Weekly Newsletter

Desjardins Economic Studies

www.desjardins.com/economics

January 23, 2009

The Bank of Canada lowers its rates and revises its economic scenario

Highlights

- Housing starts tumble to a new low in the United States.
- After a few hiccups, President Obama's choice for Treasury Secretary—Timothy Geithner—should finally be approved by the U.S. Senate.
- The Bank of Canada lowered its key rates by 50 basis points and changed its economic scenario.
- Canada: total inflation keeps sliding.
- Canada: retail sales plummet in November.

A look ahead

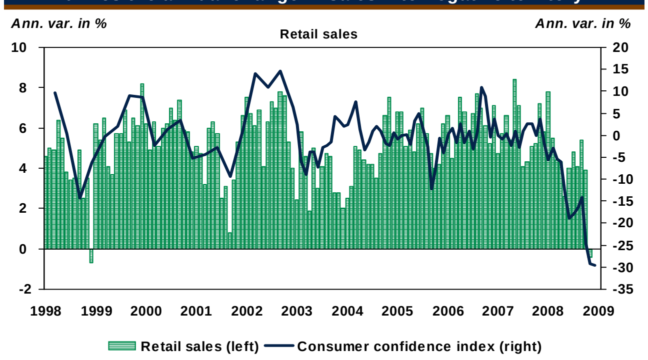
- New home sales should post further declines in the United States.
- Key rates are at a floor, so attention will focus on the comments that the Federal Reserve makes after the meeting ends on Wednesday.
- United States: a big, almost 5% drop in real GDP is expected for the fourth quarter of 2008.
- Canada: another decline in the real GDP by industry in November.
- Canadian government's budget: major deficits are expected.

Financial markets

- Concerns about financial institutions are making the markets pull back.
- The Bank of Canada lowered its key rate by 50 points and is optimistic about 2010.
- The American dollar makes more gains.

Contents

Graph of the week – Plummeting confidence drives the annual change in sales into negative territory



Sources: Conference Board of Canada, Statistics Canada and Desjardins, Economic Studies

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

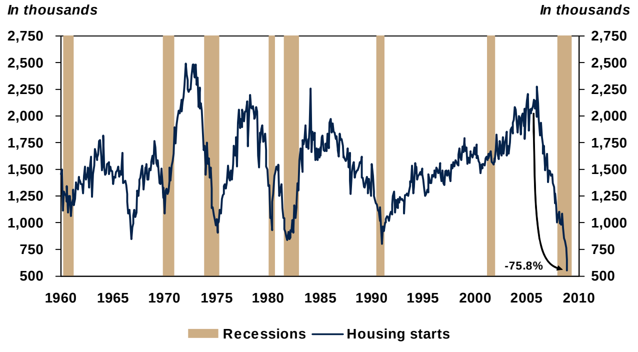
KEY STATISTICS OF THE WEEK

UNITED STATES

- New York Fed President Timothy Geithner's appearance before the Senate Finance Committee was not completely smooth, casting shadows over President Barack Obama's choice for his next Treasury Secretary. Following a plethora of comments on Mr. Geithner's previous problems with the IRS and the Federal Reserve's (Fed) response to the problems in the banking sector, the committee's members finally approved his appointment 18 to 5. It is now up to the full Senate to confirm Mr. Geithner as Treasury Secretary, which should happen on Monday, January 26.
- U.S. housing starts tumbled from 651,000 in November to 550,000 in December. Since reaching their peak in January 2006, housing starts have plummeted 75.8%. Tightened credit conditions, distrust in the real estate market and mounting job losses are keeping buyers at bay. The large number of new and existing homes on the market is pushing builders to reduce their production.
- In China, real GDP rose 6.8% in the fourth quarter of 2008 (year-over-year), after gaining 9.0% the previous quarter. Annual real GDP growth had been well over 10% since 2005; the increase at the end of 2008 constitutes the weakest growth since 2001. Foreign trade is primarily what is affecting China's output.
- Britain's economy joins the United States, Japan and the euro zone in recession. This does not come as a surprise, but the non-annualized 1.5% contraction recorded in the final quarter of 2008 is the biggest decline since the spring of 1980.

Francis Généreux
Senior Economist

United States – Housing starts reach unprecedented levels



Sources: Census Bureau and Desjardins, Economic Studies

CANADA

- As the broad majority of forecasters had anticipated, the economy's ongoing deterioration prompted the BoC to lower its key rate to 1.00% on Tuesday, the lowest level ever recorded here. The Bank of Canada's new economic scenario, the details of which were released on Thursday, projects that the current recession will end halfway through 2009. The BoC judges that, after that, the hoped-for recovery by financial conditions, the stimulus provided by key rate cuts and liquidity injections, the support furnished by the government economic recovery plan and the loonie's depreciation should contribute to a strong economic recovery as of mid-2009. The real GDP could therefore grow 3.8% in 2010 after sliding by 1.2% this year. Note that the monetary authorities are being much more optimistic than all of the private forecasters as to the size of the economic recovery.
- The total consumer price index (CPI) fell by 0.7% in December 2008. The year-over-year variation for the total CPI was 1.2% vs. 2.0% the previous month. The Bank of Canada's core index (CPIX) fell by 0.4% for the month. Its year-over-year variation remained at 2.4%. The total annual inflation rate for 2008 was 2.3% on average in Canada. The total inflation rate for 2007 overall was 2.2%.
- Retail sales fell 2.4% in November. Over one year, the change is in negative territory (-0.4%) for the first time in almost ten years. The automotive sectors tumbled that month. New motor vehicles pulled back 3.4%, while gas stations were down 14.9%. The steep decline at gas stations is, of course, attributable to November's substantial drop in gas prices. In real terms, retail sales are down 0.6%.
- Sales by Canadian manufacturers fell 6.4% in November. This is the biggest one-month drop since this time series began in 1992. **Clearly**, once again, the manufacturing sector is being pummelled by the deterioration in economic conditions.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

The enthusiasm surrounding President Obama's swearing in did not spread to the markets

The new measures to support banks announced last Friday in the United States and on Monday in the United Kingdom did not have the hoped-for impact, as fears of nationalization made the value of bank stocks tumble violently early this week. The indexes seesawed after that, with another decline in housing starts in the United States and some disappointing corporate performances preventing them from rising. Oil's rebound over US$40/barrel is mainly due to technical factors associated with futures rollovers. At the time of writing, the main Canadian and American indexes were heading for a weekly decline of about 5%.

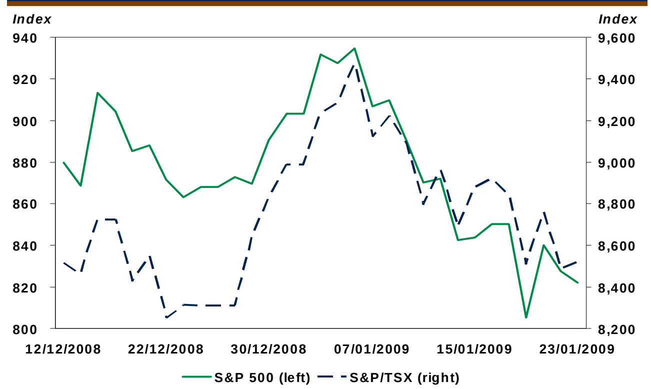
The fears that affected the stock market did not benefit the bond market. Rates on U.S. 10-year federal bonds thus rose by almost 30 basis points this week, to over 2.60%. Concerns surrounding the increase in Treasuries issues and a potential federal securities bubble won out over the economic and financial situation. The markets had anticipated Canada's 50 basis point key rate cut. However, the Bank of Canada's strong optimism about 2010 seems to have contributed to the over 20 point rise in the two-year rate.

The American dollar continued to benefit from the strains in the financial markets, especially in the first part of the week. The euro dropped back below US$1.28, which takes it closer to the lows reached last fall. The pound took a bigger hit due to the banking struggles in the United Kingdom and the release of disappointing results for the national accounts. Britain's currency, which is nearing parity with the euro, reached an over twenty-year low against the dollar on Friday, at US$1.3506. The climate of uncertainty is also giving the yen a boost—on Wednesday, its exchange rate against the dollar dropped below last fall's low point at 87.12 yen/US$. Despite the increase in oil prices, the Canadian dollar fluctuated under US$0.80 after Monday's depreciation.

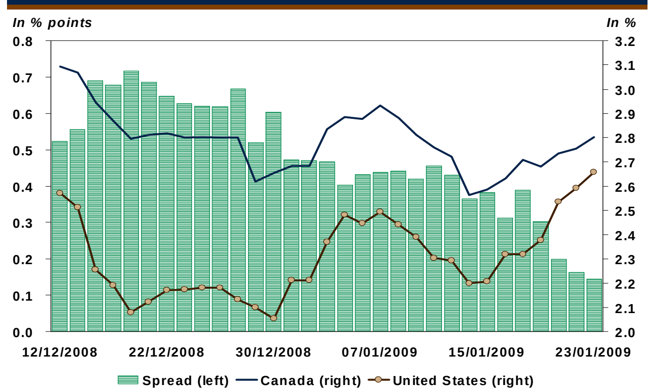
Mathieu D'Anjou
Senior Economist

Hendrix Vachon
Economist

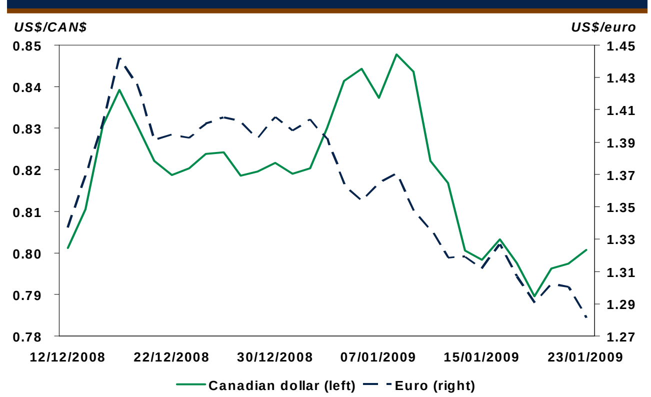
Stock markets



Treasury bond – 10-year rate



Currency markets



A LOOK AHEAD

UNITED STATES

Monday Jan. 26 - 10:00	
December	m/m
Consensus	-0.3%
Desjardins	0.2%
November	**-0.4%**

Leading indicator (December) – Although a lot of bad economic news was released in December, we can expect the leading indicator to tick up. Essentially, the increase comes from a single component in the indicator, the money supply expressed in constant dollars. The combined impact of Federal Reserve policy and December's decline in the price indexes gave this statistic some impetus, and it should make a positive contribution of about 1 percentage point to the leading indicator. Most of the other components, from the labour market, stock market and ISM index to building permits, should offset some but not all of the money supply's contribution.

Monday Jan. 26 - 10:00	
December	
Consensus	4,400,000
Desjardins	4,420,000
November	**4,490,000**

Existing home sales (December) – After stabilizing somewhat around mid-2008, sales of existing homes are clearly back on a down trend. In November alone, sales fell by 8.6%! We can assume that the contraction is not over—December's figures should show another decline. Tightened credit conditions and the weak job market add to the housing sector's already substantial problems, wiping out any positive effect that could be created by the decline in mortgage interest rates since last fall. We are expecting an annualized 4,420,000 sales in December.

Tuesday Jan. 27 - 9:00	
November	y/y
Consensus	-18.40%
Desjardins	-17.40%
Octobre	**-18.04%**

S&P/Case-Shiller index of existing home prices (November) – Home prices continue to decline in the United States. November's results showed a 12-month pullback of 18.0%, the worst drop in the ongoing housing market correction. However, a mathematical effect that stems from the November 2007 acceleration by the decline in prices should mean that a smaller annual change will be recorded in November 2008, i.e. 17.4%. This in no way indicates that the crisis is behind us. From its peak in 2006, the S&P/Case-Shiller index has come down by a total of 23.4%; it is expected to contract by 33% over the cycle as a whole.

Tuesday Jan. 27 - 10:00	
January	index
Consensus	39.0
Desjardins	40.5
October	**38.0**

Conference Board consumer confidence index (January) – The University of Michigan confidence index is showing some stabilization and even a tiny improvement in household confidence. The gain is small, but it could also show up in the Conference Board confidence index which, in December, posted the lowest level ever recorded. Soft gas prices, news of more recovery measures from the government and perhaps even the ushering in of the new administration could at least stabilize household sentiment. The deterioration in employment is, however, a major downside risk to confidence.

Wednesday Jan. 28 - 14:15	
Consensus	0.25%
Desjardins	0.25%
December 16	**0.25%**

Federal Reserve meeting – Having taken its key rates to almost 0%, there is very little the Federal Reserve (Fed) can do in terms of traditional monetary policy. We can therefore easily predict that the target for the federal funds rate will not move out of its 0% to 0.25% range. The Fed will remain focused on the measures to provide the market with liquidity using its balance sheet. It will still be interesting to read the comments that emerge from Wednesday's meeting, to find out what Fed leaders think about the current economic and financial situation.

New durable goods orders (December) – Like December's manufacturing production, most sectors recorded sharp declines in orders last month. The recent changes in durable goods orders had been declining for several months. Also, the ISM manufacturing index's new orders component is still recording big drops; in December, it went to its lowest point since the index was launched in 1948. We expect orders to decline 2.0%, although the aerospace industry could make a slightly positive contribution.

Thursday Jan. 29 - 8:30	
December	m/m
Consensus	-2.0%
Desjardins	-2.0%
November	**-1.5%**

New home sales (December) – The signs for December's movement by new home sales are fairly negative. Further declines by housing starts, building permits and the homebuilder confidence index point toward another drop in sales, which had already pulled back by 2.9% in November. Only the increase in purchase mortgage applications allows us to hope for a slight rise, although tightened credit conditions make this a very slim hope.

Thursday Jan. 29 - 10:00	
December	
Consensus	400,000
Desjardins	400,000
November	**407,000**

Real GDP (Q4 – advance estimate) – Positive signs should be few and far between in the real GDP results for the fourth quarter of 2008. The financial and economic crisis reached its full height during this period. Consumption, business investment, residential construction and net exports should thus all make substantial negative contributions. We therefore expect the real GDP to have declined by almost 5.0%, on an annualized basis. This would be the economy's biggest contraction since the winter of 1982. According to the National Bureau of Economic Research, the recession began at the very end of 2007, but it is only with the results for Q4 of 2008 that the classic condition of two straight quarters of contraction will be verified.

Friday Jan. 30 - 8:30	
Q4 2008	ann. rate
Consensus	-5.3%
Desjardins	-4.8%
Q3 2008	**-0.5%**

CANADA

Federal government budget for 2009-2010 – We will learn the details about the government's economic recovery plan when the next federal budget is tabled. In all likelihood, the scope of the measures will exceed our estimate of the minimum amount needed to rein in the recession in mid-2009 and create a gradual economic recovery after that (that is, between $15B and $20B). Clearly, the government will not want to run any risks and will table a more ambitious plan, which should lead to a stronger economic recovery. The new measures, combined with the deteriorating economic conditions, will enlarge the budget deficit. According to a senior officer with the Finance Department, the deficit could be in the neighbourhood of $34B in 2009-2010 and $30B in 2010-2011.

Tuesday Jan. 27 - 16:00

Real GDP by industry (November) – The 2.4% drop in retail sales in November is in addition to the 1.6% drop in wholesale sales, the 6.4% decline in manufacturing sales and the many other disappointing figures for that month. Real GDP by industry could thus decline by about 0.4% for the month, following on October's 0.1% dip. Q4 of 2008 should therefore end with a substantial decline in real GDP, marking the start of the recession in Canada.

Friday Jan. 30 - 8:30	
November	m/m
Consensus	-0.4%
Desjardins	-0.4%
October	**-0.1%**

OVERSEAS

Thursday Jan. 29 - 5:00

Euro zone: Confidence indicators (January) – A number of confidence indicators will come out on Thursday. From consumer confidence to business sentiment, we will get more information on the economic climate in Euroland. The results should still be fairly negative, as they have been in recent months. If so, it would be clear that the recession that is already well underway in the euro zone will persist for several quarters. December's jobless rate for the euro zone will come out on Friday. Germany's IFO index, published Tuesday, should also provide some information on the level of economic activity in Europe.

Thursday Jan. 29 - 8:30

January	y/y
Consensus	0.6%
December	**0.7%**

Japan: Consumer price index – Tokyo (January) – The Tokyo consumer price index has not risen since August. The annual change in prices has thus gone from July's peak of 1.6% to just 0.7% in December. It should continue to wane in January. With food and energy excluded, core inflation should even go back to zero. Other major statistics will be released in Japan in the next few days. Retail sales (Wednesday), the jobless rate (Thursday), consumer spending (Thursday), industrial production (Thursday), and housing starts (Friday) should all attest to the economy's deterioration in December.

Friday Jan. 30 - 5:00

January	m/m
Consensus	0.3%
December	**1.6%**

Euro zone: Consumer price index (January – flash estimate) – Inflation pressures have almost vanished in the euro zone. Clearly, the big drop in energy prices is one of the reasons for this kind of change from the first half of 2008. However, core inflation, which excludes food and energy, is also slowing. From 1.6% in December, the euro zone's inflation rate should go to 1.4%.

ECONOMIC INDICATORS

Week of January 26 to 30, 2009

UNITED STATES

Day	Hour	Indicator	Period	Consensus	Desjardins	Previous data
MONDAY 26						
	10:00	Leading indicator (m/m)	Dec.	-0.3%	0.2%	-0.4%
	10:00	Existing home sales (ann. rate)	Dec.	4,400,000	4,420,000	4,490,000
TUESDAY 27						
	9:00	S&P/Case-Shiller home price index (a/a)	Nov.	-18.40%	-17.40%	-18.04%
	10:00	Consumer confidence (Conference Board)	Jan.	39.0	40.5	38.0
WEDNESDAY 28						
	14:15	FOMC meeting		0.25%	0.25%	0.25%
THURSDAY 29						
	8:30	Initial unemployment claims	Jan. 19-23	580,000	572,000	589,000
	8:30	Durable goods orders (m/m)	Dec.	-2.0%	-2.0%	-1.5%
	10:00	New home sales (ann. rate)	Dec.	400,000	400,000	407,000
FRIDAY 30						
	8:30	Real GDP – preliminary (ann. rate)	Q4	-5.3%	-4.8%	-0.5%
	8:30	Employment cost index (q/q)	Q4	0.7%	0.6%	0.7%
	9:45	Chicago PMI index	Jan.	34.9	37.0	35.1
	10:00	Michigan's consumer sentiment index – final	Jan.	61.9	61.9	61.9

CANADA

Day	Hour	Indicator	Period	Consensus	Desjardins	Previous data
MONDAY 26						
	---	---				
TUESDAY 27						
	11:55	Speech of the Bank of Canada Governor, M. Carney				
	16:00	Deposit of the federal government budget				
WEDNESDAY 28						
	8:30	Average weekly earnings (y/y)	Nov.	n.a.	2.5%	3.0%
	8:30	Number of salaried employees (m/m)	Nov.	n.a.	-0.4%	0.1%
THURSDAY 29						
	8:30	Industrial product price index (m/m)	Nov.	-2.8%	-3.0%	-2.6%
	8:30	Raw materials index (m/m)	Nov.	-10.0%	-12.0%	-13.4%
FRIDAY 30						
	8:30	Real GDP by industry (m/m)	Nov.	-0.4%	-0.4%	-0.1%
	8:30	Industrial production (m/m)	Nov.	n.a.	-0.6%	0.0%

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 Standard Time (GMT - 5 hours). Forecast of Desjardins, Economic Studies of the Desjardins Group.

ECONOMIC INDICATORS

Week of January 26 to 30, 2009

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							
China	---	Leading indicator	Dec.	n.a.		96.76	
MONDAY 26							
---	---	---					
TUESDAY 27							
France	2:45	Housing starts	Dec.		n.a.		-14.4%
Italy	3:30	Consumer confidence	Jan.	99.0		99.6	
Euro zone	4:00	Current account (€B)	Nov.	n.a.		-6.4	
Germany	4:00	IFO survey – business climate	Jan.	81.0		82.6	
Germany	4:00	IFO survey – current situation	Jan.	85.0		88.8	
Germany	4:00	IFO survey – expectations	Jan.	77.5		76.8	
WEDNESDAY 28							
Germany	2:10	Consumer confidence	Feb.	2.0		2.1	
France	2:45	Consumer confidence	Jan.	-45		-44	
Italy	3:30	Business confidence	Jan.	65.5		66.6	
New Zealand	15:00	Bank of New Zealand meeting		4.00%		5.00%	
Japan	18:50	Retail sales	Dec.	-1.6%	-0.8%	-0.9%	-0.1%
Germany	---	Consumer price index	Jan.	-0.3%	1.1%	0.3%	1.1%
THRUSDAY 29							
UK	2:00	Nationwide house prices	Jan.	-1.7%	-16.7%	-2.5%	-15.9%
Germany	3:55	Unemployment rate	Jan.	7.7%		7.6%	
Euro zone	5:00	Business climate	Jan.	-3.50		-3.17	
Euro zone	5:00	Consumer confidence	Jan.	-31		-30	
Euro zone	5:00	Economic confidence	Jan.	65.4		67.1	
Euro zone	5:00	Industrial confidence	Jan.	-34		-33	
Euro zone	5:00	Services confidence	Jan.	-18		-17	
Japan	18:30	Unemployment rate	Dec.	4.1%		3.9%	
Japan	18:30	Workers' household spending	Dec.		-3.6%		-0.5%
Japan	18:30	Consumer price index – Tokyo	Jan.	0.6%		0.7%	
Japan	18:30	Consumer price index	Dec.	0.4%		1.0%	
Japan	18:50	Industrial production	Dec.	-9.0%	-20.0%	-8.5%	-16.6%
UK	19:01	Consumer confidence	Jan.	-35		-33	
FRIDAY 30							
Japan	0:00	Housing starts	Dec.		-7.7%		0.0%
France	2:45	Producer price index	Dec.	-1.1%	0.3%	-1.9%	1.6%
Euro zone	5:00	Consumer price index – estimate	Jan.		1.4%		1.6%
Euro zone	5:00	Unemployment rate	Dec.	7.9%		7.8%	
Italy	5:00	Producer price index	Dec.	-1.1%	1.0%	-1.6%	2.3%

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 Standard Time (GMT - 5 hours).

United States: Quarterly economic indicators

	Ref. quart.	Level	Variation (%) Quart.	Ann.	1 year	Annual variation (%) 2006	2005	2004	2003
Gross domestic product ($B 2000)	2008 Q3	11,712	-0.1	-0.5	0.7	---	2.0	2.8	2.9
Consumption ($B 2000)	2008 Q3	8,261	-1.0	-3.8	-0.2	---	2.8	3.0	3.0
Government spending ($B 2000)	2008 Q3	2,088	1.4	5.8	3.1	---	2.1	1.7	0.4
Residential investment ($B 2000)	2008 Q3	354	-4.3	-16.1	-20.6	---	-17.9	-7.1	6.3
Non-residential investment ($B 2000)	2008 Q3	1,426	-0.4	-1.7	1.6	---	1.7	7.2	9.3
Business inventory change ($B 2000) (1)	2008 Q3	-30	---	---	---	---	-8.1	13.1	53.5
Exportations ($B 2000)	2008 Q3	1,556	0.7	3.0	6.1	---	8.4	9.1	7.0
Importations ($B 2000)	2008 Q3	1,909	-0.9	-3.5	-3.5	---	2.2	6.0	5.9
Final domestic demand ($B 2000)	2008 Q3	12,084	-0.6	-2.2	-0.2	---	1.8	2.6	3.1
GDP deflator (2000 = 100)	2008 Q3	123	1.0	3.9	2.6	---	2.7	3.2	3.3
Labor productivity (1992 = 100)	2008 Q3	141	0.3	1.3	2.1	---	1.4	1.0	1.8
Unit labor cost (1992 = 100)	2008 Q3	129	0.7	2.8	1.4	---	2.7	2.8	2.2
Employment cost index (Dec. 2005 = 100)	2008 Q3	109	0.7	3.0	3.0	---	3.4	3.1	3.3
Current account balance ($M) (1)	2008 Q3	-174,091	---	---	---	---	-167,241	-181,355	-208,223
Corporate profits before tax ($B)	2008 Q3	1,515	-1.2	-4.7	-9.2	---	-1.6	15.2	17.6

* 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)	Nov.	99.0	-0.4	-0.9	0.0	-0.9	-5.1	-5.6	-3.7
ISM manufacturing index (1)	Dec.	32.9	---	36.6	38.7	43.4	43.4	49.5	49.1
ISM non-manufacturing index (1)	Dec.	38.9	---	33.3	44.5	51.5	51.5	50.7	53.5
Cons. confid. C.B. (1985 = 100) (1)	Dec.	38.0	---	44.7	38.8	61.4	61.4	51.0	90.6
Cons. confid. Mich. (1966 = 100) (1)	Jan.	61.9	---	60.1	55.3	57.6	57.6	61.2	78.4
Pers. cons. expenditure ($B 2000)	Nov.	8,238.0	0.6	-0.5	-0.5	-0.1	-1.5	-2.8	-0.9
Disposable pers. income ($B 2000)	Nov.	8,808.0	1.0	0.7	0.0	-1.1	7.1	-6.7	1.6
Consumer credit ($B)	Nov.	2,570.9	-0.3	-0.1	0.3	-0.3	-0.6	0.4	2.3
Retail sales ($M)	Dec.	343,242	-2.7	-2.1	-3.4	-1.6	-28.3	-20.1	-9.8
Excluding automobiles ($M)	Dec.	284,232	-3.1	-2.5	-2.9	-0.7	-29.0	-18.5	-6.7
Industrial production (2002 = 100)	Dec.	103.6	-2.0	-1.3	1.8	-4.2	-6.0	-13.3	-7.8
Prod. capacity utilization rate (%) (1)	Dec.	73.6	---	75.2	76.3	75.0	75.0	79.6	81.0
New machinery orders ($M)	Nov.	384,586	-4.6	-6.0	-3.1	-4.3	-43.3	-27.0	-12.2
New durable good orders ($M)	Nov.	185,720	-1.5	-8.5	-0.0	-5.5	-34.0	-24.5	-13.7
Business inventories ($M)	Nov.	1,485,054	-0.7	-0.6	-0.4	0.2	-6.6	0.7	3.3
Housing starts (k) (1)	Dec.*	550	---	651	767	824	824	1,089	1,000
Building permits (k) (1)	Dec.*	549	---	615	730	805	805	1,138	1,111
New home sales (k) (1)	Nov.	407	---	419	442	448	448	515	629
Existing home sales (k) (1)	Nov.	4,490	---	4,910	5,140	4,910	4,910	4,990	5,020
Construction spending ($B)	Nov.	1,078.4	-0.6	-0.4	0.3	2.4	-2.7	-1.8	-3.3
Commercial surplus ($M) (1)	Nov.	-40,442	---	-56,690	-56,560	-58,859	-58,859	-60,019	-59,870
Nonfarm employment (k) (2)	Dec.	135,489	-524	-584	-423	-403	-4.4	-3.1	-1.9
Unemployment rate (%) (1)	Dec.	7.2	---	6.8	6.6	6.2	6.2	5.6	4.9
Consumer price (1982-1984 = 100)	Dec.	211.5	-0.7	-1.7	-1.0	-0.0	-12.7	-5.4	-0.1
Excluding food and energy	Dec.	216.8	-0.0	0.0	-0.1	0.1	-0.3	1.2	1.7
Pers. cons. expenditure deflator**	Nov.	121.1	-1.1	-0.5	0.1	-0.0	-6.1	-0.6	1.4
Excluding food and energy	Nov.	117.6	-0.0	-0.0	0.1	0.2	0.5	1.6	1.9
Producer price (1982 = 100)	Dec.	169.3	-1.9	-2.2	-2.8	-0.4	-24.3	-13.2	-1.2
Excluding food and energy	Dec.	170.1	0.2	0.1	0.4	0.4	2.9	4.4	4.3
Export prices (2000 = 100)	Dec.	115.5	-2.3	-3.4	-2.1	-0.8	-26.9	-16.1	-3.2
Import prices (2000 = 100)	Dec.	115.5	-4.2	-7.0	-5.9	-3.6	-50.6	-37.0	-9.3

* 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 ($M 2002)	2008 Q3	1,333,005	0.3	1.3	0.5	---	2.7	3.1	2.9
Consumption ($M 2002)	2008 Q3	816,231	0.2	0.7	3.1	---	4.5	4.3	3.7
Government spending ($M 2002)	2008 Q3	310,643	0.1	0.3	3.0	---	4.2	4.1	2.7
Residential investment ($M 2002)	2008 Q3	79,639	-0.0	-0.1	-2.3	---	3.0	2.2	3.4
Non-residential investment ($M 2002)	2008 Q3	200,017	0.2	0.8	3.1	---	3.5	9.9	12.1
Business inventory change ($M 2002) (1)	2008 Q3	12,018	---	---	---	---	20,565	1,510	10,290
Exportations ($M 2002)	2008 Q3	482,482	-1.4	-5.4	-5.6	---	1.0	0.6	1.8
Importations ($M 2002)	2008 Q3	574,507	-1.6	-6.1	-1.2	---	5.5	4.6	7.1
Final domestic demand ($M 2002)	2008 Q3	1,402,651	0.1	0.6	2.7	---	4.2	4.8	4.4
GDP deflator (2002 = 100)	2008 Q3	123.0	0.9	3.7	5.8	---	3.1	2.5	3.4
Labour productivity (1997 = 100)	2008 Q3	103.4	0.0	0.0	-1.2	---	0.7	1.4	2.2
Unit labour cost (1997 = 100)	2008 Q3	122.2	0.7	2.7	5.3	---	3.6	3.6	2.5
Current account balance ($M) (1)	2008 Q3	5,644	---	---	---	---	778	6,523	12,278
Corporate profits before tax ($M)	2008 Q3	240,496	5.7	24.6	17.4	---	3.3	5.8	10.5
Production capacity utilization rate (%) (1)	2008 Q3	77.4	---	---	---	---	80.2	81.0	84.6
Disposable personal income ($M 2002)	2008 Q3	864,761	0.0	0.1	3.8	---	4.1	5.5	2.6

* 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)	Dec.*	225.7	-0.6	-0.6	-0.5	-0.2	-6.5	-2.9	-1.1
Gross domestic product ($M 1997)	Oct.	1,230,675	-0.1	0.1	-0.5	0.6	-2.0	0.3	0.2
Industrial production ($M 1997)	Oct.	264,513	-0.0	-0.1	-1.6	1.7	-6.7	-1.0	-3.4
Manufacturing shipments ($M)	Nov.*	48,414	-6.4	-0.2	-0.1	-3.9	-24.1	-11.7	-4.3
Housing starts (k) (1)	Dec.	172.2	---	172.9	209.4	213.5	213.5	212.8	189.9
Building permits ($M)	Nov.	4,797	-11.8	-15.5	12.5	-11.7	-50.6	-48.4	-20.5
New housing price (1997 = 100)	Nov.	157.6	-0.3	-0.4	0.1	0.0	-2.5	-1.0	0.7
Retail sales ($M)	Nov.*	34,936	-2.4	-1.0	0.9	-0.3	-9.7	-4.4	-0.4
Excluding automobiles ($M)	Nov.*	27,406	-2.3	-1.3	0.5	-0.3	-11.8	-3.3	0.8
Wholesale trade sales ($M)	Nov.*	44,416	-1.6	-1.8	0.8	-1.6	-9.9	0.4	1.7
New motor vehicle sales (units)	Nov.	129,044	-7.0	-1.0	1.9	-2.5	-22.7	-19.9	-4.4
Commercial surplus ($M) (1)	Nov.	1,279	---	2,254	3,927	5,229	5,229	5,633	3,872
Exports ($M)	Nov.	39,237	-6.8	-0.1	-1.5	-3.6	-29.1	-13.6	3.1
Imports ($M)	Nov.	37,958	-4.8	4.3	1.8	-4.5	4.6	7.7	11.1
Labour force (k)	Dec.	18,320	0.1	-0.3	0.2	0.6	-0.1	0.6	1.3
Employment (k) (2)	Dec.	17,111	-34.4	-70.6	9.5	106.9	-31.8	-4.8	8.2
Unemployment rate (%) (1)	Dec.	6.6	---	6.3	6.2	6.1	6.1	6.2	6.0
Average weekly earnings ($)	Oct.	801.24	0.3	0.6	0.4	0.2	5.5	3.1	3.0
Consumer price index (2002 = 100)	Dec.*	113.3	-0.7	-0.3	-1.0	0.1	-8.0	-3.6	1.2
Excluding food and energy	Dec.*	111.0	-0.3	0.6	-0.2	0.3	0.7	1.3	1.5
Excluding the eight volatile items	Dec.*	112.6	-0.4	0.7	-0.2	0.4	0.7	1.8	2.4
Industrial prod. price (1997 = 100)	Nov.	119.8	-2.6	-0.1	-1.1	0.0	-14.3	-2.5	5.9
Raw materials price (1997 = 100)	Nov.	151.3	-13.4	-12.9	-7.3	-7.7	-76.1	-53.1	-16.8
Money supply M1 ($M)	Dec.*	480,041	1.0	1.3	1.5	1.3	16.2	15.0	12.8

* 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 (%)		
	Jan. 19	Jan. 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
Federal funds	0.25	0.25	0.25	1.50	2.00	4.25	3.50	1.81	0.25
Discount	0.50	0.50	0.50	1.75	2.25	4.75	4.00	2.09	0.50
Prime	3.25	3.25	3.25	4.50	5.00	7.25	6.50	4.81	3.25
Commercial paper – 30 days	0.42	0.36	0.87	4.03	2.35	3.90	4.28	2.38	0.33
– 90 days	1.16	1.05	1.62	4.43	2.81	3.80	4.66	2.79	1.05
Treasury bill – 4 weeks	0.02	0.02	0.04	0.06	1.26	2.84	2.39	1.04	0.01
– 90 days	0.10	0.11	0.00	0.59	1.40	2.93	2.25	1.16	0.00
– 180 days	0.29	0.29	0.14	1.20	1.87	2.92	2.42	1.43	0.14
Treasury bonds – 2 years	0.80	0.72	0.74	1.62	2.58	2.38	2.91	1.87	0.72
– 5 years	1.65	1.44	1.36	2.84	3.37	2.87	3.60	2.69	1.36
– 10 years	2.66	2.31	2.13	3.97	4.07	3.64	4.18	3.55	2.13
– 30 years	3.36	2.91	2.58	4.29	4.65	4.29	4.75	4.17	2.58
Gold price (US$/ounce)	885.4	834.6	839.0	780.4	958.8	879.3	1,003.9	868.6	714.1
CRB – Future markets (1967 = 100)	218.40	220.46	219.26	279.16	431.56	362.81	472.36	355.06	212.87
Crude oil price (WTI*, US$)	41.78	35.23	36.49	72.15	130.90	90.73	146.66	95.62	35.23

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

Canada: Financial indicators

	Week of... (%)		Previous data (%)				Last 52 weeks (%)		
	Jan. 19	Jan. 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
Overnight	1.00	1.50	1.50	2.50	3.00	4.25	4.00	2.83	1.00
Discount	1.25	1.75	1.75	2.75	3.25	4.50	4.25	3.08	1.25
Prime	3.00	3.50	3.50	4.25	4.75	6.00	5.75	4.62	3.00
Bankers accept. – 30 days	1.14	1.10	1.66	3.01	3.14	4.24	4.10	2.98	1.10
– 90 days	1.08	0.99	1.65	3.14	3.29	4.21	4.06	3.02	0.99
Commercial paper – 30 days	1.30	1.40	2.20	3.80	3.12	4.10	4.13	3.15	1.30
Treasury bill – 30 days	0.60	0.62	0.68	1.20	2.16	3.59	3.48	1.98	0.45
– 91 days	0.81	0.68	0.78	1.58	2.29	3.56	3.41	2.10	0.60
– 182 days	0.85	0.69	0.87	1.86	2.77	3.62	3.45	2.30	0.69
– 365 days	0.93	0.70	0.87	1.95	3.05	3.51	3.34	2.40	0.70
Treasury bonds – 2 years	1.23	0.96	1.27	2.29	3.15	3.24	3.35	2.51	0.96
– 5 years	1.79	1.59	1.85	2.94	3.39	3.45	3.55	2.93	1.59
– 10 years	2.80	2.65	2.81	3.74	3.81	3.79	3.89	3.54	2.65
– 30 years	3.64	3.57	3.46	4.22	4.16	4.08	4.26	4.02	3.46
Spread with the U.S. rate (% points)									
Overnight – Federal funds	0.75	1.25	1.25	1.00	1.00	0.00	1.25	1.02	0.50
Treasury bill – 3 months	0.71	0.57	0.78	0.99	0.89	0.63	1.81	0.95	0.29
– 6 months	0.56	0.40	0.73	0.66	0.90	0.70	1.25	0.87	0.40
Treasury bonds – 5 years	0.15	0.14	0.49	0.10	0.02	0.58	0.76	0.24	-0.11
– 10 years	0.15	0.34	0.68	-0.23	-0.25	0.15	0.68	-0.01	-0.34
– 30 years	0.27	0.66	0.88	-0.08	-0.49	-0.20	0.88	-0.15	-0.59
Spread with the Canada rate – Bond 10 years (% points)									
Québec	1.76	1.72	1.92	1.33	0.73	0.59	1.92	1.07	0.70
Ontario	1.64	1.61	1.84	1.30	0.70	0.51	1.84	1.00	0.58
Alberta	1.43	1.35	1.66	1.14	0.63	0.45	1.66	0.90	0.53
British Columbia	1.51	1.46	1.70	1.17	0.62	0.46	1.70	0.93	0.53

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)	Nov.	105.9	-1.6	-1.6	-1.8	0.7	-18.2	-9.6	-6.9
Retail sales (2000 = 100)	Nov.	107.8	0.4	-0.9	-1.8	0.7	-0.9	-1.3	-1.0
Unemployment rate (%) (1)	Nov.	7.8	---	7.7	7.6	7.5	7.5	7.4	7.2
Commercial surplus (US$M) (1)	Nov.	-9,416	---	678	-6,061	-13,473	-13,473	-5,292	4,877
Consumer price index (2005 = 100)	Dec.	107.9	-0.1	-0.5	0.0	0.2	-2.3	-1.4	1.6
Producer price index (2005 = 100)	Nov.	125.6	-1.9	-0.8	-0.2	-0.5	-11.4	-2.4	3.3
Money supply M3 (€B)	Nov.	9,364	0.5	1.4	0.7	0.3	11.0	7.1	9.2
United Kingdom									
Industrial production (2003 = 100)	Nov.	94.2	-2.3	-1.6	-0.3	-0.7	-15.7	-10.7	-6.9
Retail sales (2000 = 100)	Dec.*	142.4	1.6	0.3	-0.2	-0.5	6.7	6.2	3.9
ILO unemployment rate (%) (1)	Oct.*	6.1	---	6.0	5.8	5.7	5.7	5.2	5.3
Commercial surplus (US$M) (1)	Nov.	-6,656	---	-5,733	-5,473	-6,931	-6,931	-7,329	-7,914
Consumer price index (2005 = 100)	Dec.*	109.5	-0.4	-0.1	-0.3	0.5	-2.9	0.9	3.1
Producer price index (2005 = 100)	Dec.	112.2	0.0	-0.8	-1.0	-0.3	-7.1	-4.5	4.7
Money supply M4 (£B)	Dec.*	1,949	1.7	1.2	2.8	1.7	25.6	21.2	16.8
Japan									
Industrial production (1995 = 100)	Nov.	93.6	-8.5	-3.1	1.1	-3.5	-35.6	-26.7	-13.7
Retail sales	Nov.	11,153	2.0	2.2	-2.5	-5.2	7.0	1.9	-0.9
Unemployment rate (%) (1)	Nov.	3.9	---	3.7	4.0	4.1	4.1	4.0	3.8
Commercial surplus (US$B) (1)	Nov.	-1.0	---	1.6	3.3	-1.4	-1.4	4.7	8.4
Consumer price index (2000 = 100)	Nov.	101.7	-0.9	-0.1	0.0	0.3	-3.8	0.0	1.0
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)	Dec.	742	0.9	0.3	-0.5	-0.2	3.3	1.1	1.8

* 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 (%)		
	Jan. 19	Jan. 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
Intervation rate by the centrals banks									
Euro zone – Overnight	1.00	1.00	2.00	3.25	3.25	3.00	3.25	2.88	1.00
– Refinancing	2.00	2.00	2.50	3.75	4.25	4.00	4.25	3.74	2.00
– Marginal lending	3.00	3.00	3.00	4.25	5.25	5.00	5.25	4.61	3.00
United Kingdom – Base	1.50	1.50	2.00	4.50	5.00	5.50	5.50	4.38	1.50
Japan – Overnight	0.12	0.12	0.18	0.51	0.51	0.48	0.55	0.41	0.10
– Discount	0.30	0.30	0.50	0.75	0.75	0.75	0.75	0.67	0.30
Short-term interest rate – 3 months									
Euro zone (euro euro)	2.19	2.45	3.08	5.02	4.95	4.41	5.37	4.49	2.19
United Kingdom (euro pound)	2.19	2.26	2.98	6.16	5.81	5.59	6.29	5.26	2.19
Japan (euro yen)	0.69	0.72	0.90	1.06	0.91	0.90	1.08	0.91	0.69
Long-term interest rate – 10 years									
Germany	3.22	2.95	2.99	4.01	4.56	3.97	4.64	3.92	2.94
Spread with the U.S.*	0.57	0.63	0.86	0.04	0.49	0.33	0.86	0.37	-0.08
United Kingdom	3.68	3.29	3.16	4.67	5.02	4.45	5.24	4.40	3.03
Spread with the U.S.*	1.02	0.98	1.04	0.70	0.96	0.80	1.07	0.85	0.35
Japan	1.24	1.23	1.24	1.59	1.58	1.41	1.87	1.48	1.17
Spread with the U.S.*	-1.42	-1.09	-0.89	-2.38	-2.49	-2.23	-0.89	-2.07	-2.49

* 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)				
	Jan. 22	-1 month	-3 months	-6 months	-1 year	Jan. 22	-1 month	-3 months	-6 months	-1 year
Canada										
Bond indices										
Overall universe	3.66	3.80	4.38	4.45	4.26	1.44	1.48	1.11	0.70	0.59
Overall short-term	2.76	2.95	3.67	4.09	3.88	1.07	1.11	0.76	0.50	0.40
Overall medium-term	4.17	4.40	4.85	4.66	4.42	1.81	1.90	1.48	0.94	0.74
Overall long-term	4.96	4.89	5.29	4.91	4.75	1.23	1.29	1.07	0.68	0.60
Federal										
Overall universe	2.22	2.32	3.27	3.75	3.67	---	---	---	---	---
Overall short-term	1.69	1.84	2.91	3.59	3.48	---	---	---	---	---
Overall medium-term	2.36	2.50	3.37	3.72	3.68	---	---	---	---	---
Overall long-term	3.73	3.59	4.22	4.23	4.15	---	---	---	---	---
Provincial										
Overall universe	3.96	4.09	4.63	4.47	4.33	1.73	1.77	1.36	0.73	0.66
Overall short-term	2.33	2.62	3.44	3.82	3.66	0.64	0.78	0.53	0.23	0.19
Overall medium-term	3.69	3.94	4.47	4.31	4.16	1.33	1.44	1.11	0.59	0.48
Overall long-term	4.93	4.90	5.29	4.84	4.72	1.20	1.31	1.07	0.61	0.57
Municipal										
Overall universe	4.01	4.20	4.67	4.55	4.23	1.79	1.88	1.40	0.80	0.56
All corporate universe										
Overall universe	5.75	5.95	5.79	5.42	5.07	3.52	3.63	2.53	1.67	1.40
Corporate AA	4.90	5.23	5.32	5.11	4.83	2.68	2.91	2.05	1.36	1.16
Corporate A	6.50	6.57	6.15	5.50	5.12	4.27	4.25	2.88	1.76	1.45
Corporate BBB	6.81	6.88	6.55	6.18	5.64	4.58	4.56	3.28	2.43	1.97
United States*										
Bond indices	3.76	3.87	5.14	5.25	4.08	1.95	2.28	2.43	1.75	1.16
Federal	1.81	1.59	2.71	3.50	2.93	---	---	---	---	---
Municipal	4.39	4.94	5.20	4.44	4.01	2.58	3.35	2.49	0.94	1.08
All corporate universe										
Corporate AAA	5.41	5.08	6.65	5.27	4.39	3.60	3.49	3.94	1.77	1.47
Corporate AA	5.88	6.27	7.46	6.14	4.88	4.07	4.68	4.75	2.64	1.95
Corporate A	7.27	7.89	9.28	6.87	5.37	5.46	6.30	6.56	3.37	2.45
Corporate BBB	9.13	9.58	9.57	7.05	5.94	7.33	7.99	6.85	3.55	3.02

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

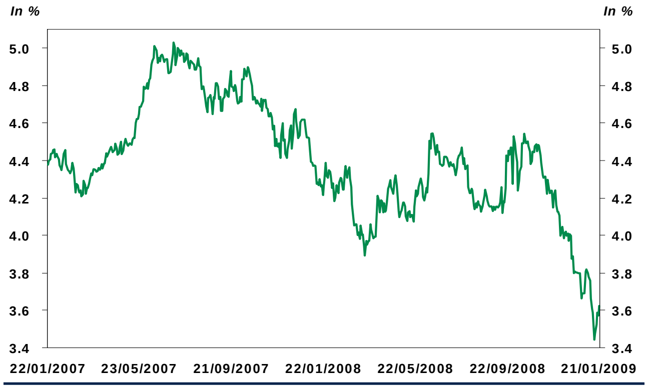
J.P. Morgan bond indices

		Spread against (in % points)								
January 22, 2009	Yield (%)	World	United States	Canada	Euro zone	Germany	France	United Kingdom	Japan	Australia
World	3.87	---	1.34	0.81	(0.12)	0.67	0.29	(0.17)	2.63	0.07
United States	2.54	(1.34)	---	(0.53)	(1.46)	(0.67)	(1.05)	(1.51)	1.29	(1.27)
Canada	3.06	(0.81)	0.53	---	(0.94)	(0.14)	(0.52)	(0.98)	1.81	(0.74)
Euro zone	4.00	0.12	1.46	0.94	---	0.79	0.41	(0.05)	2.75	0.19
Germany	3.20	(0.67)	0.67	0.14	(0.79)	---	(0.38)	(0.84)	1.95	(0.60)
France	3.58	(0.29)	1.05	0.52	(0.41)	0.38	---	(0.46)	2.34	(0.22)
United Kingdom	4.05	0.17	1.51	0.98	0.05	0.84	0.46	---	2.80	0.24
Japan	1.25	(2.63)	(1.29)	(1.81)	(2.75)	(1.95)	(2.34)	(2.80)	---	(2.55)
Australia	3.80	(0.07)	1.27	0.74	(0.19)	0.60	0.22	(0.24)	2.55	---

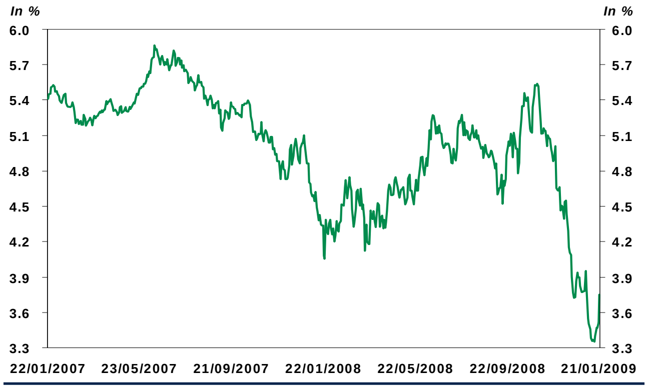
Note : These local currency indices combine federal bonds w ith maturities of one year and over.

Evolution of major bond indices

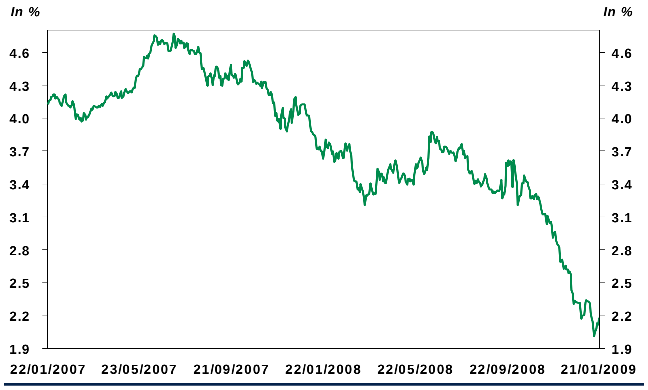
Canada – Bond index
Overall univers



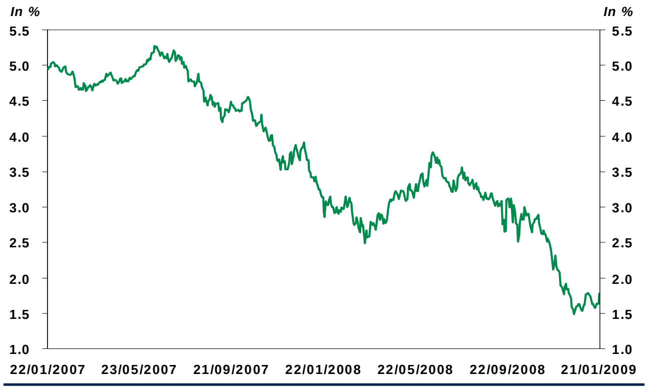
United States – Bond index



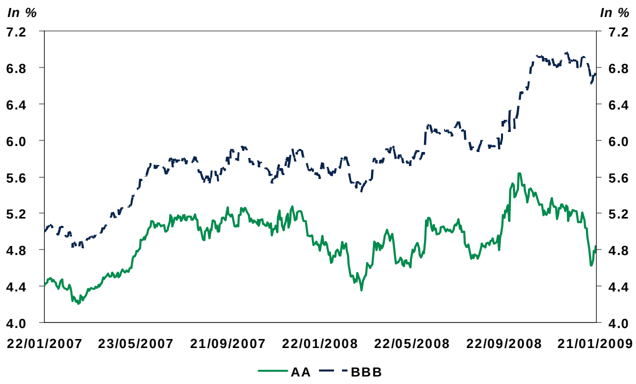
Canada – Treasury bonds
Overall univers



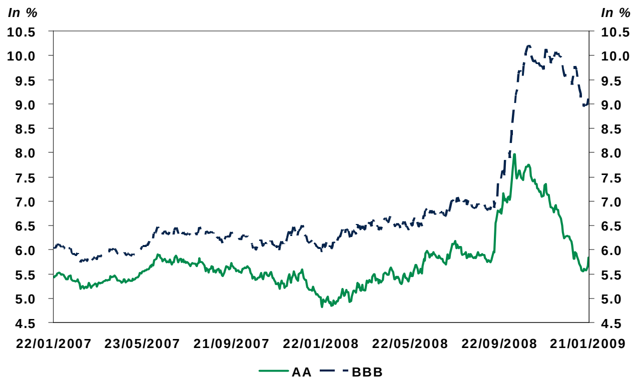
United States – Treasury bonds



Canada – Corporate AA and BBB



United States – Corporate AA and BBB



Currency market

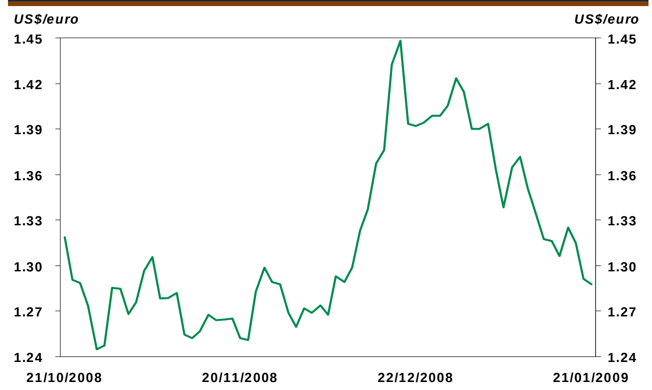
Country – Currency*	Week of...		Previous data				Last 52 weeks		
	Jan. 19	Jan. 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
North America									
Canada – dollar	1.2635	1.2649	1.2197	1.2494	1.0063	1.0261	1.3001	1.0801	0.9737
Canada – US$/CAN$	0.7915	0.7906	0.8199	0.8004	0.9938	0.9746	1.0270	0.9258	0.7692
Mexico – peso	13.9383	14.2475	13.1838	13.4832	10.1185	10.9203	14.2475	11.3304	9.9169
South America									
Argentina – peso	3.4738	3.4538	3.4180	3.2168	3.0238	3.1555	3.4738	3.1821	3.0130
Bolivia – boliviano	7.0200	7.0200	7.0200	7.0200	7.1200	7.6300	7.6300	7.2065	7.0200
Brazil – real	2.3485	2.3757	2.3823	2.3660	1.5828	1.8002	2.5935	1.8692	1.5590
Chile – peso	622.25	625.75	631.05	644.75	489.85	477.95	681.00	531.94	432.15
Columbia – peso	2,245.2	2,250.6	2,168.4	2,339.7	1,799.5	1,997.5	2,398.3	1,983.0	1,651.0
Guadeloupe – FRF**	5.0614	5.0211	4.7118	5.0822	4.1421	4.4884	5.2692	4.5106	4.1053
Peru – nuevo sol	3.1530	3.1490	3.1120	3.1400	2.8435	2.9520	3.1585	2.9359	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	71.7500	71.3900	71.2900	62.3350	62.0950	66.8250	72.8327	64.9360	60.2850
Egypt – pound	5.5540	5.5250	5.5175	5.5900	5.3125	5.5475	5.6000	5.4453	5.3025
FAC zone – FAC***	106.289	105.443	98.948	106.726	86.984	94.256	110.652	94.722	86.210
Israel – shekel	3.9440	3.8875	3.8425	3.8633	3.4502	3.7202	4.0250	3.5901	3.2150
Lebanon – pound	1,503.5	1,504.5	1,504.5	1,503.0	1,505.5	1,514.0	1,514.5	1,508.8	1,501.8
Morocco – dirham	8.5775	8.5146	8.0791	8.5947	7.2641	7.7651	8.8547	7.7880	7.2023
Sausi Arabia – riyal	3.7503	3.7504	3.7510	3.7520	3.7496	3.7504	3.7702	3.7510	3.7118
South Africa – rand	10.0875	10.1723	9.6900	11.1450	7.5025	7.1233	11.1450	8.4311	7.0183
Tunisia – dinar	1.4011	1.3829	1.3181	1.3499	1.1652	1.2223	1.4077	1.2407	1.1456
Turkey – lira	1.6561	1.6157	1.5315	1.6470	1.2005	1.1982	1.7128	1.3297	1.1540
United Arab Emirates – dirham	3.6737	3.6730	3.6732	3.6732	3.6730	3.6733	3.6739	3.6730	3.6698
Asia									
China – yuan renminbi	6.8385	6.8375	6.8528	6.8358	6.8227	7.2402	7.2402	6.9260	6.8119
Hong Kong – dollar	7.7599	7.7591	7.7508	7.7538	7.7975	7.8083	7.8146	7.7836	7.7500
India – rupee	49.0655	48.9205	47.8675	49.3155	42.5255	39.3875	50.2585	44.0057	39.2255
Indonesia – rupiah	11,202	11,187	11,177	9,912	9,146	9,468	12,503	9,767	9,049
Japan – yen	88.875	89.895	90.225	97.965	107.300	106.695	110.540	102.294	87.355
Malaysia – ringgit	3.6121	3.5945	3.4839	3.5468	3.2395	3.2958	3.6425	3.3516	3.1345
Pakistan – rupee	79.8000	78.9700	78.8300	81.0000	70.6800	62.5700	82.8700	71.5657	61.9000
Singapore – dollar	1.4974	1.4943	1.4468	1.4998	1.3597	1.4357	1.5310	1.4180	1.3479
South Korea – won	1,378.0	1,392.2	1,309.6	1,362.6	1,017.7	954.1	1,517.4	1,124.7	936.4
Taiwan – dollar	33.5510	33.3860	32.9620	32.9790	30.3810	32.4570	33.6945	31.6030	30.0010
Thailand – baht	34.9050	34.9000	34.5450	34.5350	33.3750	31.2000	35.7500	33.2906	29.9000
Europe									
Denmark – krona	5.7248	5.6718	5.3433	5.8118	4.7266	5.0789	5.9827	5.1251	4.6644
Euro zone – US$/€	1.2960	1.3064	1.3922	1.2907	1.5837	1.4615	1.5979	1.4625	1.2449
Hungary – forint	217.87	212.26	189.36	217.97	145.62	175.30	222.20	174.37	143.64
Iceland – krona	127.405	128.975	122.815	116.800	79.595	65.685	148.475	91.726	64.665
North Ireland – pound	0.5444	0.5444	0.5444	0.5444	0.4989	0.5368	0.5639	0.5254	0.4923
Norway – kroner	6.9361	7.1245	7.1049	7.2294	5.1066	5.4692	7.2360	5.7467	4.9583
Poland – zloty	3.3561	3.2016	2.9632	2.9706	2.0528	2.4709	3.3865	2.4503	2.0234
Russia – ruble	32.6932	32.3663	28.4152	26.8759	23.2556	24.6421	33.1803	25.2868	23.1169
Sweden – krona	8.2252	8.2514	7.9022	7.8585	5.9932	6.4588	8.4546	6.6980	5.8368
Switzerland – swiss franc	1.1534	1.1259	1.0982	1.1610	1.0242	1.0978	1.2247	1.0831	0.9860
United Kingdom – US$/£	1.3748	1.4566	1.4734	1.6336	1.9966	1.9606	2.0309	1.8217	1.3733
South Pacific									
Australia – US$/AUD$	0.6558	0.6682	0.6835	0.6712	0.9716	0.8703	0.9786	0.8216	0.6036
New Zeland – US$/NZ$	0.5271	0.5411	0.5723	0.5935	0.7594	0.7654	0.8175	0.6872	0.5173

* 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

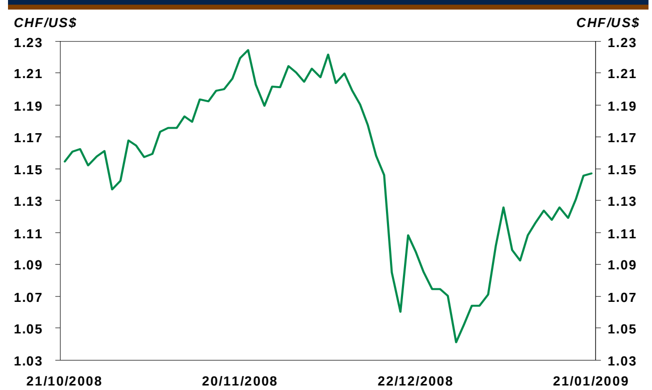
Canada

Euro zone



United Kingdom

Switzerland



Japan

Australia

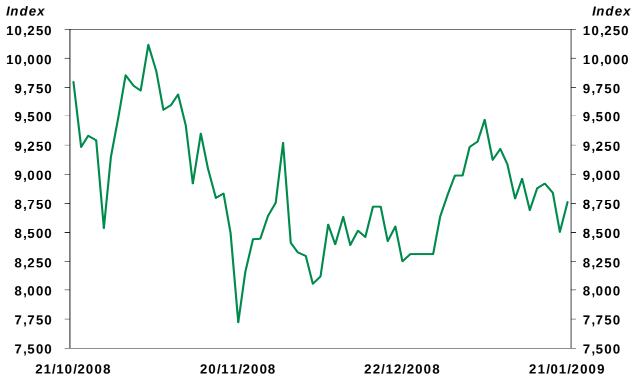
World stock markets indices

Country – World stocks	Week of...		Previous data				Last 52 weeks		
	Jan. 19	Jan. 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
World									
World – FT/S&P	237.73	244.27	256.29	259.79	398.05	401.97	453.38	363.50	220.50
World – MSCI	830.4	853.3	892.7	909.8	1,377.6	1,391.5	1,560.7	1,259.1	771.5
Asia									
Pacific Basin – MSCI	1,546.0	1,540.8	1,628.7	1,630.6	2,363.1	2,259.5	2,674.0	2,147.9	1,409.8
China – SHANG	2,005.0	1,920.2	1,987.8	1,895.8	2,846.1	4,559.8	4,761.7	2,861.8	1,706.7
Hong Kong – HANG SENG	12,658	13,243	14,622	14,267	22,527	21,758	26,262	20,179	11,016
Indonesia – JAKARTA	1,327.3	1,343.5	1,345.3	1,379.7	2,212.8	2,294.5	2,756.3	2,020.5	1,111.4
Japan – NIKKEI 225	8,052	8,023	8,724	8,675	13,185	12,573	14,489	11,808	7,163
Malaysia – KUALA LUMPUR	879.0	897.5	873.4	904.3	1,109.6	1,354.5	1,436.1	1,115.4	829.4
Singapore – STI	1,708.8	1,704.1	1,745.6	1,821.1	2,890.7	2,866.6	3,248.8	2,590.4	1,600.3
South Korea – KOSPI	1,116.2	1,111.3	1,179.6	1,134.6	1,561.2	1,609.0	1,888.9	1,496.9	938.8
Taiwan – WI	4,248.0	4,320.8	4,535.5	4,862.6	7,065.7	7,582.0	9,295.2	6,833.1	4,089.9
Thailand – THAI SET 50	304.66	295.38	305.11	323.44	480.24	531.45	641.94	473.94	261.30
Western Europe									
Europe – STOXX 50	2,160.1	2,257.7	2,397.7	2,458.0	3,326.2	3,753.7	3,882.3	3,212.9	2,160.1
Europe 15 of UE – MSCI	943.2	994.4	1,073.4	1,079.3	1,769.7	1,836.3	2,056.3	1,601.5	909.4
Euro zone – MSCI	704.5	741.2	831.8	799.4	1,350.4	1,411.5	1,568.2	1,218.5	681.1
Austria – ATX	1,591.9	1,694.8	1,699.9	1,973.9	3,663.6	3,768.3	4,532.1	3,213.7	1,516.1
Belgium – BEL 20	1,805.4	1,856.1	1,845.1	1,968.6	3,059.0	3,548.7	3,946.3	3,003.2	1,783.7
Denmark – KAX	229.07	232.43	225.47	263.97	374.85	380.51	439.73	348.79	218.54
Finland – HEX GENERAL	4,944	5,192	5,272	6,010	8,540	9,683	11,055	8,122	4,944
France – CAC 40	2,869.6	2,995.9	3,151.4	3,298.2	4,327.3	4,842.5	5,142.1	4,210.9	2,869.6
Germany – DAX 30	4,219.4	4,336.7	4,639.0	4,571.1	6,442.8	6,769.5	7,225.9	6,024.4	4,127.4
Ireland – OVERALL	2,235.0	2,479.7	2,374.1	2,726.7	4,910.1	6,496.9	6,909.1	4,652.0	2,192.1
Italy – MIB 30	18,270	19,152	19,869	21,498	29,157	34,479	35,215	28,411	18,270
Netherlands – AEX	235.5	243.6	243.4	255.1	400.2	433.3	496.1	378.5	222.9
Norway – OBX	176.01	178.87	169.10	192.89	332.28	314.13	422.79	295.01	147.87
Portugal – PSI-20	6,264	6,342	6,209	6,401	8,664	10,964	11,478	8,815	5,802
Spain – IBEX 35	8,159	8,611	9,099	8,995	11,610	12,840	14,248	11,551	7,905
Sweden – AFGX	183.501	187.281	194.341	196.459	266.668	298.238	323.659	260.052	170.997
Switzerland – SMI	5,329.4	5,382.4	5,419.5	5,925.5	6,922.3	7,487.9	7,816.0	6,778.7	5,144.0
United Kingdom – FTSE 100	4,052.2	4,121.1	4,249.2	4,040.9	5,364.2	5,740.1	6,376.5	5,257.0	3,781.0
North America									
North America – MSCI	865.3	885.1	907.0	936.6	1,370.4	1,381.8	1,528.2	1,262.2	780.7
Canada – S&P/TSX	8,487	8,880	8,250	9,237	13,643	12,641	15,073	12,208	7,725
– S&P/TSX 60	508.80	536.69	498.96	554.80	816.77	743.07	900.93	727.64	463.57
– S&P/TSX VENTURE	850.2	844.3	692.0	900.6	2,263.7	2,465.9	2,809.5	1,898.1	684.3
United States – S&P500	827.5	843.7	871.6	896.8	1,277.0	1,310.5	1,426.6	1,189.6	752.4
– DJIA	8,123	8,212	8,520	8,519	11,603	11,971	13,058	11,002	7,552
– NASDAQ	1,465.5	1,511.8	1,532.4	1,615.8	2,304.0	2,292.3	2,549.9	2,108.0	1,316.1
– RUSSELL 2000	442.85	462.62	475.07	501.97	716.82	671.57	763.27	641.22	385.31
– WHILSHIRE 5000	8,338	8,536	8,752	9,081	13,048	13,190	14,424	12,044	7,471
Mexico – BOLSA	19,307	20,280	22,059	18,787	27,592	26,893	32,095	26,340	16,869
Central and South America									
Amérique latine – MSCI	2,008.9	2,038.7	2,056.5	1,902.3	4,311.3	3,770.1	5,195.4	3,645.6	1,659.2
Argentine – MERVAL	1,057.8	1,100.3	1,045.6	940.8	1,956.8	1,943.6	2,248.6	1,709.0	829.0
Brésil – BOVESPA	37,894	39,151	37,618	35,069	59,647	56,097	73,516	53,970	29,435
Other countries									
Emerging countries – MSCI	514.4	526.6	567.3	534.7	1,035.6	1,041.1	1,249.7	914.8	454.3
Australia – S&P/ASX 100	2,870.3	2,907.7	2,939.4	3,415.6	4,054.1	4,204.2	4,818.1	3,941.4	2,754.2
New Zeland – NZSE 50	1,917.9	1,923.8	1,879.6	2,055.3	2,270.8	2,675.8	2,766.4	2,334.5	1,822.2
Russia – RSI	21,111	22,401	23,447	23,884	63,837	65,025	76,075	51,102	19,695
South Africa – FTSE/JSE 40	17,803	18,346	19,051	18,452	25,416	23,055	31,315	24,422	15,905

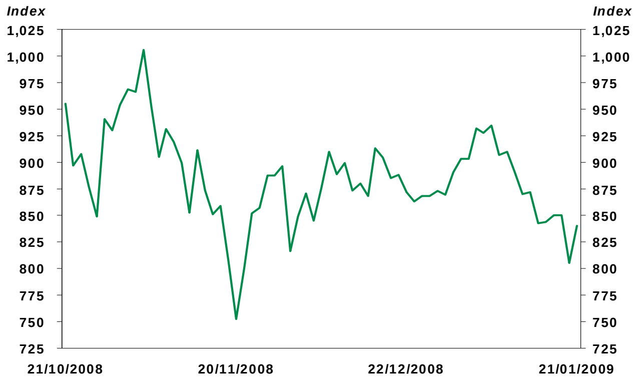
Note: Currency table base on previous day closure

Evolution of major stock market indices

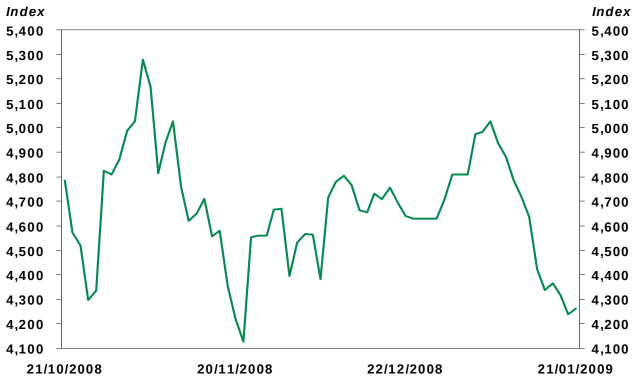
Canada – S&P/TSX



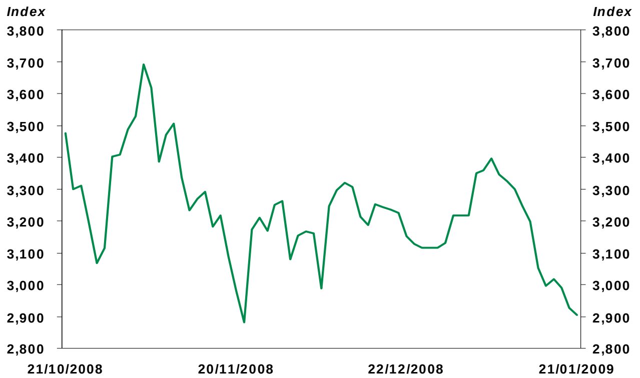
United States – S&P500



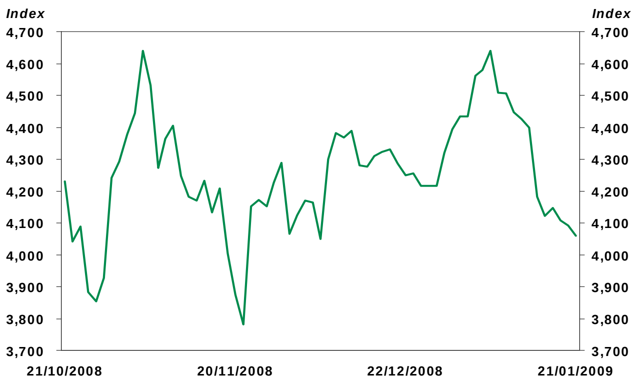
Germany – DAX 30



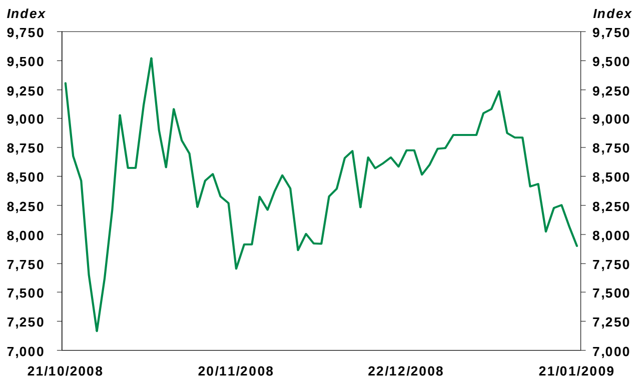
France – CAC 40



United Kingdom – FTSE 100



Japan – NIKKEI 225



Stock markets (sector indices)

	Week of...		Change since (%)				Last 52 weeks		
	Jan. 19	Jan. 12	1 month	3 months	6 months	1 year	Higher	Average	Lower
Canada: S&P/TSX									
Composite index	8,486.56	8,879.61	2.87	-8.12	-37.80	-32.86	15,073.13	12,222.37	7,724.76
Materials	2,193.77	2,104.33	9.79	34.78	-38.62	-28.98	3,902.40	2,921.75	1,470.76
Industrials	849.84	897.19	0.55	-9.50	-32.87	-23.22	1,395.30	1,154.34	782.68
Consumer staples	1,406.26	1,403.68	1.31	7.14	-0.65	-4.86	1,540.51	1,433.54	1,261.76
Cons. discretionary	754.05	770.64	1.57	-7.85	-22.17	-32.80	1,186.79	973.48	715.23
Energy	1,990.86	2,139.99	2.82	-7.06	-44.40	-33.31	4,239.41	3,116.75	1,753.85
Health care	270.45	274.79	12.99	-4.97	-17.60	-23.97	384.46	321.09	235.83
Information techno.	226.83	216.34	26.46	7.21	-40.18	-32.97	489.65	335.30	166.93
Telecom. services	686.62	684.97	5.34	-14.87	-23.47	-20.94	973.49	849.89	637.97
Utilities	1,449.37	1,469.73	1.42	-6.07	-25.10	-22.44	2,007.07	1,765.76	1,375.58
Financials	1,015.88	1,128.39	-3.56	-26.23	-37.63	-39.92	1,808.72	1,541.49	1,033.49
United States: S&P500									
Composite index	827.50	843.74	-5.06	-7.73	-35.20	-36.86	1,426.63	1,190.97	752.44
Materials	131.45	134.67	-1.02	-8.51	-47.45	-43.10	285.91	219.07	112.06
Industrials	187.96	191.11	-5.91	-8.81	-39.47	-40.69	352.17	287.54	171.60
Consumer staples	234.50	234.81	-3.03	-2.79	-16.78	-16.10	301.09	274.47	225.24
Cons. discretionary	155.65	160.54	-4.75	-2.86	-31.39	-34.66	265.73	218.89	128.83
Energy	370.22	370.98	2.38	6.87	-35.80	-27.98	668.81	518.02	324.54
Health care	303.57	300.88	0.44	1.11	-17.15	-22.24	395.00	349.28	262.38
Information techno.	222.84	226.27	-1.87	-7.63	-36.12	-36.27	395.60	321.38	198.51
Telecom. services	101.76	100.15	-7.03	8.61	-21.72	-28.50	155.99	128.24	91.26
Utilities	146.03	144.02	1.47	6.25	-26.46	-25.50	210.35	180.92	130.07
Financials	116.90	133.28	-26.59	-40.36	-60.59	-66.57	397.21	274.91	108.33
Euro zone: FTSEurofirst 300									
Composite index	830.86	865.21	-8.66	-11.84	-36.16	-43.36	1,547.32	1,258.24	829.61
Ressources	1,193.93	1,222.54	-5.76	-3.31	-31.21	-31.03	2,088.03	1,635.62	1,137.54
Basic industries	1,404.34	1,441.16	-3.40	-6.60	-45.42	-41.14	2,979.03	2,275.95	1,288.83
General industries	906.91	929.54	-9.10	-3.36	-38.05	-45.73	1,808.10	1,397.66	817.71
Cyclical cons. goods	1,044.89	1,081.62	-7.60	-9.48	-27.44	-35.31	1,731.14	1,455.64	1,068.86
Cyclical services	1,162.87	1,189.96	0.44	1.81	-12.95	-23.90	1,528.13	1,275.54	1,003.61
Non-cyclical goods*	692.44	687.05	-4.08	0.71	-18.32	-29.99	1,038.47	866.52	641.45
Non-cyclical services	446.24	466.62	-6.39	-14.50	-38.34	-45.52	926.01	685.99	442.50
Information techno.	694.10	704.43	-6.87	0.48	-7.75	-28.53	971.11	796.80	616.15
Utilities	1,627.37	1,673.38	-5.20	-6.18	-31.11	-35.25	2,730.78	2,245.98	1,535.79
Financials	521.31	577.77	-17.66	-31.34	-53.14	-60.80	1,435.80	1,069.09	522.53
United Kingdom: FTSE – All share									
Composite index	2,033.54	2,066.82	-4.19	-0.24	-25.59	-30.56	3,243.48	2,670.78	1,890.55
Ressources	7,046.83	6,988.49	-3.43	12.71	-13.11	-9.56	9,880.03	7,884.66	5,608.17
Basic industries	2,959.51	2,871.60	-0.93	-4.35	-57.40	-51.44	9,323.39	6,071.03	2,461.37
General industries	1,874.13	1,868.40	0.35	7.43	-22.18	-26.58	2,759.93	2,329.36	1,617.34
Cyclical cons. goods	5,907.09	5,843.67	2.14	11.94	6.43	4.92	6,257.33	5,438.42	4,679.66
Cyclical services	1,961.64	2,022.77	-5.56	16.72	-8.73	-29.84	2,928.51	2,302.71	1,663.66
Non-cyclical goods*	7,505.53	7,375.21	1.85	13.05	-0.71	-10.15	8,926.43	7,900.39	6,335.44
Non-cyclical services	2,293.22	2,292.00	-2.15	4.51	-17.26	-30.17	3,421.09	2,807.62	2,003.92
Information techno.	297.81	286.94	3.76	1.97	-24.18	-22.69	441.71	361.51	259.42
Utilities	5,721.32	5,836.24	-1.64	-2.02	-14.62	-14.63	6,991.13	6,451.51	5,324.45
Financials	2,380.25	2,671.40	-16.23	-28.54	-48.69	-56.46	5,884.44	4,541.72	2,281.82

* Consumer goods.