A LOOK FORWARD

CARE’s Forecast Growth of Key Economic Indicators
CARE’s Forecast Growth of Key Economic Indicators 2019

- Economic Activity (RGDP): 4.54%
- Employment: 3.10%
- Hours Worked: 3.70%
- Hourly Wages: 2.11%
- Retail Sales: 1.69%
- Residential Unit Sales: -0.96%
- Housing Starts: -22.13%
- Average Housing Prices: -3.41%
- Consumer Price Index: 1.48%

Based on February 2019 Data
<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>RGDP</th>
<th>EMPLOYMENT</th>
<th>DATE COMPLETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIBC World Markets</td>
<td>1.7%</td>
<td>0.0%</td>
<td>8-Apr-19</td>
</tr>
<tr>
<td>Scotiabank Group</td>
<td>1.3%</td>
<td>1.2%</td>
<td>12-Apr-19</td>
</tr>
<tr>
<td>TD Economics</td>
<td>1.2%</td>
<td>1.5%</td>
<td>14-Mar-19</td>
</tr>
<tr>
<td>BMO Nesbitt Burns</td>
<td>2.0%</td>
<td>2.8%</td>
<td>18-Apr-19</td>
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<td>Conference Board of Canada</td>
<td>2.7%</td>
<td>0.3%</td>
<td>5-Feb-19</td>
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<tr>
<td>RBC</td>
<td>2.3%</td>
<td>0.6%</td>
<td>14-Mar-19</td>
</tr>
<tr>
<td>National Bank of Canada</td>
<td>2.9%</td>
<td>3.0%</td>
<td>1-April-2019</td>
</tr>
<tr>
<td>Private Sector Average</td>
<td>1.94%</td>
<td>1.34%</td>
<td>18-Apr-19</td>
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<tr>
<td>NL Department of Finance</td>
<td>4.1%</td>
<td>0.0%</td>
<td>4-Apr-19</td>
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<tr>
<td>CARE</td>
<td>4.5%</td>
<td>3.1%</td>
<td>18-Apr-19</td>
</tr>
</tbody>
</table>
NL Quarterly Estimates Population
2015Q1 - 2019Q1
Source: CANSIM Table: 17-10-0009-01

Small Changes but alarming trend
Average Housing Prices and Trend
Newfoundland and Labrador
January 1998 – March 2019

Source: CREA
Investment in New Housing in Canada and NL
Constant 2007 Dollars (x1000) CAMSIM Table 0260017
January 1994 – August 2018
Recent Housing Market Trends
(Frist Quarter Comparison from 2008 – 2019)

Source: CREA
OFFICE AND INDUSTRIAL VACANCY RATES

- Offices Vacancy Rates Q4 2018
  - St. John’s Historical Average = 10%
  - Downtown 25.3%
  - Central 18.5%
  - North 13.9%
  - East & West 15.3%
  - ST. JOHN’S TOTALS 19.7% (4.6%)
    - Source: Cushman & Wakefield Q4 Report
    - Green indicates 2014 Q1

Industrial Vacancy Rates Q4 2018
- St. John’s Historical Average = 11%
- Downtown 17.4%
- Mount Pearl/Paradise 15.6%
- North 13.7%
- East 12.9
- West 21.0%
- ST. JOHN’S TOTALS 15.3% (9.9%)
  - Source: Cushman & Wakefield Q4 Report
  - Green indicates 2014 Q1