



Economic Outlook

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Economic Outlook- Ontario and the GTA



- ❑ Economic growth to slow to sub-2% in 2019; pick-up up slightly thereafter
- ❑ Interest rates to hold at close to current levels
- ❑ Consumer: spending, home purchases and borrowing rates normalizing
- ❑ Government: modestly restrictive overall
- ❑ Exports to expand moderately despite cross-currents
- ❑ Canadian dollar to hold in the 73-77 US cent range

Economic Outlook- Ontario and the GTA



- ❑ Job markets yet to display signs of slowdown
 - ❖ Job creation of roughly 60k per year sustainable in the GTA
 - ❖ Faster population gains has led forecasters to revise up trend rate
 - ❖ Private sector services to account for bulk of new jobs
 - ❖ Unemployment rate in the GTA to remain at around 6%

Key Risks to the Outlook



- ❑ Global: geopolitical, corporate leverage, other financial
- ❑ Domestic: housing/household leverage
- ❑ Recession risk?

Key Economic Drivers Over the Next 10 Years



- ❑ Slower medium-term growth and impact on revenue base
- ❑ Talent
 - ❖ To what extent is rapid immigration track sustainable?
- ❑ Continued strained household budgets
- ❑ Migration of tech hubs globally
- ❑ Provincial government restraint and impact on cities