Weekly Newsletter

Desjardins Economic Studies
www.desjardins.com/economics

October 24, 2008

Fears of global recession are growing

Highlights

- United States: increases in the leading indicator and existing home sales are not very significant.
- The Bank of Canada lowers its economic outlook and continues with monetary easing.
- Canada: retail and wholesale sales pull back.
- Canada: the annual inflation rate edges down.

A look ahead

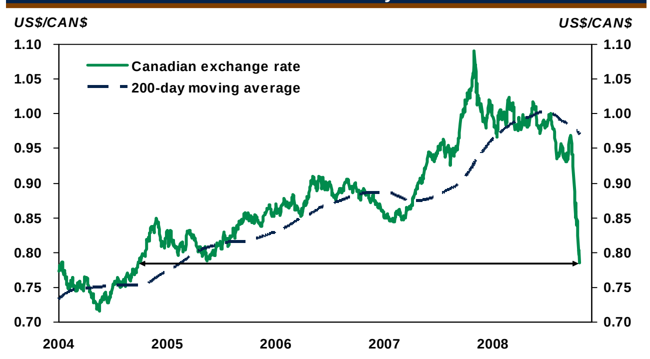
- The Federal Reserve should cut its key interest rates again.
- The U.S. real GDP is expected to go down.
- Canada: real GDP by industry will lose some of the ground gained in July.

Financial markets

- Signs of a global recession bring the stock markets down again.
- The panic benefits federal bonds.
- The greenback continues to act as a haven.
- The loonie is below US$0.80.

Contents

Graph of the week – The Canadian dollar is at its lowest level in more than four years



Sources: Datastream and Desjardins, Economic Studies

François Dupuis
Vice-President and Chief Economist

Yves St-Maurice
Director and Deputy Chief Economist

Mathieu D'Anjou
Senior Economist

Benoit P. Durocher
Senior Economist

Francis Généreux
Senior Economist

Martin Lefebvre
Senior Economist

514-281-2336 *or* 1 866 866-7000, ext. 2336
E-mail: desjardins.economics@desjardins.com

Note to readers: The letters **k**, **M** and **B** are used in texts and tables to refer to thousands, millions and billions respectively.

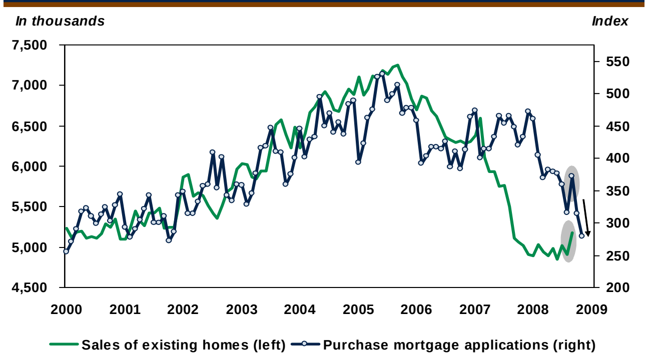
KEY STATISTICS OF THE WEEK

UNITED STATES

- The leading indicator rose 0.3% in September, a figure that is in contradiction with the economic situation. The increase is primarily due to factors such as growth in the money supply and improved consumer confidence. In the latter case, September's gains have already given way to a large drop in October. The increase in the leading indicator must therefore be read as a passing phenomenon; instead, it is likely to evolve negatively in the next few months.
- Existing home sales jumped 5.5% to their highest level since mid-2007, i.e. 5,180,000 units. All regions except for the north east saw sales rise. The data are in line with the increase in mortgage applications that month and the temporary drop in mortgage interest rates following the takeover of Freddie Mac and Fannie Mae. Moreover, according to the National Association of Realtors, 35% to 40% of national home sales are "foreclosure-linked". Will the gain last? Firstly, we must applaud the 1.6% dip in the number of homes on the market, which makes it possible to start rebalancing supply and demand in the housing market. However, the difficulties created by the financial crisis, which primarily arose at the end of September and early October, have the potential to once again hurt the resale market. Over the last three weeks, mortgage rates have been going up and applications have fallen again. September's improvement could therefore be temporary.

Francis Généreux
Senior Economist

United States – Comeback by existing home sales may not last



Sources: National Association of Realtors, Mortgage Bankers Association and Desjardins, Economic Studies

CANADA

- The Bank of Canada (BoC) opted to continue easing its monetary policy, lowering its key rate by 25 basis points Tuesday morning. This follows the bigger 50 basis point cut ordered on October 8, in conjunction with other major central banks. Thursday, the BoC made drastic changes to its economic outlook in publishing its Monetary Policy Report. According to the BoC, tightening in credit conditions, weaker domestic demand and lower commodity prices have darkened the growth and inflation outlooks in Canada. Forecast Canadian real GDP growth has been revised downward, from 1.0% to 0.6% for 2008 and from 2.3% to 0.6% for 2009.
- Wholesalers' sales fell 1.5% in August. The decline is largely due to a 13.2% drop in motor vehicle sales. In real terms, total wholesale sales pulled back 3.3%.
- Sales by Canadian retailers fell 0.3% in August. As per the preliminary data, new car sales fell 1.2%. However, used car sales rose 2.1%, meaning that total motor vehicle sales made almost no contribution. Sales of most other durable goods are also down. In real terms, total retail sales pulled back 0.3%. Overall, the effect of price growth was negligible.
- The total consumer price index (CPI) increased by 0.1% in September. The main components that contributed to this monthly increase are women's clothing (+5.0%) and tuition fees (+4.0%). In contrast, the major factors that contributed to the drop are natural gas (-9.3%), air transport (-10.1%) and automobiles (-1.0%). The component tied to gas prices rose by 0.9% for the month in stark contrast to the 6.6% drop recorded for August. The total annual inflation rate fell from 3.5% to 3.4%, a level that exceeds the target range set by the BoC (between 1% and 3%). Since the BoC's core index (CPIX) excludes natural gas, the monthly change was steeper: 0.4%. The CPIX advanced by 1.7% year over year, a level that is identical to the reading for the previous month.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

Pessimism reigns

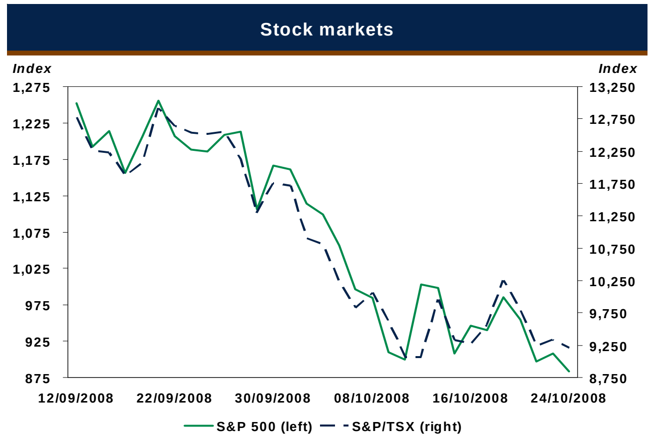
The markets continue to be extremely volatile. Once again, the week got off to a good start, as the first signs that the interbank market situation was improving made the stock markets jump on Monday. However, heightened fears of a global recession, fuelled by very grim results and outlooks for several major enterprises and increasingly negative remarks from central banks, quickly won out. These fears peaked Friday morning when further corporate earnings and poor economic statistics in Europe led to another violent correction of the stock market indexes. At the time of writing, the S&P500 was down more than 8% from last Friday, while Canada's stock market had lost about 7%. Fears of a global recession are also still making commodity prices tumble. Oil dropped below US$65/barrel despite the news of a major cut to Organization of Petroleum Exporting Countries (OPEC) quotas.

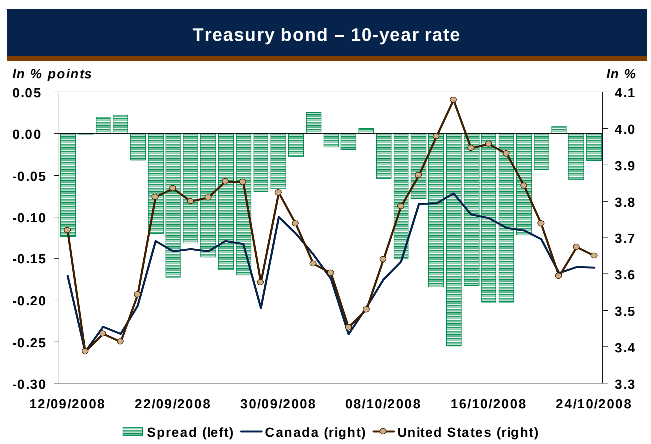
The week was much better for government bonds, which benefited from the darkening economic outlook and indications that monetary authorities will continue to lower their key rates. In the United States, the ten-year rate retreated by about 30 basis points, returning toward 3.60%. In Canada, the 25 basis point key rate cut was expected, and the Bank of Canada's very gloomy economic outlook suggests there will be further monetary easing.

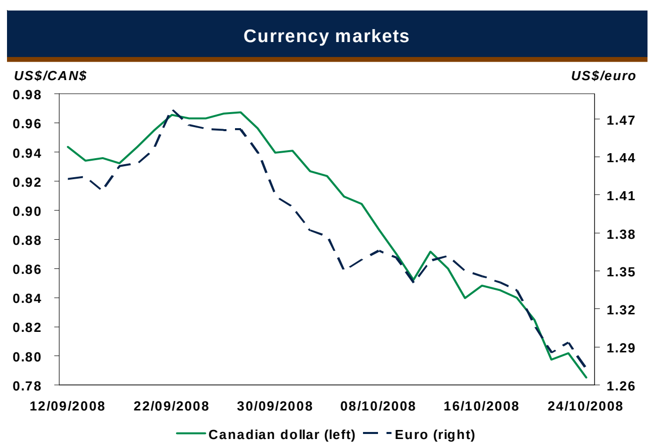
The financial turbulence and risks of a global recession continued to boost the greenback this week. The euro collapsed from US$1.34 Monday to under US$1.26 Friday morning. The pound sterling temporarily dipped below US$1.55, its lowest level since August 2002. Japan's yen stands out, with carry trade positions still being unwound due to the generalized aversion to risk. The American dollar thus softened to 90.93 yen Friday morning. The loonie was not spared. The currency, which has lost almost 20% of its value since the end of September, went to US$0.78 Friday morning. Sagging global demand for commodities, the darkening Canadian outlook and the greenback's safe-haven appeal played against the Canadian dollar.

Martin Lefebvre
Senior Economist

Mathieu D'Anjou
Senior Economist







A LOOK AHEAD

UNITED STATES

Monday Oct. 27 - 10:00	
September	
Consensus	455,000
Desjardins	445,000
August	**460,000**

New home sales (September) – Conditions in the new home market are tough. The ongoing slide by starts is a first sign of the market's weakness. Note, however, that the number of mortgage loan applications was up in September on average and that existing home sales rose, but getting mortgage credit is still difficult, even for the most solvent households. We therefore expect new home sales to decline again, perhaps going to only 445,000 units.

Tuesday Oct. 28 - 9:00	
August	y/y
Consensus	-16.6%
Desjardins	-15.9%
July	**-16.4%**

S&P/Case-Shiller index of existing home prices (August) – Home prices are down again in the United States. July's results showed a 12-month decline of 16.4%. From the peak, the decline totals 19.5%, with several large cities seeing home prices lose one third of their value. The trend will continue with August's figures. We are expecting a year-over-year decline of 15.9%.

Tuesday Oct. 28 - 10:00	
October	index
Consensus	52.3
Desjardins	52.0
September	**59.8**

Conference Board consumer confidence index (October) – Until very recently, the main factor in the change in consumer confidence was clearly fluctuations in gas prices. This price's increase to mid-July had soured household sentiment. Its decline in August and September had helped the confidence index go up substantially. The cost of gas has continued to come down in recent weeks but, this time, confidence could be more affected by the problems associated with the financial crisis and recession in the United States. Weekly confidence indexes are already well down and the University of Michigan's preliminary index for October (the final version will be released on Friday) posted its biggest monthly decline. These signs point to a decline by the Conference Board index, which could go from 59.8 to 52.0.

Wednesday Oct. 29 - 8:30	
September	m/m
Consensus	-1.0%
Desjardins	-1.5%
August	**-4.8%**

New durable goods orders (September) – New orders retreated in August following a rise that lasted a few months. This decline should continue in September. The auto sector and aviation sector (hit by the Boeing strike) should see the transportation industry weigh heavily on all orders and shipments. The ISM index' latest statistics do not augur well for orders, either. New manufacturing orders are expected to slide 1.5%.

Wednesday Oct. 29 - 14:15	
Consensus	1.00%
Desjardins	1.25%
October 8	**1.50%**

Federal Reserve meeting – On October 8, the Federal Reserve (Fed) participated in the concerted key rate cuts, joining the European Central Bank, Bank of England and Bank of Canada. Since then, it has expanded and deepened its direct action in the markets by adding credit facilities for the banking sector, money market and even businesses that issue commercial papers. It should also ease its monetary policy again, although it is starting to have limited leeway. At least, that is what is emerging from the latest speeches by senior Fed leaders, starting with Ben Bernanke. Rates will probably come down by 25 basis points, but a bigger cut is very likely.

Thursday Oct. 30 - 8:30	
Q3 2008	ann. rate
Consensus	-0.5%
Desjardins	-0.3%
Q2 2008	**2.8%**

Real GDP (Q3 – early estimate) – The third quarter saw some sizeable economic problems and it is very unlikely that we will get a surprise like the 2.8% growth recorded in the spring. On the contrary, a backlash effect, accompanied by a substantial drop in consumption (the first since 1991), should make the real GDP contract. Once again, domestic demand will certainly be very soft, but foreign trade will be able to do a little to save the situation. We therefore expect a decline of 0.3%. This may be the figure that makes the National Bureau of Economic Research (NBER) declare that a recession is officially underway in the United States.

CANADA

Industrial product price index (August) – The generalized decline by commodity prices persisted in August, so another drop in industrial product prices is expected for the month. However, the Canadian dollar's depreciation during that period should lessen the decrease in prices here.

Thursday Oct. 30 - 8:30	
September	m/m
Consensus	-0.5%
Desjardins	-0.4%
August	**-0.2%**

Real GDP by industry (August) – August's disappointing performance by most economic indicators paints a fairly dim picture of Canada's economy. According to our estimates, real GDP by industry could fall by about 0.4% in August. The pullback should therefore wipe out some of the gains made in July, when an astounding 0.7% rise was recorded. Our forecast for the whole of Q3 was recently revised to an annualized 1.0%.

Friday Oct. 31 - 8:30	
August	m/m
Consensus	-0.3%
Desjardins	-0.4%
July	**0.7%**

OVERSEAS

Euro zone: Confidence indicators (October) – Several confidence indicators will come out on Thursday. From consumer confidence to business sentiment, we will have more information about Euroland's economic climate. Some signs of deterioration can already be seen in the PMI indexes and some indicators that are specific to each country. A drop in confidence levels would take the euro zone's economy a little more into a recession. Germany's IFO index, out on Monday, should also provide some information on the level of economic activity in Europe.

Thursday Oct. 30 - 6:00

Euro zone: Consumer price index (October – flash estimate) – The drop in energy prices should continue to ease inflation pressures in the euro zone. From a peak of more than 4.0% a few months ago, inflation moderated to 3.6% in September. October's figures should show further improvement, with the consensus looking for an annual change of 3.2%. Inflation's slide will allow the European Central Bank to continue with monetary easing, even though the increase in prices is still higher than its official target.

Friday Oct. 31 - 6:00	
October	m/m
Consensus	3.2%
September	**3.6%**

ECONOMIC INDICATORS

Week of October 27 to 31, 2008

Day	Hour	Indicator	Period	Consensus	Desjardins	Previous data
UNITED STATES						
MONDAY 27						
	10:00	New home sales (ann. rate)	Sep.	455,000	445,000	460,000
TUESDAY 28						
	9:00	S&P/Case-Shiller home price index (y/y)	August	-16.6%	-15.9%	-16.4%
	10:00	Consumer confidence (Conf. Board)	Oct.	52.3	52.0	59.8
	10:00	Speech of the Treasury Secretary, H. Paulson				
WEDNESDAY 29						
	8:30	Durable goods orders (m/m)	Sep.	-1.0%	-1.5%	-4.8%
	14:15	FOMC meeting		1.00%	1.25%	1.50%
THURSDAY 30						
	8:30	Real GDP – preliminary (ann. rate)	Q3	-0.5%	-0.3%	2.8%
	8:30	Initial unemployment claims	Oct. 20-24	470,000	485,000	478,000
	8:30	Speech of a Federal Reserve Governor, R. Kroszner				
	15:15	Speech of the San Francisco Fed President, J. Yellen				
FRIDAY 31						
	8:30	Personal consumption expenditures (m/m)	Sep.	-0.2%	-0.3%	0.0%
	8:30	Personal income (m/m)	Sep.	0.1%	-0.3%	0.5%
	8:30	Personal consumption expenditures deflator	Sep.			
		Total (m/m)		n.a.	0.0%	0.0%
		Excluding food and energy (m/m)		4.2%	4.1%	4.5%
		Total (y/y)		0.1%	0.1%	0.2%
		Excluding food and energy (y/y)		2.4%	2.4%	2.6%
	8:30	Employment cost index	Q3	0.7%	0.6%	0.7%
	9:45	Chicago PMI index	Oct.	48.3	48.0	56.7
	10:00	Michigan's consumer sentiment index – final	Oct.	58.0	57.5	57.5
	14:00	Speech of the Federal Reserve Chairman, B. Bernanke				
CANADA						
MONDAY 27						
	---	---				
TUESDAY 28						
	---	---				
WEDNESDAY 29						
	8:30	Average weekly earnings (y/y)	August	n.a.	2.8%	2.6%
	8:30	Number of salaried employees (m/m)	August	n.a.	-0.1%	0.3%
THURSDAY 30						
	8:30	Industrial product price index (m/m)	Sep.	-0.5%	-0.4%	-0.2%
	8:30	Raw materials price index (m/m)	Sep.	-4.3%	-6.5%	-7.7%
FRIDAY 31						
	8:30	Real GDP by industry (m/m)	August	-0.3%	-0.4%	0.7%
	8:30	Industrial production (m/m)	August	n.a.	-1.0%	2.2%

NOTE : Desjardins, Economic Studies are involved every week in the Bloomberg survey for Canada and the United States. Approximately 15 economists are consulted for the Canadian survey and a hundred or so for the United States. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. (SA): Seasonally adjusted, (NSA): Non seasonally adjusted.The times shown are Eastern Daylight Time (GMT - 4 hours). Forecast of Desjardins, Economic Studies of the Desjardins Group.

ECONOMIC INDICATORS

Week of October 27 to 31, 2008

Country	Hour	Indicator	Period	Consensus m/m (q/q)	Consensus y/y	Previous data m/m (q/q)	Previous data y/y
OVERSEAS							
DURING THE WEEK							
UK	---	Nationwide house prices	Oct.	-1.5%	-14.7%	-1.7%	-12.4%
MONDAY 27							
Euro zone	5:00	Money supply M3	Sep.		8.5%		8.8%
Germany	5:00	IFO survey – Business climate	Oct.	91.0		92.9	
Germany	5:00	IFO survey – Current situation	Oct.	97.0		99.8	
Germany	5:00	IFO survey – Expectations	Oct.	85.0		86.5	
Euro zone	9:55	Speech of the European Central Bank President, J.-C. Trichet					
Japan	19:50	Retail sales	Sep.	-0.2%	0.0%	0.7%	0.7%
TUESDAY 28							
Germany	3:10	Consumer confidence	Nov.	1.5		1.8	
France	3:45	Consumer confidence	Oct.	-46		-44	
Japan	19:50	Industrial production	Sep.	0.4%	-0.3%	-3.5%	-6.9%
WEDNESDAY 29							
Norway	9:00	Bank of Norway meeting		4,75%		5,25%	
Brazil	16:00	Bank of Brazil meeting		13,75%		13,75%	
Germany	---	Consumer price index	Oct.	-0.2%	2.4%	-0.1%	2.9%
THURSDAY 30							
France	3:45	Producer price index	Sep.	-0.2%	6.4%	-0.5%	6.9%
Germany	4:55	Unemployment rate	Oct.	7.6%		7.6%	
Euro zone	6:00	Business climate	Oct.	-0.90		-0.79	
Euro zone	6:00	Consumer confidence	Oct.	-20		-19	
Euro zone	6:00	Economic confidence	Oct.	86.0		87.7	
Euro zone	6:00	Industrial confidence	Oct.	-14		-12	
Euro zone	6:00	Services confidence	Oct.	-2		0	
Japan	19:30	Unemployment rate	Sep.	4.2%		4.2%	
Japan	19:30	Workers' household spending	Sep.	-4.0%		-4.0%	
Japan	19:30	Consumer price index – Tokyo	Oct.	1.3%		1.4%	
Japan	19:30	Consumer price index	Sep.	2.1%		2.1%	
UK	20:01	Consumer confidence	Oct.	-36		-32	
Japan	---	Bank of Japan meeting		0.50%		0.50%	
FRIDAY 31							
Japan	1:00	Housing starts	Sep.		51.5%		53.6%
Germany	3:00	Retail sales	Sep.	-1.0%	n.a.	-3.0%	1.9%
Italy	5:00	Producer price index	Sep.	-0.1%	7.6%	-0.2%	8.2%
Euro zone	6:00	Consumer price index	Oct.		3.2%		3.6%
Euro zone	6:00	Unemployment rate	Sep.	7.5%		7.5%	
Italy	6:00	Consumer price index	Oct.	0.4%	3,6%	0.5%	3.9%

Note : In contrast to the situation in Canada and the United States, disclosure of overseas economic figures is much more approximate. The day of publication is therefore shown for information purposes only. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. (SA): Seasonally adjusted, (NSA): Non seasonally adjusted. The times shown are Eastern Daylight Time (GMT - 4 hours).

United States: Quarterly economic indicators

	Ref. quart.	Level	Variation (%) Quart.	Ann.	1 year	Annual variation (%) 2006	2005	2004	2003
Gross domestic product ($B 2000)	2008 Q2	11,727	0.7	2.8	2.0	2.0	2.8	2.9	3.6
Consumption ($B 2000)	2008 Q2	8,341	0.3	1.2	1.2	2.8	3.0	3.0	3.6
Government spending ($B 2000)	2008 Q2	2,059	1.0	3.9	2.5	2.1	1.7	0.4	1.4
Residential investment ($B 2000)	2008 Q2	370	-3.5	-13.3	-27.6	(17.9)	-7.1	6.3	10.0
Non-residential investment ($B 2000)	2008 Q2	1,432	0.6	2.5	4.1	1.7	7.2	9.3	7.4
Business inventory change ($B 2000) (1)	2008 Q2	-51	---	---	---	(8.1)	13.1	53.5	57.2
Exportations ($B 2000)	2008 Q2	1,545	2.9	12.3	9.9	8.4	9.1	7.0	9.7
Importations ($B 2000)	2008 Q2	1,926	-1.9	-7.3	-1.9	2.2	6.0	5.9	11.3
Final domestic demand ($B 2000)	2008 Q2	12,153	0.3	1.3	0.8	1.8	2.6	3.1	3.8
GDP deflator (2000 = 100)	2008 Q2	122	0.3	1.1	2.0	2.7	3.2	3.3	2.9
Labor productivity (1992 = 100)	2008 Q2	141	1.1	4.3	3.3	1.4	1.0	1.8	2.8
Unit labor cost (1992 = 100)	2008 Q2	128	-0.1	-0.5	0.6	2.7	2.8	2.2	0.8
Employment cost index (Dec. 2005 = 100)	2008 Q2	108	0.7	2.6	3.0	3.4	3.1	3.3	3.7
Current account balance ($M) (1)	2008 Q2	-183,147	---	---	---	(167,241)	-181,355	-208,223	-178,401
Corporate profits before tax ($B)	2008 Q2	1,533	-3.8	-14.3	-9.1	(1.6)	15.2	17.6	24.0

* New statistic in comparison with last week.
(1) For this indicator, the statistic shows the level at the end of the year of the column except for the reference quarter column (---).

United States: Monthly economic indicators

	Ref. month	Level	Variation (%) Ref. month	-1 month	-2 months	-3 months	Annualized variation (%) 3 months	6 months	1 year
Leading indicator (1996 = 100)	Sep.*	100.6	0.3	-0.9	-0.7	0.0	-5.0	-2.5	-3.0
ISM manufacturing index (1)	Sep.	43.5	---	49.9	50.0	50.2	50.2	48.6	50.5
ISM non-manufacturing index (1)	Sep.	52.1	---	51.6	49.6	49.9	49.9	52.2	55.7
Cons. confid. C.B. (1985 = 100) (1)	Sep.	59.8	---	58.5	51.9	51.0	51.0	65.9	99.5
Cons. confid. Mich. (1966 = 100) (1)	Oct.	57.5	---	70.3	63.0	61.2	61.2	62.6	80.9
Pers. cons. expenditure ($B 2000)	Aug.	8,293.3	0.0	-0.5	-0.2	0.2	-2.9	-0.3	0.1
Disposable pers. income ($B 2000)	Aug.	8,702.0	-0.9	-1.5	-2.5	5.3	-18.0	0.8	0.3
Consumer credit ($B)	Aug.	2,577.3	-0.3	0.2	0.3	0.3	1.0	2.8	3.8
Retail sales ($M)	Sep.	375,473	-1.2	-0.4	-0.6	0.1	-8.7	-2.4	-1.0
Excluding automobiles ($M)	Sep.	310,543	-0.6	-0.9	0.1	0.7	-5.4	3.0	3.6
Industrial production (2002 = 100)	Sep.	107.3	-2.8	-1.0	-0.0	0.1	-14.2	-8.3	-4.5
Prod. capacity utilization rate (%) (1)	Sep.	76.4	---	78.7	79.6	79.7	79.7	80.4	81.3
New machinery orders ($M)	Aug.	444,365	-4.0	0.7	2.1	0.9	-4.9	4.9	4.2
New durable good orders ($M)	Aug.	207,584	-4.8	0.7	1.4	0.1	-10.9	-7.7	-5.2
Business inventories ($M)	Aug.	1,511,781	0.3	1.1	0.8	0.4	8.9	6.6	6.4
Housing starts (k) (1)	Sep.	817	---	872	949	1,089	1,089	988	1,185
Building permits (k) (1)	Sep.	786	---	857	937	1,138	1,138	932	1,277
New home sales (k) (1)	Aug.	460	---	520	500	515	515	572	702
Existing home sales (k) (1)	Sep.*	5,180	---	4,910	5,020	4,850	4,850	4,940	5,110
Construction spending ($B)	Aug.	1,072.1	0.0	-1.4	-0.2	0.3	-5.8	-0.6	-5.9
Commercial surplus ($M) (1)	Aug.	-59,138	---	-61,304	-58,836	-60,208	-60,208	-61,434	-55,333
Nonfarm employment (k) (2)	Sep.	137,318	-159	-73	-67	-100	-0.9	-0.7	-0.4
Unemployment rate (%) (1)	Sep.	6.1	---	6.1	5.7	5.5	5.5	5.1	4.7
Consumer price (1982-1984 = 100)	Sep.	218.8	-0.0	-0.1	0.8	1.1	2.6	5.2	4.9
Excluding food and energy	Sep.	217.0	0.1	0.2	0.3	0.3	2.7	2.6	2.5
Pers. cons. expenditure deflator**	Aug.	123.2	0.0	0.6	0.8	0.5	5.9	5.0	4.5
Excluding food and energy	Aug.	117.7	0.2	0.3	0.3	0.2	3.3	2.7	2.6
Producer price (1982 = 100)	Sep.	181.5	-0.4	-0.9	1.2	1.7	-0.4	6.8	8.7
Excluding food and energy	Sep.	168.9	0.4	0.2	0.7	0.3	5.4	4.9	4.1
Export prices (2000 = 100)	Sep.	124.6	-1.0	-1.7	1.5	1.0	-4.7	1.3	6.8
Import prices (2000 = 100)	Sep.	139.5	-3.0	-2.6	1.4	3.0	-15.5	9.2	14.5

* New statistic in comparison with last week; ** 2000 = 100.
(1) For this indicator, the statistic shows the level of the month of the column except for the reference month column (---); (2) For this indicator, the statistic shows the average monthly variation since the reference month.

Canada: Quarterly economic indicators

	Ref. quart.	Level	Variation (%)			Annual variation (%)			
			Quart.	Ann.	1 year	2006	2005	2004	2003
Gross domestic product ($M 2002)	2008 Q2	1,327,118	0.1	0.3	0.7	2.7	3.1	2.9	3.1
Consumption ($M 2002)	2008 Q2	816,948	0.6	2.4	4.1	4.5	4.3	3.7	3.3
Government spending ($M 2002)	2008 Q2	311,147	1.1	4.5	5.0	4.2	4.1	2.7	2.5
Residential investment ($M 2002)	2008 Q2	79,661	-1.0	-3.9	-1.3	3.0	2.2	3.4	7.5
Non-residential investment ($M 2002)	2008 Q2	197,009	-0.4	-1.4	2.7	3.5	9.9	12.1	8.2
Business inventory change ($M 2002) (1)	2008 Q2	8,395	---	---	---	20,565	1,510	10,290	21,466
Exportations ($M 2002)	2008 Q2	488,478	-1.5	-5.9	-4.9	1.0	0.6	1.8	5.0
Importations ($M 2002)	2008 Q2	583,004	0.6	2.3	4.9	5.5	4.6	7.1	8.0
Final domestic demand ($M 2002)	2008 Q2	1,401,132	0.5	2.0	3.7	4.2	4.8	4.4	3.9
GDP deflator (2002 = 100)	2008 Q2	121.8	2.5	10.5	4.3	3.1	2.5	3.4	3.2
Labour productivity (1997 = 100)	2008 Q2	103.4	-0.2	-0.8	-1.4	0.6	1.6	2.1	0.2
Unit labour cost (1997 = 100)	2008 Q2	121.4	1.2	4.7	5.2	3.6	3.5	2.3	3.2
Current account balance ($M) (1)	2008 Q2	6,758	---	---	---	778	6,523	12,278	6,963
Corporate profits before tax ($M)	2008 Q2	226,964	8.3	37.5	10.7	3.3	5.8	10.5	16.4
Production capacity utilization rate (%) (1)	2008 Q2	78.9	---	---	---	81.7	82.5	85.7	84.7

* New statistic in comparison w ith last w eek.
(1) For this indicator, the statistic show s the level at the end of the year of the column except for the reference quarter column (---).

Canada: Monthly economic indicators

	Ref. month	Level	Variation (%)				Annualized variation (%)		
			Ref. month	-1 month	-2 months	-3 months	3 months	6 months	1 year
Leading comp. index (1992 = 100)	Sep.*	229.9	-0.2	0.3	0.1	0.1	1.2	1.9	0.3
Gross domestic product ($M 1997)	July	1,238,091	0.7	0.1	-0.1	0.4	2.8	1.5	1.2
Industrial production ($M 1997)	July	270,804	2.2	-0.2	-0.4	0.4	6.8	1.4	-2.1
Manufacturing shipments ($M)	Aug.	51,990	-3.7	2.7	2.1	2.8	3.8	7.2	3.9
Housing starts (k) (1)	Sep.	218.6	---	218.4	194.4	215.9	215.9	243.0	277.3
Building permits ($M)	Aug.	5,605	-13.5	2.6	-5.3	2.0	-50.3	-8.5	-12.5
New housing price (1997 = 100)	Aug.	158.6	0.0	0.1	0.1	0.0	0.5	0.6	2.3
Retail sales ($M)	Aug.*	35,855	-0.3	0.1	0.6	0.2	1.4	2.5	4.1
Excluding automobiles ($M)	Aug.*	28,301	-0.3	0.4	1.5	0.5	6.3	7.4	7.2
Wholesale trade sales ($M)	Aug.*	45,670	-1.5	2.7	1.9	1.5	12.7	15.2	6.3
New motor vehicle sales (units)	Aug.	137,937	-2.3	-0.9	-1.2	0.6	-16.2	-13.7	-4.1
Commercial surplus ($M) (1)	Aug.	5,801	---	4,198	5,936	5,665	5,665	4,654	3,918
Exports ($M)	Aug.	43,106	-1.6	0.4	3.5	4.7	9.0	19.3	12.5
Imports ($M)	Aug.	37,304	-5.8	5.0	3.3	3.2	8.9	14.9	8.5
Labour force (k)	Sep.	18,326	0.6	0.1	-0.4	0.0	1.4	1.2	1.8
Employment (k) (2)	Sep.	17,206	106.9	15.2	-55.2	-5.0	22.3	14.9	23.1
Unemployment rate (%) (1)	Sep.	6.1	---	6.1	6.1	6.2	6.2	6.0	5.9
Average weekly earnings ($)	July	791.89	0.3	0.1	-0.1	0.2	1.4	2.5	2.6
Consumer price index (2002 = 100)	Sep.*	115.7	0.1	-0.2	0.3	0.7	1.0	5.6	3.4
Excluding food and energy	Sep.*	110.8	0.3	0.1	0.1	0.0	1.8	2.2	1.0
Excluding the eight volatile items	Sep.*	112.4	0.4	0.3	0.1	0.1	2.9	2.7	1.7
Industrial prod. price (1997 = 100)	Aug.	123.9	-0.2	0.6	1.7	0.9	9.2	14.1	8.1
Raw materials price (1997 = 100)	Aug.	216.2	-7.7	1.6	4.3	3.2	-8.2	28.3	22.7
Money supply M1 ($M)	Sep.*	455,858	1.2	1.2	0.7	0.8	13.2	10.3	7.4

* New statistic in comparison w ith last w eek.
(1) For this indicator, the statistic show s the level of the month of the column except for the reference month column (---); (2) For this indicator, the statistic show s the average monthly variation since the reference month.

United States: Financial indicators

	Week of... (%)		Previous data (%)				Last 52 weeks (%)		
	Oct. 20	Oct. 13	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
Federal funds	1.50	1.50	2.00	2.00	2.25	4.75	4.75	2.75	1.50
Discount	1.75	1.75	2.25	2.25	2.50	5.25	5.25	3.09	1.75
Prime	4.50	4.50	5.00	5.00	5.25	7.75	7.75	5.75	4.50
Commercial paper – 30 days	3.22	4.03	3.20	2.35	2.84	4.83	5.20	3.25	2.23
– 90 days	3.81	4.43	3.40	2.81	2.94	4.98	5.04	3.46	2.62
Treasury bill – 4 weeks	0.20	0.06	0.51	1.26	0.91	3.23	3.90	1.84	0.05
– 90 days	0.81	0.59	0.73	1.40	1.39	3.85	3.92	1.94	0.29
– 180 days	1.35	1.20	1.33	1.87	1.66	4.10	4.02	2.18	0.86
Treasury bonds – 2 years	1.48	1.62	2.10	2.58	2.25	3.91	3.76	2.42	1.48
– 5 years	2.54	2.84	2.97	3.37	3.06	4.14	4.02	3.11	2.37
– 10 years	3.65	3.97	3.76	4.07	3.84	4.49	4.38	3.86	3.37
– 30 years	4.04	4.29	4.36	4.65	4.57	4.77	4.75	4.47	4.04
Gold price (US$/ounce)	714.1	780.4	862.5	958.8	914.2	768.2	1,003.9	870.8	714.1
CRB – Future markets (1967 = 100)	258.80	279.16	354.71	431.56	413.17	342.18	472.36	384.44	258.80
Crude oil price (WTI*, US$)	64.70	72.15	100.65	130.90	114.33	89.47	146.66	107.24	64.70

* West Texas Intermediate.
Note: Financial indicators table for the current day at 11h.

Canada: Financial indicators

	Week of... (%)		Previous data (%)				Last 52 weeks (%)		
	Oct. 20	Oct. 13	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
Overnight	2.25	2.50	3.00	3.00	3.50	4.50	4.50	3.47	2.25
Discount	2.50	2.75	3.25	3.25	3.75	4.75	4.75	3.72	2.50
Prime	4.00	4.25	4.75	4.75	5.25	6.25	6.25	5.23	4.00
Bankers accept. – 30 days	2.56	3.01	3.22	3.14	3.55	4.84	4.73	3.65	2.56
– 90 days	2.69	3.14	3.38	3.29	3.53	4.85	4.84	3.73	2.69
Commercial paper – 30 days	2.80	3.80	3.70	3.12	3.35	4.80	5.00	3.75	2.80
Treasury bill – 30 days	1.75	1.20	1.15	2.16	2.70	3.89	3.96	2.64	0.45
– 91 days	1.88	1.58	1.20	2.29	2.54	3.87	3.97	2.75	0.60
– 182 days	1.95	1.86	2.05	2.77	2.65	4.23	4.21	2.98	1.43
– 365 days	1.95	1.95	2.43	3.05	2.83	4.36	4.28	3.08	1.73
Treasury bonds – 2 years	2.09	2.29	2.86	3.15	2.93	4.24	4.15	3.07	2.09
– 5 years	2.77	2.94	3.12	3.39	3.27	4.31	4.22	3.36	2.77
– 10 years	3.62	3.74	3.64	3.81	3.77	4.38	4.31	3.77	3.44
– 30 years	4.09	4.22	4.08	4.16	4.19	4.44	4.39	4.13	3.93
Spread with the U.S. rate (% points)									
Overnight – Federal funds	0.75	1.00	1.00	1.00	1.25	-0.25	1.25	0.73	-0.25
Treasury bill – 3 months	1.07	0.99	0.47	0.89	1.15	0.02	1.35	0.81	-0.04
– 6 months	0.60	0.66	0.72	0.90	0.99	0.13	1.25	0.80	0.18
Treasury bonds – 5 years	0.23	0.10	0.15	0.02	0.21	0.17	0.76	0.25	-0.11
– 10 years	-0.03	-0.23	-0.12	-0.25	-0.07	-0.11	0.29	-0.09	-0.34
– 30 years	0.05	-0.08	-0.28	-0.49	-0.38	-0.33	0.11	-0.34	-0.59
Spread with the Canada rate – Bond 10 years (% points)									
Québec	1.42	1.33	0.93	0.73	0.82	0.44	1.42	0.79	0.44
Ontario	1.37	1.30	0.92	0.70	0.72	0.36	1.37	0.73	0.38
Alberta	1.21	1.14	0.75	0.63	0.71	0.30	1.21	0.67	0.32
British Columbia	1.29	1.17	0.80	0.62	0.68	0.35	1.29	0.67	0.34

Note: Financial indicators table for the current day at 11h.

Overseas: Economic indicators

	Ref. month	Level	Monthly variation (%)				Annualized variation (%)		
			Ref. month	-1 month	-2 months	-3 months	3 months	6 months	1 year
Euro zone									
Industrial production (2000 = 100)	Aug.	112.8	1.0	-0.2	-0.1	-1.8	3.1	-1.1	-0.7
Retail sales (2000 = 100)	Aug.	108.0	0.1	0.2	-0.1	-1.8	-2.1	-2.3	-1.8
Unemployment rate (%) (1)	Aug.	7.5	---	7.4	7.4	7.4	7.4	7.2	7.4
Commercial surplus (US$M) (1)	Aug.	-13,397	---	-3,006	-424	-6,353	-6,353	1,943	2,583
Consumer price index (2005 = 100)	Sep.	108.5	0.2	-0.1	-0.2	0.4	-0.4	2.5	3.6
Producer price index (2005 = 100)	Aug.	129.4	-0.5	1.3	1.0	1.2	7.4	9.6	8.5
Money supply M3 (€B)	Aug.	9,120	0.3	0.3	0.2	1.0	3.2	7.4	10.1
United Kingdom									
Industrial production (2003 = 100)	Aug.	98.8	-0.5	-0.5	-0.1	-0.7	-4.3	-4.3	-2.3
Retail sales (2000 = 100)	Sep.*	140.4	-0.4	1.1	0.9	-4.2	6.8	1.3	1.7
ILO unemployment rate (%) (1)	July	5.7	---	5.5	5.4	5.2	5.2	5.2	5.3
Commercial surplus (US$M) (1)	Aug.	-8,520	---	-8,567	-8,335	-7,677	-7,677	-7,844	-8,365
Consumer price index (2005 = 100)	Sep.	110.3	0.5	0.6	0.0	0.6	4.9	6.9	5.2
Producer price index (2005 = 100)	Sep.	114.3	-0.3	-0.7	0.4	0.9	-2.1	7.8	8.5
Money supply M4 (£B)	Sep.*	1,837	1.5	1.5	0.9	1.8	16.3	14.3	11.8
Japan									
Industrial production (1995 = 100)	Aug.	104.5	-3.5	1.3	-2.2	2.8	-16.4	-10.1	-4.7
Retail sales	Aug.	10,966	-5.2	5.3	-0.6	-1.2	-2.9	7.3	0.7
Unemployment rate (%) (1)	Aug.	4.1	---	4.0	4.1	4.0	4.0	3.9	3.8
Commercial surplus (US$B) (1)	Aug.	-2.2	---	2.2	2.3	4.7	4.7	10.0	7.6
Consumer price index (2000 = 100)	Aug.	102.7	0.3	0.2	0.5	0.8	4.0	4.4	2.1
Producer price index (1995 = 100)	Oct.	103.9	0.3	-0.1	0.0	0.7	0.8	3.0	2.4
Money supply M2+CD (¥B)	Sep.	736	-0.2	-0.1	0.0	0.5	-1.0	1.7	2.2

* New statistic in comparison with last week.
(1) For this indicator, the statistic shows the level of the month of the column except for the reference month column (---).

Overseas: Financial indicators

	Week of... (%)		Previous data (%)				Last 52 weeks (%)		
	Oct. 20	Oct. 13	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
Intervation rate by the centrals banks									
Euro zone – Overnight	3.25	3.25	3.25	3.25	3.00	3.00	3.25	3.08	3.00
– Refinancing	3.75	3.75	4.25	4.25	4.00	4.00	4.25	4.05	3.75
– Marginal lending	4.25	4.25	5.25	5.25	5.00	5.00	5.25	5.02	4.25
United Kingdom – Base	4.50	4.50	5.00	5.00	5.00	5.75	5.75	5.18	4.50
Japan – Overnight	0.52	0.51	0.35	0.51	0.51	0.50	0.55	0.48	0.10
– Discount	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Short-term interest rate – 3 months									
Euro zone (euro euro)	4.91	5.02	5.00	4.95	4.79	4.64	5.37	4.80	4.33
United Kingdom (euro pound)	5.98	6.16	6.00	5.81	5.89	6.29	6.61	5.95	5.56
Japan (euro yen)	1.00	1.06	0.90	0.91	0.92	0.97	1.08	0.93	0.87
Long-term interest rate – 10 years									
Germany	3.77	4.01	4.20	4.56	4.14	4.32	4.64	4.15	3.73
Spread with the U.S.*	0.12	0.04	0.45	0.49	0.31	-0.17	0.58	0.29	-0.22
United Kingdom	4.36	4.67	4.60	5.02	4.74	4.97	5.24	4.66	4.30
Spread with the U.S.*	0.71	0.70	0.84	0.96	0.90	0.48	1.07	0.80	0.47
Japan	1.50	1.59	1.49	1.58	1.39	1.64	1.87	1.52	1.28
Spread with the U.S.*	-2.15	-2.38	-2.27	-2.49	-2.45	-2.85	-2.07	-2.34	-2.79

* Data are in % points.
Note: Financial indicators table for the current day at 11h.

North American bond markets

	Yield (%)					Spread with the Federal Treasury bond (in % points)				
	Oct. 23	-1 month	-3 months	-6 months	-1 year	Oct. 23	-1 month	-3 months	-6 months	-1 year
Canada										
Bond indices										
Overall universe	4.40	4.45	4.47	4.22	4.73	1.13	0.84	0.71	0.72	0.40
Overall short-term	3.69	4.00	4.11	3.76	4.59	0.77	0.58	0.51	0.53	0.27
Overall medium-term	4.88	4.72	4.68	4.35	4.76	1.50	1.16	0.94	0.86	0.45
Overall long-term	5.31	5.04	4.92	4.85	4.94	1.08	0.84	0.68	0.71	0.52
Federal										
Overall universe	3.27	3.61	3.76	3.50	4.34	---	---	---	---	---
Overall short-term	2.92	3.42	3.60	3.23	4.31	---	---	---	---	---
Overall medium-term	3.38	3.56	3.74	3.49	4.31	---	---	---	---	---
Overall long-term	4.23	4.20	4.25	4.14	4.42	---	---	---	---	---
Provincial										
Overall universe	4.66	4.55	4.49	4.34	4.72	1.39	0.94	0.73	0.85	0.39
Overall short-term	3.47	3.73	3.84	3.47	4.47	0.56	0.31	0.24	0.24	0.16
Overall medium-term	4.52	4.40	4.33	4.13	4.60	1.14	0.84	0.59	0.64	0.29
Overall long-term	5.32	5.00	4.85	4.86	4.90	1.09	0.81	0.61	0.72	0.48
Municipal										
Overall universe	4.71	4.63	4.56	4.26	4.70	1.43	1.02	0.80	0.77	0.36
All corporate universe										
Overall universe	5.85	5.54	5.44	5.16	5.32	2.58	1.93	1.68	1.66	0.98
Corporate AA	5.39	5.23	5.13	4.89	5.13	2.12	1.62	1.37	1.40	0.79
Corporate A	6.20	5.67	5.52	5.21	5.33	2.93	2.06	1.76	1.71	0.99
Corporate BBB	6.58	6.22	6.20	5.86	5.77	3.31	2.61	2.44	2.36	1.43
United States*										
Bond indices	5.13	5.05	5.27	4.60	5.13	2.48	1.94	1.71	1.50	0.91
Federal	2.65	3.11	3.56	3.10	4.22	---	---	---	---	---
Municipal	5.07	4.72	4.47	4.28	4.35	2.43	1.60	0.91	1.18	0.13
All corporate universe										
Corporate AAA	6.64	5.98	5.32	4.80	5.18	3.99	2.86	1.75	1.70	0.96
Corporate AA	7.43	6.83	6.18	5.48	5.42	4.78	3.72	2.61	2.38	1.20
Corporate A	9.24	7.98	6.90	6.02	5.66	6.60	4.87	3.34	2.92	1.43
Corporate BBB	9.55	7.45	7.10	6.56	6.05	6.90	4.34	3.54	3.46	1.83

* American indices are all of “overall universe” form.
Note: “Overall universe” indices combine bonds of short-, medium- and long-term maturities.

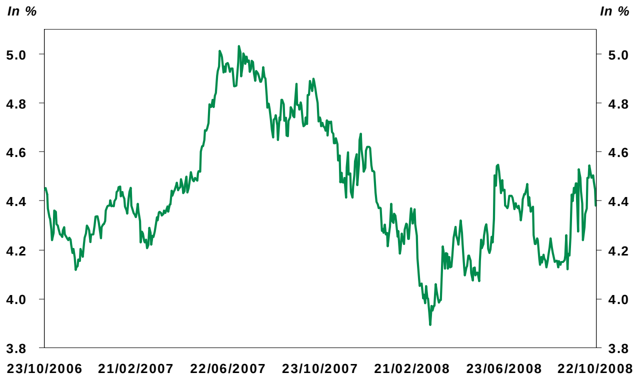
J.P. Morgan bond indices

October 23, 2008	Yield (%)	Spread against (in % points): World	United States	Canada	Euro zone	Germany	France	United Kingdom	Japan	Australia
World	3.87	---	0.50	0.15	(0.44)	0.01	(0.18)	(0.60)	2.33	(0.98)
United States	3.37	(0.50)	---	(0.35)	(0.94)	(0.49)	(0.68)	(1.10)	1.83	(1.48)
Canada	3.73	(0.15)	0.35	---	(0.59)	(0.14)	(0.33)	(0.74)	2.18	(1.13)
Euro zone	4.31	0.44	0.94	0.59	---	0.44	0.26	(0.16)	2.76	(0.55)
Germany	3.87	(0.01)	0.49	0.14	(0.44)	---	(0.19)	(0.60)	2.32	(0.99)
France	4.05	0.18	0.68	0.33	(0.26)	0.19	---	(0.42)	2.51	(0.80)
United Kingdom	4.47	0.60	1.10	0.74	0.16	0.60	0.42	---	2.92	(0.39)
Japan	1.55	(2.33)	(1.83)	(2.18)	(2.76)	(2.32)	(2.51)	(2.92)	---	(3.31)
Australia	4.86	0.98	1.48	1.13	0.55	0.99	0.80	0.39	3.31	---

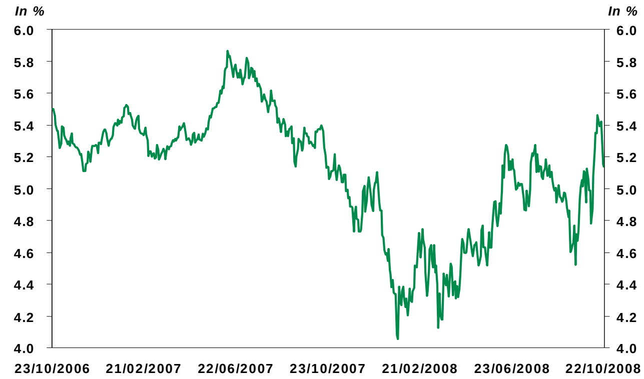
Note : These local currency indices combine federal bonds w ith maturities of one year and over.

Evolution of major bond indices

**Canada – Bond index
Overall univers**

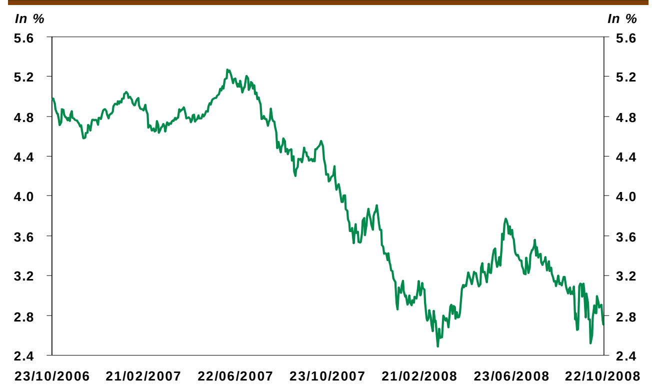


United States – Bond index



**Canada – Treasury bonds
Overall univers**

United States – Treasury bonds



Canada – Corporate AA and BBB

United States – Corporate AA and BBB

Currency market

Country – Currency*	Week of...		Previous data				Last 52 weeks		
	Oct. 20	Oct. 13	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
North America									
Canada – dollar	1.2568	1.1888	1.0353	1.0091	1.0193	0.9670	1.2568	1.0202	0.9161
Canada – US$/CAN$	0.7957	0.8412	0.9659	0.9910	0.9811	1.0341	1.0916	0.9802	0.7957
Mexico – peso	13.4725	13.1050	10.7195	10.0473	10.4924	10.8305	13.4832	10.7078	9.9169
South America									
Argentina – peso	3.2487	3.2038	3.1014	3.0238	3.1838	3.1688	3.2713	3.1194	3.0130
Bolivia – boliviano	7.0200	7.0200	7.0400	7.1200	7.3800	7.6400	7.6400	7.3586	7.0200
Brazil – real	2.2796	2.2243	1.8153	1.5833	1.6570	1.7968	2.3805	1.7350	1.5590
Chile – peso	647.65	631.65	533.25	493.95	444.55	503.15	647.65	495.49	432.15
Columbia – peso	2,356.4	2,315.0	2,069.3	1,768.8	1,764.1	2,006.3	2,356.4	1,917.9	1,651.0
Guadeloupe – FRF**	5.0915	4.8934	4.4543	4.1790	4.1314	4.6060	5.0915	4.3867	4.1053
Peru – nuevo sol	3.0825	3.0800	2.9420	2.8358	2.7895	3.0175	3.1400	2.9042	2.6928
Venezuela – bolivar	2.1473	2.1473	2.1473	2.1473	2.1473	2.1473	2.1473	2.1473	2.1473
Africa and Middle-East									
Algeria – dinar	62.8300	61.3800	60.2850	62.4974	65.1062	68.5300	68.5460	64.2827	60.2850
Egypt – pound	5.5950	5.5850	5.4640	5.3125	5.3713	5.5238	5.5950	5.4409	5.3025
FAC zone – FAC***	106.920	102.760	93.539	87.759	86.759	96.725	106.920	92.121	86.210
Israel – shekel	3.8135	3.7218	3.4080	3.4840	3.4365	4.0260	4.0374	3.5950	3.2150
Lebanon – pound	1,506.5	1,505.5	1,503.5	1,509.5	1,514.0	1,514.0	1,514.5	1,511.0	1,502.0
Morocco – dirham	8.6131	8.3370	7.7138	7.3148	7.2375	7.9356	8.6131	7.6142	7.2023
Sausi Arabia – riyal	3.7510	3.7689	3.7571	3.7497	3.7510	3.7354	3.7702	3.7482	3.7053
South Africa – rand	11.0925	10.3950	8.1717	7.5288	7.6485	6.7290	11.1450	7.6337	6.4710
Tunisia – dinar	1.3521	1.3080	1.2287	1.1698	1.1522	1.2482	1.3521	1.2064	1.1456
Turkey – lira	1.6600	1.5200	1.2419	1.2039	1.2906	1.2142	1.6600	1.2323	1.1475
United Arab Emirates – dirham	3.6732	3.6732	3.6729	3.6730	3.6735	3.6725	3.6748	3.6727	3.6559
Asia									
China – yuan renminbi	6.8366	6.8349	6.8137	6.8323	6.9835	7.5045	7.5045	7.0579	6.8119
Hong Kong – dollar	7.7546	7.7583	7.7599	7.7994	7.7947	7.7510	7.8146	7.7924	7.7507
India – rupee	49.8155	48.6905	45.6535	42.0755	39.9605	39.5755	49.8155	41.6779	39.0755
Indonesia – rupiah	9,953	9,863	9,317	9,144	9,209	9,138	9,953	9,281	9,049
Japan – yen	97.985	101.685	105.805	107.935	103.455	114.705	115.335	106.744	97.385
Malaysia – ringgit	3.5760	3.5218	3.4096	3.2405	3.1345	3.3755	3.5760	3.2943	3.1345
Pakistan – rupee	80.9500	81.5900	77.8600	70.5500	64.5300	60.6300	82.8700	67.1400	60.6300
Singapore – dollar	1.5000	1.4776	1.4179	1.3645	1.3516	1.4630	1.5000	1.4074	1.3479
South Korea – won	1,408.9	1,373.5	1,148.3	1,013.8	990.8	918.1	1,408.9	1,014.9	900.7
Taiwan – dollar	33.4435	32.5570	31.9410	30.3950	30.3140	32.6830	33.4435	31.4227	30.0010
Thailand – baht	34.6150	34.2950	33.7850	33.4450	31.4750	31.6050	34.7550	32.2427	29.5050
Europe									
Denmark – krona	5.7524	5.5276	5.0850	4.7575	4.6985	5.2272	5.8118	4.9865	4.6644
Euro zone – US$/€	1.2883	1.3405	1.4727	1.5697	1.5877	1.4242	1.5979	1.4983	1.2883
Hungary – forint	215.81	197.45	164.48	149.24	158.14	176.54	217.97	167.03	143.64
Iceland – krona	117.345	112.205	94.575	79.425	73.685	60.555	117.345	75.489	58.695
North Ireland – pound	0.5444	0.5444	0.5444	0.5021	0.4958	0.5522	0.5639	0.5241	0.4923
Norway – kroner	6.8424	6.5050	5.6093	5.1563	5.0034	5.3942	7.2294	5.3679	4.9583
Poland – zloty	2.9935	2.6442	2.2528	2.0763	2.1482	2.5703	2.9935	2.3254	2.0234
Russia – ruble	26.9116	26.3518	25.0272	23.3601	23.4160	24.8820	26.9116	24.2944	23.1169
Sweden – krona	7.6436	7.4143	6.5578	6.0305	5.8766	6.4349	7.8585	6.3046	5.8368
Switzerland – swiss franc	1.1623	1.1309	1.0818	1.0385	1.0158	1.1738	1.1738	1.0783	0.9860
United Kingdom – US$/£	1.6197	1.7230	1.8550	1.9967	1.9803	2.0483	2.1082	1.9513	1.6197
South Pacific									
Australia – US$/AUD$	0.6740	0.6893	0.8343	0.9606	0.9475	0.8979	0.9786	0.8885	0.6437
New Zeland – US$/NZ$	0.5971	0.6175	0.6825	0.7441	0.7935	0.7562	0.8175	0.7476	0.5935

* In comparison w ith the U.S. dollar, unless otherw ise indicated; ** French Franc; *** Financial African Community: 100 CFA = 1 FRF and 0.655957 FRF = 1 euro.
Note: Currency table base on previous day closure.

Evolution of major currencies

Canada

Euro zone

United Kingdom

Switzerland

Japan

Australia

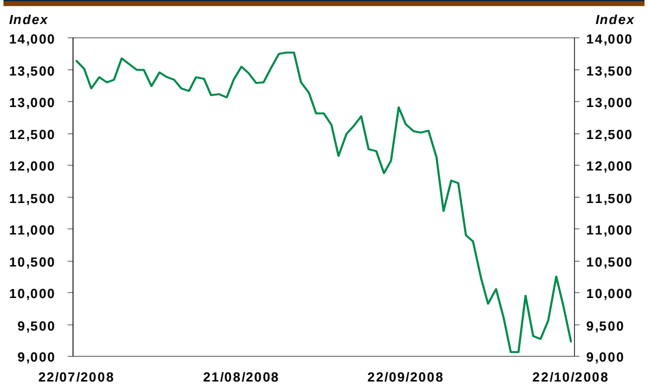
World stock markets indices

Country – World stocks	Week of...		Previous data				Last 52 weeks		
	Oct. 20	Oct. 13	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
World									
World – FT/S&P	259.11	268.32	359.14	400.76	437.09	471.58	486.96	413.60	259.11
World – MSCI	910.7	937.1	1,249.7	1,385.4	1,504.5	1,633.4	1,682.4	1,429.8	909.8
Asia									
Pacific Basin – MSCI	1,597.6	1,570.8	2,110.2	2,378.9	2,539.1	2,770.1	2,895.1	2,422.3	1,540.2
China – SHANG	1,875.6	1,909.9	2,201.5	2,837.8	3,278.3	5,773.4	5,954.8	3,694.8	1,875.6
Hong Kong – HANG SENG	13,760	15,231	18,873	23,135	25,289	29,377	31,638	23,657	13,760
Indonesia – JAKARTA	1,337.2	1,463.3	1,873.1	2,225.8	2,314.3	2,553.8	2,830.3	2,366.0	1,337.2
Japan – NIKKEI 225	8,461	8,458	12,091	13,313	13,579	16,451	16,870	13,509	8,276
Malaysia – KUALA LUMPUR	891.3	920.0	1,026.2	1,139.4	1,288.2	1,357.3	1,516.2	1,248.5	891.3
Singapore – STI	1,745.7	1,951.2	2,476.5	2,979.0	3,193.8	3,654.4	3,785.8	3,009.2	1,745.7
South Korea – KOSPI	1,049.7	1,213.8	1,481.4	1,591.8	1,800.8	1,948.0	2,064.9	1,693.1	1,049.7
Taiwan – WI	4,730.5	5,076.0	6,182.2	7,309.8	9,008.5	9,502.4	9,809.9	7,841.8	4,730.5
Thailand – THAI SET 50	323.44	333.27	425.88	489.37	602.72	631.14	681.82	551.68	311.16
Western Europe									
Europe – STOXX 50	2,452.0	2,423.8	3,139.8	3,387.5	3,763.6	4,378.4	4,489.8	3,683.3	2,421.9
Europe 15 of UE – MSCI	1,074.0	1,102.3	1,565.0	1,789.5	2,004.9	2,151.7	2,235.4	1,861.5	1,074.0
Euro zone – MSCI	793.4	826.4	1,184.0	1,364.2	1,545.3	1,625.5	1,691.2	1,423.4	793.4
Austria – ATX	1,924.7	2,080.6	3,109.9	3,722.5	4,048.9	4,774.7	4,871.7	3,870.3	1,924.7
Belgium – BEL 20	1,983.1	1,946.4	2,892.9	3,144.8	3,879.2	4,404.4	4,441.8	3,541.1	1,946.4
Denmark – KAX	254.77	267.34	353.71	382.89	401.91	488.46	494.31	400.97	254.77
Finland – HEX GENERAL	6,019	5,793	7,398	8,529	9,425	12,163	12,657	9,618	5,793
France – CAC 40	3,310.9	3,181.0	4,139.8	4,408.7	4,944.7	5,705.1	5,848.0	4,788.3	3,176.5
Germany – DAX 30	4,519.7	4,622.8	6,068.5	6,536.1	6,795.0	7,842.8	8,076.1	6,800.9	4,519.7
Ireland – OVERALL	2,710.7	2,727.8	3,739.5	5,159.7	6,144.0	7,767.6	7,911.1	5,759.7	2,710.7
Italy – MIB 30	21,522	20,930	27,557	29,694	33,994	39,990	40,973	32,929	20,580
Netherlands – AEX	257.9	248.0	367.6	405.4	471.2	546.4	550.9	442.0	248.0
Norway – OBX	193.85	178.82	285.96	329.32	375.77	397.85	422.79	346.87	178.82
Portugal – PSI-20	6,323	6,653	8,190	8,777	11,038	12,753	13,324	10,421	6,281
Spain – IBEX 35	8,811	9,308	11,177	11,935	13,663	15,430	15,946	13,128	8,811
Sweden – AFGX	192.508	193.297	251.756	271.456	306.957	370.020	373.362	296.442	190.519
Switzerland – SMI	5,893.7	5,718.5	6,805.5	7,058.2	7,324.5	8,903.2	9,019.6	7,488.0	5,347.2
United Kingdom – FTSE 100	4,087.8	3,861.4	5,136.1	5,449.9	6,083.6	6,514.0	6,721.6	5,777.3	3,861.4
North America									
North America – MSCI	946.4	987.5	1,268.2	1,373.1	1,468.7	1,604.5	1,640.9	1,415.5	936.6
Canada – S&P/TSX	9,331	9,270	12,533	13,513	14,070	14,087	15,073	13,409	9,065
– S&P/TSX 60	562.52	559.12	752.32	808.52	835.71	817.16	900.93	793.05	546.25
– S&P/TSX VENTURE	858.0	937.8	1,538.6	2,223.1	2,516.9	3,018.3	3,173.6	2,402.1	858.0
United States – S&P 500	908.1	946.4	1,188.2	1,282.2	1,379.9	1,519.6	1,549.4	1,332.3	896.8
– DJIA	8,691	8,979	10,854	11,632	12,763	13,676	13,930	12,138	8,451
– NASDAQ	1,603.9	1,717.7	2,153.3	2,325.9	2,405.2	2,799.3	2,859.1	2,376.1	1,603.9
– RUSSELL 2000	489.92	536.57	709.19	719.19	708.11	818.53	828.02	712.81	489.92
– WHILSHIRE 5000	9,111	9,549	12,173	13,087	13,900	15,386	15,673	13,497	9,081
Mexico – BOLSA	17,799	20,458	24,969	27,645	31,848	32,229	32,229	28,542	17,799
Central and South America									
Amérique latine – MSCI	1,873.1	2,076.8	3,346.7	4,290.9	4,763.8	4,390.1	5,195.4	4,209.0	1,873.1
Argentine – MERVAL	963.7	1,185.9	1,656.6	1,940.7	2,140.4	2,251.9	2,351.4	1,994.8	940.8
Brésil – BOVESPA	33,818	36,441	49,593	59,420	64,947	62,697	73,516	60,253	33,818
Other countries									
Emerging countries – MSCI	514.3	576.5	830.3	1,049.9	1,192.1	1,268.7	1,338.5	1,087.2	514.3
Australia – S&P/ASX 100	3,265.0	3,290.0	4,015.8	4,136.2	4,570.2	5,392.1	5,513.3	4,467.7	3,243.2
New Zeland – NZSE 50	1,990.0	1,961.7	2,302.9	2,312.5	2,629.6	3,193.9	3,206.1	2,603.5	1,961.7
Russia – RSI	22,587	23,835	42,794	63,573	66,693	67,563	76,075	63,059	22,587
South Africa – FTSE/JSE 40	17,817	18,192	22,794	25,503	29,674	27,676	31,315	26,428	17,817

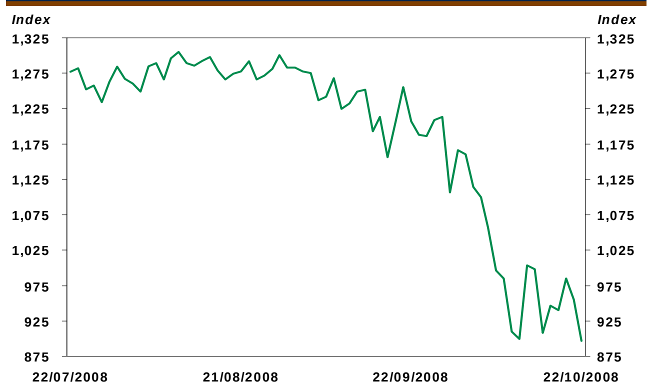
Note: Currency table base on previous day closure

Evolution of major stock market indices

Canada – S&P/TSX



United States – S&P500

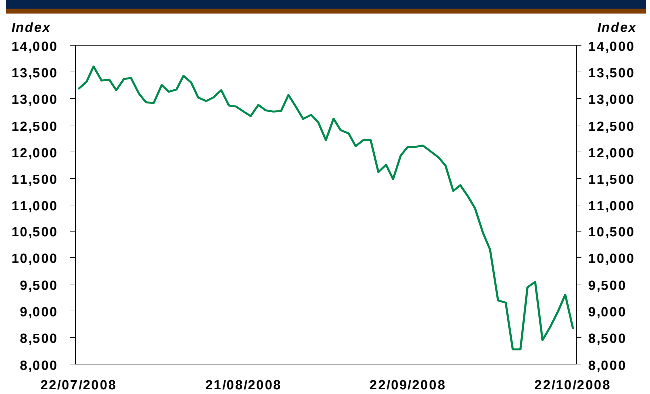


Germany – DAX 30

France – CAC 40

United Kingdom – FTSE 100

Japan – NIKKEI 225



Stock markets (sector indices)

	Week of...		Change since (%)				Last 52 weeks		
	Oct. 20	Oct. 13	1 month	3 months	6 months	1 year	Higher	Average	Lower
Canada: S&P/TSX									
Composite index	9,331.35	9,269.97	-25.54	-30.94	-33.68	-33.76	15,073.13	13,424.72	9,065.16
Materials	1,575.33	1,789.14	-45.92	-53.31	-55.28	-48.31	3,902.40	3,199.64	1,627.64
Industrials	951.84	918.49	-17.99	-25.69	-26.03	-26.34	1,395.30	1,241.00	884.26
Consumer staples	1,335.22	1,286.77	-7.96	-5.63	-6.76	-21.86	1,751.23	1,489.50	1,264.59
Cons. discretionary	818.63	822.83	-15.72	-17.68	-25.38	-40.15	1,409.30	1,099.77	818.30
Energy	2,211.80	2,019.35	-30.36	-36.04	-40.39	-33.04	4,239.41	3,398.57	1,959.78
Health care	288.16	251.67	-1.45	-13.23	-21.53	-30.03	427.55	353.82	241.19
Information techno.	203.78	234.60	-38.70	-48.20	-50.32	-50.18	489.65	382.57	211.58
Telecom. services	808.85	772.29	-3.76	-9.95	-12.95	-23.16	1,067.88	910.55	742.99
Utilities	1,538.95	1,453.23	-11.02	-20.43	-18.13	-19.95	2,053.74	1,884.83	1,375.58
Financials	1,400.48	1,407.77	-15.42	-16.69	-17.37	-27.55	2,019.51	1,711.58	1,304.13
United States: S&P500									
Composite index	908.11	946.43	-23.57	-29.18	-34.19	-40.24	1,549.38	1,333.93	896.78
Materials	141.93	153.96	-35.94	-42.29	-47.29	-45.52	285.91	248.25	143.67
Industrials	207.08	219.67	-26.56	-34.07	-38.90	-43.61	371.33	324.63	206.12
Consumer staples	242.59	246.75	-14.08	-14.31	-16.85	-16.40	306.61	288.00	236.41
Cons. discretionary	159.39	169.34	-29.23	-31.15	-36.05	-44.66	289.97	244.10	160.24
Energy	369.22	364.95	-28.42	-33.43	-41.48	-35.59	668.81	566.22	338.56
Health care	304.99	307.48	-13.76	-17.63	-16.54	-26.12	426.06	378.00	282.86
Information techno.	241.52	259.68	-24.04	-31.72	-35.68	-43.28	441.36	364.54	241.26
Telecom. services	97.03	99.71	-16.74	-27.78	-33.39	-45.06	176.62	142.89	91.53
Utilities	144.02	139.08	-15.94	-25.77	-29.83	-29.14	223.91	198.21	130.07
Financials	194.33	213.72	-28.98	-35.69	-43.36	-56.49	452.30	333.05	184.38
Euro zone: FTSEurofirst 300									
Composite index	937.09	938.05	-23.66	-29.39	-36.99	-46.14	1,782.24	1,449.39	934.05
Ressources	1,247.67	1,137.54	-19.59	-28.19	-34.74	-36.60	2,088.03	1,798.15	1,137.54
Basic industries	1,503.99	1,499.42	-33.38	-41.25	-45.91	-47.21	2,979.03	2,581.38	1,499.42
General industries	909.34	934.78	-31.69	-38.60	-46.33	-54.03	2,071.62	1,642.14	934.78
Cyclical cons. goods	1,140.06	1,268.32	-23.93	-23.12	-30.57	-42.72	2,062.10	1,634.10	1,154.33
Cyclical services	1,161.35	1,061.75	-4.48	-12.32	-14.88	-26.65	1,722.08	1,390.55	1,003.61
Non-cyclical goods*	687.00	660.47	-16.93	-20.31	-29.86	-41.87	1,205.92	971.30	641.45
Non-cyclical services	527.97	487.90	-19.69	-27.29	-30.05	-49.93	1,082.71	810.07	487.90
Information techno.	693.22	676.59	-9.78	-8.71	-17.23	-32.66	1,083.98	878.26	616.15
Utilities	1,755.90	1,636.96	-15.86	-26.07	-31.42	-37.75	3,001.33	2,531.95	1,541.03
Financials	745.36	777.68	-29.94	-36.01	-45.59	-54.75	1,689.38	1,293.27	759.28
United Kingdom: FTSE – All share									
Composite index	2,053.73	1,964.71	-21.35	-26.08	-33.66	-38.73	3,454.12	2,948.30	1,964.71
Ressources	6,523.07	5,608.17	-13.68	-19.17	-26.18	-23.64	9,880.03	8,253.36	5,608.17
Basic industries	2,932.78	2,857.18	-45.94	-57.45	-65.81	-58.09	9,323.39	7,057.07	2,857.18
General industries	1,736.79	1,722.51	-24.71	-28.92	-34.56	-43.19	3,106.53	2,567.78	1,722.51
Cyclical cons. goods	5,368.29	4,933.91	-5.55	-3.08	2.00	-10.00	6,257.33	5,466.05	4,679.66
Cyclical services	1,745.30	1,742.26	-14.66	-20.21	-29.67	-41.49	3,231.31	2,566.33	1,680.65
Non-cyclical goods*	6,629.13	6,483.48	-14.33	-12.80	-24.01	-27.46	9,422.34	8,363.53	6,335.44
Non-cyclical services	2,182.17	2,163.07	-19.46	-23.14	-30.67	-45.48	4,157.06	3,159.45	2,163.07
Information techno.	285.73	281.80	-26.56	-29.05	-26.62	-41.13	500.62	397.96	281.80
Utilities	5,928.71	5,778.88	-11.53	-11.33	-11.09	-16.64	7,390.66	6,760.49	5,329.14
Financials	3,321.76	3,312.98	-27.93	-32.18	-40.47	-49.58	6,856.10	5,311.76	3,312.98

* Consumer goods.