

## Quarterly Economic Forecast

### Oil and Tariffs and AI, Oh My!

September 17, 2026

#### Highlights

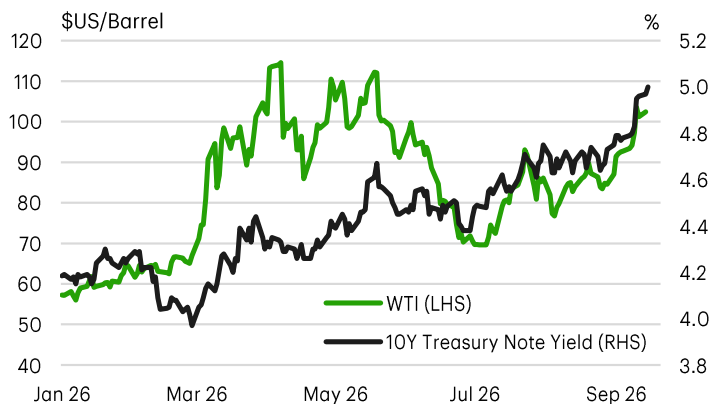
- A resolution to the Mid-east conflict has become more elusive and complex, shifting the forecast towards higher oil prices and bond yields. However, these headwinds have not taken the wind out of the sails of the global economy.
- The U.S. Federal Reserve has raised interest rates for the first time in three years to combat inflation that has proven quite sticky alongside a solid U. S. economic outlook. It would be unconventional for it to be the last. We expect a second increase in the fourth quarter to keep longer-term inflation expectations anchored.

The summer has seen a twister of conflicts, from escalation in the Mid-east to Canada and the U.S.'s escalating tariff dispute. At this point, neither look to have an off-ramp in the near future, causing us to raise the forecast for oil prices (see table). Bond yields have risen sharply alongside oil prices as markets price in higher inflation and a greater degree of central bank tightening globally (Chart 1). Most major central banks now have a tightening bias. The ECB, the Bank of Japan and U.S. Federal Reserve have already raised rates this quarter and some of them are likely to do so again this year.

Despite the geopolitical doom and gloom, the U.S. economy continues to bravely follow the yellow brick road of AI investment to a peer-leading economic growth outlook. This investment boom is unlikely to be undercut by higher yields, especially given the ongoing resilience in overall financial conditions (Chart 2).

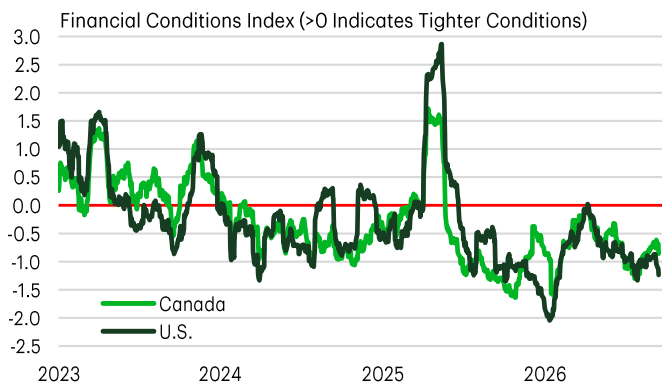
The global economy's performance over the past quarter has been uneven but encouraging. On economic growth, Asian economies have continued to expand at exceptional rates, supported by AI-related capital expenditure—most notably in Taiwan, Korea, and Singapore and, to a lesser extent, in Japan. Many economies have maintained solid domestic momentum despite substantial exposure to the oil supply shock, with India chief among them. Some cracks are appearing within China, where growth is on track to land near the bottom of the authorities' target range, and perhaps lower. The Eurozone has been surprisingly resilient, significantly outperforming in the second quarter. Behind this narrative lies a big growth-push from Ireland's inherently volatile exports from large multinational corporations. However, looking past this, we expect the eurozone to grow at a

**Chart 1: Longer-Term Bond Yields Have Risen Alongside Higher Oil Prices**



Source: Federal Reserve Board, EIA, TD Economics.

**Chart 2: Financial Conditions Remain Stable In Spite of Surging Bond Yields**



Source: TD Economics.

near-trend pace this year and in 2027. Overall, despite oil prices trending higher than expected at the start of the conflict in February, the global economy has proven resilient.

### Fed hikes amid higher oil prices and stalling inflation progress

It's been a turbulent summer. Long Treasury yields hit a 19-year high, diesel prices ventured into record territory, and oil prices have yet to find stability amid escalation in the Middle East conflict and a pivot towards a communications shake-up at the Federal Reserve. Adding to the volatility, the U.S. Treasury Department announced that it would triple its long-duration Treasury buybacks to \$6 billion to improve liquidity and cool the bond market. However, investors looked through the announcement, with renewed focus on fiscal sustainability concerns – a key factor pushing up long-end yields in recent months. As a result, yields are higher than before the program announcement by Secretary Bessent on August 19.

It's too early for the rise in yields to leave a meaningful mark on the American economy. However, a higher yield forecast will ripple through the economy with time, leading us to downgrade the outlook for residential investment and trim household spending in H1-27. This still does not undermine the broader picture of resilience. Real GDP growth is tracking 2.8% in Q3, with momentum likely to carry into Q4. On balance, this leaves 2026 annual average growth at 2.2%, with 2027 also likely to be just north of 2%. The mid-term elections are unlikely to affect the outlook. Congress has

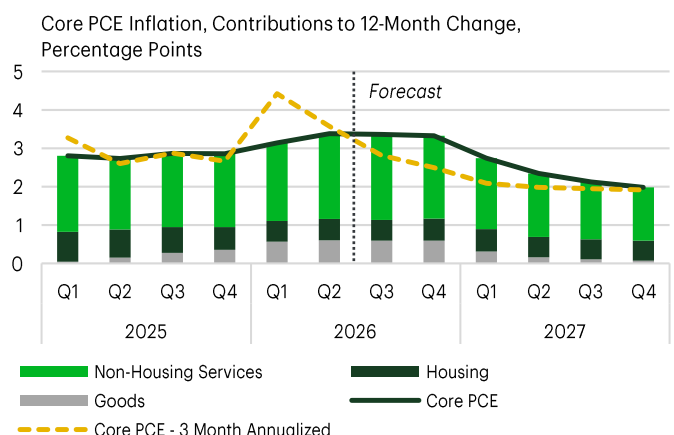
already been a barrier to many parts of the President's agenda that involve "the purse", and we expect that situation to continue after the midterms.

Beneath the headline numbers, AI investment continues to account for an outsized share of economic growth. With hyperscalers rapidly tapping debt markets and making sizable investment commitments for next year, that tailwind is unlikely to fade anytime soon. But beyond AI, there are also encouraging signs that business investment is broadening into more traditional areas, like transportation and industrial equipment. Both posted sharp double-digit gains in Q2. Commercial and industrial loan growth is running at its fastest pace in four years, and nearly one in four small businesses report plans to increase capital expenditure over the next three to six months – a multiyear high.

The consumer has also remained a source of surprise and resilience. Q2 spending rose by an impressive 3.4% while Q3 is tracking only a modest deceleration to 3.0%. However, the headwinds to sustaining this momentum are building as the support from tax refunds fades alongside soft real income growth and a low household savings rate.

Fortunately, the job market remains a pillar of support to consumer spending. Job growth has averaged 71k over the three months through August, or slightly above the breakeven rate. Importantly, the breadth of hiring has widened, with more cyclically sensitive sectors, like manufacturing, construction, leisure & hospitality and retail trade all contributing. However, the U.S. is not on the cusp of a new "breakout" in employer

**Chart 3: U.S. Inflation Expected to Cool**



Source: U.S. Bureau of Economic Analysis, TD Economics.

demand. Job openings are low amid the sharp pull-back in labor supply. The status quo of “low hire, low fire” remains the prevailing narrative.

From the Fed’s perspective, the more pivotal development has been on the inflation front. Reaccelerating price pressures in August, combined with rising oil prices, have forced the FOMC’s hand. Failing to act would have led to an even sharper steepening of the yield curve. We think the Fed is likely to follow up with another quarter-point hike simply because a “one and done” approach would be viewed as inconsequential

to markets and likely not succeed in providing reassurance on its commitment to return price stability. Back-to-back hikes would largely reverse last year’s “insurance cuts” and leave policy modestly more restrictive. Barring further unexpected shocks, the additional tightening should be sufficient to guide lower inflation through 2027 (Chart 3), paving the way for a few rate cuts.

## Exhibits

## Interest Rate Outlook

| Interest Rates         | 2026 |      |      |      | 2027 |      |      |      | 2028 |      |      |      |
|------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
|                        | Q1   | Q2   | Q3F  | Q4F  | Q1F  | Q2F  | Q3F  | Q4F  | Q1F  | Q2F  | Q3F  | Q4F  |
| Fed Funds Target Rate  | 3.75 | 3.75 | 4.00 | 4.25 | 4.25 | 4.25 | 4.00 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 |
| 3-mth T-Bill Rate      | 3.61 | 3.74 | 4.05 | 4.15 | 4.15 | 4.05 | 3.80 | 3.65 | 3.65 | 3.65 | 3.65 | 3.55 |
| 2-yr Govt. Bond Yield  | 3.79 | 4.14 | 4.60 | 4.40 | 4.10 | 3.90 | 3.80 | 3.65 | 3.60 | 3.55 | 3.50 | 3.40 |
| 5-yr Govt. Bond Yield  | 3.92 | 4.19 | 4.75 | 4.55 | 4.30 | 4.20 | 4.05 | 3.95 | 3.90 | 3.90 | 3.85 | 3.85 |
| 10-yr Govt. Bond Yield | 4.30 | 4.44 | 4.90 | 4.70 | 4.55 | 4.40 | 4.35 | 4.25 | 4.25 | 4.25 | 4.25 | 4.20 |
| 30-yr Govt. Bond Yield | 4.88 | 4.91 | 5.30 | 5.10 | 4.95 | 4.80 | 4.75 | 4.65 | 4.65 | 4.65 | 4.65 | 4.60 |
| 10-yr-2-yr Govt Spread | 0.51 | 0.30 | 0.30 | 0.30 | 0.45 | 0.50 | 0.55 | 0.60 | 0.65 | 0.70 | 0.75 | 0.80 |

F: Forecast by TD Economics, September 2026. All forecasts are end-of-period.

Source: Bloomberg, Federal Reserve, TD Economics.

## Foreign Exchange Outlook

| Currency        | Exchange Rate | 2026 |      |      |      | 2027 |      |      |      | 2028 |      |      |      |
|-----------------|---------------|------|------|------|------|------|------|------|------|------|------|------|------|
|                 |               | Q1   | Q2   | Q3F  | Q4F  | Q1F  | Q2F  | Q3F  | Q4F  | Q1F  | Q2F  | Q3F  | Q4F  |
| Euro            | USD per EUR   | 1.15 | 1.14 | 1.15 | 1.16 | 1.16 | 1.17 | 1.18 | 1.19 | 1.20 | 1.20 | 1.20 | 1.20 |
| UK Pound        | USD per GBP   | 1.32 | 1.33 | 1.34 | 1.37 | 1.37 | 1.38 | 1.39 | 1.39 | 1.39 | 1.39 | 1.39 | 1.39 |
| Canadian Dollar | CAD per USD   | 1.40 | 1.42 | 1.40 | 1.39 | 1.39 | 1.39 | 1.38 | 1.37 | 1.36 | 1.36 | 1.35 | 1.35 |
| Swiss Franc     | CHF per USD   | 0.80 | 0.81 | 0.82 | 0.82 | 0.82 | 0.82 | 0.82 | 0.82 | 0.82 | 0.82 | 0.82 | 0.82 |
| Japanese Yen    | JPY per USD   | 159  | 163  | 156  | 155  | 155  | 154  | 153  | 153  | 152  | 152  | 151  | 150  |

F: Forecast by TD Economics, September 2026. All forecasts are end-of-period.

Source: Bloomberg, Federal Reserve, TD Economics.

## Commodity Price Outlook

| Commodity                 | 2026  |       |       |       | 2027  |       |       |       | 2028  |       |       |       |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|                           | Q1    | Q2    | Q3F   | Q4F   | Q1F   | Q2F   | Q3F   | Q4F   | Q1F   | Q2F   | Q3F   | Q4F   |
| Crude Oil (WTI, \$US/bbl) | 73    | 93    | 86    | 94    | 85    | 79    | 76    | 75    | 75    | 76    | 76    | 77    |
| Natural Gas (\$US/MMBtu)  | 4.71  | 2.95  | 2.85  | 3.15  | 3.35  | 3.25  | 3.15  | 3.15  | 3.17  | 3.18  | 3.20  | 3.21  |
| Gold (\$US/troy oz.)      | 4865  | 4512  | 4300  | 4400  | 4650  | 4850  | 4850  | 4750  | 4774  | 4798  | 4822  | 4846  |
| Silver (\$US/troy oz.)    | 83.71 | 73.29 | 63.00 | 65.00 | 70.00 | 72.00 | 72.00 | 70.00 | 70.35 | 70.70 | 71.06 | 71.41 |
| Copper (cents/lb)         | 582   | 603   | 645   | 615   | 590   | 600   | 610   | 610   | 613   | 616   | 619   | 622   |
| Nickel (\$US/lb)          | 7.87  | 8.21  | 7.60  | 7.50  | 7.75  | 7.75  | 7.95  | 7.95  | 7.99  | 8.03  | 8.07  | 8.11  |
| Aluminum (cents/lb)       | 145   | 162   | 148   | 144   | 137   | 136   | 134   | 134   | 135   | 135   | 136   | 137   |
| Wheat (\$US/bu)           | 5.50  | 6.08  | 6.77  | 6.75  | 6.85  | 6.90  | 6.95  | 7.00  | 7.04  | 7.07  | 7.11  | 7.14  |

F: Forecast by TD Economics, September 2026. All forecasts are period averages.

Source: Bloomberg, TD Economics.

| U.S. Economic Outlook                                                    |       |       |      |      |      |      |      |      |      |      |      |      |                |      |      |                 |      |     |
|--------------------------------------------------------------------------|-------|-------|------|------|------|------|------|------|------|------|------|------|----------------|------|------|-----------------|------|-----|
| Period-Over-Period Annualized Per Cent Change Unless Otherwise Indicated |       |       |      |      |      |      |      |      |      |      |      |      |                |      |      |                 |      |     |
| Economic Indicators                                                      | 2026  |       |      |      | 2027 |      |      |      | 2028 |      |      |      | Annual Average |      |      | 4th Qtr/4th Qtr |      |     |
|                                                                          | Q1    | Q2    | Q3F  | Q4F  | Q1   | Q2F  | Q3F  | Q4F  | Q1F  | Q2F  | Q3F  | Q4F  | 26F            | 27F  | 28F  | 26F             | 27F  | 28F |
| Real GDP                                                                 | 2.1   | 1.5   | 2.8  | 2.2  | 1.9  | 2.0  | 2.2  | 2.3  | 2.0  | 2.0  | 2.0  | 1.9  | 2.2            | 2.1  | 2.1  | 2.2             | 2.1  | 2.0 |
| Consumer Expenditure                                                     | 0.5   | 3.4   | 3.0  | 1.9  | 1.7  | 1.9  | 2.1  | 2.1  | 2.1  | 2.1  | 2.1  | 2.1  | 2.2            | 2.1  | 2.1  | 2.2             | 1.9  | 2.1 |
| Durable Goods                                                            | 0.5   | 5.7   | 2.0  | 1.2  | 1.5  | 2.3  | 3.2  | 3.2  | 3.5  | 3.5  | 3.5  | 3.5  | 1.9            | 2.2  | 3.3  | 2.3             | 2.5  | 3.5 |
| Business Investment                                                      | 10.6  | 8.5   | 9.5  | 7.1  | 5.9  | 5.9  | 5.3  | 4.9  | 3.4  | 3.1  | 3.0  | 2.9  | 7.2            | 6.6  | 3.9  | 8.9             | 5.5  | 3.1 |
| Non-Res. Structures                                                      | -4.7  | -1.8  | -2.0 | -1.0 | -1.0 | -1.0 | 0.0  | 0.0  | 1.0  | 1.0  | 2.0  | 2.0  | -4.2           | -1.0 | 0.7  | -2.4            | -0.5 | 1.5 |
| Equipment & IPP*                                                         | 14.7  | 11.0  | 12.2 | 9.0  | 7.5  | 7.5  | 6.5  | 6.0  | 4.0  | 3.5  | 3.3  | 3.1  | 10.1           | 8.3  | 4.6  | 11.7            | 6.9  | 3.5 |
| Residential Investment                                                   | -7.8  | 1.2   | -6.1 | 0.0  | 2.8  | 4.3  | 3.9  | 3.1  | 3.2  | 3.2  | 3.2  | 3.0  | -4.1           | 1.5  | 3.3  | -3.2            | 3.5  | 3.2 |
| Govt. Expenditure                                                        | 4.4   | -1.0  | 1.9  | 1.9  | 1.3  | 0.9  | 0.9  | 0.7  | 0.5  | 0.4  | 0.3  | 0.2  | 0.4            | 1.2  | 0.5  | 1.8             | 1.0  | 0.3 |
| Final Domestic Demand                                                    | 2.2   | 3.3   | 3.3  | 2.6  | 2.3  | 2.4  | 2.4  | 2.3  | 2.0  | 2.0  | 1.9  | 1.9  | 2.3            | 2.6  | 2.1  | 2.8             | 2.3  | 2.0 |
| Exports                                                                  | 10.9  | 4.5   | -4.0 | 3.0  | 2.7  | 2.7  | 2.8  | 2.8  | 3.0  | 3.0  | 3.0  | 3.0  | 3.6            | 2.0  | 2.9  | 3.4             | 2.7  | 3.0 |
| Imports                                                                  | 11.8  | 12.5  | 8.0  | 6.1  | 6.0  | 6.1  | 5.0  | 4.0  | 2.9  | 2.5  | 2.5  | 2.5  | 3.4            | 6.4  | 3.4  | 9.6             | 5.3  | 2.6 |
| Change in Private Inventories                                            | -16.7 | -53.1 | 1.3  | 6.7  | 16.7 | 26.7 | 36.7 | 46.7 | 46.7 | 46.7 | 46.7 | 46.7 | -15.4          | 31.7 | 46.7 | --              | --   | --  |
| Final Sales                                                              | 1.9   | 2.2   | 1.8  | 2.1  | 1.8  | 1.9  | 2.1  | 2.1  | 2.0  | 2.0  | 2.0  | 2.0  | 2.3            | 1.9  | 2.0  | 2.0             | 2.0  | 2.0 |
| Pre-tax Corporate Profits                                                |       |       |      |      |      |      |      |      |      |      |      |      |                |      |      |                 |      |     |
| Including IVA&CCA                                                        | 7.0   | 41.5  | 8.7  | 9.6  | 6.2  | 8.9  | 8.1  | 6.5  | 4.9  | 4.5  | 3.0  | 2.9  | 17.9           | 9.8  | 5.4  | 15.9            | 7.4  | 3.8 |
| % of GDP                                                                 | 13.9  | 14.9  | 15.0 | 15.2 | 15.2 | 15.4 | 15.5 | 15.6 | 15.6 | 15.6 | 15.6 | 15.5 | 14.7           | 15.4 | 15.6 | --              | --   | --  |
| GDP Deflator (y/y)                                                       | 3.3   | 4.4   | 3.8  | 3.6  | 3.2  | 2.2  | 2.4  | 2.2  | 2.3  | 2.2  | 2.2  | 2.2  | 3.8            | 2.5  | 2.2  | 3.6             | 2.2  | 2.2 |
| Nominal GDP                                                              | 5.8   | 8.0   | 4.7  | 5.0  | 4.0  | 4.7  | 4.5  | 4.6  | 4.4  | 4.2  | 4.1  | 4.1  | 6.0            | 4.7  | 4.4  | 5.9             | 4.4  | 4.2 |
| Labor Force                                                              | -2.6  | -1.3  | -0.5 | 0.8  | 0.2  | 0.3  | 0.3  | 0.3  | 0.4  | 0.4  | 0.4  | 0.4  | -0.6           | 0.2  | 0.4  | -0.9            | 0.3  | 0.4 |
| Non-Farm Employment                                                      | 0.3   | 0.7   | 0.5  | 0.6  | 0.4  | 0.3  | 0.3  | 0.3  | 0.3  | 0.3  | 0.3  | 0.2  | 0.3            | 0.4  | 0.3  | 0.5             | 0.3  | 0.3 |
| Change in Non-Farm Empl. ('000s)                                         | 129   | 291   | 194  | 237  | 158  | 135  | 130  | 130  | 120  | 100  | 101  | 100  | 494            | 704  | 467  | 851             | 553  | 421 |
| Unemployment Rate (%)                                                    | 4.3   | 4.3   | 4.1  | 4.1  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.2            | 4.0  | 4.0  | --              | --   | --  |
| Personal Disp. Income                                                    | 5.6   | 3.7   | 4.9  | 5.0  | 5.3  | 5.1  | 5.1  | 5.0  | 5.3  | 4.9  | 4.9  | 4.8  | 4.1            | 5.0  | 5.1  | 4.8             | 5.1  | 5.0 |
| Pers. Savings Rate (%)                                                   | 3.9   | 2.8   | 2.7  | 2.7  | 3.2  | 3.5  | 3.8  | 4.0  | 4.3  | 4.5  | 4.6  | 4.8  | 3.0            | 3.6  | 4.6  | --              | --   | --  |
| Cons. Price Index (y/y)                                                  | 2.7   | 3.8   | 3.4  | 3.4  | 2.8  | 1.7  | 1.8  | 1.6  | 1.8  | 2.0  | 2.1  | 2.2  | 3.3            | 2.0  | 2.0  | 3.4             | 1.6  | 2.2 |
| Core CPI (y/y)                                                           | 2.5   | 2.7   | 2.4  | 2.6  | 2.4  | 2.3  | 2.3  | 2.2  | 2.2  | 2.2  | 2.2  | 2.2  | 2.6            | 2.3  | 2.2  | 2.6             | 2.2  | 2.2 |
| Core PCE Price Index (y/y)                                               | 3.1   | 3.4   | 3.4  | 3.3  | 2.7  | 2.4  | 2.2  | 2.0  | 2.0  | 2.0  | 2.0  | 2.0  | 3.3            | 2.3  | 2.0  | 3.3             | 2.0  | 2.0 |
| Housing Starts (mns)                                                     | 1.42  | 1.34  | 1.28 | 1.32 | 1.34 | 1.37 | 1.39 | 1.40 | 1.42 | 1.43 | 1.45 | 1.46 | 1.34           | 1.37 | 1.44 | --              | --   | --  |
| Real Output per Hour** (y/y)                                             | 2.9   | 2.2   | 1.5  | 1.7  | 1.8  | 1.9  | 1.9  | 1.9  | 1.9  | 1.9  | 1.7  | 1.6  | 2.1            | 1.9  | 1.8  | 1.7             | 1.9  | 1.6 |

F: Forecast by TD Economics, September 2026.

\* Intellectual Property Products. \*\* Non-farm business sector.

Source: Bureau of Labor Statistics, Bureau of Economic Analysis, Census Bureau, TD Economics.

## Economic Indicators: G7 &amp; Europe

|                                                      | 2026F | 2027F | 2028F |
|------------------------------------------------------|-------|-------|-------|
| <b>Real GDP (Annual Per Cent Change)</b>             |       |       |       |
| G7                                                   | 1.5   | 1.6   | 1.6   |
| U.S.                                                 | 2.2   | 2.1   | 2.1   |
| Japan                                                | 0.9   | 0.8   | 0.4   |
| Euro Area                                            | 1.0   | 1.3   | 1.1   |
| Germany                                              | 1.0   | 1.0   | 0.9   |
| France                                               | 0.4   | 0.7   | 1.0   |
| Italy                                                | 1.0   | 0.9   | 0.8   |
| United Kingdom                                       | 1.2   | 1.2   | 1.5   |
| Canada                                               | 0.9   | 1.6   | 1.8   |
| <b>Consumer Price Index (Annual Per Cent Change)</b> |       |       |       |
| G7                                                   | 2.3   | 2.2   | 2.0   |
| U.S.                                                 | 3.3   | 2.0   | 2.0   |
| Japan                                                | 1.8   | 2.0   | 2.0   |
| Euro Area                                            | 2.8   | 2.0   | 2.2   |
| Germany                                              | 2.6   | 2.5   | 2.0   |
| France                                               | 2.2   | 2.0   | 2.0   |
| Italy                                                | 2.7   | 2.4   | 2.0   |
| United Kingdom                                       | 3.2   | 2.7   | 2.0   |
| Canada                                               | 2.9   | 2.5   | 1.9   |
| <b>Unemployment Rate (Per Cent Annual Averages)</b>  |       |       |       |
| U.S.                                                 | 4.2   | 4.0   | 4.0   |
| Japan                                                | 2.5   | 2.4   | 2.3   |
| Euro Area                                            | 6.3   | 6.2   | 6.2   |
| Germany                                              | 6.3   | 6.1   | 6.0   |
| France                                               | 8.3   | 8.0   | 7.9   |
| Italy                                                | 5.6   | 5.5   | 5.5   |
| United Kingdom                                       | 5.1   | 5.2   | 5.2   |
| Canada                                               | 6.6   | 6.4   | 6.0   |

F: Forecast by TD Economics, September 2026.

Source: National Statistics Agencies, IMF, TD Economics.

## Global Economic Outlook

| <i>Annual Per Cent Change Unless Otherwise Indicated</i> |       |          |       |       |
|----------------------------------------------------------|-------|----------|-------|-------|
| 2024 Share*                                              |       | Forecast |       |       |
| Real GDP                                                 | (%)   | 2026F    | 2027F | 2028F |
| World                                                    | 100.0 | 3.1      | 3.1   | 2.9   |
| North America                                            | 17.9  | 2.0      | 2.2   | 2.2   |
| United States                                            | 14.8  | 2.2      | 2.1   | 2.1   |
| Canada                                                   | 1.3   | 0.9      | 1.6   | 1.8   |
| Mexico                                                   | 1.7   | 1.5      | 1.9   | 2.1   |
| European Union (EU-27)                                   | 14.2  | 1.3      | 1.5   | 1.4   |
| Euro Area (EU-20)                                        | 12.2  | 1.0      | 1.3   | 1.1   |
| Germany                                                  | 3.0   | 1.0      | 1.0   | 0.9   |
| France                                                   | 2.2   | 0.4      | 0.7   | 1.0   |
| Italy                                                    | 1.8   | 1.0      | 0.9   | 0.8   |
| Other EU Members                                         | 3.8   | 3.3      | 2.4   | 2.2   |
| Asia                                                     | 46.9  | 4.6      | 4.2   | 4.1   |
| Japan                                                    | 3.3   | 0.9      | 0.8   | 0.4   |
| Asian NIC's                                              | 3.5   | 5.6      | 2.6   | 2.4   |
| Hong Kong                                                | 0.3   | 4.3      | 2.2   | 2.4   |
| Korea                                                    | 1.6   | 3.5      | 2.3   | 2.4   |
| Singapore                                                | 0.5   | 5.1      | 2.5   | 2.4   |
| Taiwan                                                   | 0.9   | 10.9     | 3.8   | 2.1   |
| Russia                                                   | 3.5   | 0.2      | 1.4   | 1.5   |
| Australia & New Zealand                                  | 1.2   | 2.0      | 2.0   | 2.2   |
| Emerging Asia                                            | 35.7  | 5.3      | 5.0   | 4.9   |
| ASEAN-5                                                  | 5.2   | 5.2      | 5.0   | 5.0   |
| China                                                    | 19.3  | 4.5      | 4.4   | 3.9   |
| India**                                                  | 8.2   | 7.2      | 6.4   | 6.1   |
| Central/South America                                    | 5.3   | 2.2      | 2.3   | 2.4   |
| Brazil                                                   | 2.4   | 2.2      | 2.1   | 2.2   |
| Other Emerging Markets                                   | 12.8  | 1.4      | 2.8   | 3.0   |
| Other Advanced                                           | 3.2   | 2.9      | 2.5   | 2.2   |
| United Kingdom                                           | 2.2   | 1.2      | 1.2   | 1.5   |

F: Forecast by TD Economics, September 2026.

\* Share of 2024 world gross domestic product (GDP) at PPP.

\*\* Forecast for India refers to fiscal year.

Source: National Statistics Agencies, IMF, TD Economics.

**For any media enquiries please contact Oriana Kobelak at 416-982-8061**

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