

# New World Realities

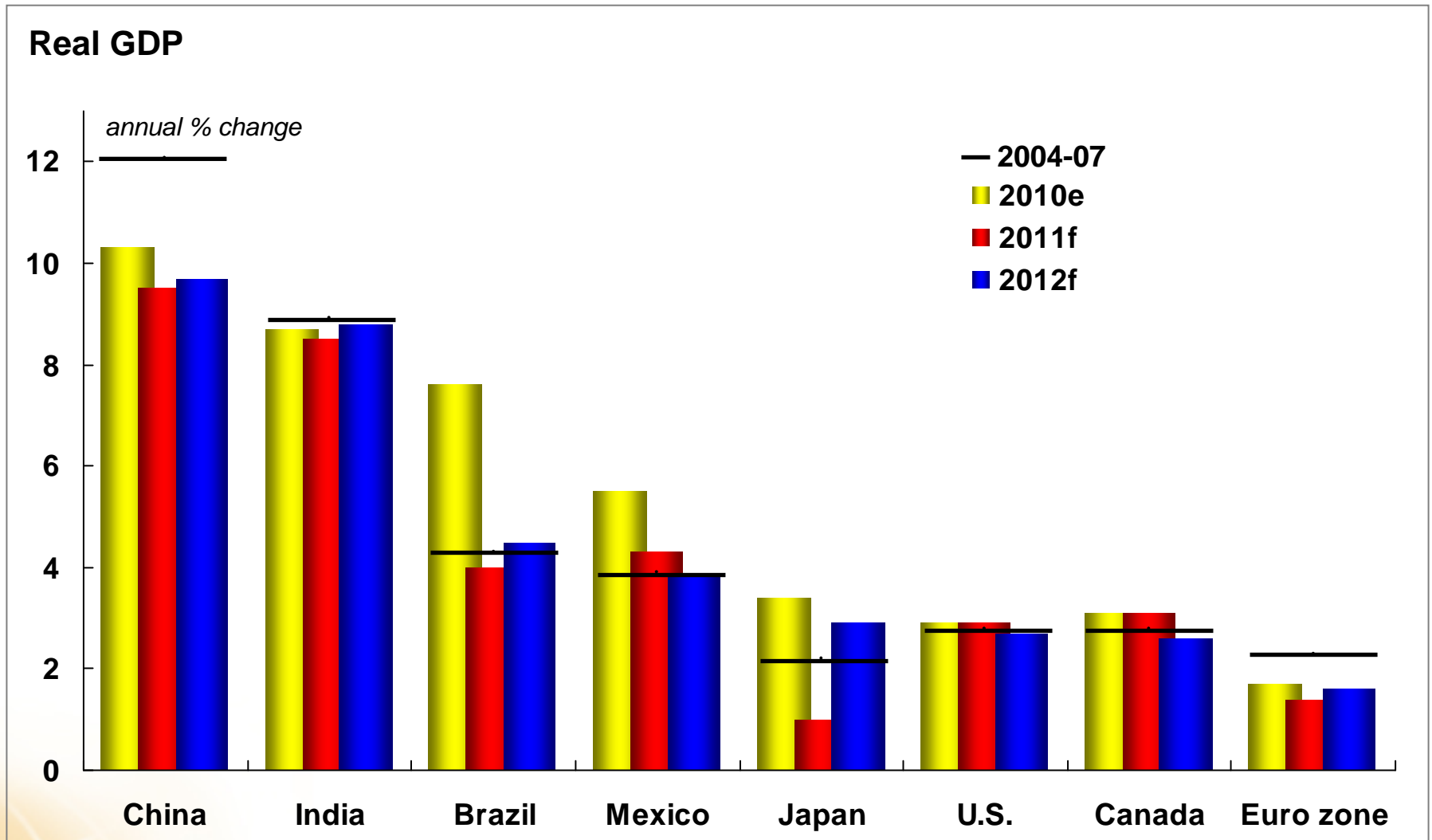
**Warren Jestin**  
**SVP & Chief Economist**

*Presentation to:*

**Edmonton Real Estate Forum**

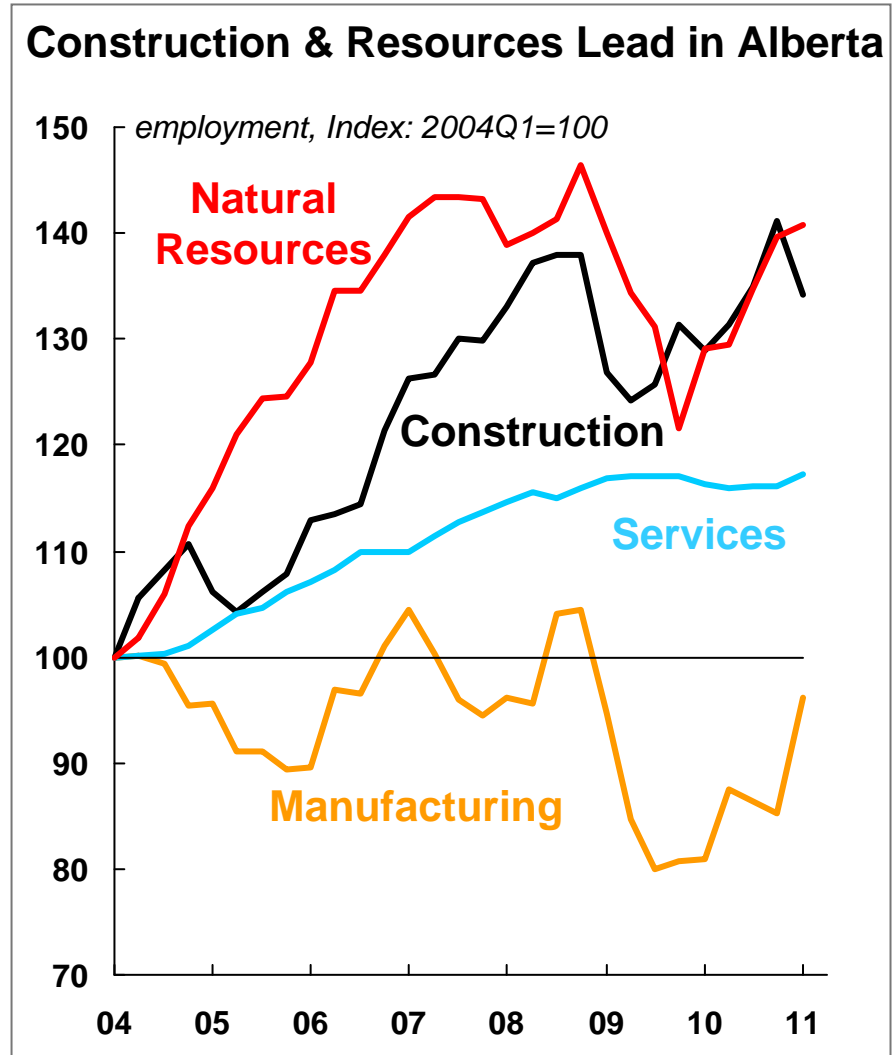
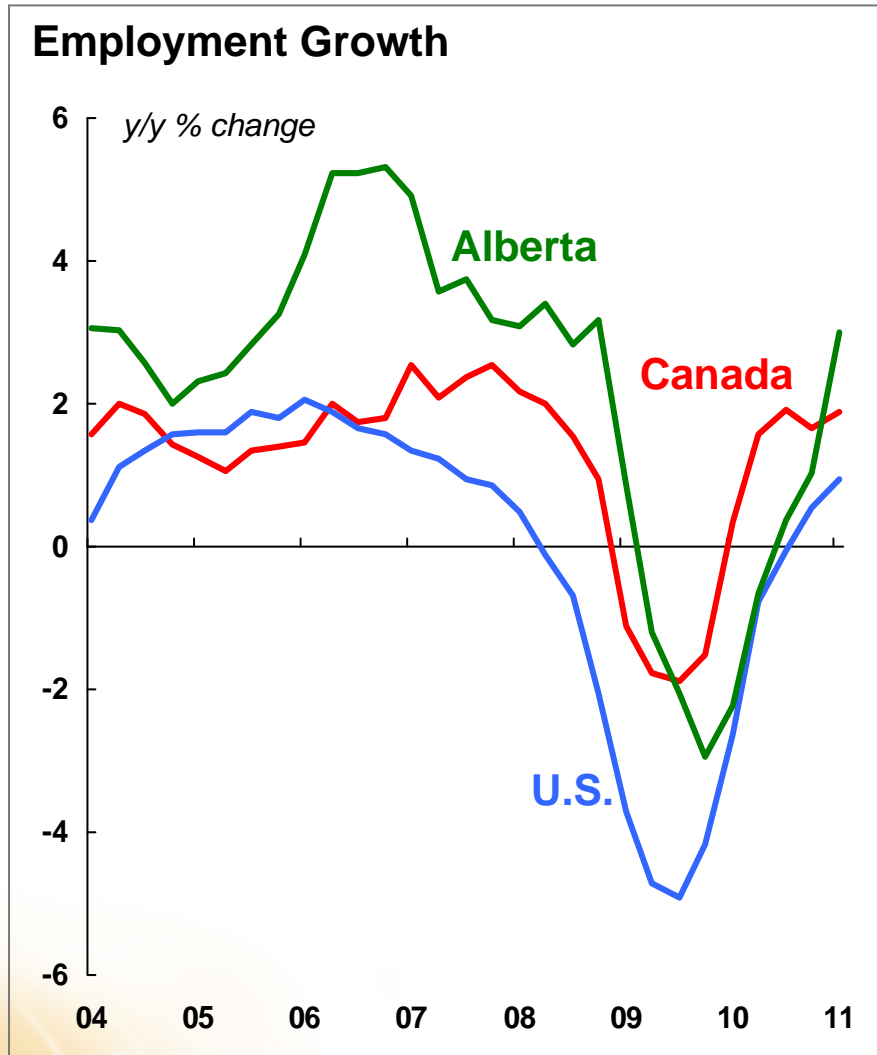
**Edmonton, May 3, 2011**

# The Global Economy Is Reviving...



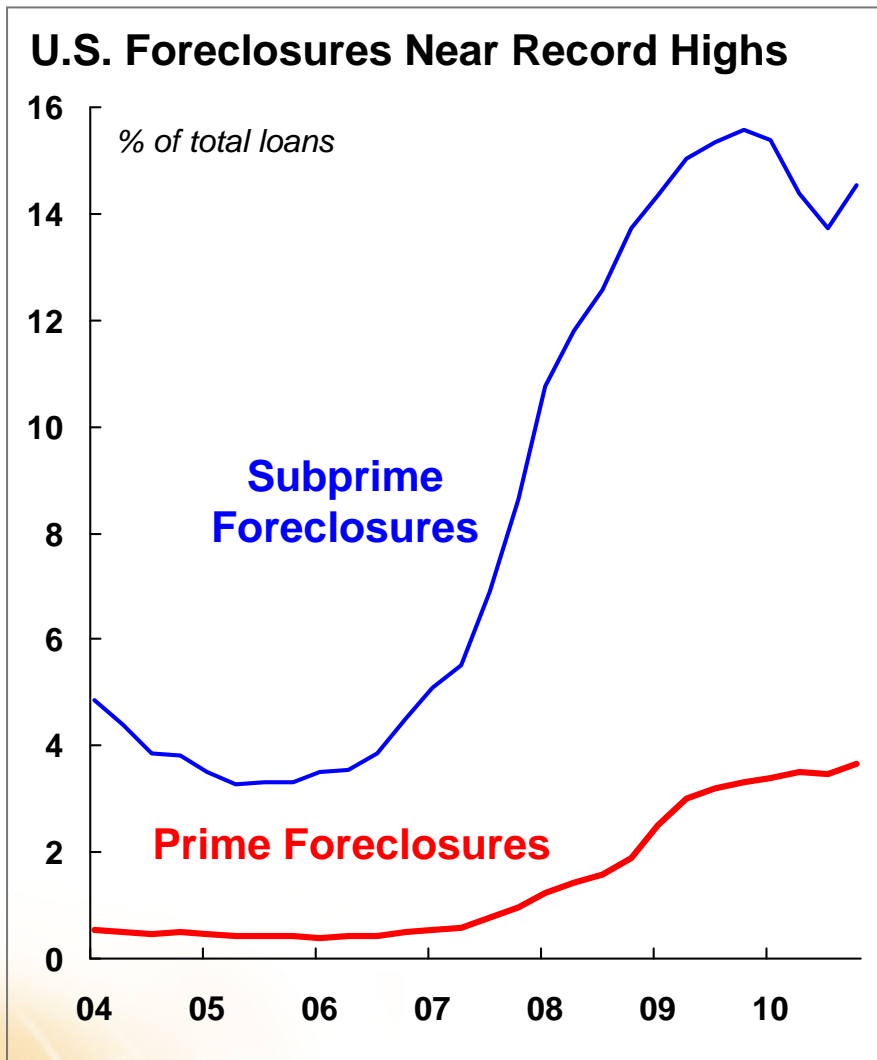
Source: Scotia Economics, Bloomberg, BEA, Statistics Canada, Eurostat.

# ... But the Recovery is Uneven Across Regions and Sectors...

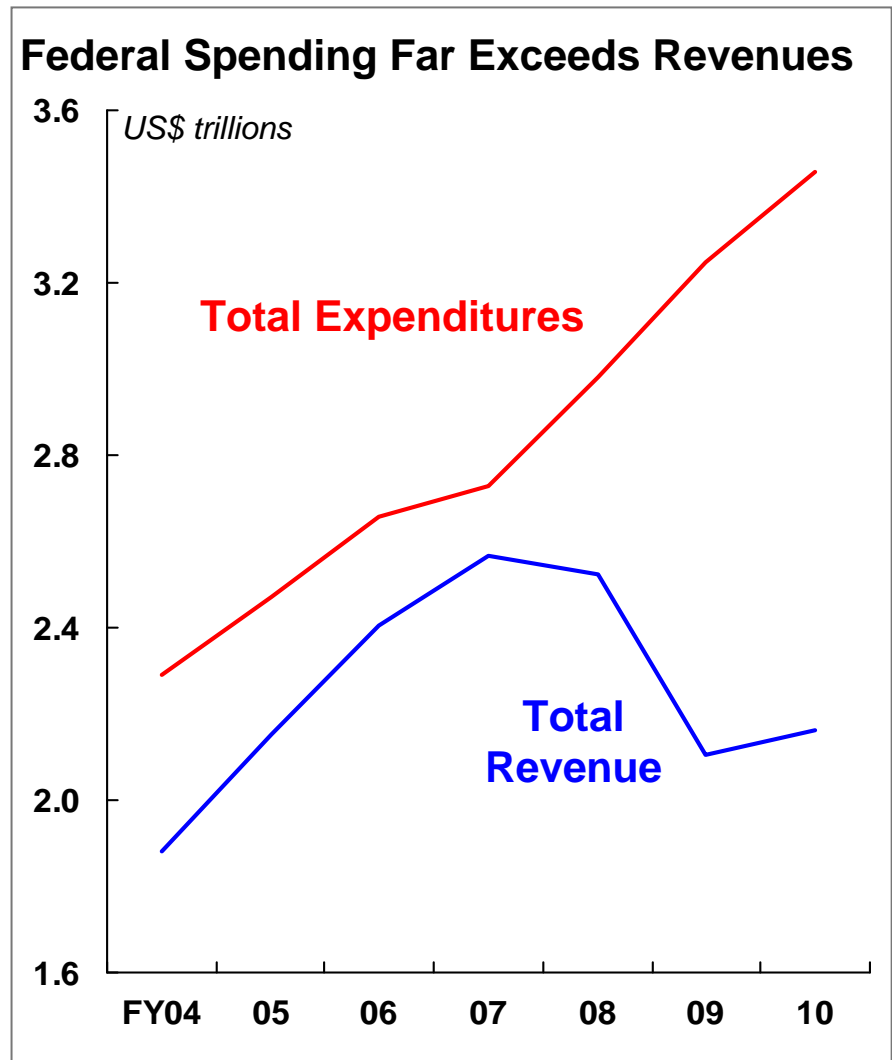


Source: Statistics Canada, BEA, Scotia Economics, Eurostat.

# ... U.S. Financial Strains Remain Intense...

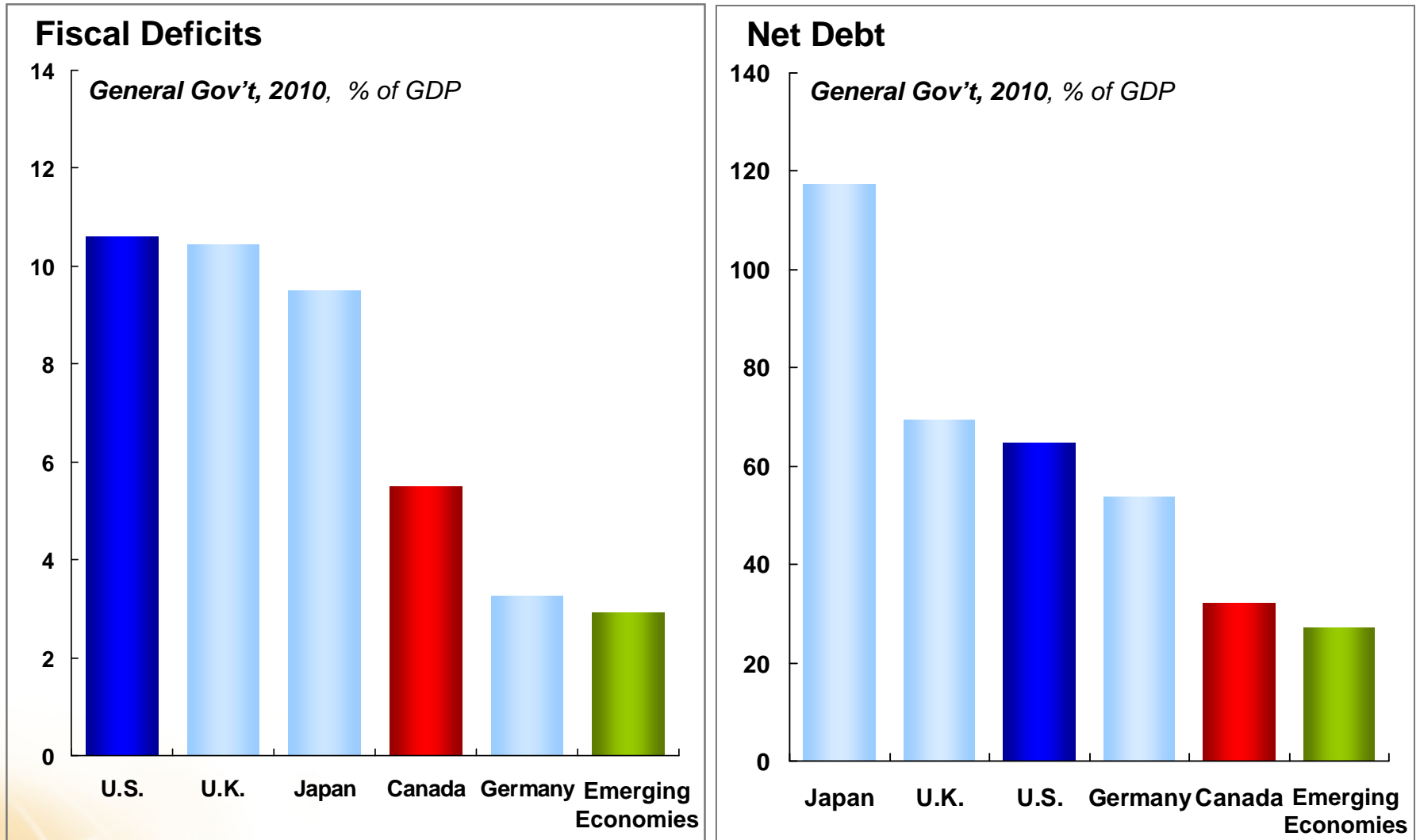


Source: Bloomberg.



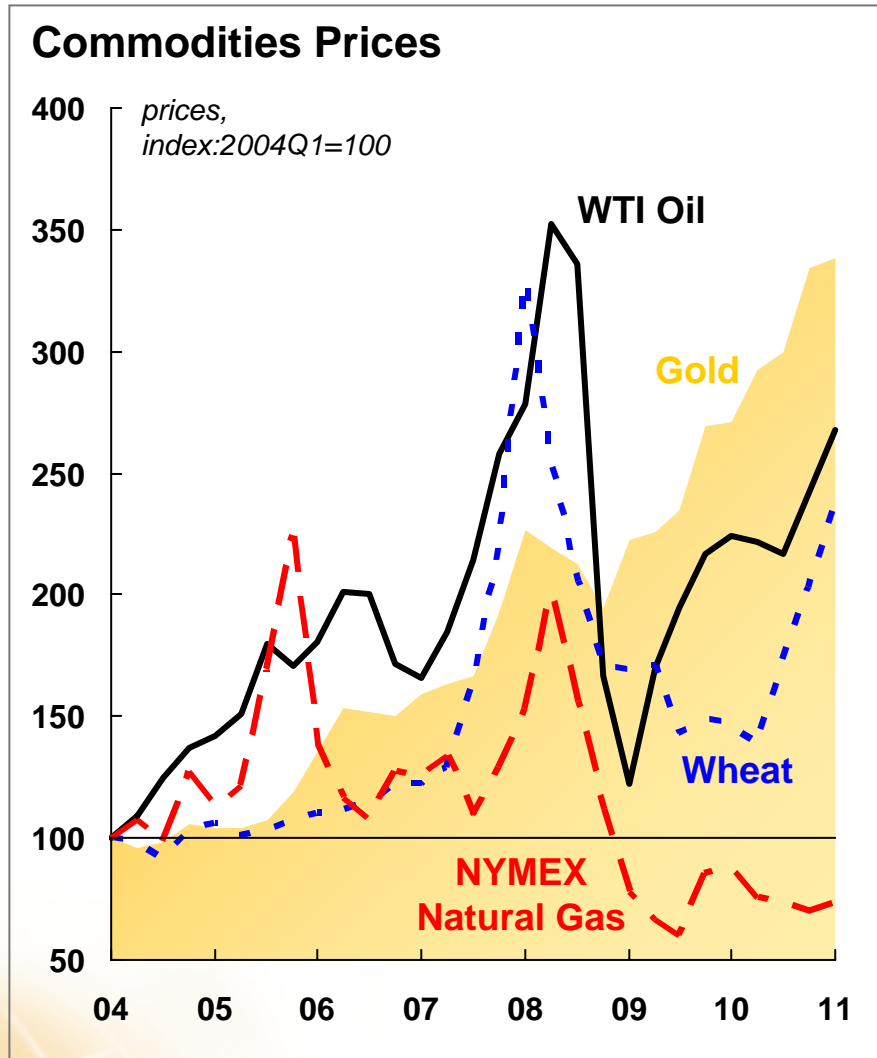
Source: U.S. Treasury.

# ... & Fiscal Repair Will Temper Growth Beyond Mid-Decade

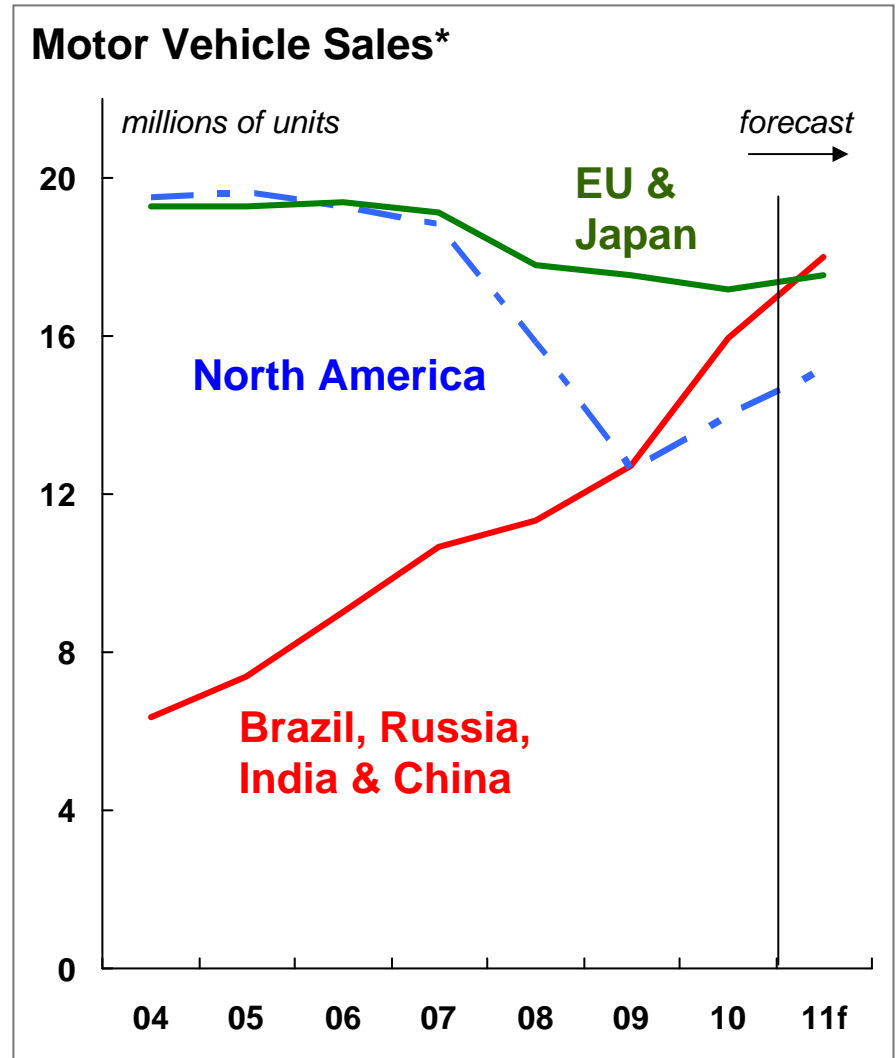


Source: IMF, Scotia Economics.

# Emerging Markets are Driving Global Growth



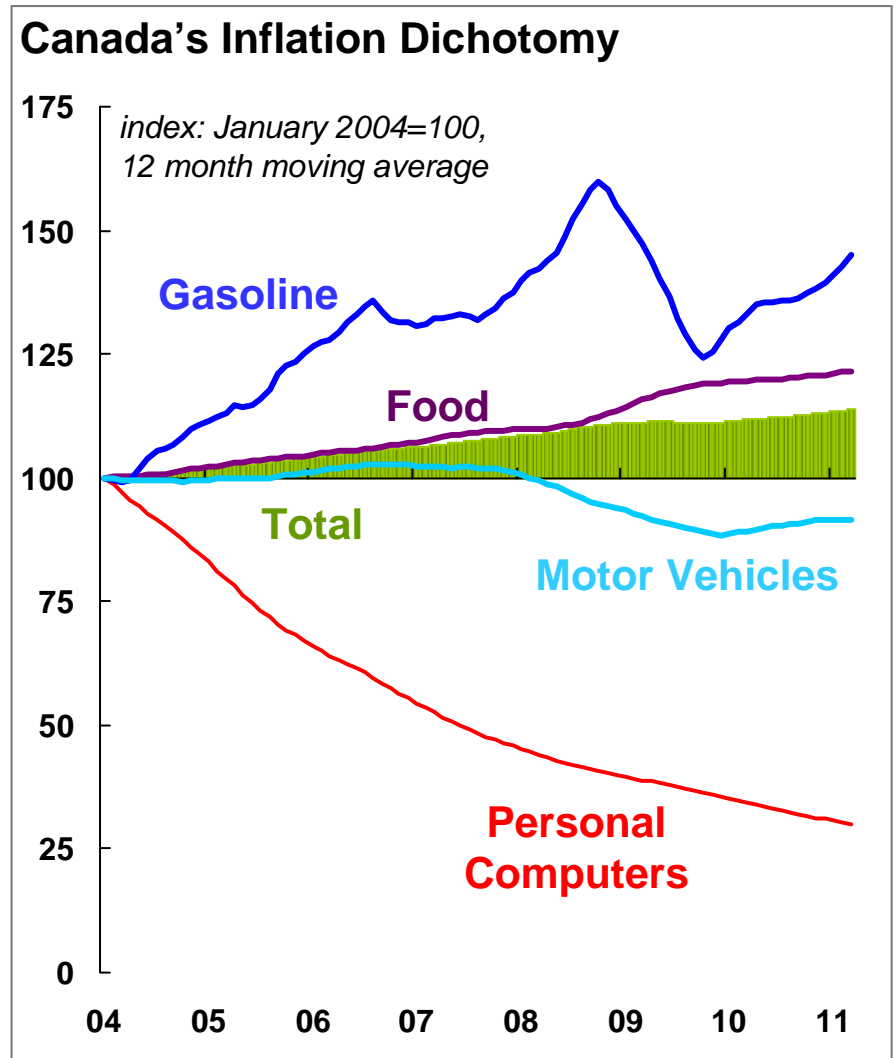
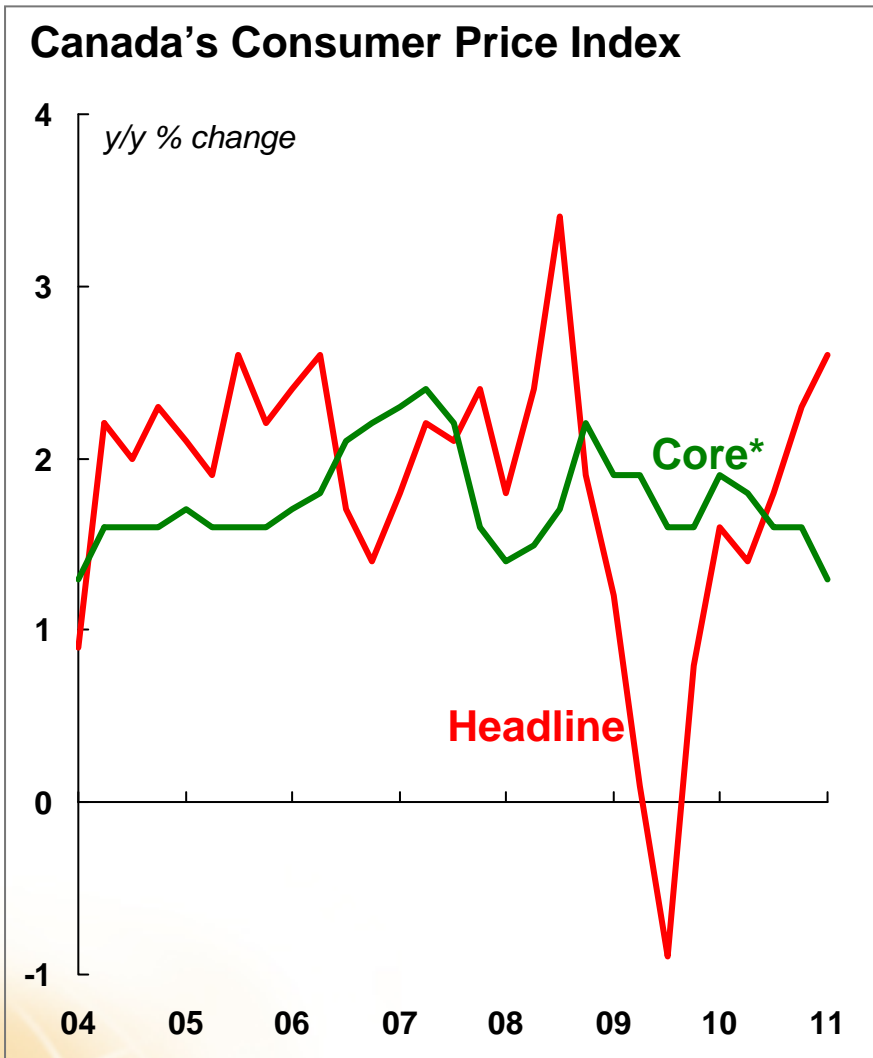
Source: Scotia Economics, Bloomberg.



\*Includes light trucks in North America.

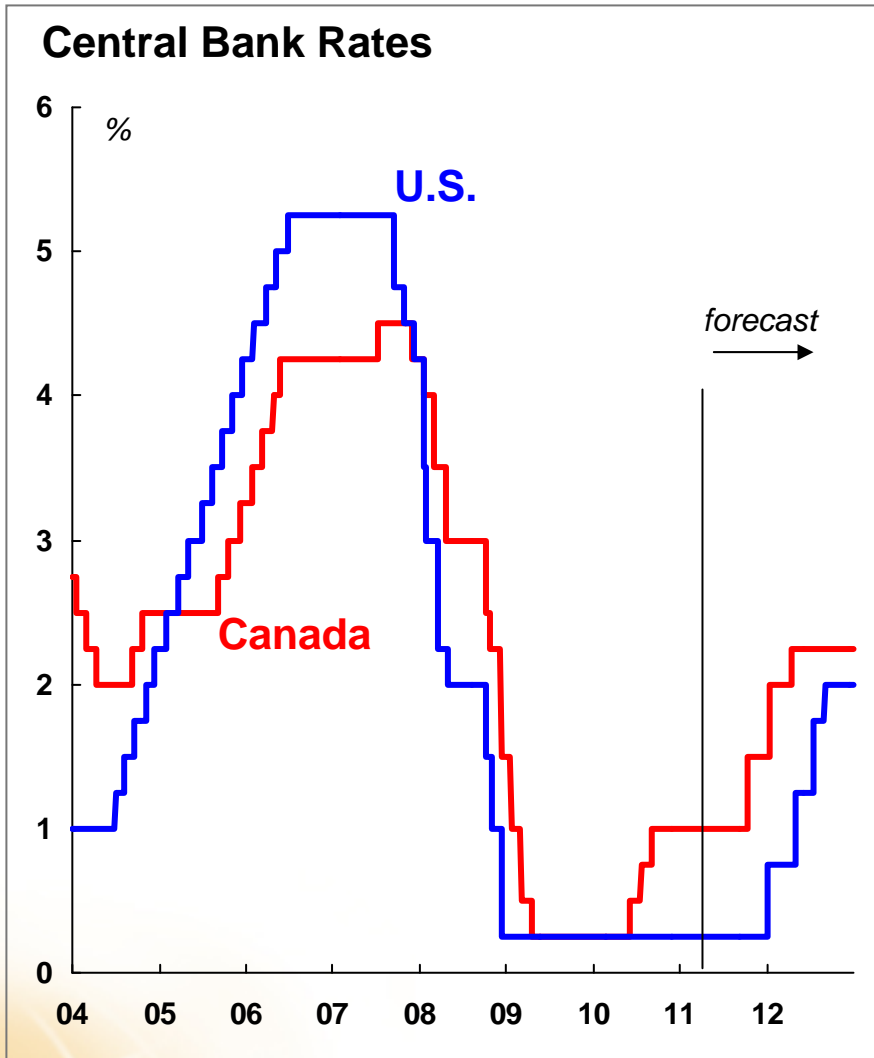
Source: Scotia Economics, Ward's Automotive Reports.

# Inflation Risks Are Rising

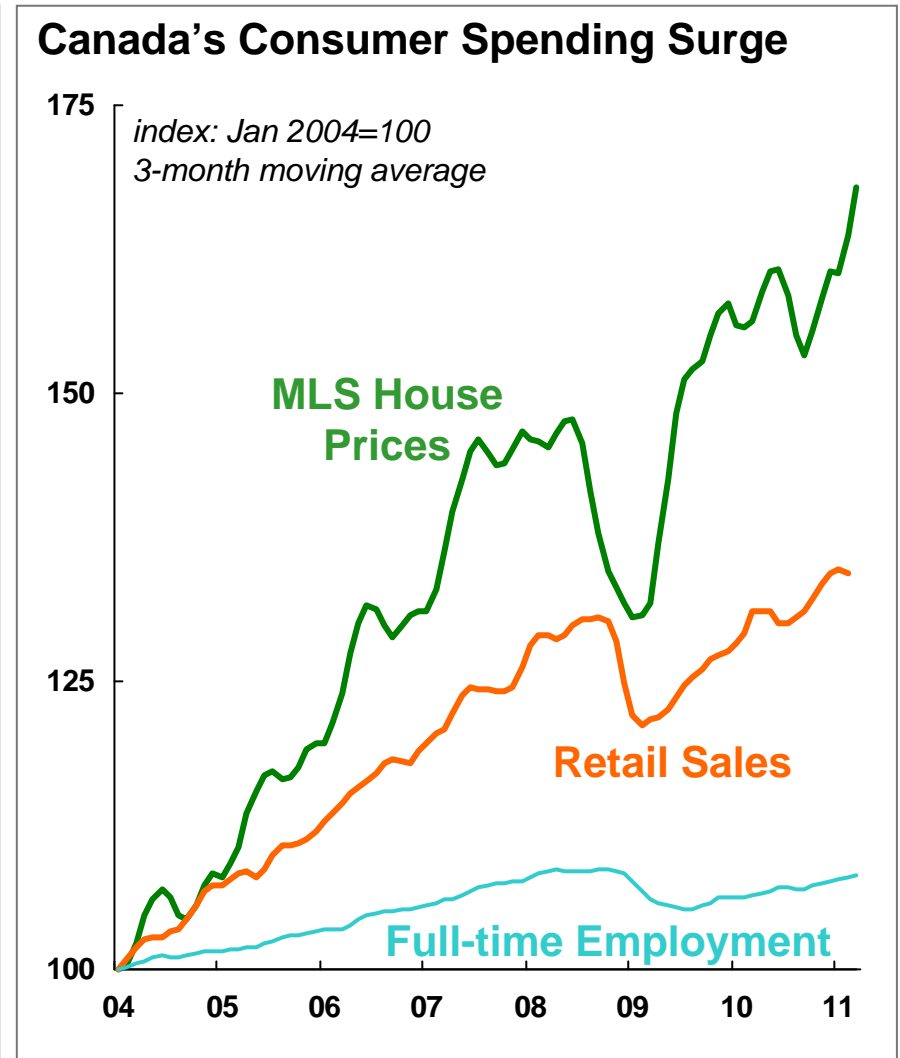


\*CPI ex-8 most volatile components & impact of indirect tax changes. Source: Scotia Economics, Statistics Canada.

# Low Interest Rates Support Retail Sales and Home Prices



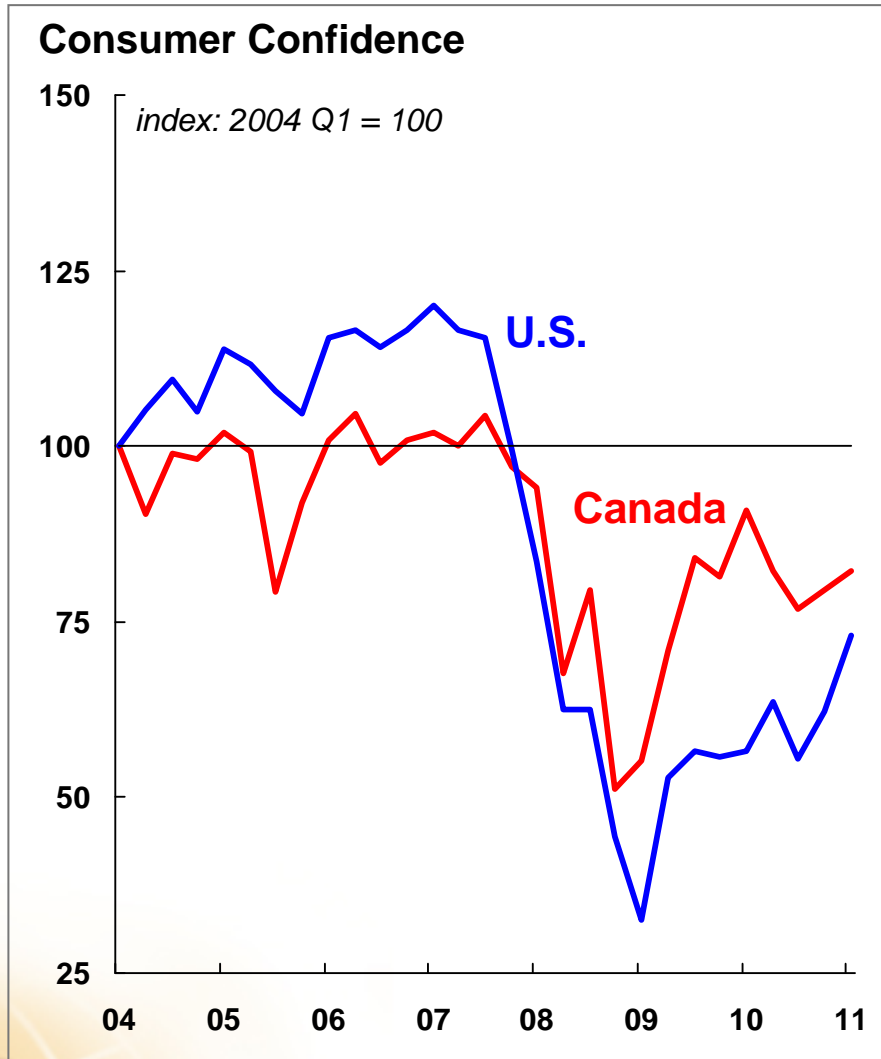
Source: Bank of Canada, U.S. Federal Reserve, Scotia Economics.



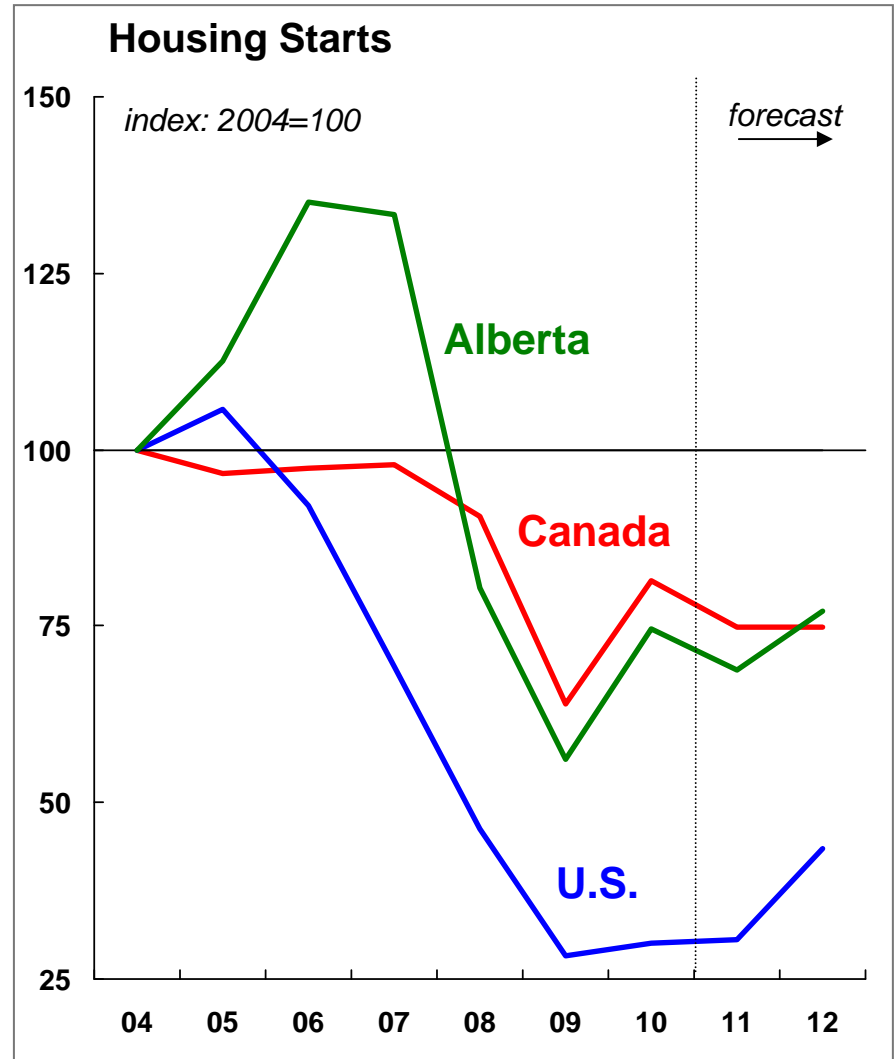
Source: Canadian Real Estate Association, Statistics Canada.



# Stronger Job Creation & Confidence Underpin Housing Market

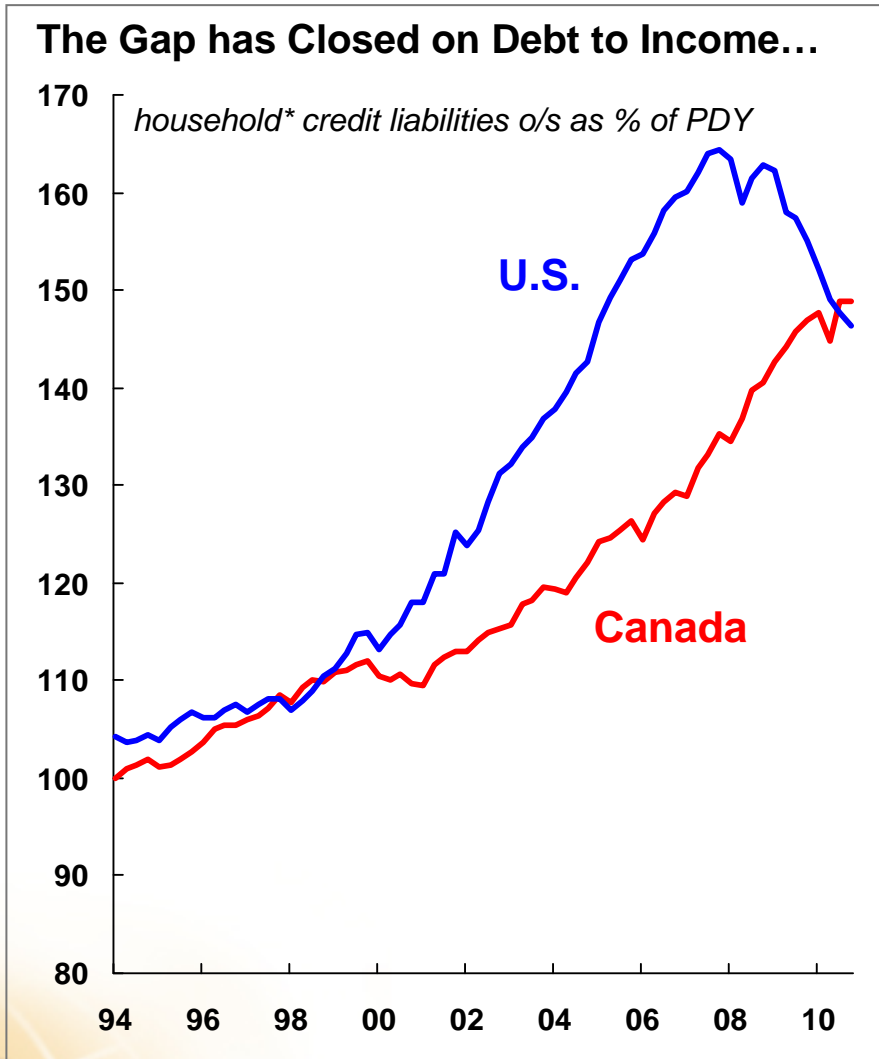


Source: The Conference Board, Scotia Economics.



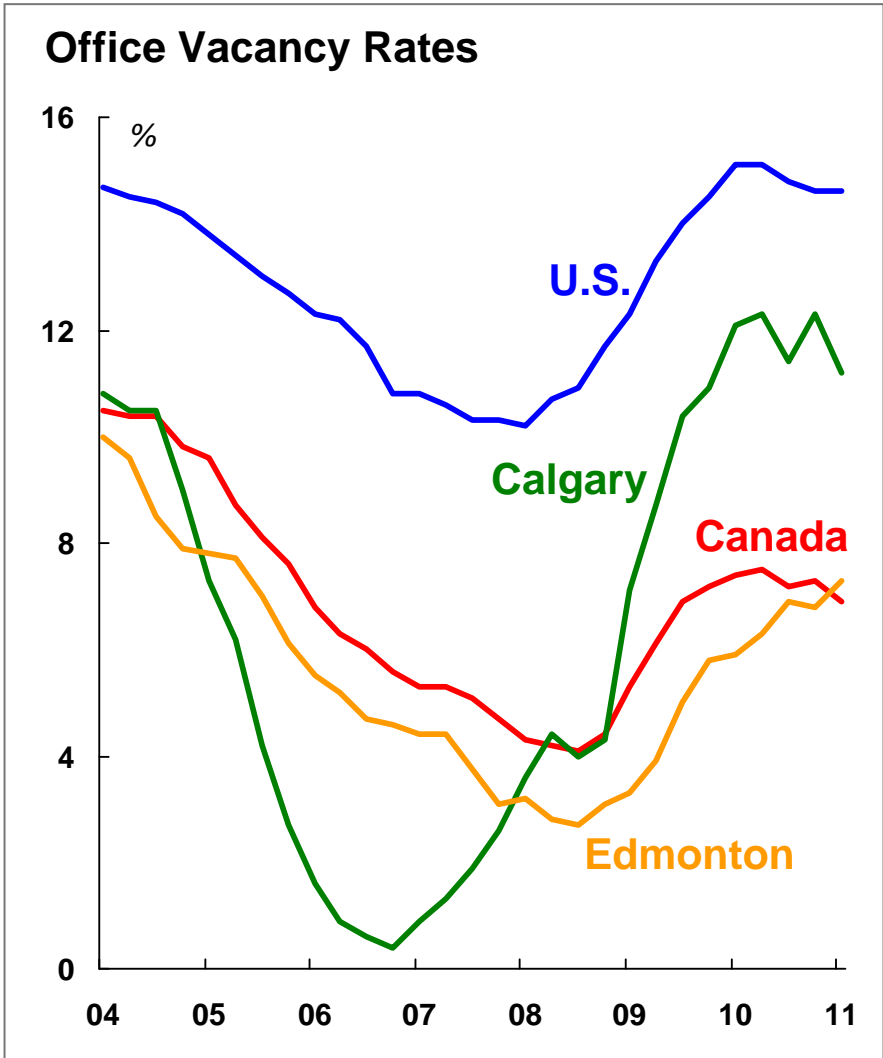
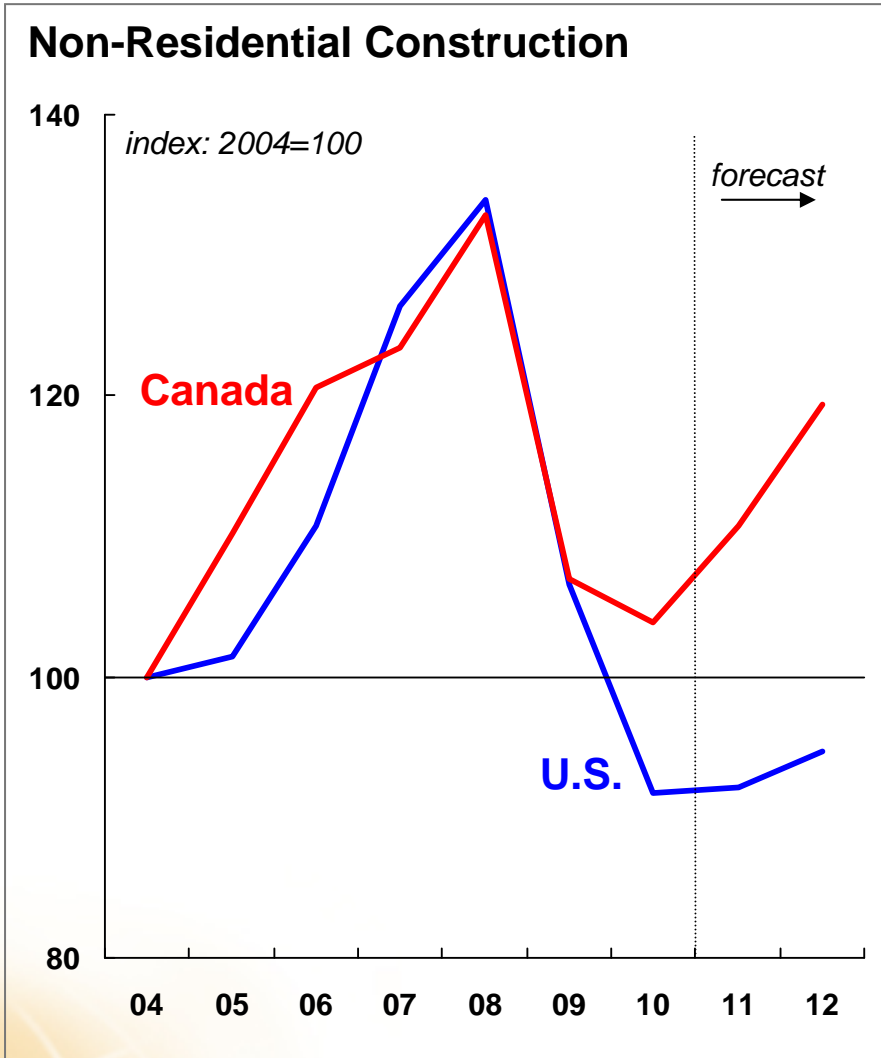
Source: Global Insight, Scotia Economics.

# Despite Rising Debt, Canadian Finances Are in Better Shape



\* Includes households and unincorporated business. Source: U.S. Federal Reserve, Statistics Canada, Scotia Economics.

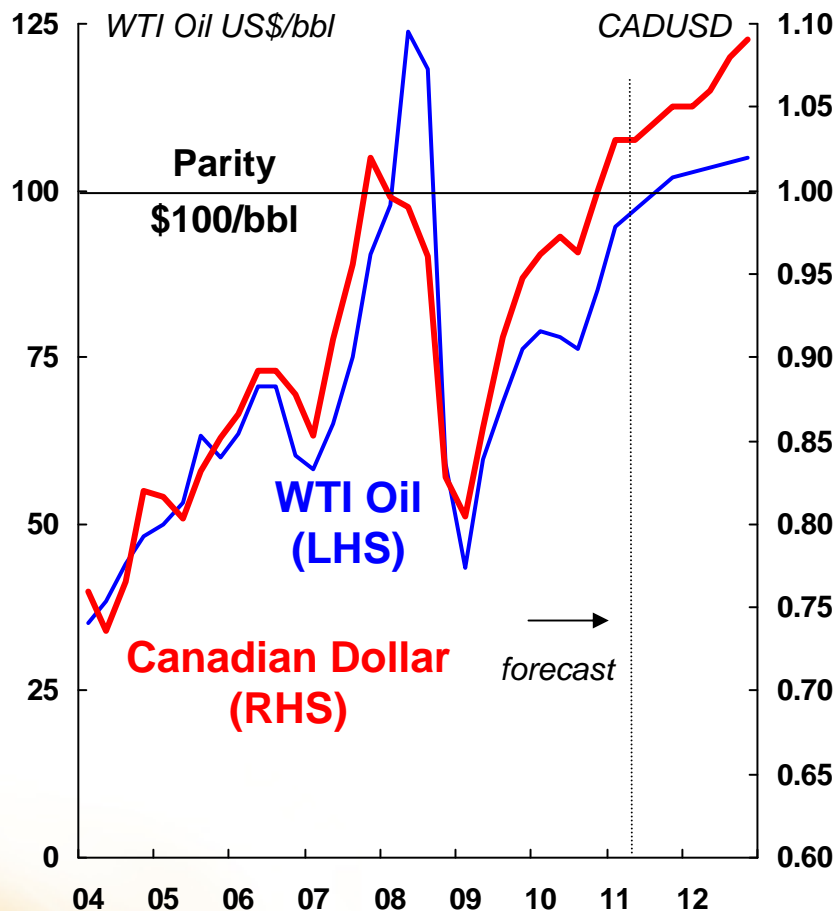
# Non-res Construction Also More Resilient in Canada...



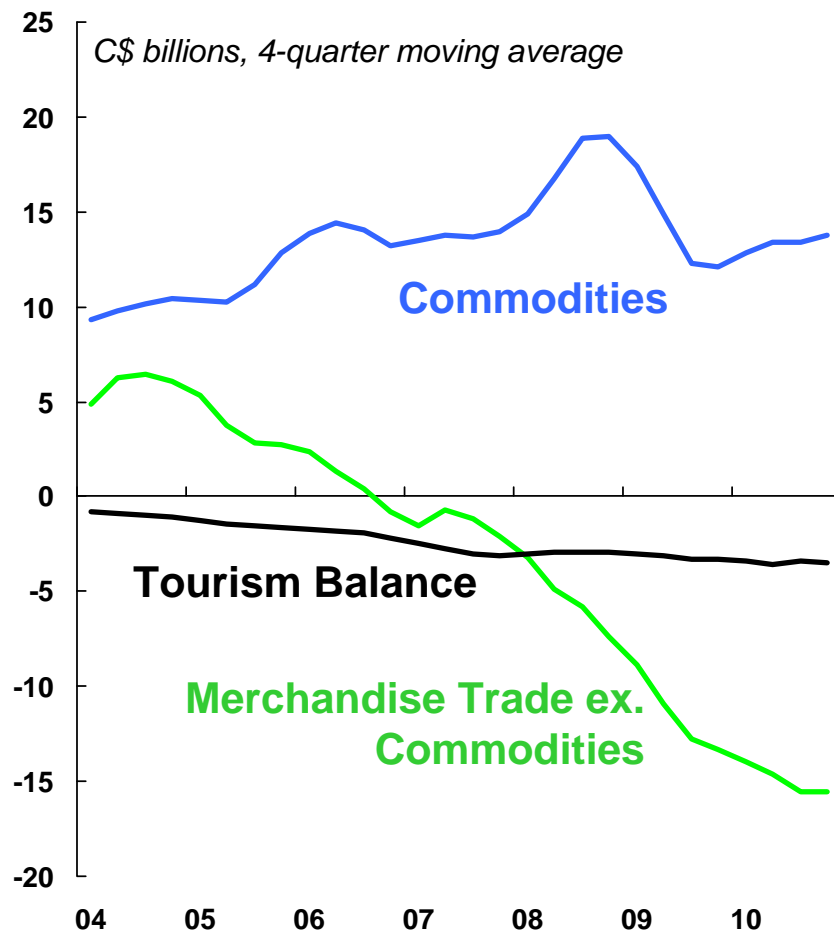
Source: Statistics Canada, CBRE, Cushman & Wakefield Scotia Economics.

# ... & Loonie Strength, U.S. Weakness Hit Our Exports

## The Loonie Continues to Fly High...

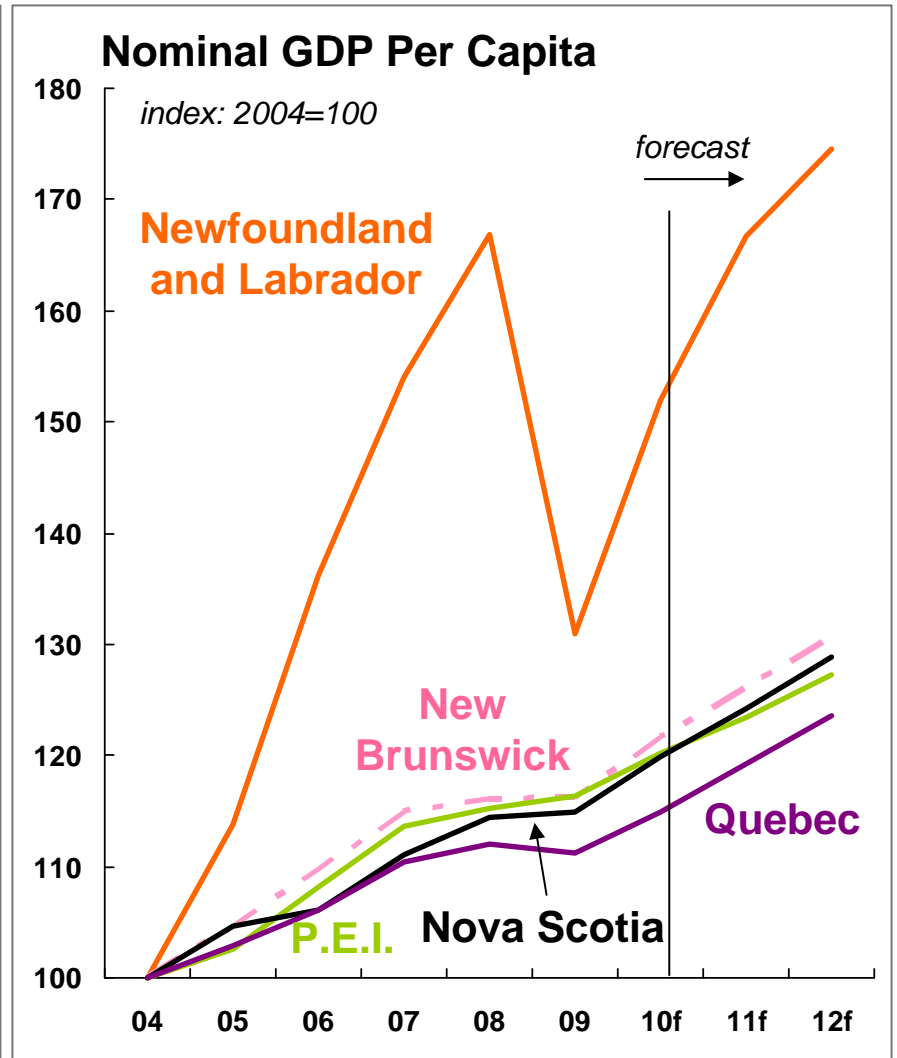
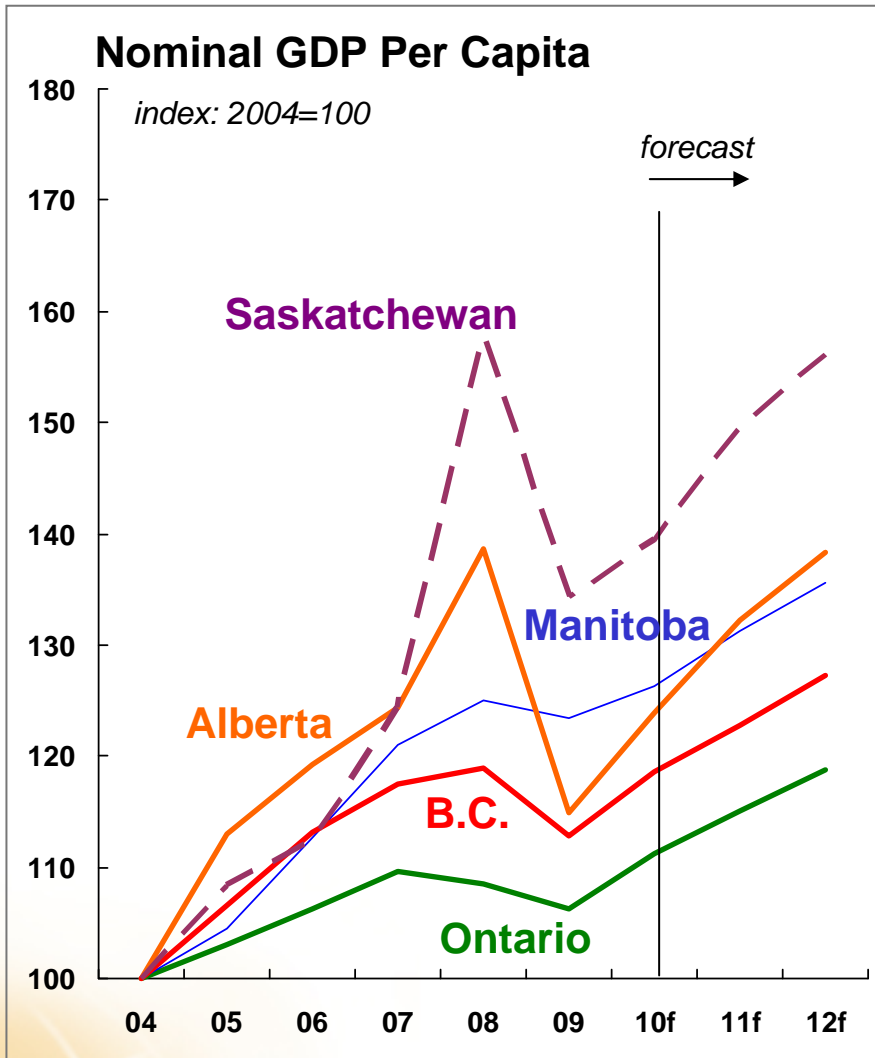


## ...Despite Weaker Trade Balances



Source: Scotia Economics, Statistics Canada, Bloomberg.

# Growth & Income Prospects Best in Resource Regions



Source: Statistics Canada, Scotia Economics.

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