



# The Economic Outlook

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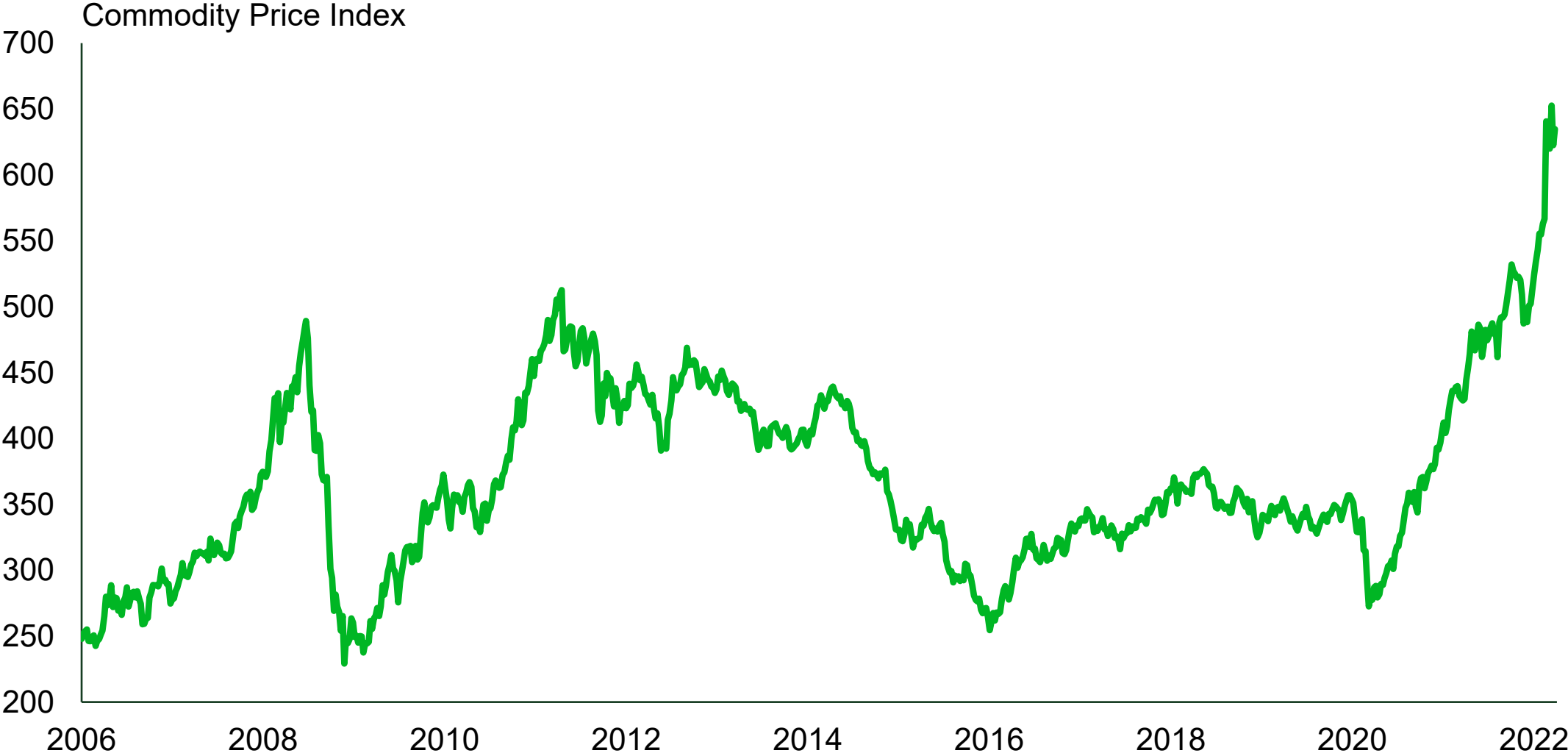


# Supply Pressures Had Shown Some Signs of Easing...



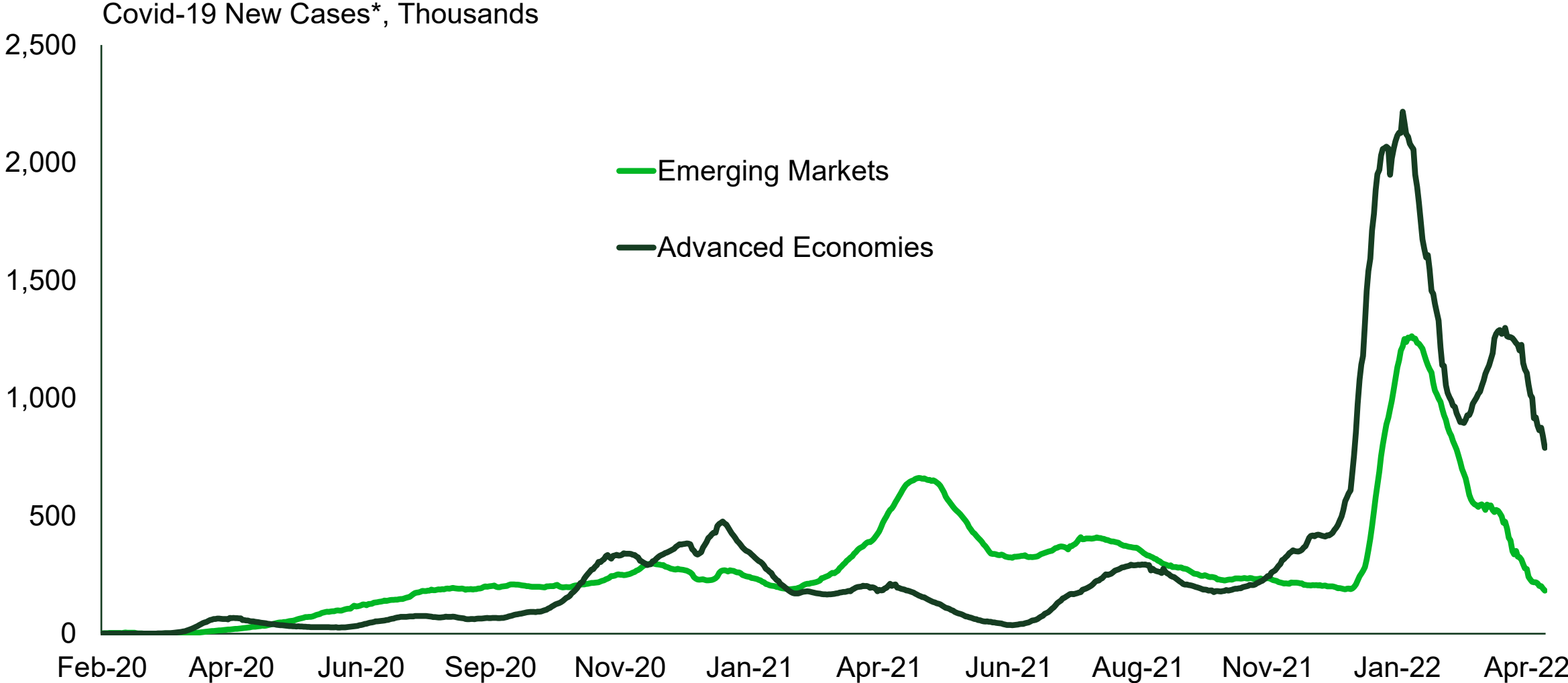
Source: Bloomberg, TD Economics. Last observation: April 14, 2022.

# Russia/Ukraine War Threatens Further Commodity Price Run-Up, Further Supply Chain Snarls



Source: Bloomberg, TD Economics. Last observation: April 15, 2022.

# Covid Is Still With Us

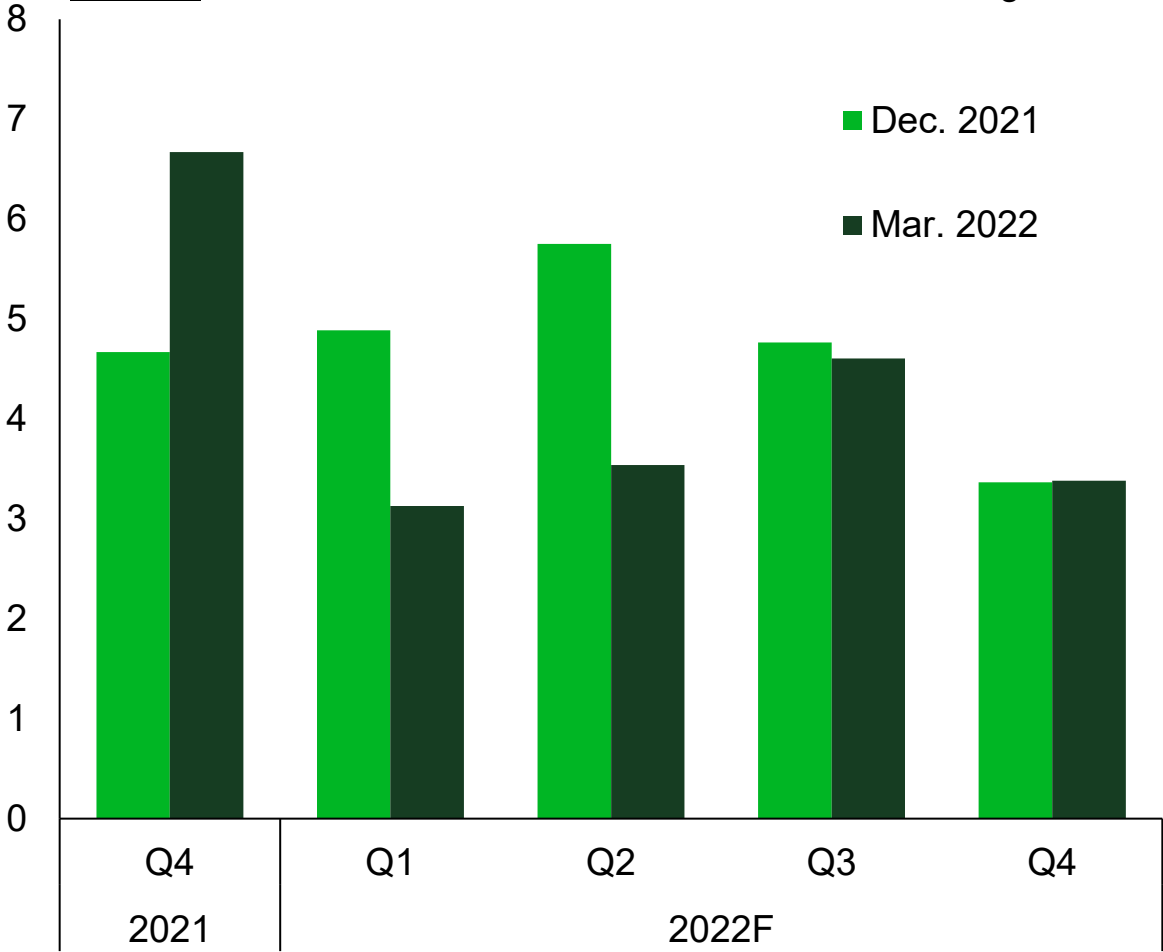


\*7-day moving average. Source: OWID, TD Economics. Last observation: April 13, 2022.

# Economic Growth Expected To Continue

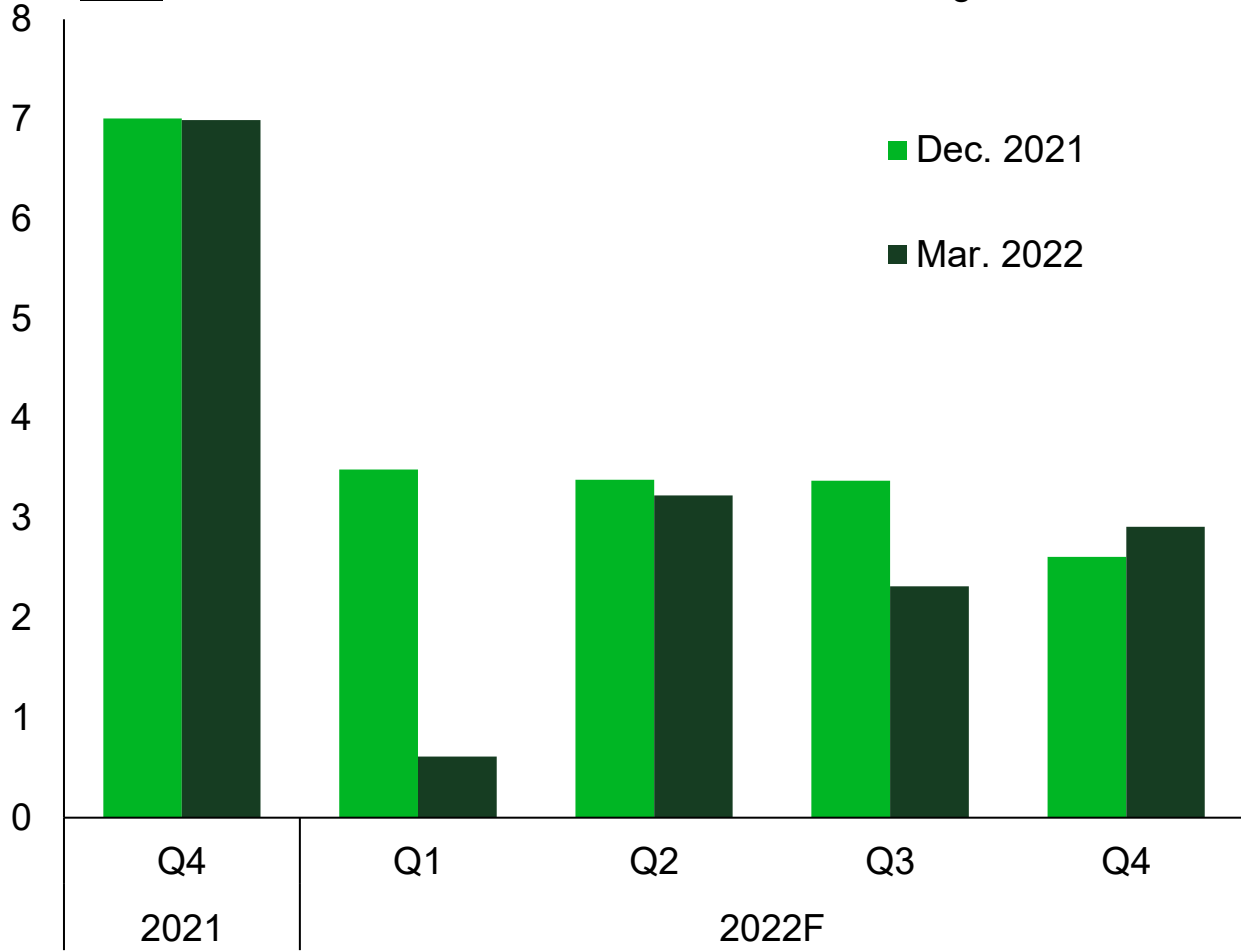


Canada Real GDP, Annualized Quarter/Quarter % Change



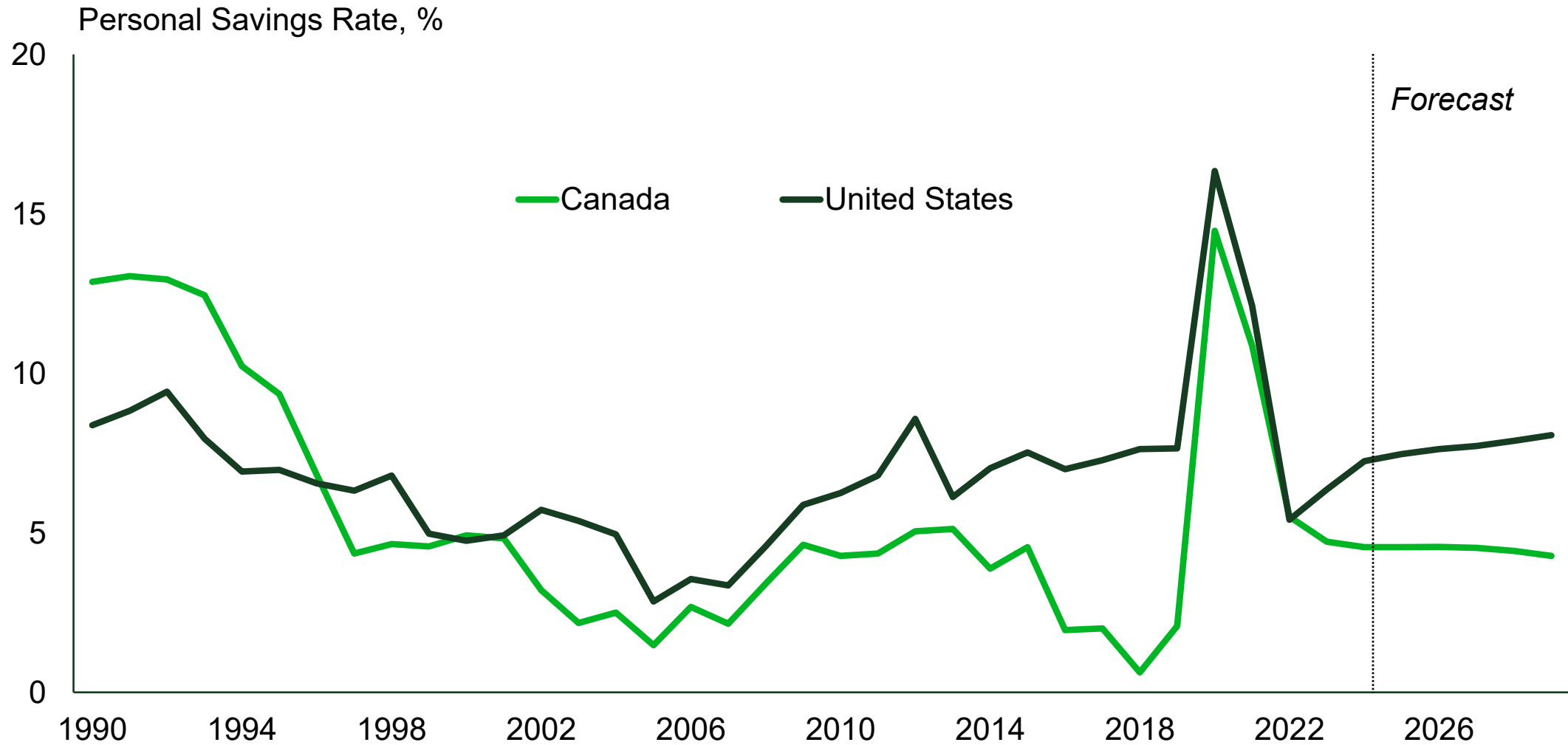
Source: TD Economics. Forecast as at March 2022.

U.S. Real GDP, Annualized Quarter/Quarter % Change



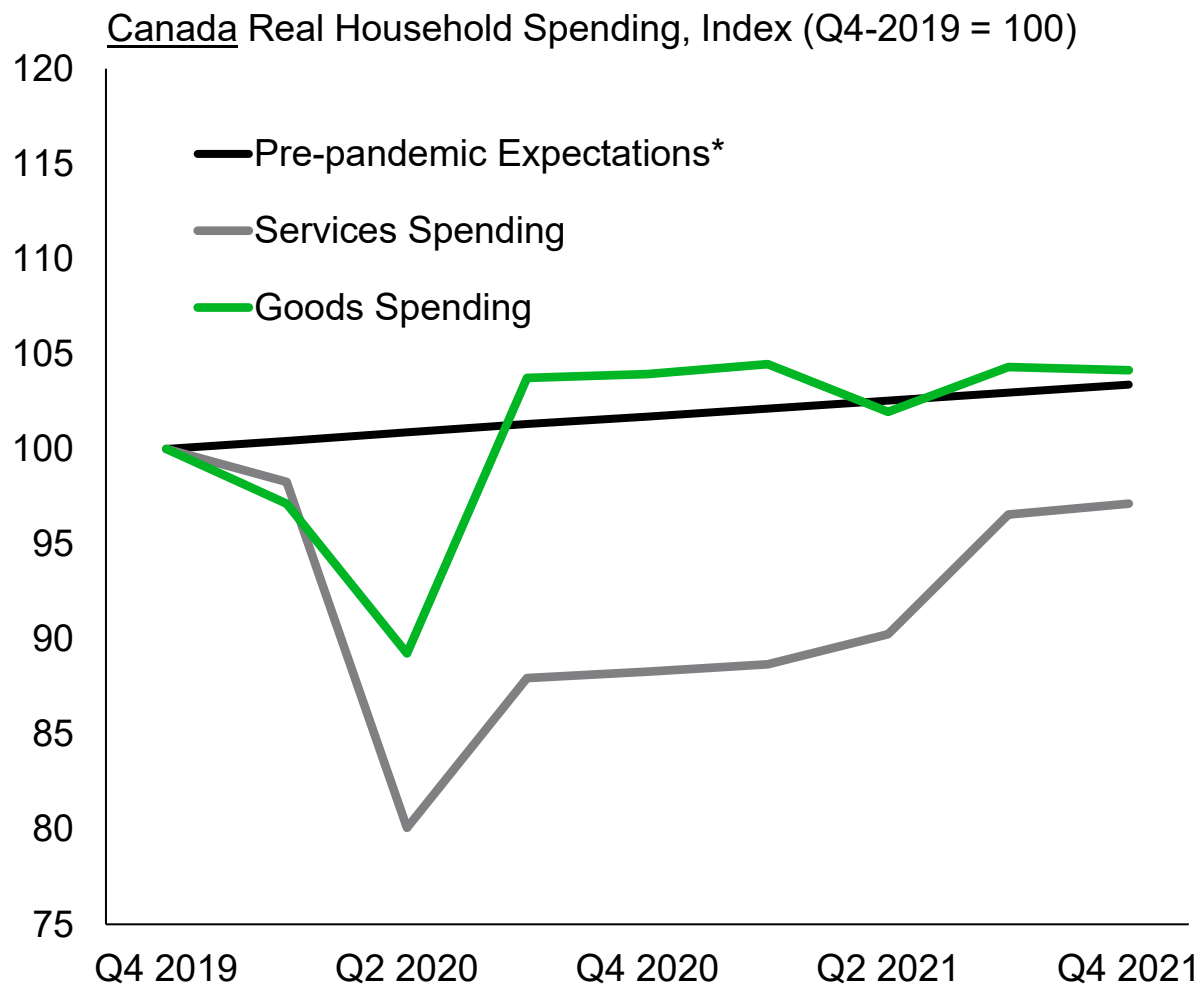
Source: TD Economics. Forecast as at March 2022.

# Lots of Spending Gas Left in the Tank

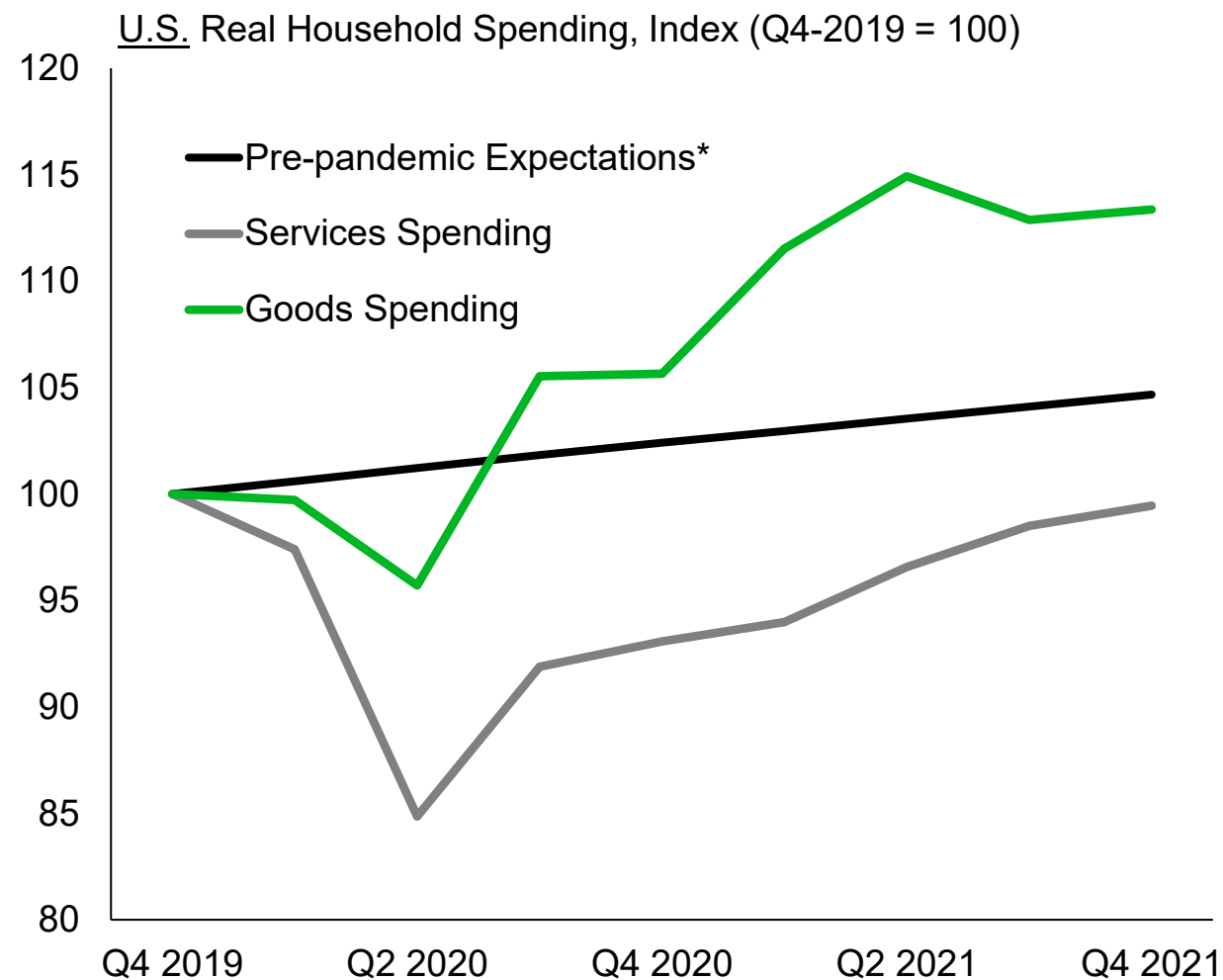


Source: Statistics Canada, Bureau of Economic Analysis, TD Economics. Forecast as of March 2022.

# The Composition of Demand Should Shift toward Services

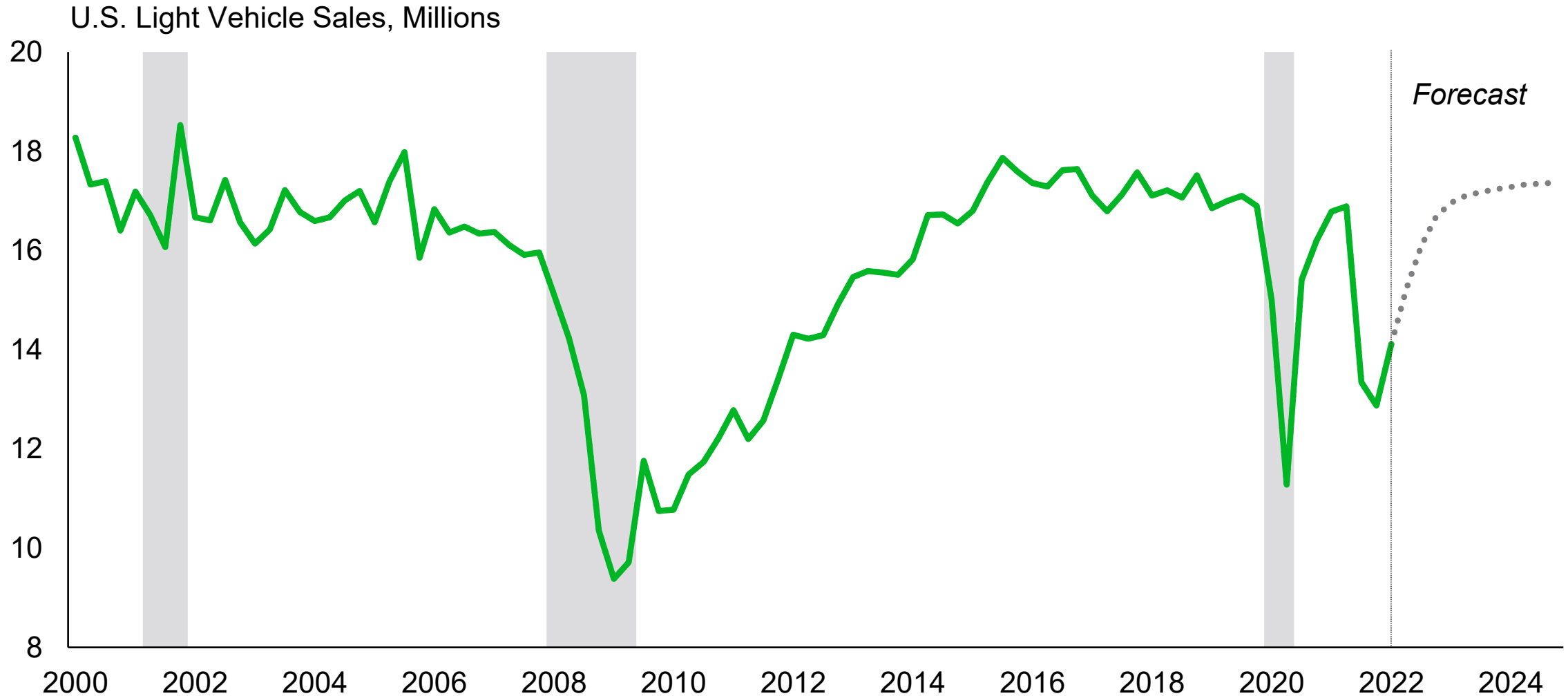


\*Goods and services expected to grow at similar rate prior to pandemic.  
Source: Statistics Canada, TD Economics.



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Source: Bureau of Economic Analysis, TD Economics.

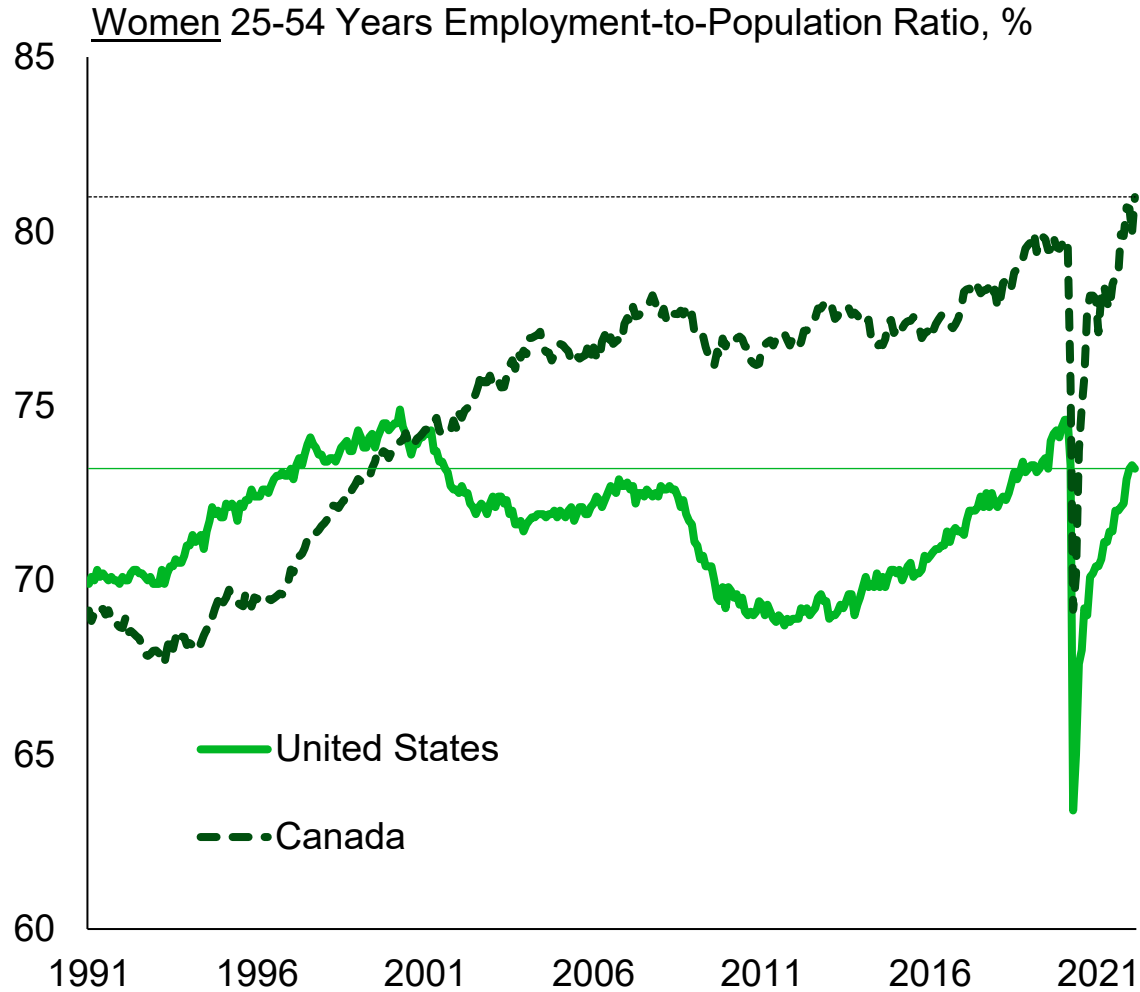
# Auto Production & Sales Hit by Global Chip Shortage



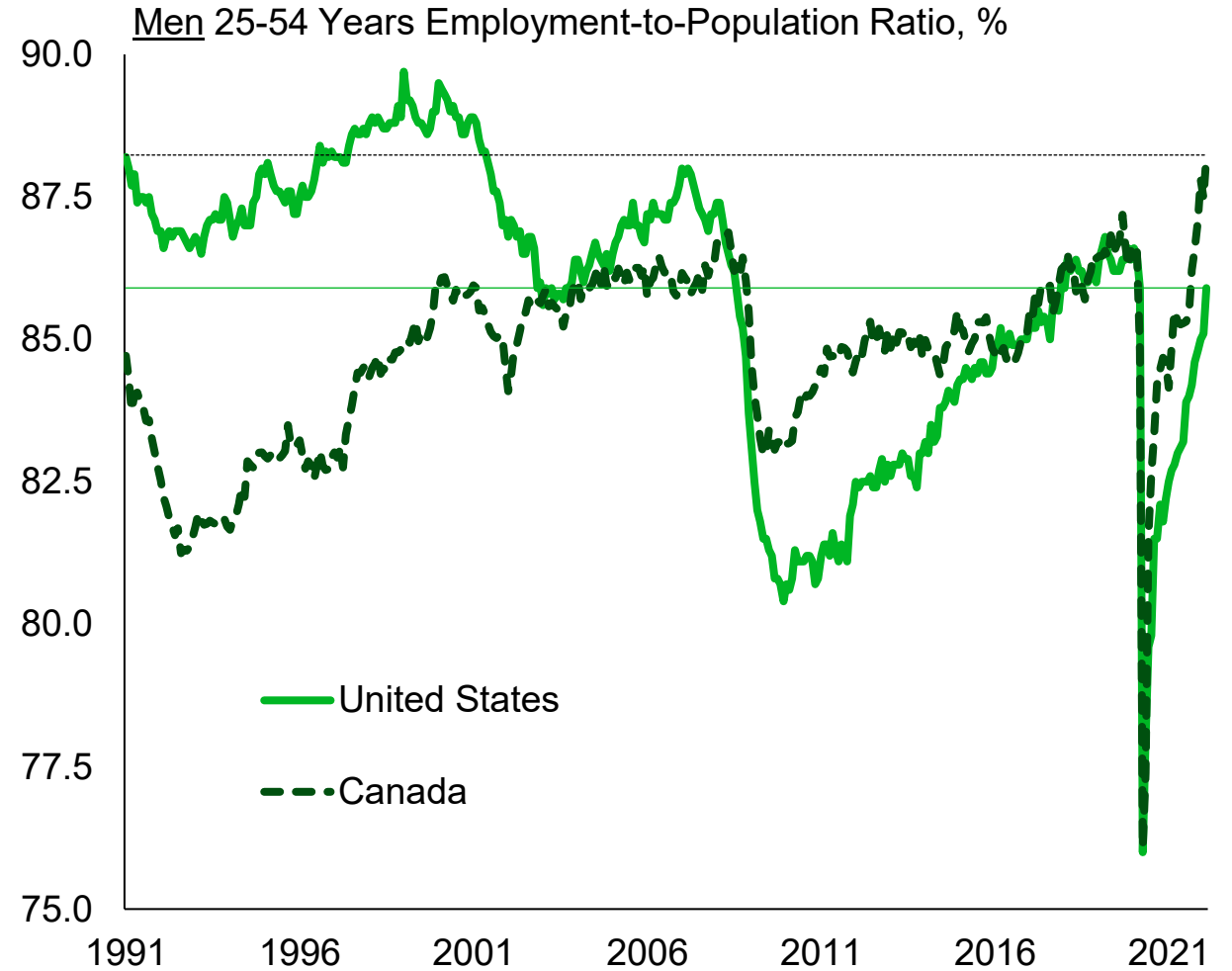
Source: Bureau of Economic Analysis, TD Economics.



# "The Labor Market Is Very Strong and Extremely Tight"



Source: Statistics Canada, Bureau of Labor Statistics, TD Economics.  
Last observation: February 2022.

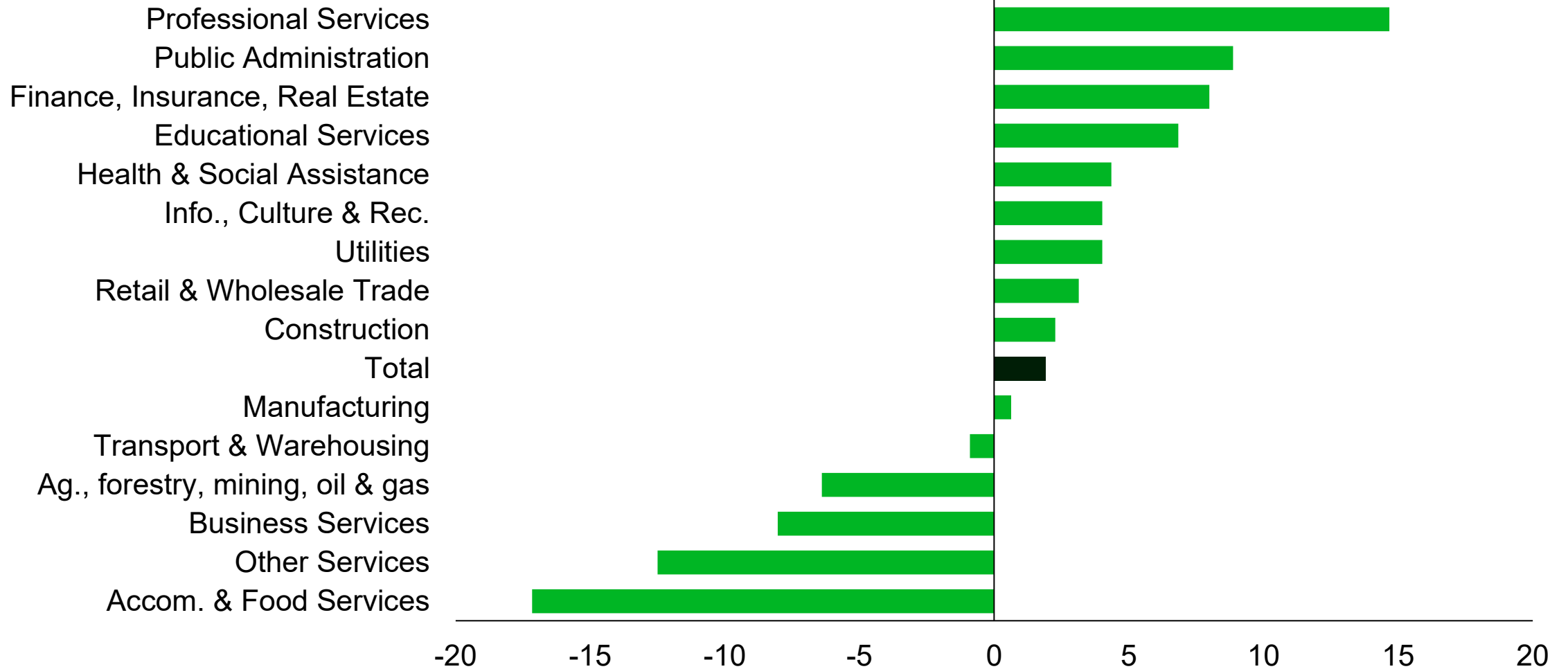


Source: Statistics Canada, Bureau of Labor Statistics, TD Economics.  
Last observation: February 2022.

# Most Canadian Industries Have Recovered from Covid Shock

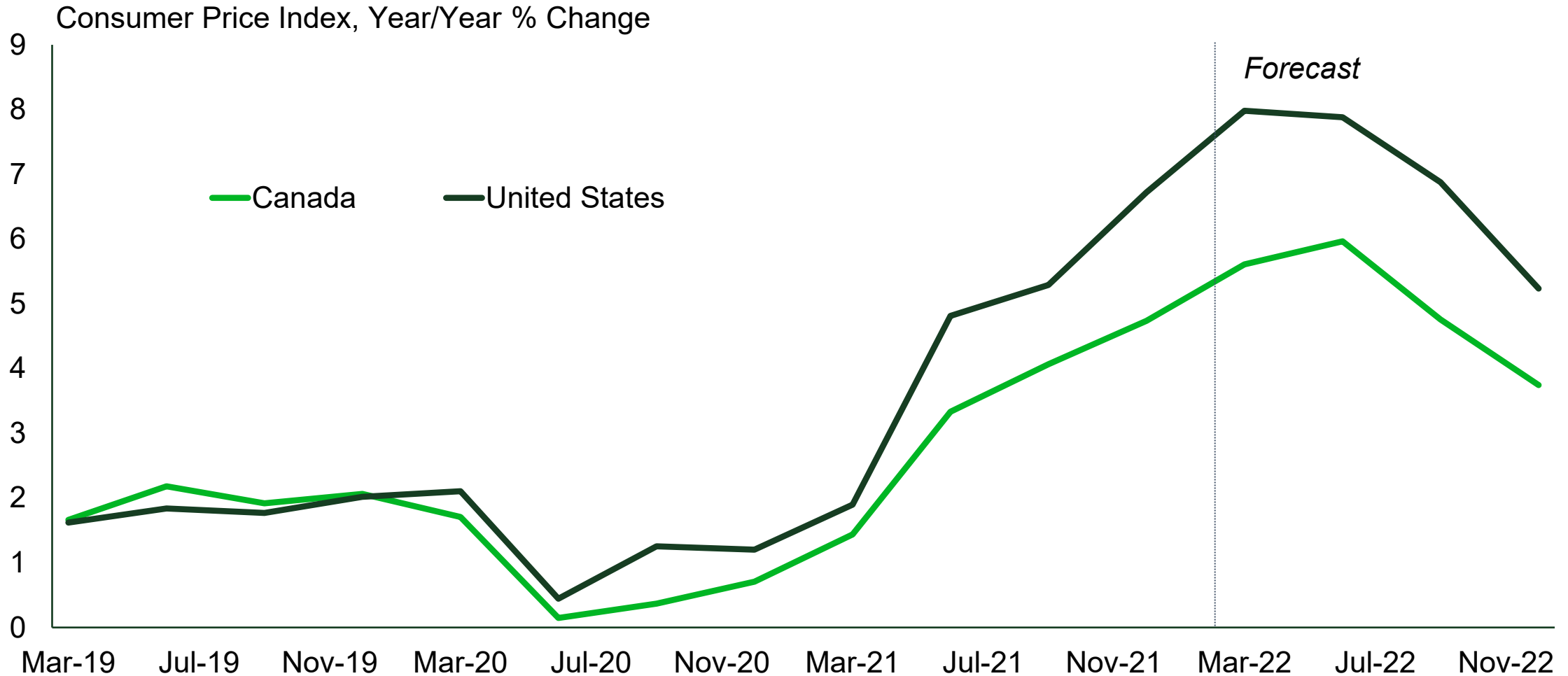


Percent Change in Jobs by Canadian Industries Relative to February 2020



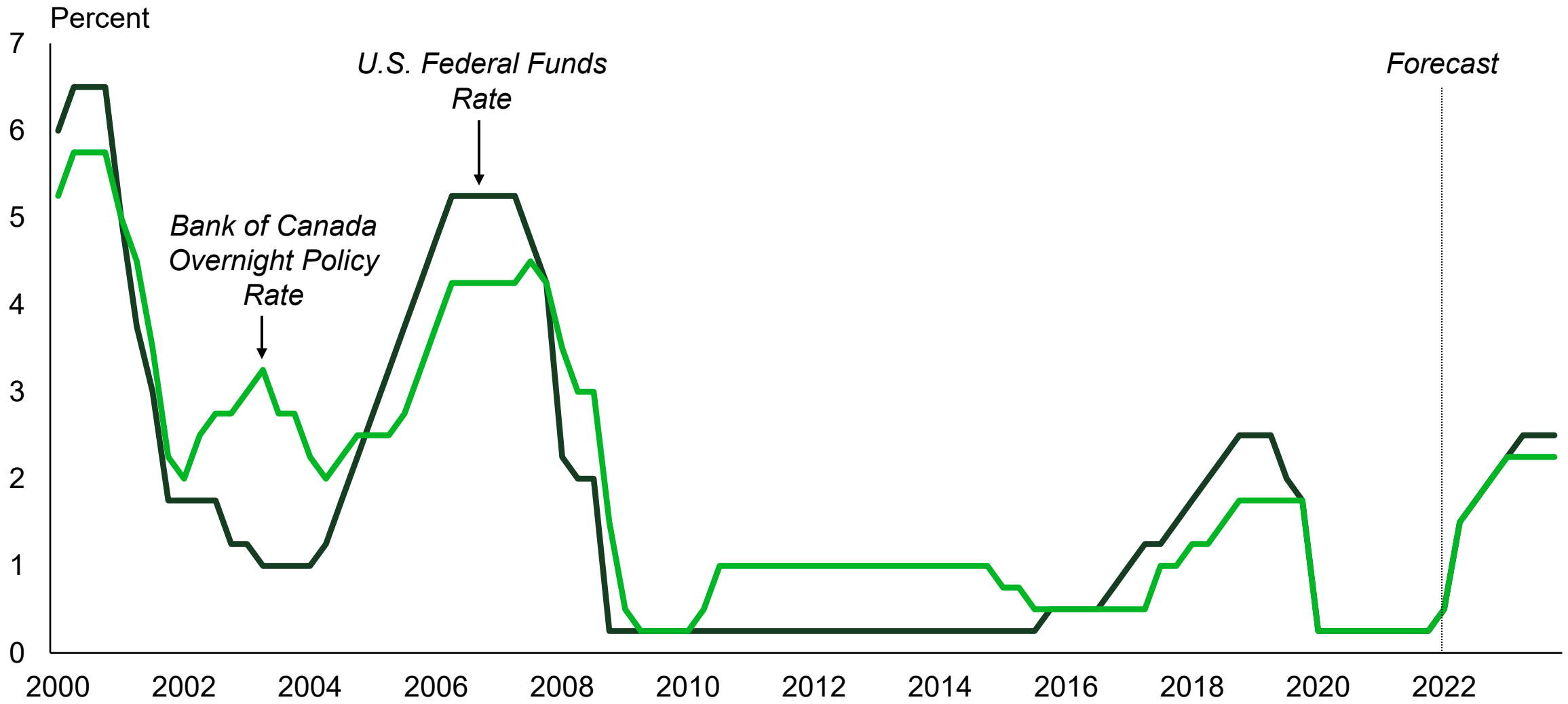
Note: Compared to February 2022. Source: Statistics Canada, TD Economics.

# Inflation to Push to Brink of Double Digits, but Should Slow Toward the End of the Year



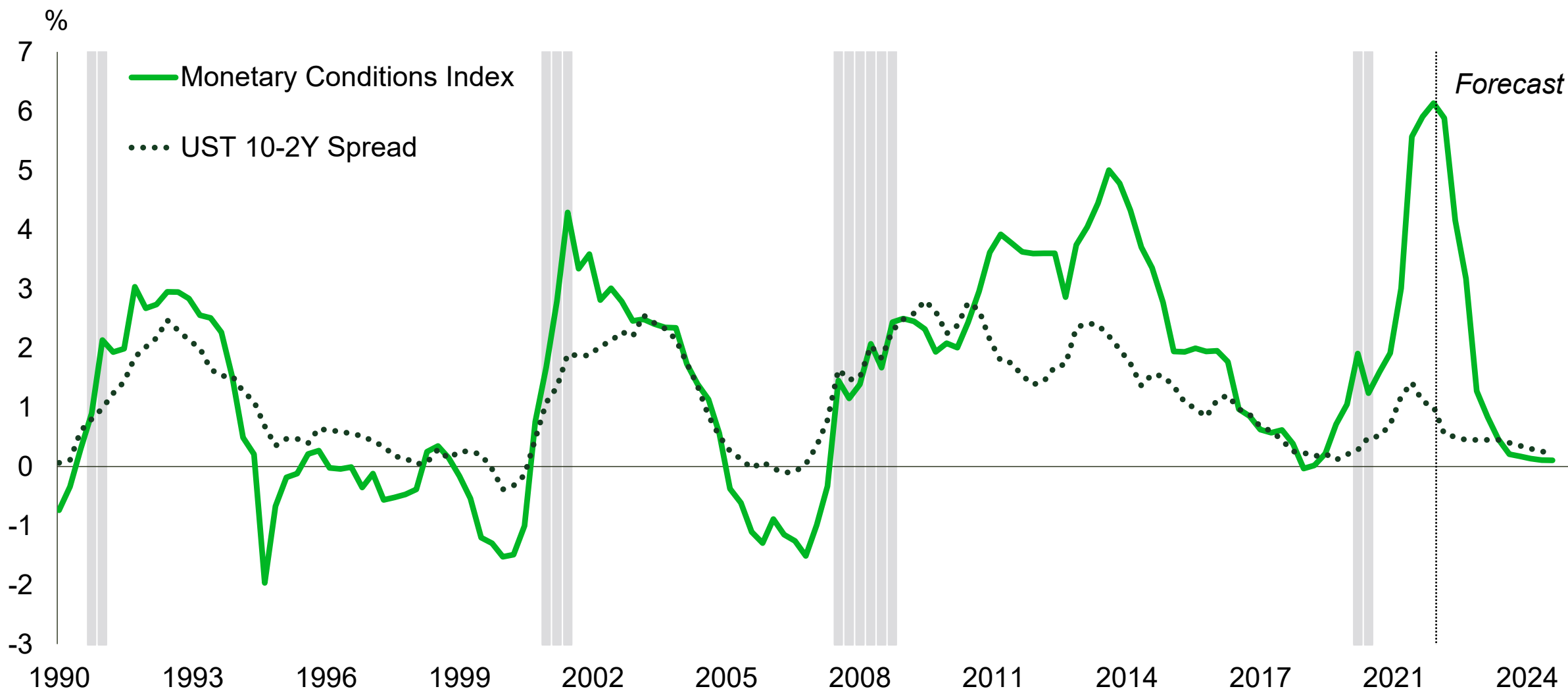
Source: TD Economics. Forecast as of March 2022.

# For Central Banks, Inflation Risks Now Dominate



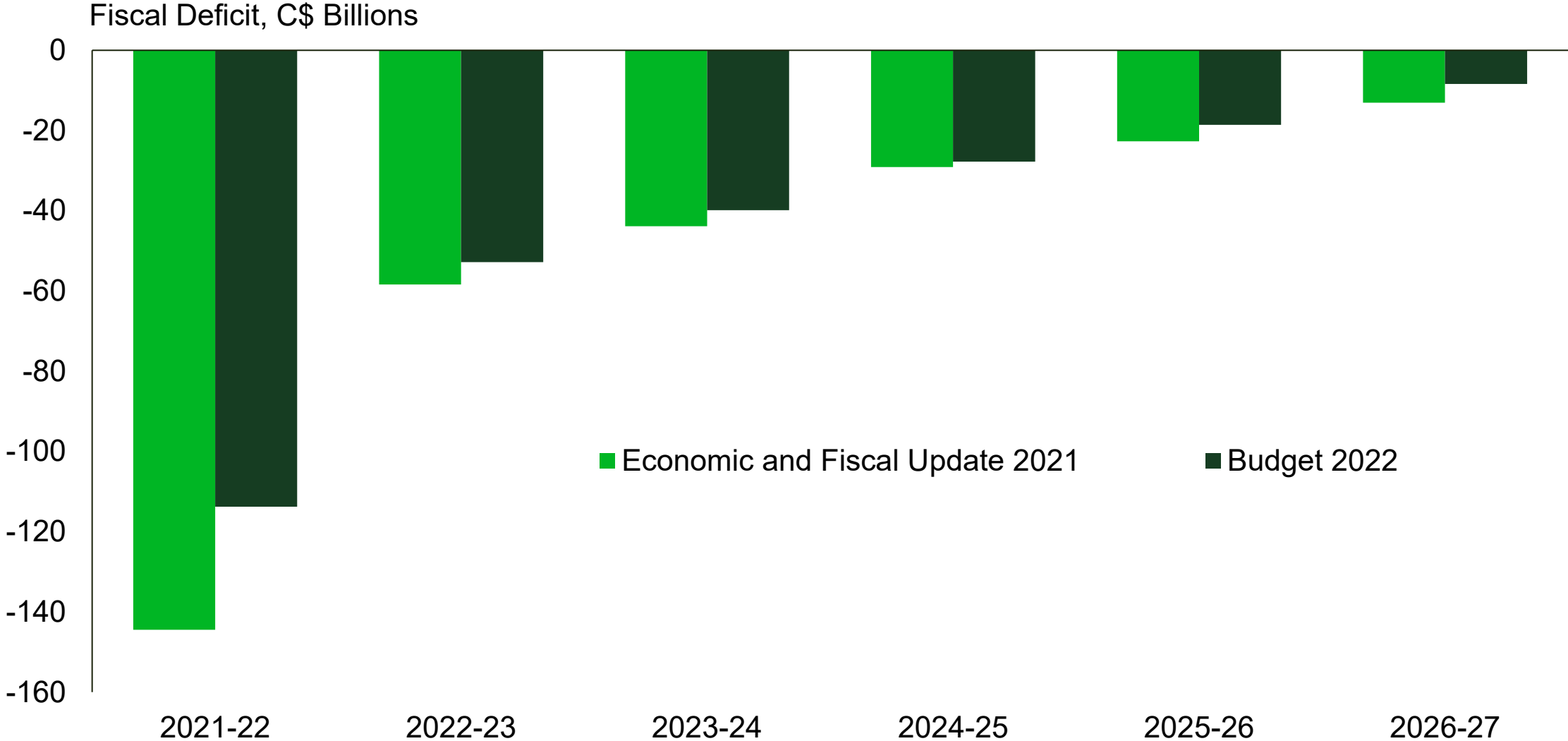
Source: Bank of Canada, Federal Reserve, TD Economics. Forecast as of March 2022.

# Speed Of Adjustment May Pose Downside Risk



Note: Shaded areas denote NBER Recessions. Source: BLS, FRB, NBER, WU, TD Economics.

# Federal Government Still Tapping on the Accelerator

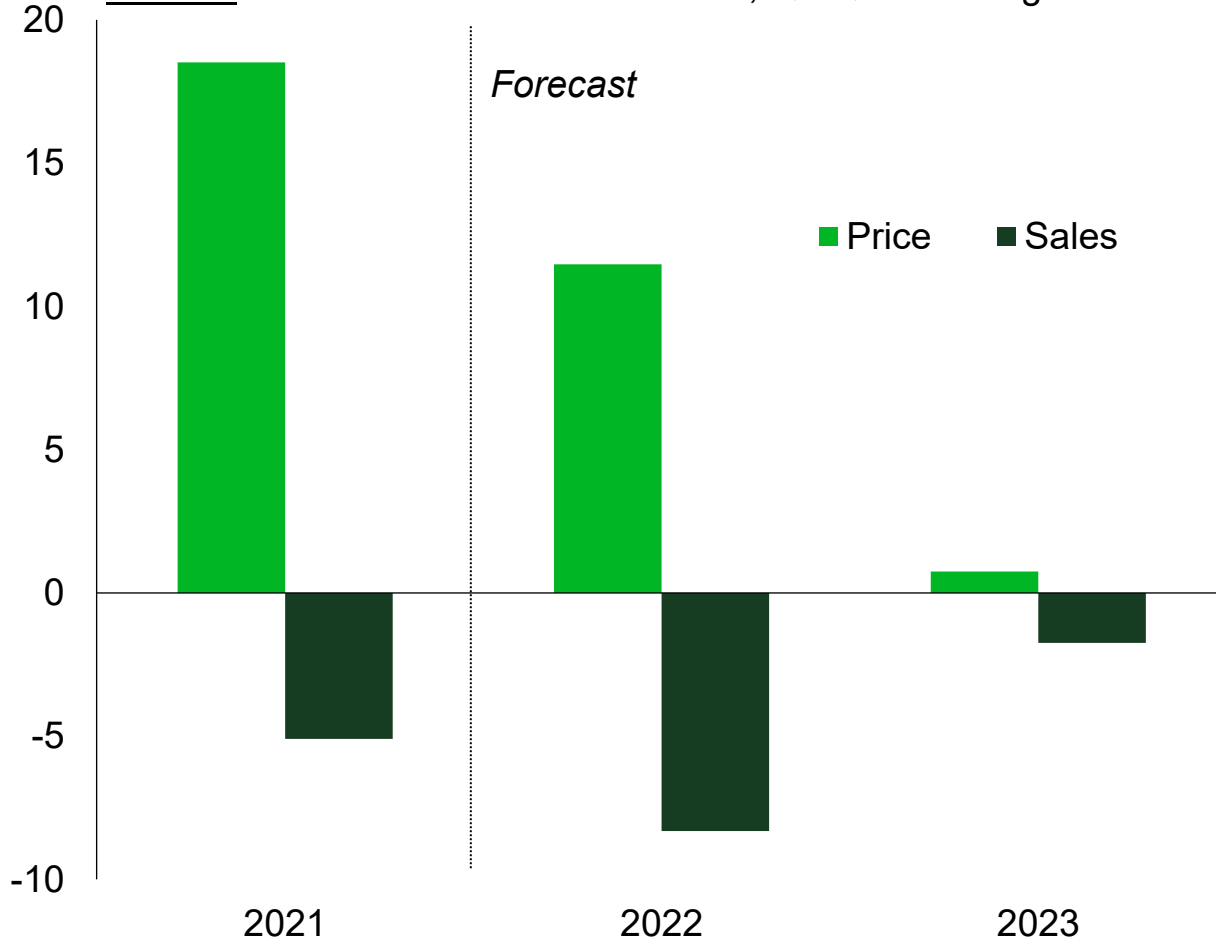


Source: Department of Finance Canada, TD Economics.

# Rising Rates To Take Heat Off Housing

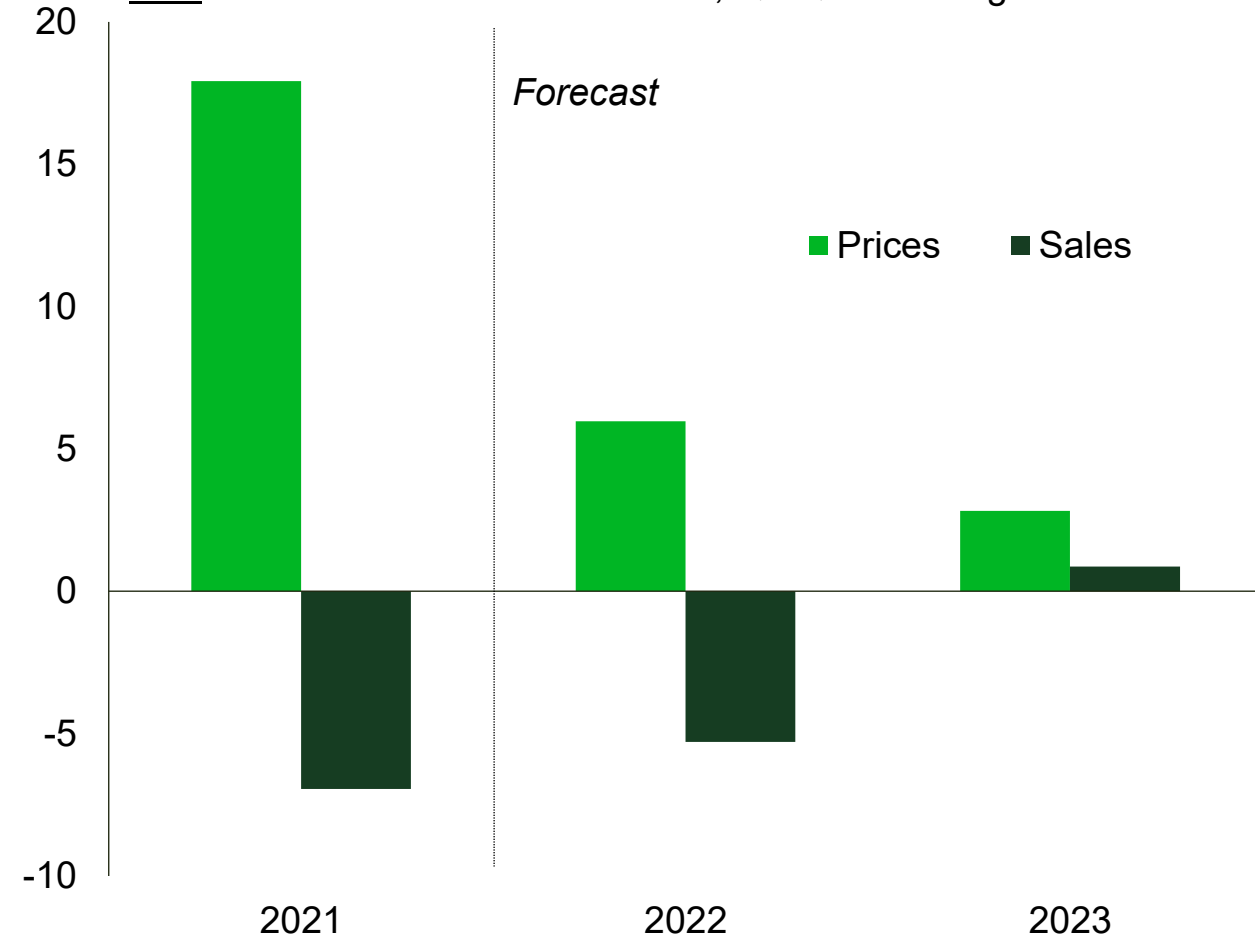


Canada Home Price and Sales Growth, Q4/Q4 % Change



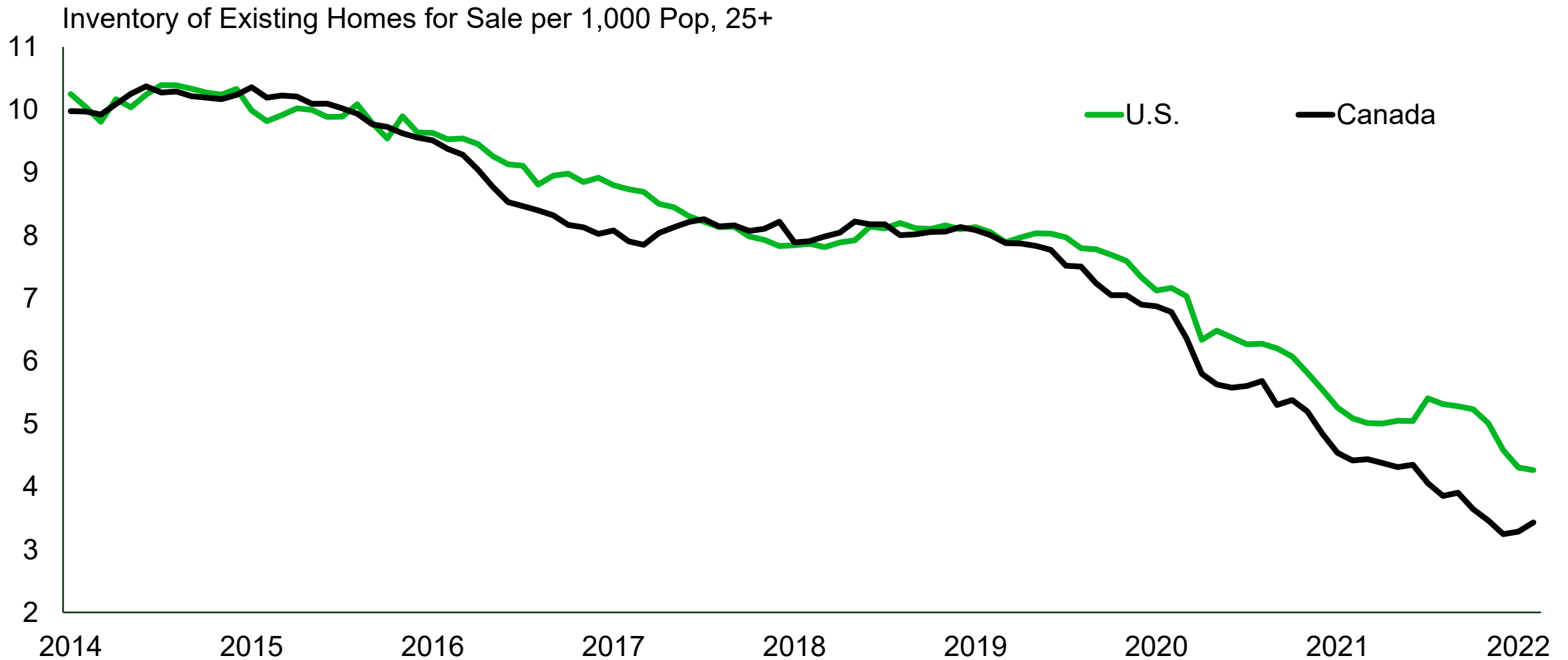
Source: CREA, TD Economics.

U.S. Home Price and Sales Growth, Q4/Q4 % Change



Source: CoreLogic, NAR, Census Bureau, TD Economics.

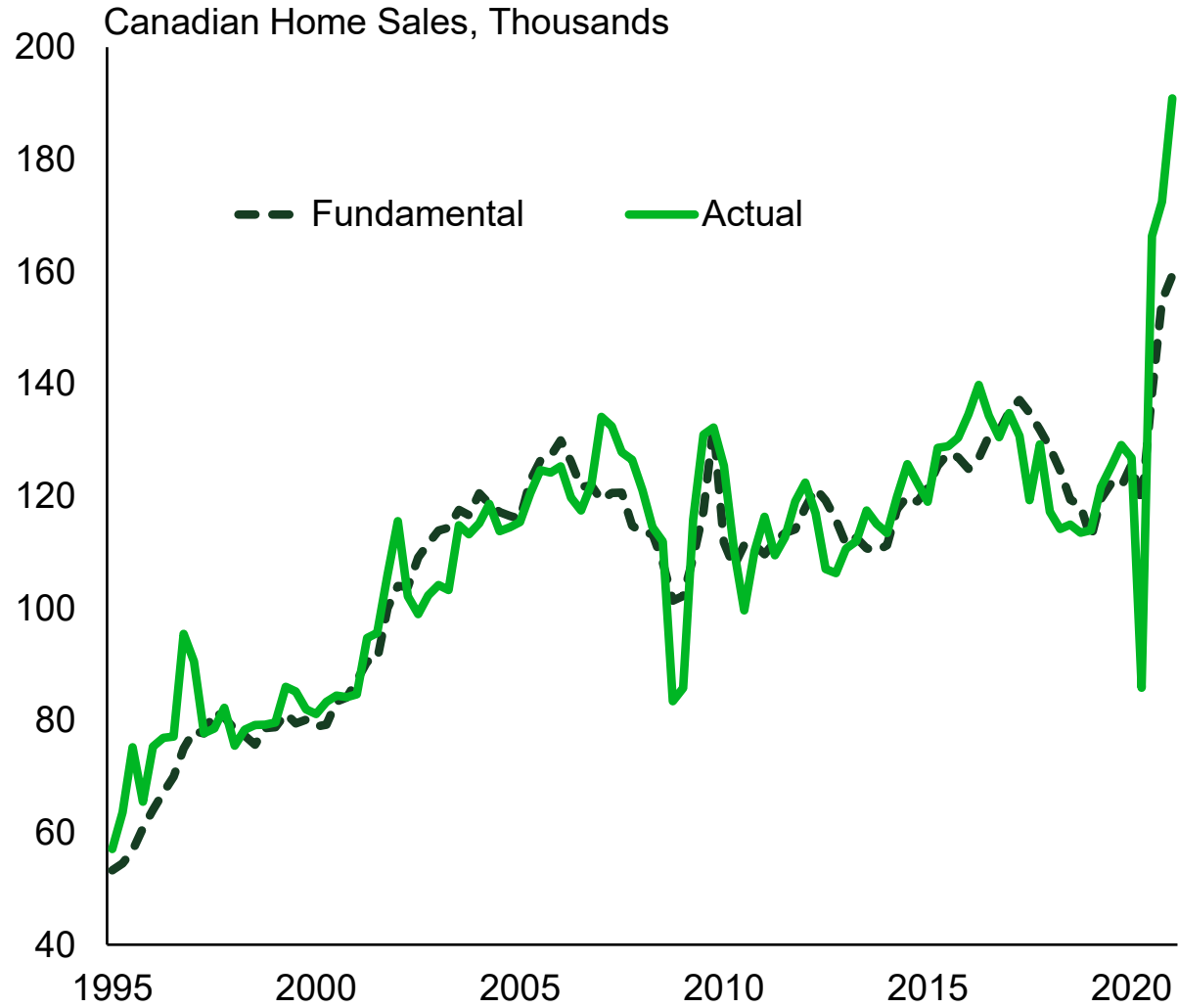
# But, Tight Supply Still An Issue



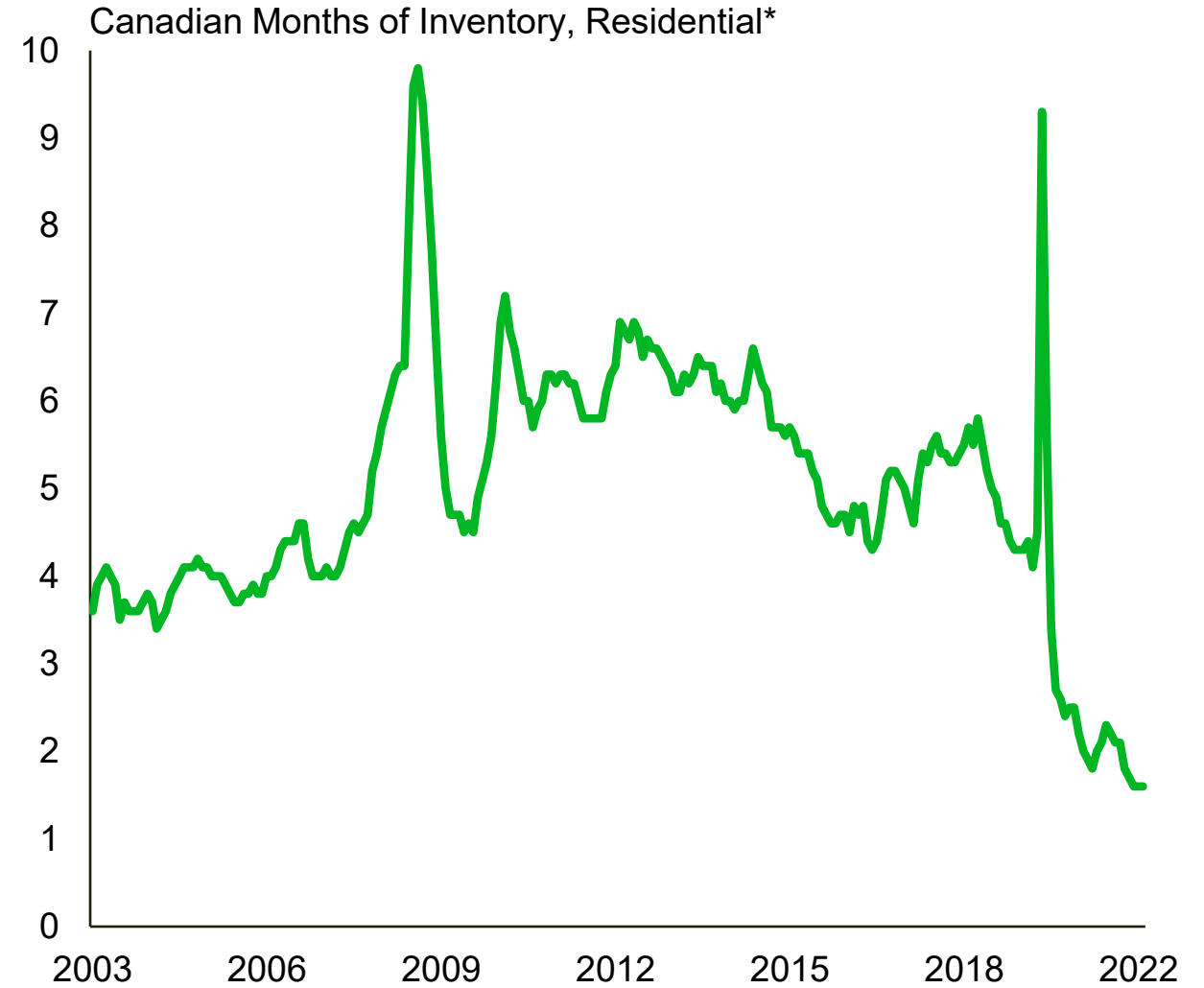
Source: NAR, CREA, Statistics Canada, U.S. Census Bureau, TD Economics. Last observation: February 2022.



# Pandemic Drives Canadian Home Sales Frenzy



Source: CREA, Statistics Canada, CMHC, TD Economics. Last observation 2021-Q1.

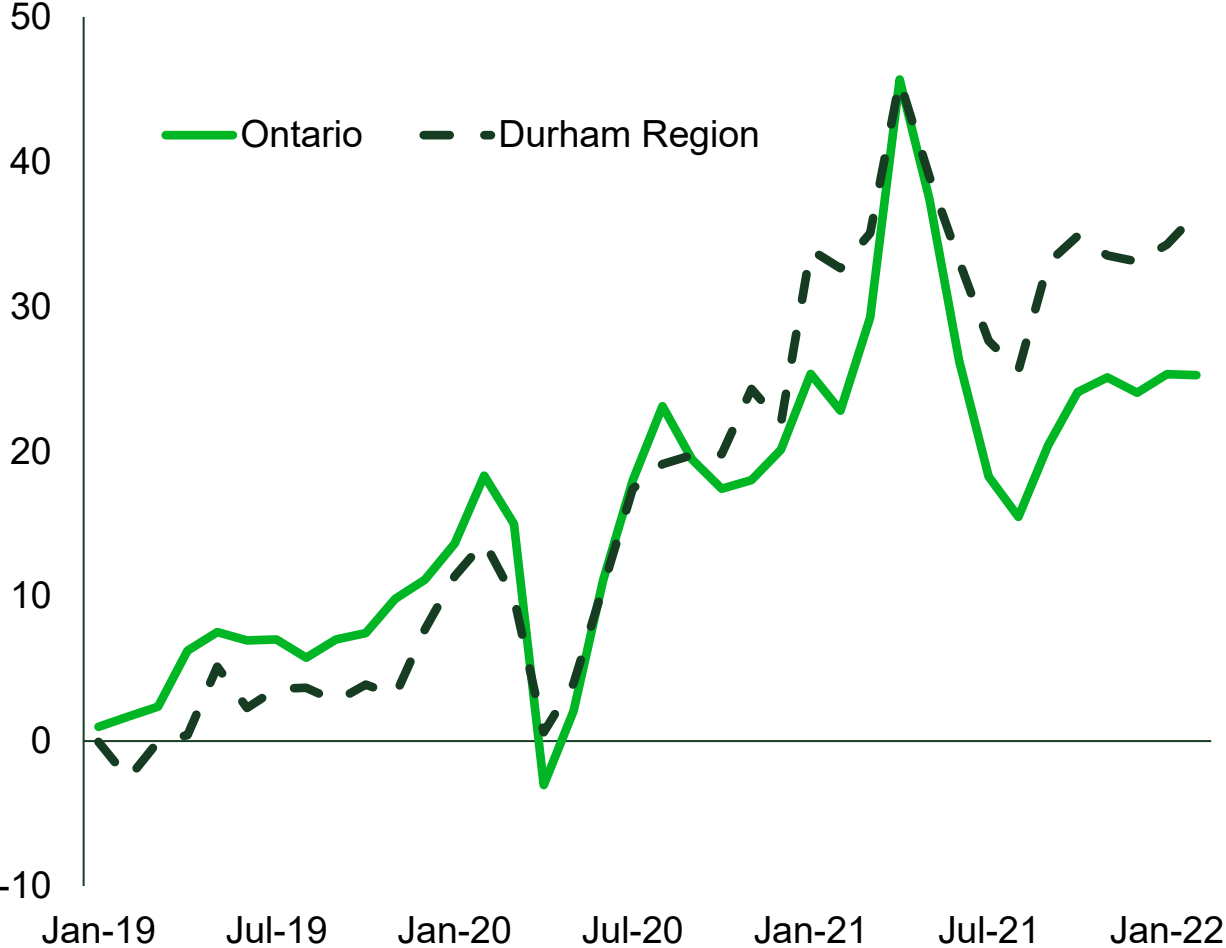


\*Seasonally adjusted. Source: CREA, TD Economics. Last observation: February 2022.

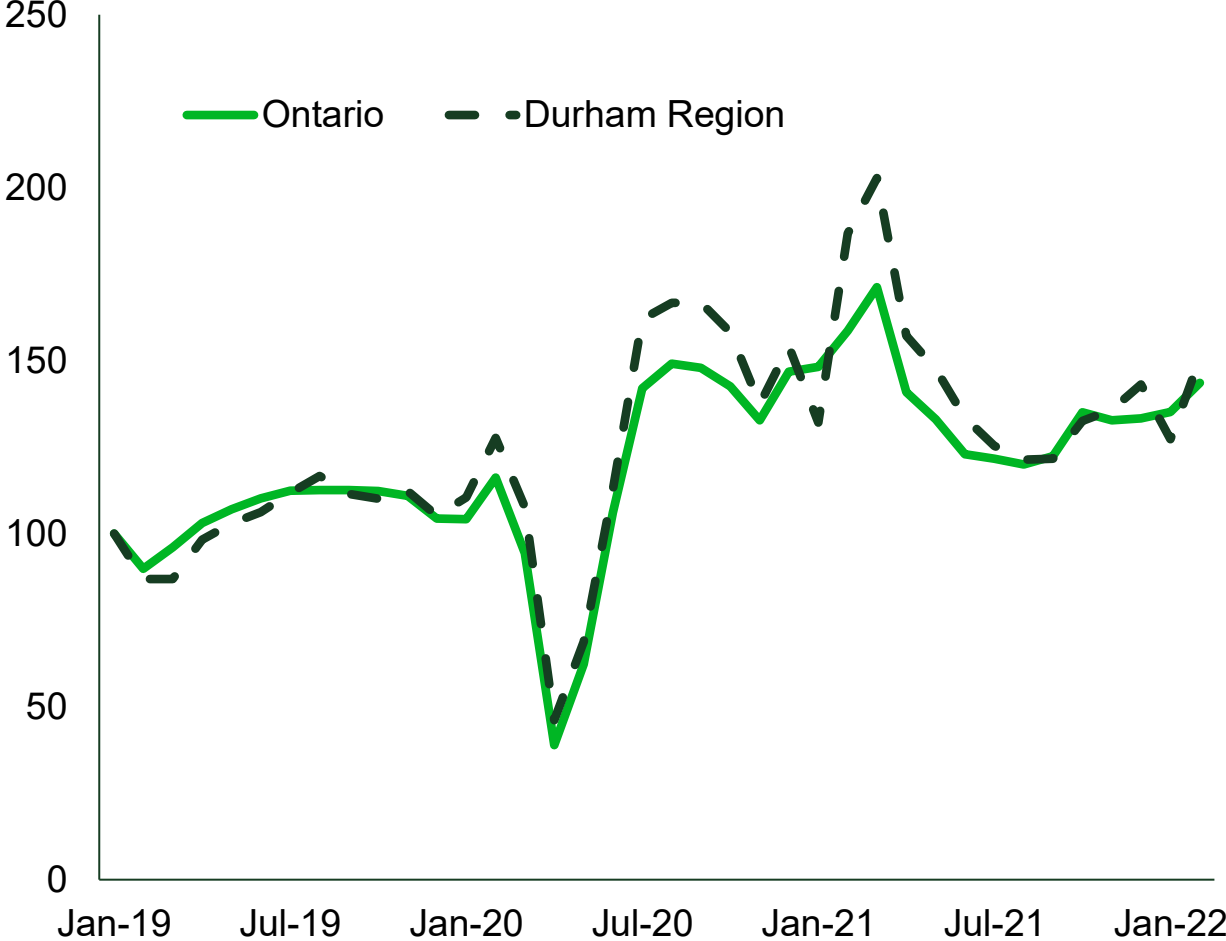
# Durham Region Prime Beneficiary of Race for Space



Average Home Prices, Year/ Year % Change



Unit Sales (Index= Jan 2019)



Source: CREA, TD Economics. Last observation: February 2022.

Source: CREA, TD Economics. Last observation: February 2022.

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