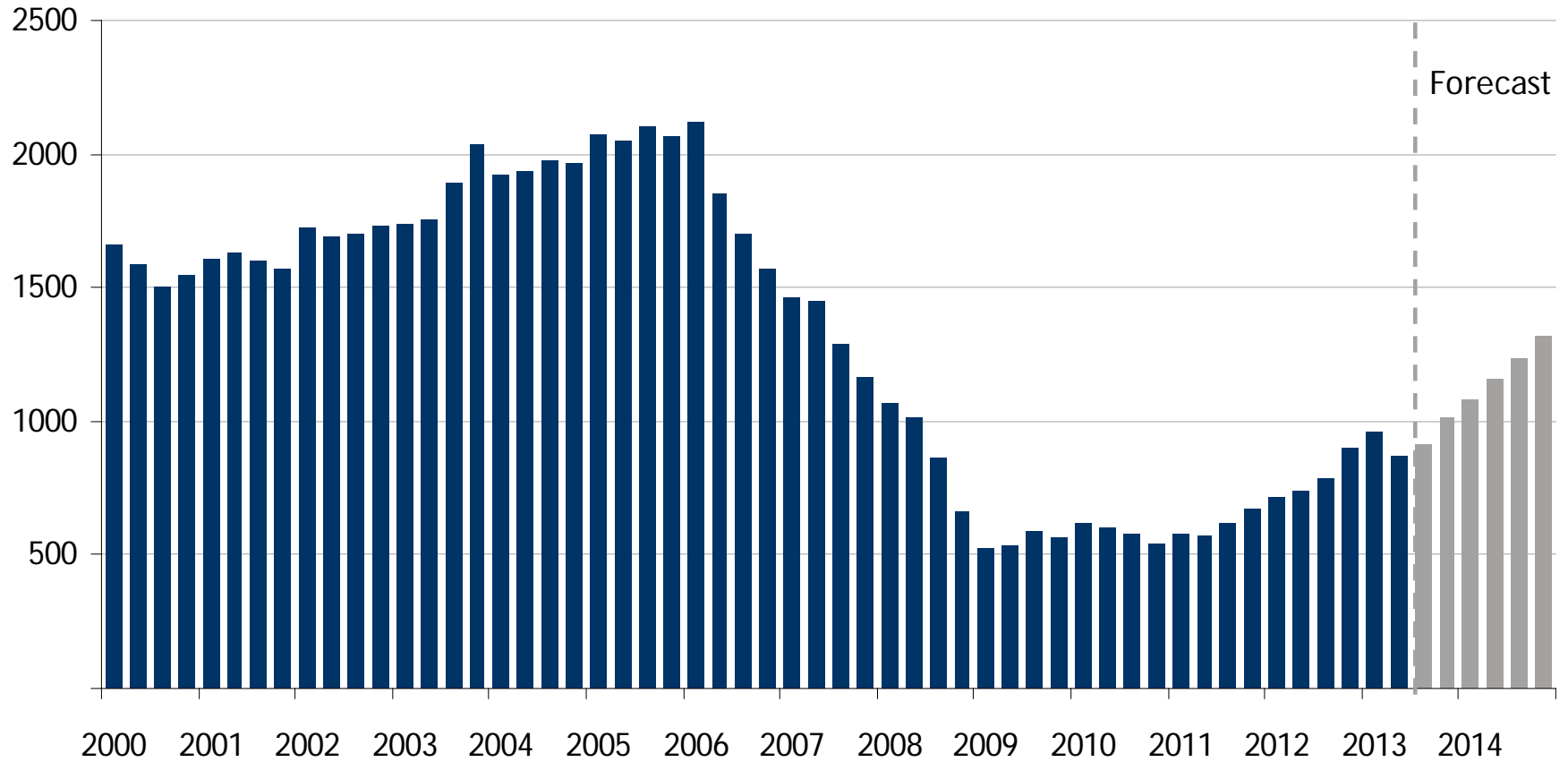
Change from previous month (Thous.)



Source: Bureau of Labor Statistics, RBC Economics Research

Housing starts: U.S.

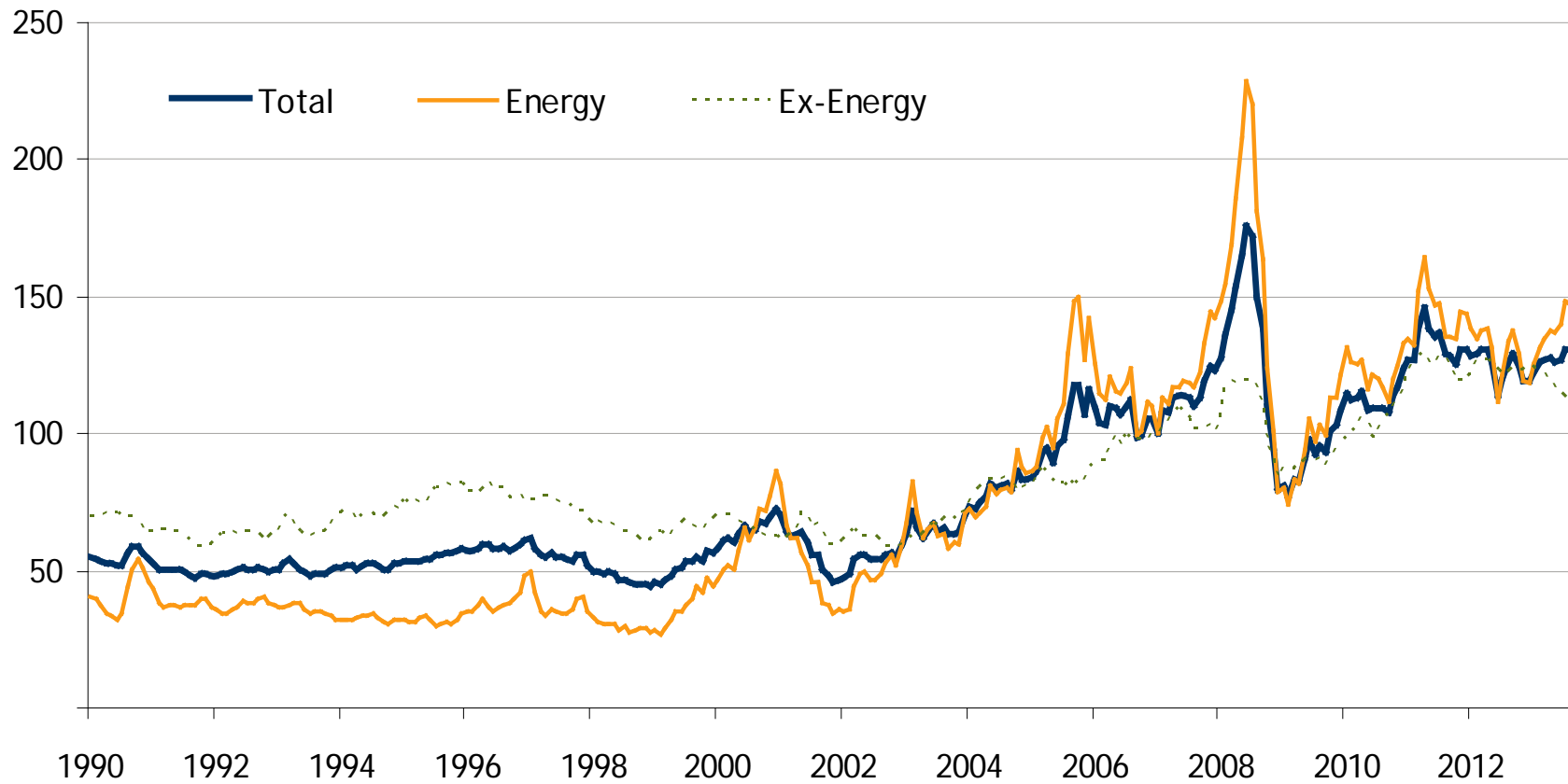
SAAR, Thousands of units



Source: Census Bureau, RBC Economics Research

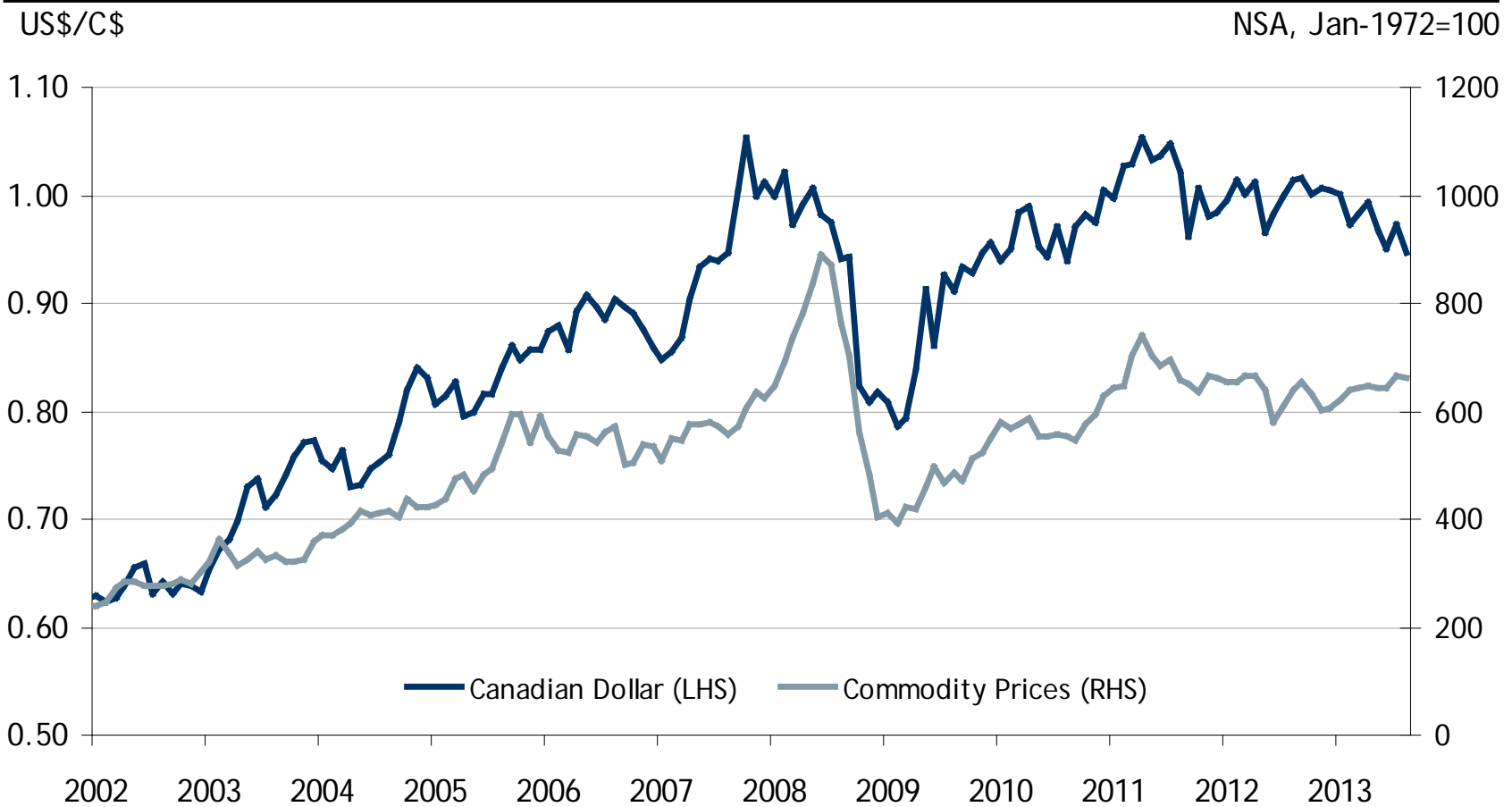
BoC Commodity Price Indices

Indexed to 2007-01 = 100



Source: Bank of Canada, RBC Economics Research

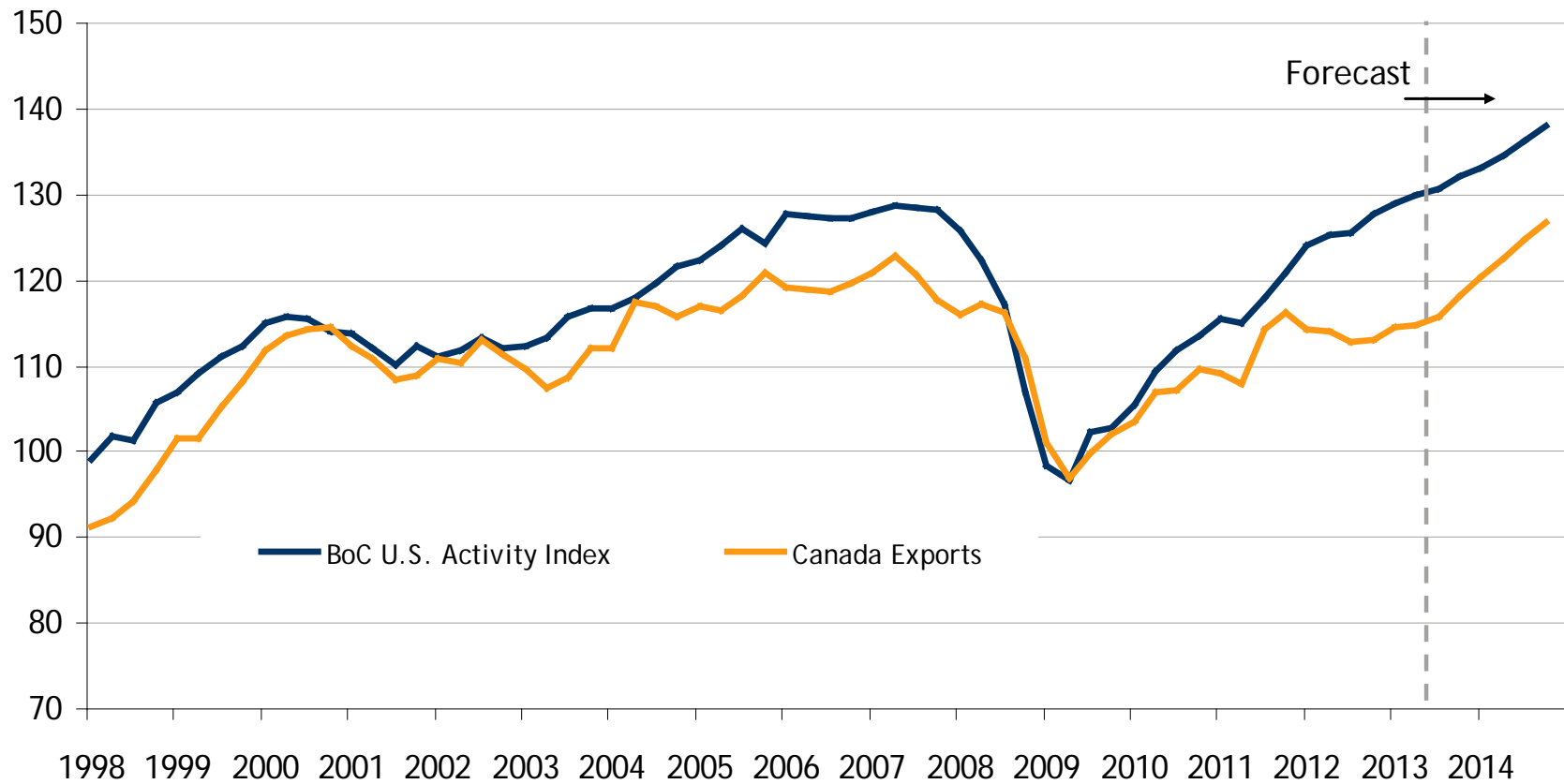
Canadian dollar and commodity prices



Source: Bank of Canada, Federal Reserve Board, RBC Economics Research

Canadian exports and U.S. activity

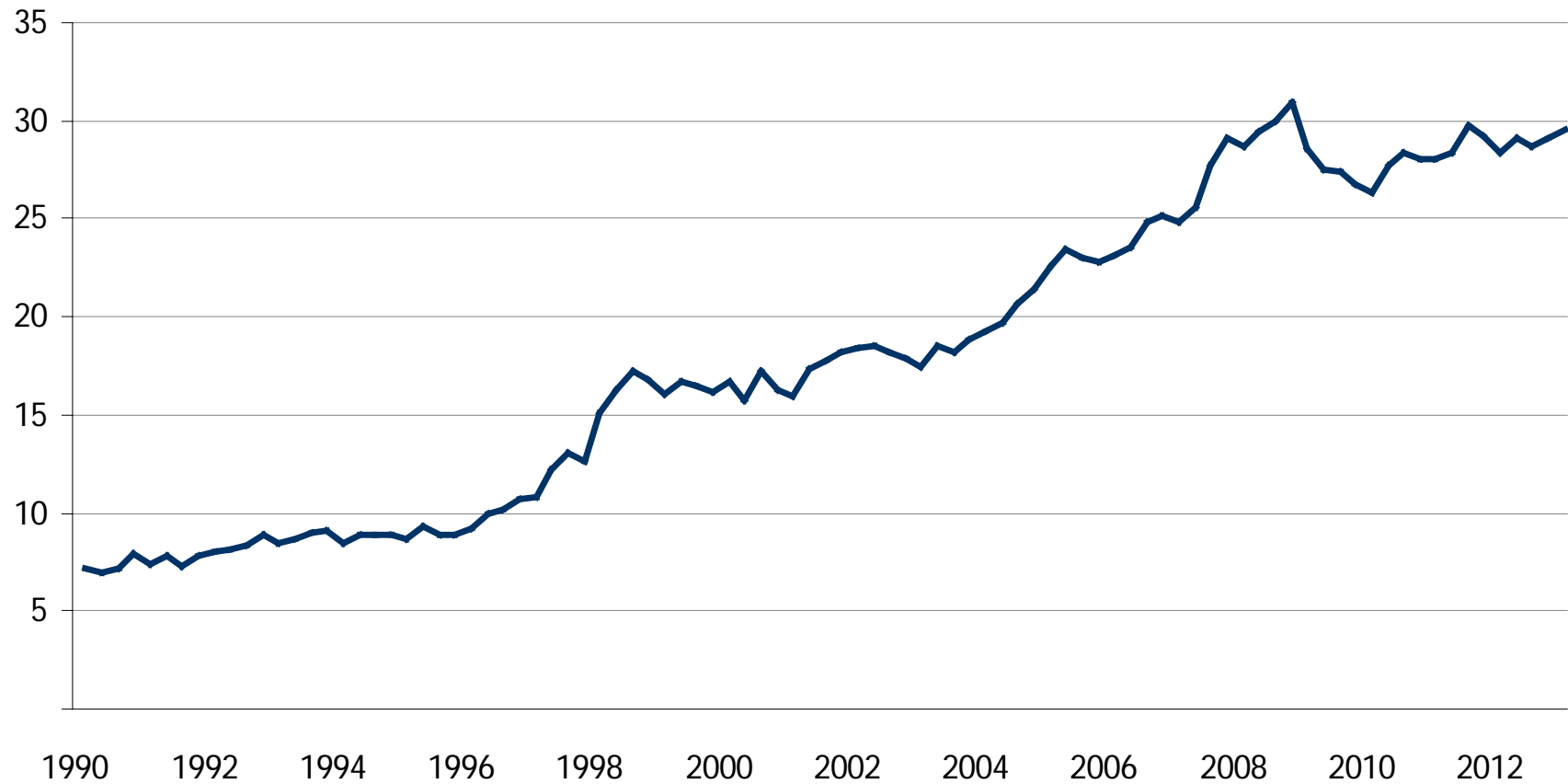
Index 2009=100



Source: Statistics Canada, Bureau of Economics Analysis, Bank of Canada, RBC Economics Research

Non-financial corporate liquidity: Canada

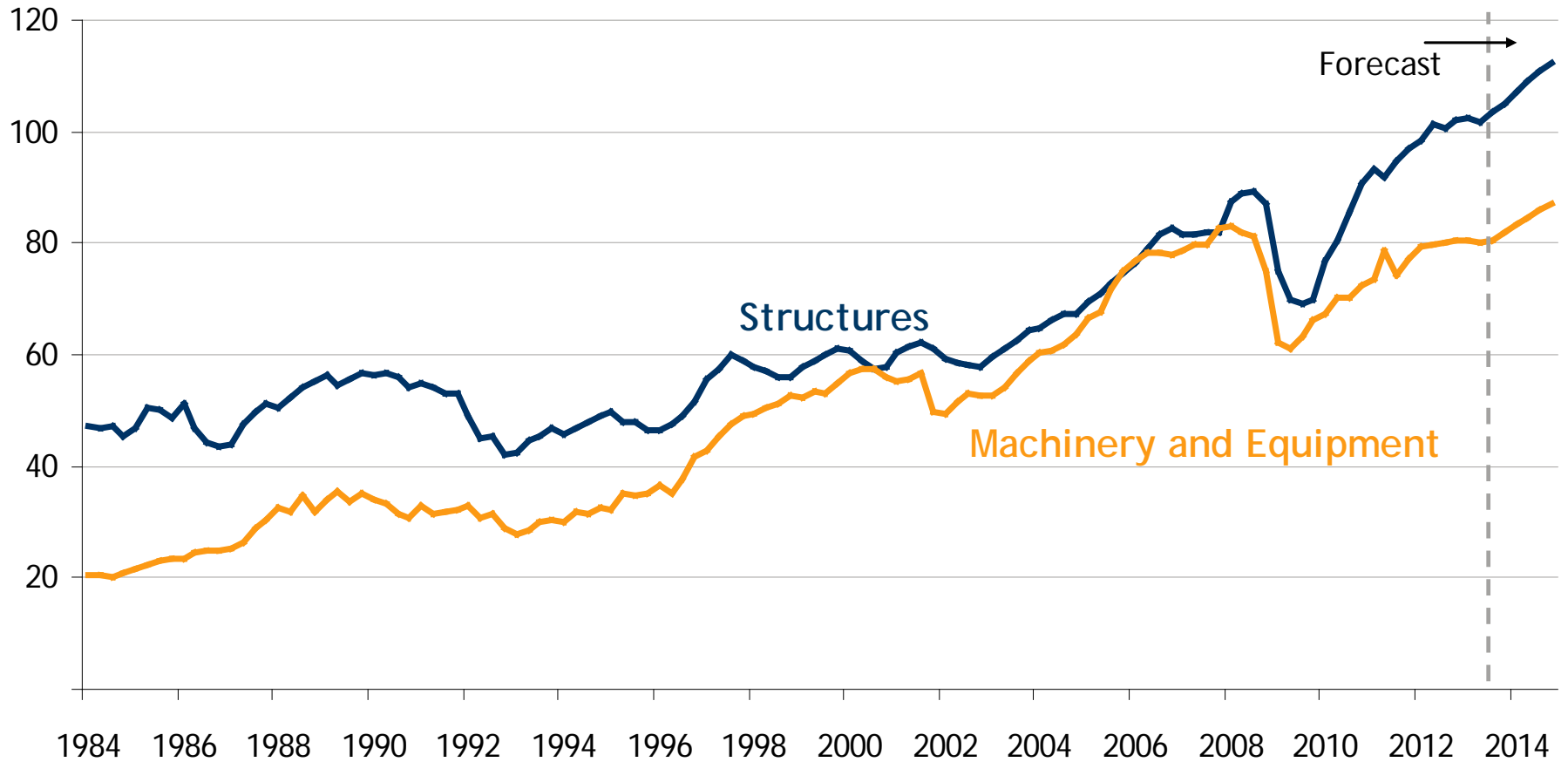
Cash & deposits as a % of GDP



Source: Statistics Canada, RBC Economics Research

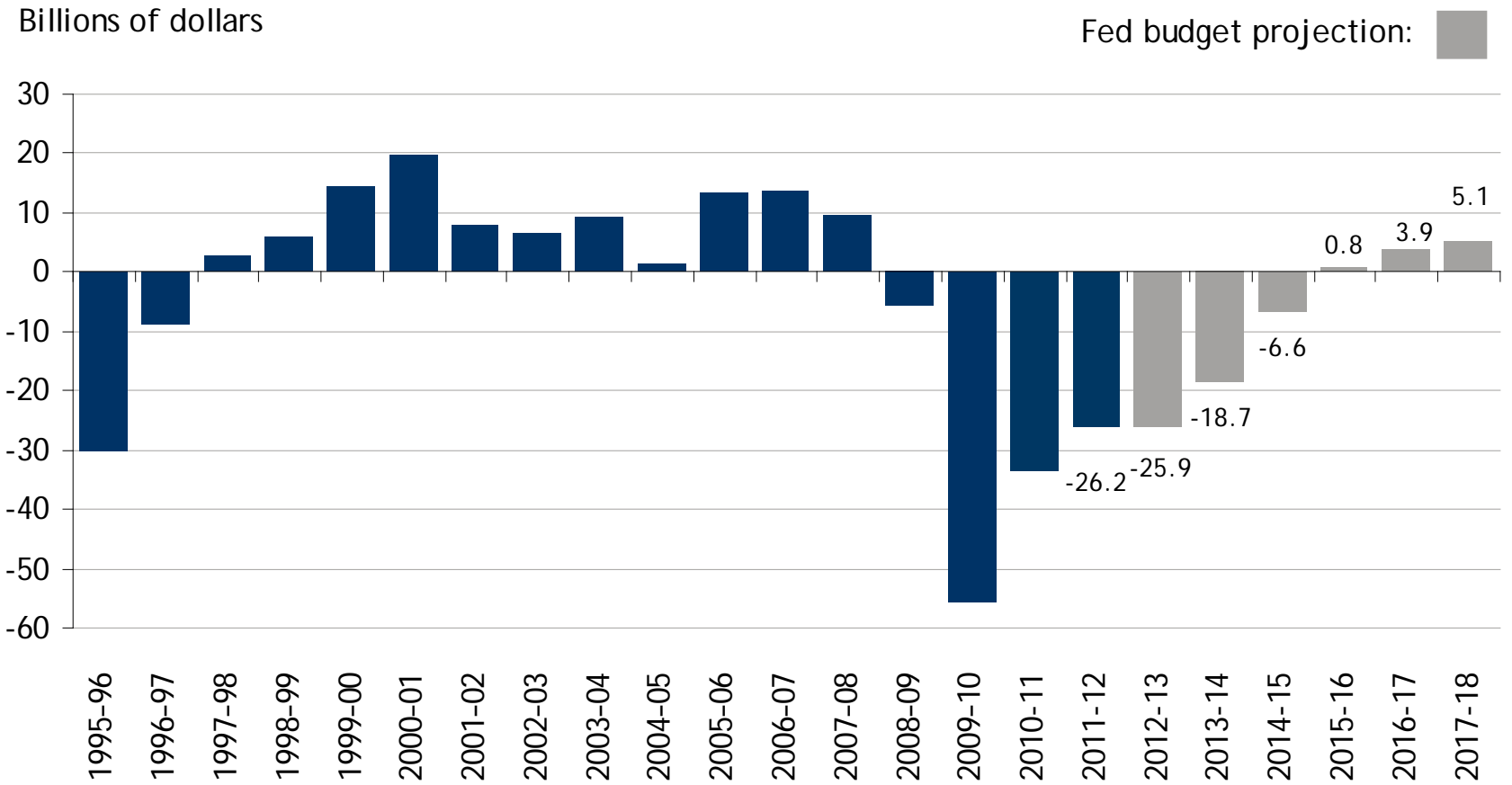
Nonresidential investment: Canada

SAAR, Billions of chained 2007 \$



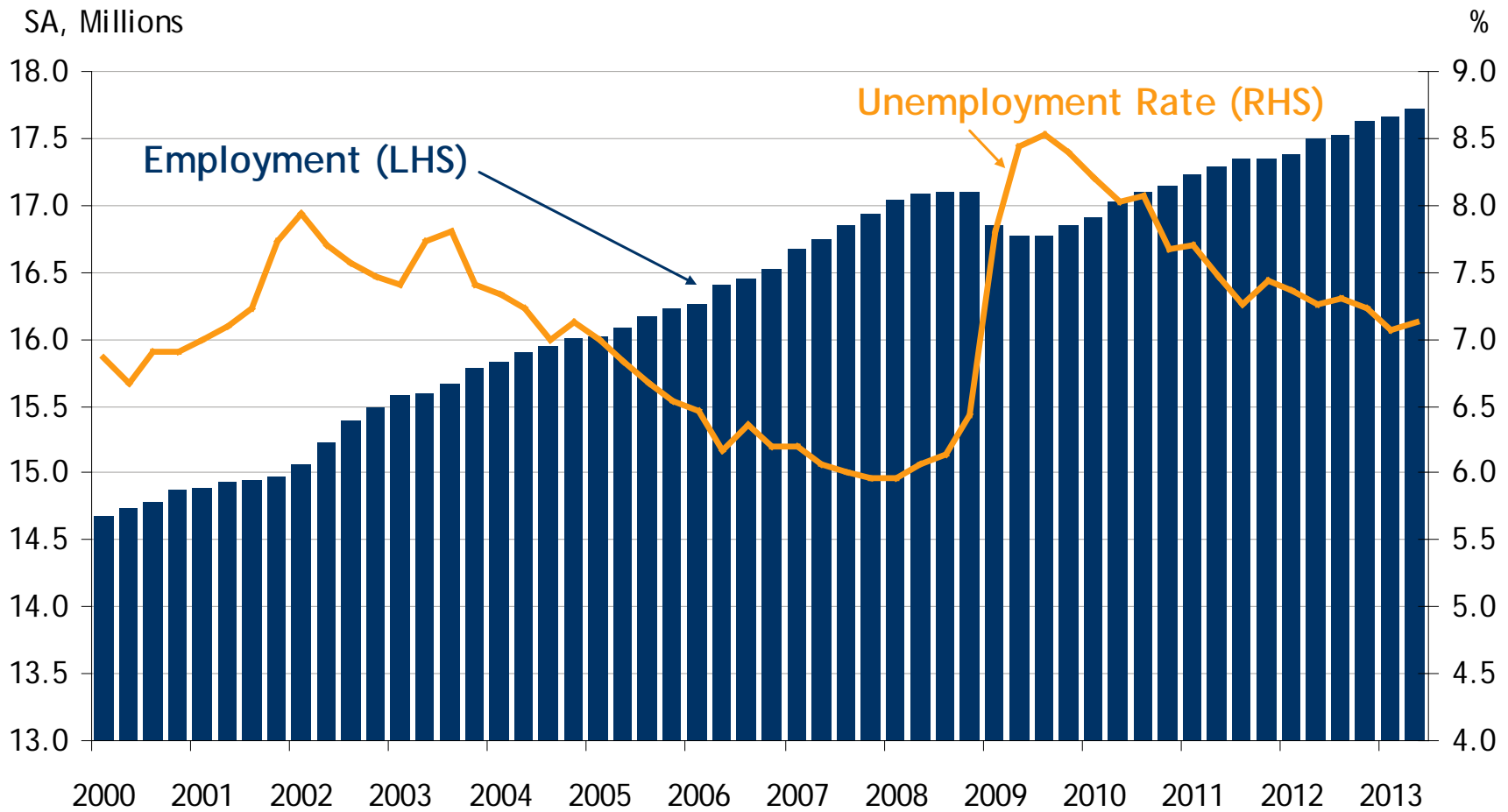
Source: Statistics Canada, RBC Economics Research Forecasts

Federal government budgetary balance



Source: Department of Finance, RBC Economics Research Forecasts

Labour market: Canada

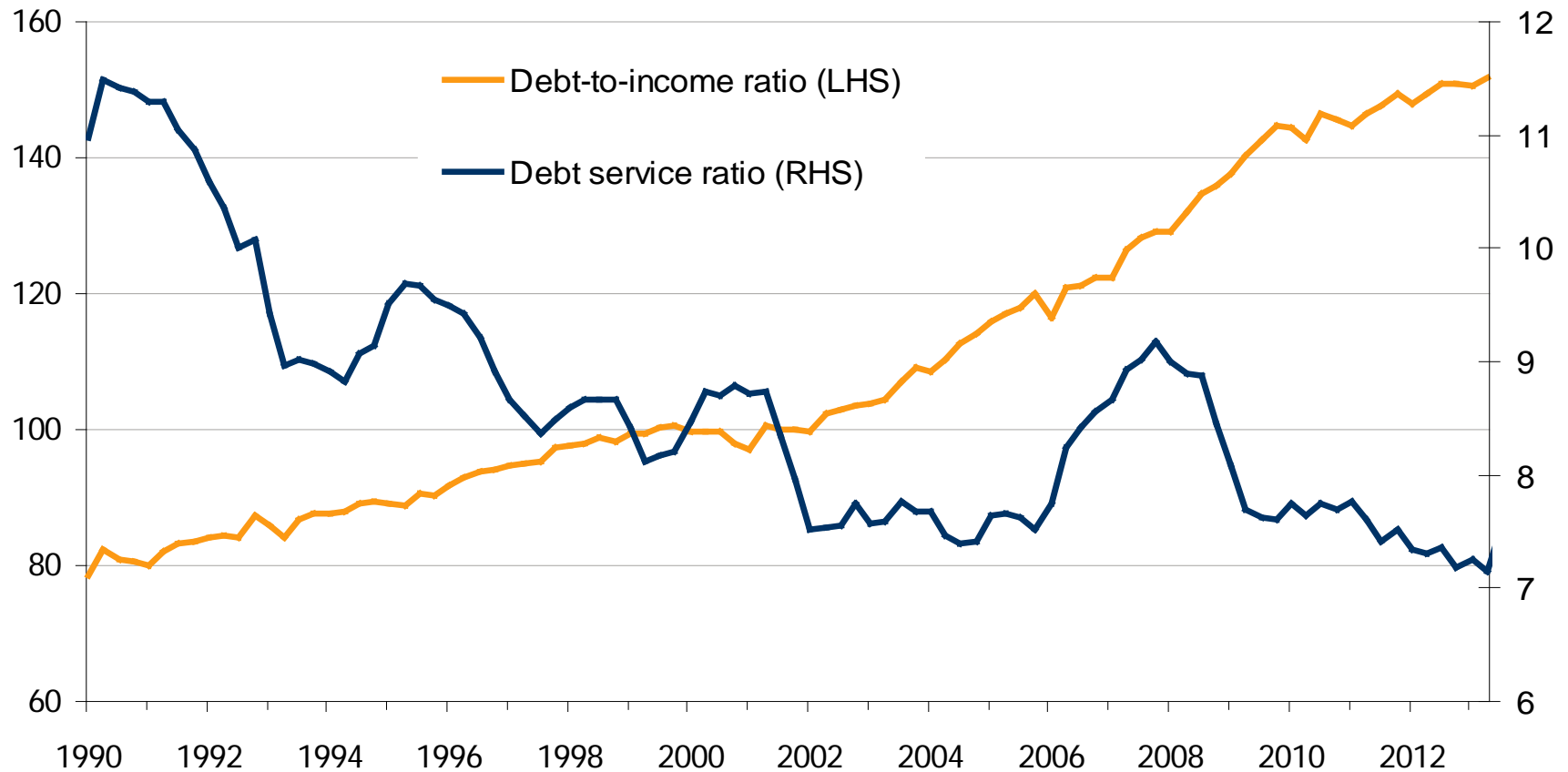


Source: Statistics Canada, RBC Economics Research

Household debt-to-income ratio and debt service ratio

Credit market debt as a % of PDI

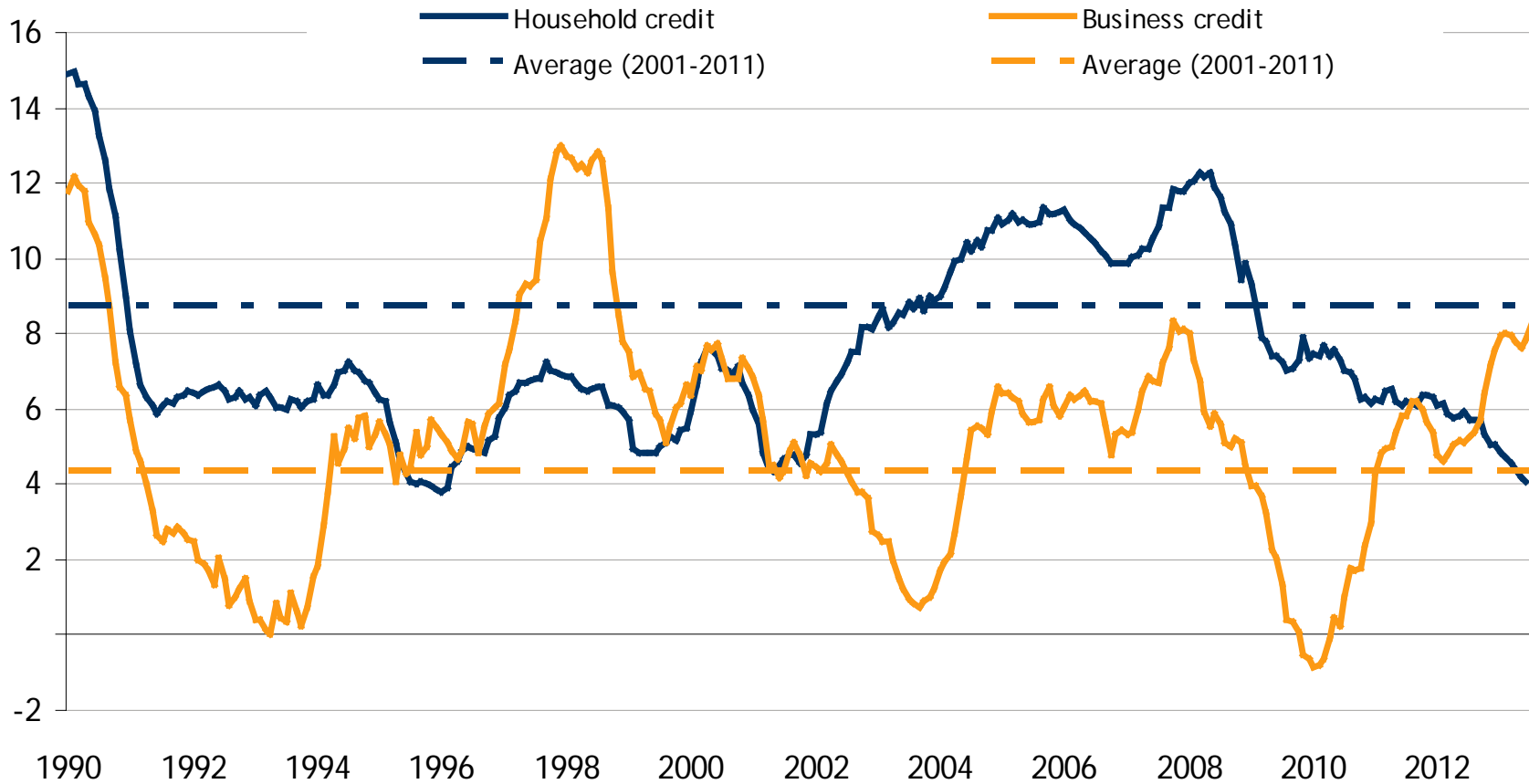
Mortgage & nonmortgage interest payments as a % of PDI



Source: Statistics Canada, RBC Economics Research

Household and business credit growth: Canada


% change, year-over-year

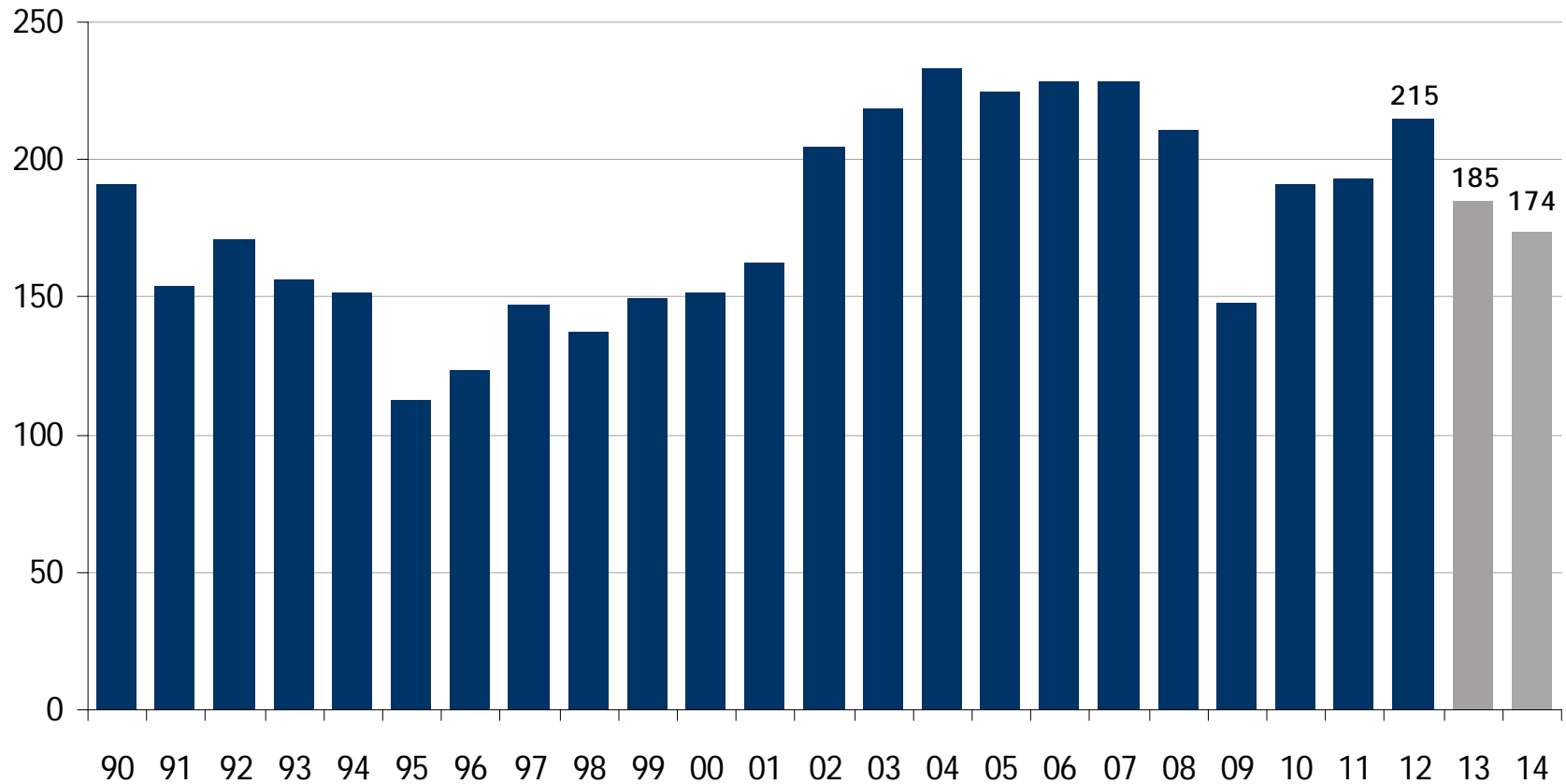


Source: Bank of Canada, RBC Economics Research

Housing starts: Canada

SAAR, thousands of units

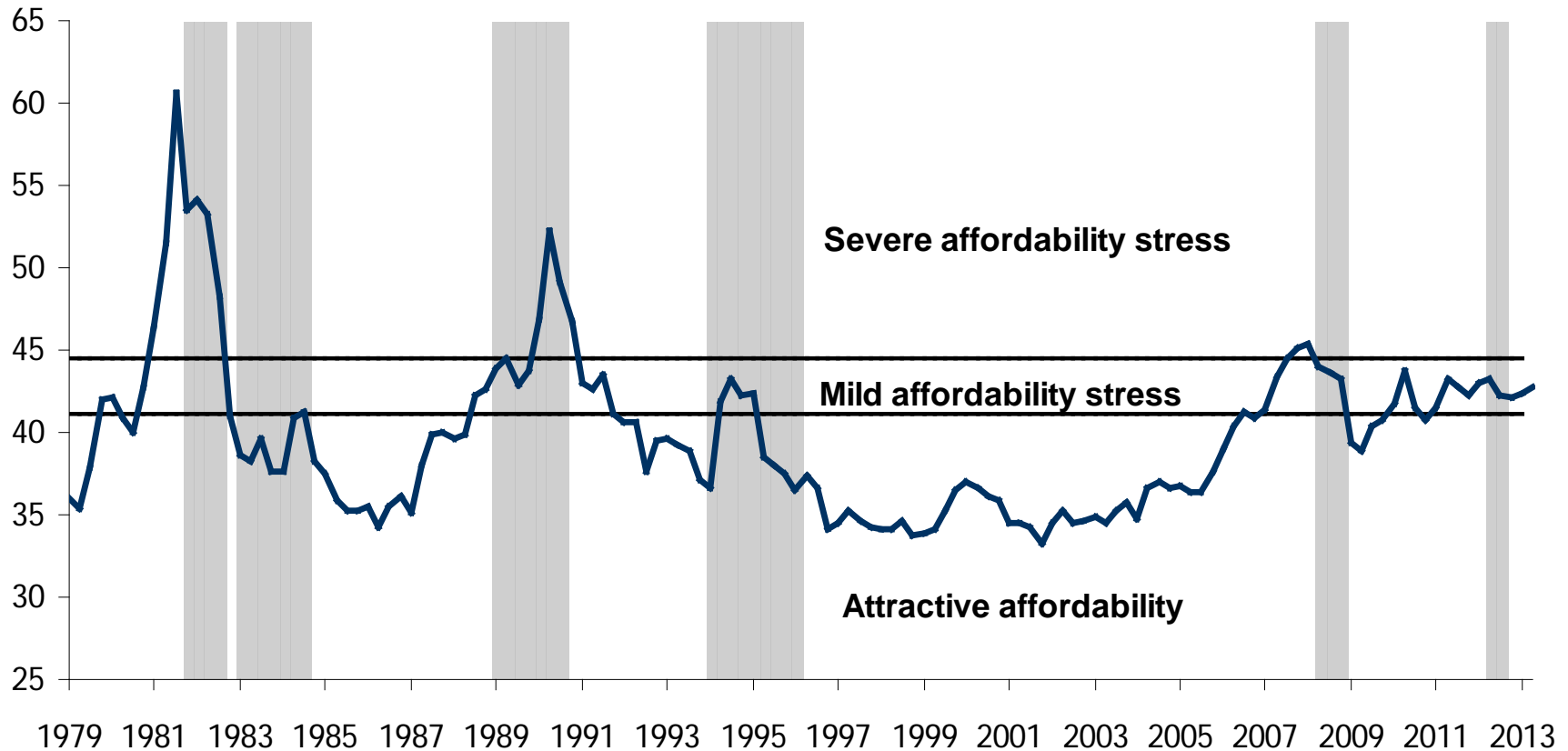
Forecast 



Source: Canada Mortgage and Housing Corporation, RBC Economics Research

RBC Housing Affordability Measure - Canada

Ownership costs as of a standard bungalow as a % of household income

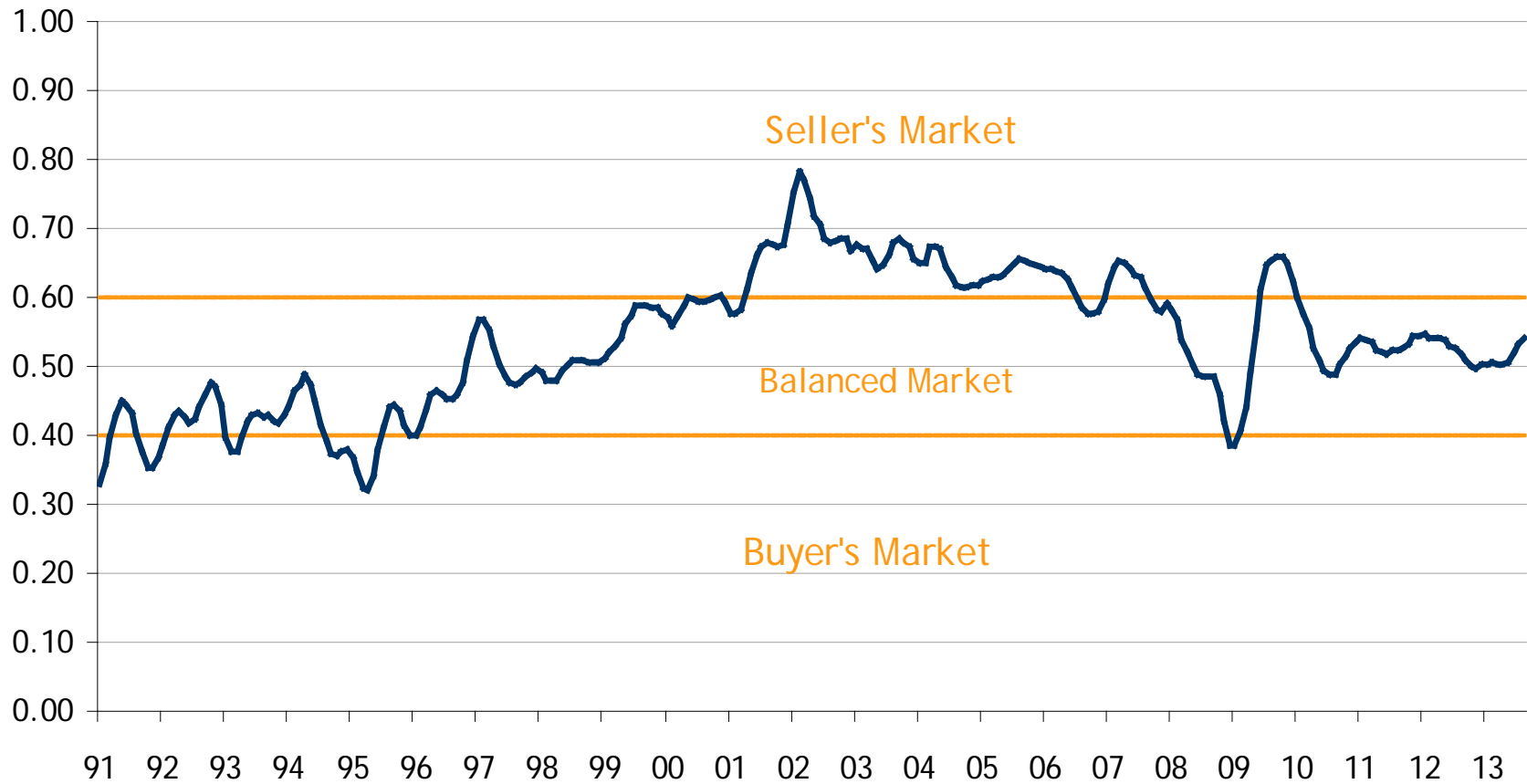


Grey areas correspond to periods when Canada-wide prices fell by more than 5% peak to trough.

Source: Royal LePage, Statistics Canada, CREA, RBC Economics Research

Sales-to-new listings ratio: Canada

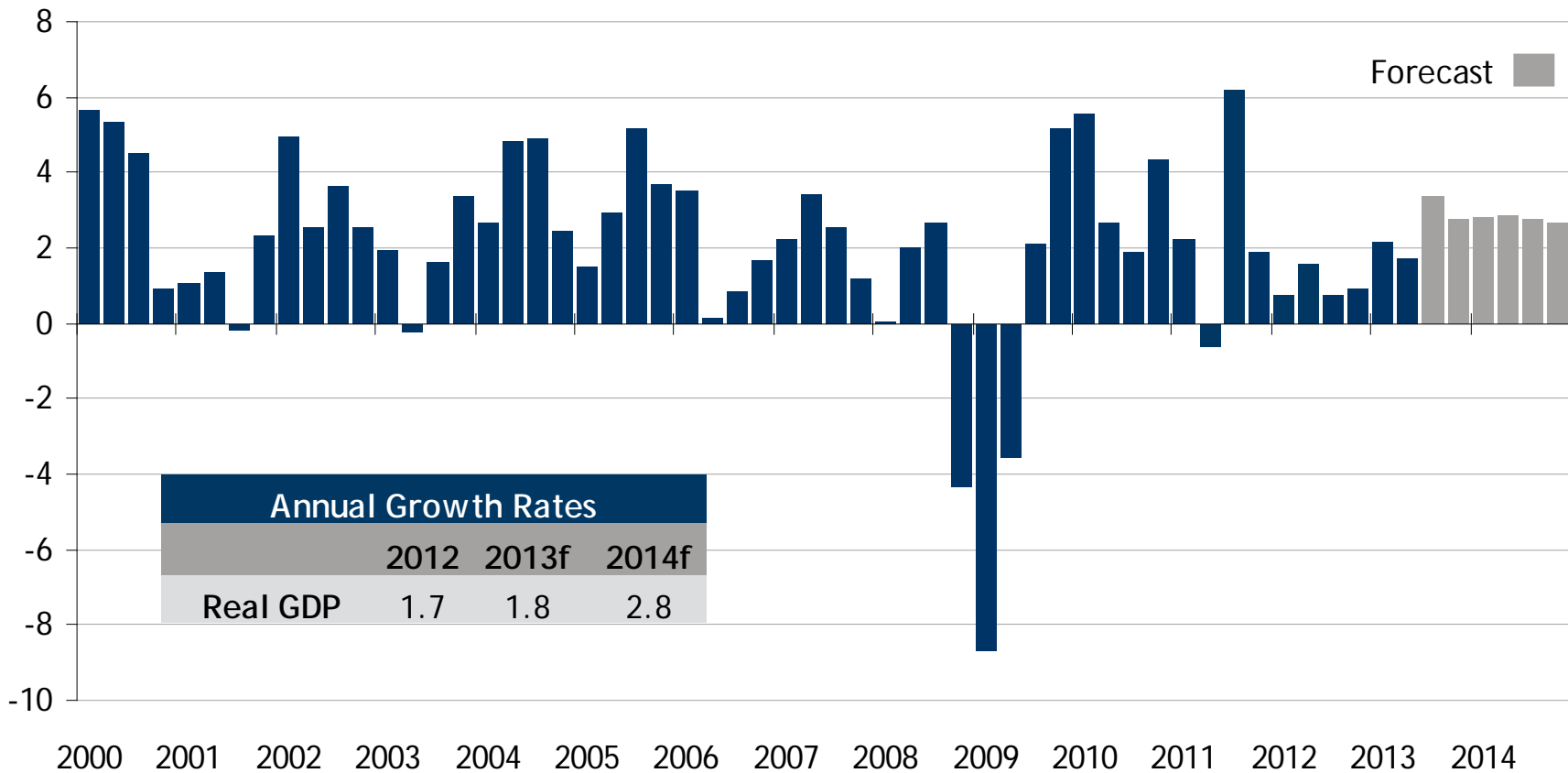
3-month moving average of res. unit sales / 3-month moving average of new res. listings, SA



Source: CREA, RBC Economics Research

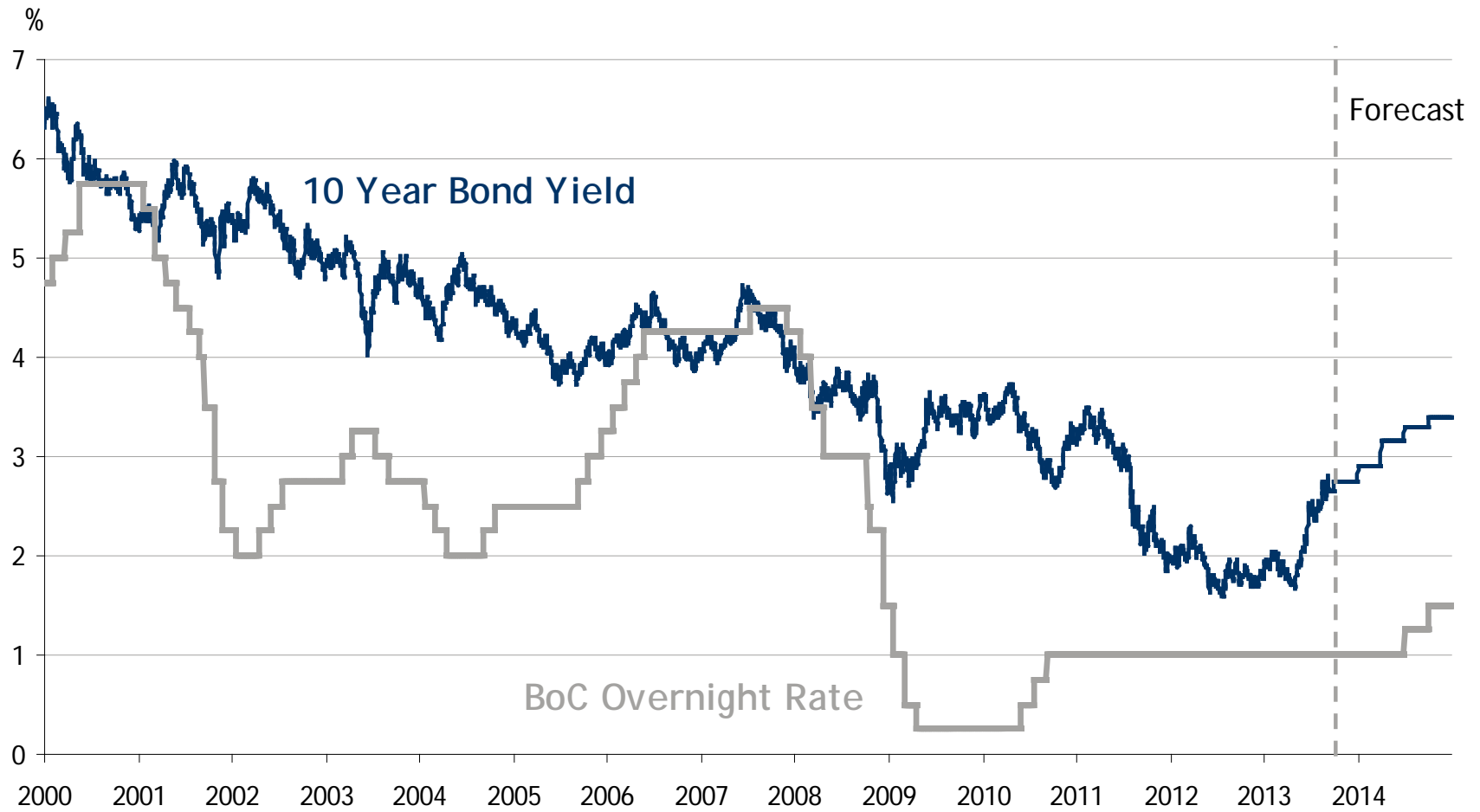
Canada's real GDP

Quarter-over-quarter % change, annualized rate



Source: Statistics Canada, RBC Economics Research

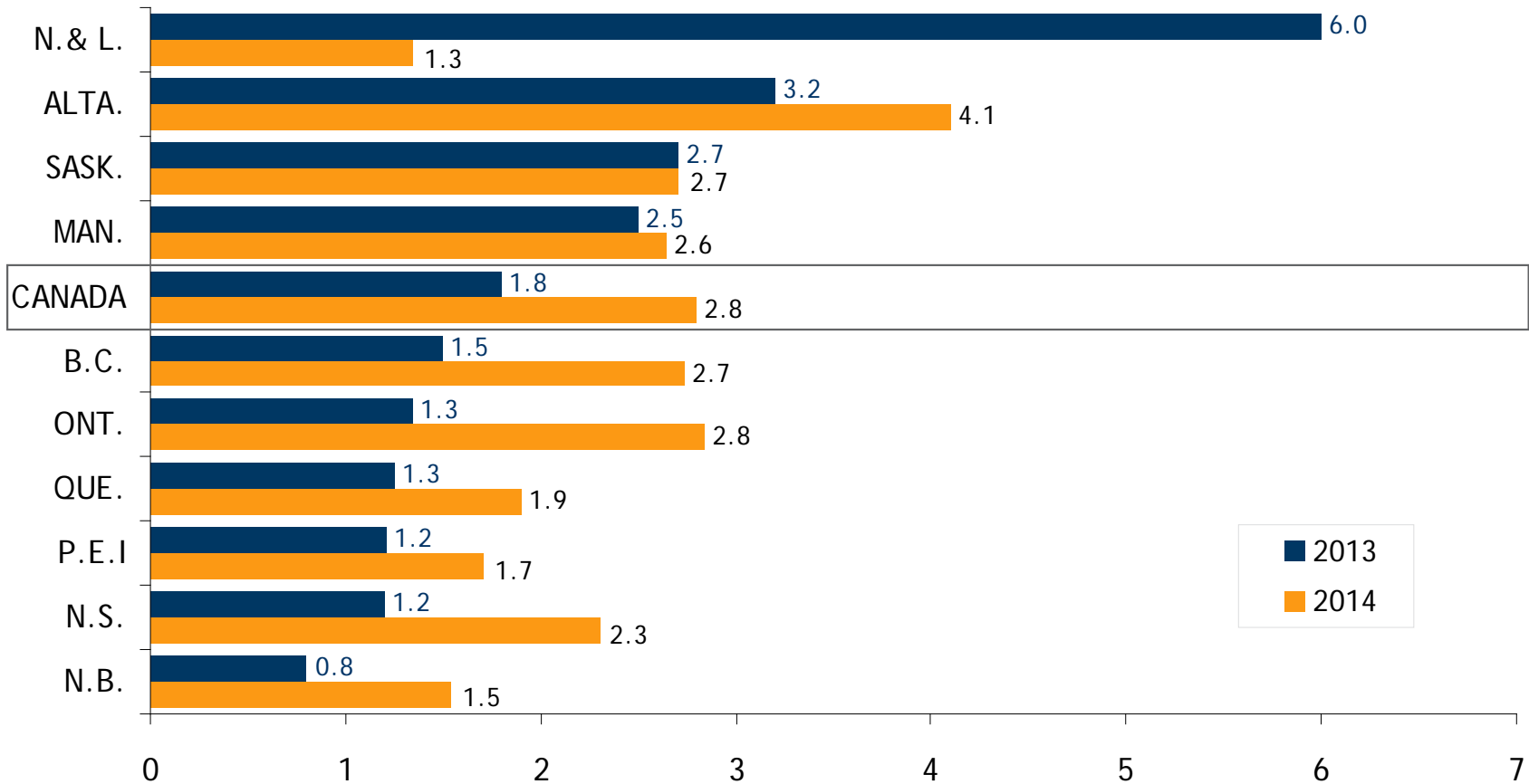
Interest rates in Canada



Source: Bank of Canada, RBC Economics Research

Provincial real GDP growth

Annual % change, ranked by 2013 growth



Sources: Statistics Canada, RBC Economics Research

www.rbc.com/economics