

CANADA: ECONOMIC FORECASTS

JULY 23, 2018

ALBERTO CALVA // ACUS CONSULTING

acalva@acusconsulting.com

This is our report regarding the economic forecasts for Canada based on the quarterly report from the Bank of Canada (Canada's central bank): “Monetary Policy Report” for inflation and real GDP growth. The last report was released last July 11, 2018. The exchange rate and the crude oil price forecasts are based on the quotations in the futures market reported by the CME Group on July 20, 2018. The cross references are estimated by Acus Consulting Ltd. Figures in parenthesis are the forecasts from three months ago.

Average annual real GDP growth, inflation CPI average annual rate, exchange rates, oil prices

	2017 actual	2018	2019	2020
Inflation CPI:				
Canada	1.6%	2.4% (2.3%)	2.2% (2.1%)	2.1% (2.1%)
Real GDP growth:				
Canada	3.0%	2.0% (2.0%)	2.2% (2.1%)	2.0% (1.8%)
US	2.3%	3.1% (2.7%)	2.5% (2.7%)	1.8% (2.0%)
Euro Area	2.6%	2.2% (2.3%)	1.6% (1.7%)	1.4% (1.5%)
Japan	1.7%	0.9% (1.5%)	0.9% (1.0%)	0.2% (0.2%)
China	6.9%	6.5% (6.6%)	6.2% (6.3%)	6.0% (6.1%)
World	3.6%	3.8% (3.8%)	3.5% (3.6%)	3.4% (3.4%)
Exchange rate December:				
USD/CAD	1.277	1.311 (1.273)	1.314 (1.263)	1.308 (1.258)
EUR/USD	1.201	1.185 (1.214)	1.221 (1.254)	1.253 (1.290)
EUR/CAD cross ref	1.511	1.554 (1.545)	1.604 (1.584)	1.639 (1.623)
GBP/USD	1.353	1.322 (1.370)	1.334 (1.393)	1.357 (1.416)
GBP/CAD cross ref	1.728	1.733 (1.744)	1.753 (1.759)	1.775 (1.781)
USD/CNY	6.512	6.812 (6.381)	6.870 (6.469)	6.926 (6.558)
CAD/CNY cross ref	5.099	5.196 (5.013)	5.228 (5.122)	5.295 (5.213)
USD/MXN	19.06	19.53 (19.88)	20.52 (20.91)	21.51 (22.12) (*)
CAD/MXN cross ref	14.93	14.90 (15.62)	15.62 (16.56)	16.44 (17.58)
Crude oil December:				
WTI West Texas Int	57.88	65.72 (68.66)	61.99 (62.20)	58.88 (57.79)

Source: Bank of Canada, “Monetary Policy Report”, July 11, 2018 and Futures Market CME Group, July 20, 2018

CPI = Consumers' Price Index, GDP = Gross Domestic Product

USD = US Dollar, CAD = Canadian Dollar, GBP = Great British Pound, CNY = Chinese Yuan, MXN = Mexican Peso

Figures in parenthesis are the forecasts from three months ago.

About Acus Consulting. This firm supports companies, organizations and government agencies in financial and strategic analysis, investment project evaluations, financial modeling, valuation of ongoing companies, financial planning, risk analysis, profitability and economic value creation analysis, and decision making. Acus Consulting works in consulting projects and offers workshops of finance for executive training. It is based in Toronto. Acus was established in 1990.

About Alberto Calva. His expertise field is finance and economics. He has been a business consultant for more than 20 years. He has given workshops in 8 different countries having trained with this around 10,000 executives and entrepreneurs from 20 different countries. He has a unique mix of academic, practical, entrepreneurial, hands on experience and board member background. He holds a Bachelor of Industrial Engineering, a Master of Economics and an MBA with a major of Finance.

| [Alberto Calva](#) | acalva@acusconsulting.com | acalva@acus.ca | Cell & WhatsApp +1-416-824-1924 |

*We are not responsible for the accuracy of the figures here presented,
neither for the decisions taken based on this information or based on our comments.*

Note: If you do not want to continue receiving this information, please let us know at this e-mail address. On the contrary, if you want us to include other persons in one of our e-mailing lists, please send us the information (name, company, position, city and country, and email address).

Respect: In Acus Consulting we respect your privacy. We do not sell or rent our data base, neither we give any information to any person or company. Our data base is used only to send reports and emails prepared by our firm.

Responsibility: We are not responsible for the accuracy of the figures here presented; neither for the decisions taken based on this information or based on our comments.

Reproduction and resending of this report: If you want to resend this report or if you want to print and copy it, this is permitted by us, as far as the resend or the printing and copying is always made of the whole report, as far as the name and credit for the authors is maintained, and as far as no profit is made from this.

*We are not responsible for the accuracy of the figures here presented,
neither for the decisions taken based on this information or based on our comments.*