

WEEKLY NEWSLETTER

Bond Yields Continue to Climb

HIGHLIGHTS

- ▶ United States: Strong rebound in retail sales at the beginning of the year.
- ▶ U.S. housing starts were down in January.
- ▶ Canada: The total annual inflation rate edged up.
- ▶ Canada: Retail sales dropped in December.
- ▶ Canada: The housing market had a strong start to the new year.

A LOOK AHEAD

- ▶ United States: Real consumption should reflect the growth in retail sales.
- ▶ United States: New home sales are expected to rise.

FINANCIAL MARKETS

- ▶ Drop in technology stocks.
- ▶ The 10-year yield reached 1.30% in the United States and 1.10% in Canada.
- ▶ Temporary rebound of the U.S. dollar in midweek.

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Key Statistics of the Week

UNITED STATES

- ▶ Retail sales jumped 5.3% in January, after dropping 1.0% in December and 1.3% in November. Motor vehicle sales climbed 3.1% in January, and the value of service station sales increased 4.0%. Excluding motor vehicles and gas, sales increased 6.1%. Department stores (+23.5%), electronics stores (+14.7%), furniture stores (+12.0%) and nonstore retailers (+11.0%) saw the biggest increases.
- ▶ Industrial output grew 0.9% in January, after climbing 1.3% in December. Manufacturing output gained 1.0%. The mining sector increased 2.3%, while energy production dropped 1.2%.
- ▶ Housing starts declined 6.0% in January. This first monthly drop since August pushed new builds down from 1,680,000 units in December to 1,580,000 in January. The decrease was a surprise, as the consensus had called for another increase. January's pullback stemmed solely from construction of new single-family homes, which fell 12.2%, while multi-unit housing starts advanced 16.2%. However, building permits rose 10.4% throughout the United States, their highest level since May 2006.
- ▶ Sales of existing homes ticked up 0.6% in January after gaining 0.9% in December. They went from 6,650,000 to 6,690,000 units on an annualized basis, which is still below their cyclical peak in October.
- ▶ The Federal Reserve Bank of Philadelphia's manufacturing index fell in February but remained high at 23.1. It was 26.5% in January. The Federal Reserve Bank of New York's Empire State index increased from 3.5 in January to 12.1 in February.
- ▶ A few price indexes climbed in January. The producer price index rose 1.3% last month, its strongest monthly growth since this indicator was first published in 2009. Excluding food and energy, the increase was 1.2%. The import price index gained 1.4% after rising 1.0% in December. The export price index jumped 2.5%.

Francis Généreux, Senior economist

CANADA

- ▶ The consumer price index (CPI) rose 0.6% in January, in line with our expectations. The total annual inflation rate went from 0.7% to 1.0%. The next set of data, which will be for February, should indicate fairly weak price growth. However, the situation is likely to change quickly in March and April, and a major acceleration in the annual variation in total CPI is expected due to a hike in gasoline prices.
- ▶ Retail sales declined 3.4%, a more significant drop than Statistics Canada's preliminary estimate. This decrease was primarily due to the implementation of more restrictive measures to stem the tide of the second wave of COVID-19 at the end of the month. In real terms, sales were down 3.6% for the month.
- ▶ Housing starts soared to 282,428 units in January, the third-highest level since historical data began to be collected in 1976. Quebec had a stellar performance with 101,071 units, an all-time high. This reflects healthy demand, which should put residential construction on an upward trend. It's likely that some activity picked up in January in Quebec in Ontario due to concerns over tighter public health restrictions.
- ▶ Sales of existing homes continued to climb in January, posting a 2.0% monthly increase. With 61,371 units sold, sales hit a new all-time high in January. The home price index rose 1.9% in January to \$676,600.
- ▶ Manufacturing sales grew 0.9% in December, slightly above Statistics Canada's preliminary results. However, sales only advanced in 9 of the 21 main industries. In real terms, sales declined 0.4%, while inventories fell 1.5%.

Benoit P. Durocher, Senior economist

Financial Markets

Investors Are Assessing the Effects of the U.S. Stimulus Program

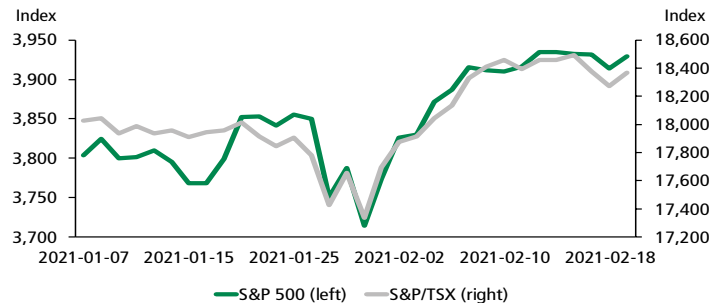
North American stock markets were seeking direction this week as bond yields shot up. On one hand, much stronger growth is expected in 2021 with the U.S. government's economic stimulus program and improvements of the public health situation. On the other, an increase in bond yields could slow down the stock market's gains. Technology stocks were the most affected, which dragged down the NASDAQ index by about 1% for the week on Friday morning. The other indexes reacted less sharply. The Dow Jones posted growth of about 0.5%, while the S&P 500 and S&P/TSX were slightly negative at the time of writing. A cold snap in the United States boosted demand for oil and gas, while forcing temporary production cuts in Texas. This caused WTI (West Texas Intermediate) oil prices to temporarily reach US\$62 per barrel, a peak since the beginning of the pandemic.

The steepening of the yield curve accelerated in many countries. The increase in yields was pronounced starting from the 5-year bonds, which gained 9 basis points in the United States, but even more in Canada, where it was up about 15 basis points. The anticipation of strong growth in the United States, with major fiscal and monetary stimulus measures, suggests that inflation could speed up and that the new issues of government securities will be significant.

The strong U.S. economic numbers gave the greenback a fleeting boost in midweek. The euro depreciated to about US\$1.20. It was back up to over US\$1.21 on Friday. The pound sterling continued to do well and reached US\$1.40 for the first time since spring 2018. The Japanese yen maintained its downward trend, as global demand for safe-haven continues to drop. Spurred on by solid Canadian data at the beginning of the week, the loonie surged past the US\$0.79 mark. It temporarily weakened as the U.S. dollar appreciated, but rebounded on Friday despite the disappointing Canadian retail sales.

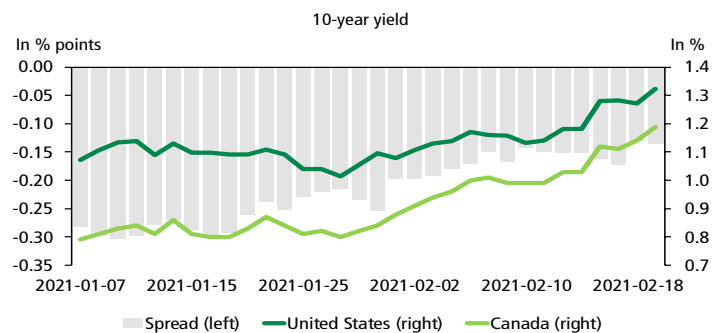
Hendrix Vachon, Senior Economist
Lorenzo Tessier-Moreau, Senior Economist

GRAPH 1
Stock markets



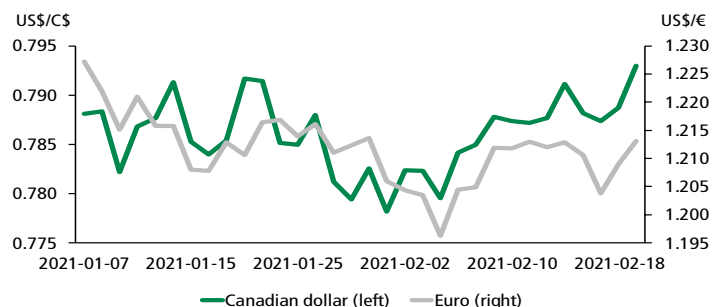
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

MONDAY February 22 - 10:00

January	m/m
Consensus	0.3%
Desjardins	0.6%
December	0.3%

TUESDAY February 23 - 9:00

December	y/y
Consensus	n/a
Desjardins	9.90%
November	9.08%

TUESDAY February 23 - 10:00

February	
Consensus	90.0
Desjardins	91.5
January	89.3

WEDNESDAY February 24 - 10:00

January	ann. rate
Consensus	859,000
Desjardins	900,000
December	842,000

THURSDAY February 25 - 8:30

January	m/m
Consensus	1.2%
Desjardins	0.2%
December	0.5%

FRIDAY February 26 - 8:30

January	m/m
Consensus	1.3%
Desjardins	2.3%
December	-0.2%

FRIDAY February 26 - 8:30

UNITED STATES

Leading indicator (January) – In December the leading indicator posted its eighth monthly increase in a row, although the 0.3% gain was the smallest one in the run. It is expected to rise faster in January. The main contribution will come from the sharp increase in building permits. Hours worked, stock markets and interest rate spreads will also boost growth. The leading indicator should go up by 0.6%.

S&P/Case-Shiller index of existing home prices (December) – Home prices in the United States are on the rise. The annual change in the S&P/Case-Shiller index went from an unimpressive 2.0% in summer 2019 to 9.1% in November, its strongest monthly growth since May 2014. Another increase is expected for December. The annual change in the index should exceed 1% once again, and annual growth should be closer to the 10% mark.

Conference Board consumer confidence index (February) – The Conference Board confidence index climbed 2.2 points in January and another gain is expected for February. Other consumer confidence indexes are giving mixed signals, however. The University of Michigan consumer confidence index fell 2.8 points according to February's preliminary version. The Bloomberg weekly index has been posting modest gains for a few weeks, while the TIPP was also up slightly in February. Fewer COVID-19 cases, coupled with the effective vaccination rollout in the United States, have been positive factors. Despite a few hiccups, the stock markets have risen since mid-January and gas prices are also up. All in all, a modest rise in the Conference Board index is expected.

New home sales (January) – New single-family home sales were up 1.6% in December, although they are still at quite a disappointing level, particularly compared to other U.S. housing market indicators. Further growth is expected for January, however, as suggested by the number of building permits for single-family homes. The builders' confidence index has also remained high. Sales of new single-family homes should reach 900,000 units.

New durable goods orders (January) – New orders for durable goods were up 0.5% in December. Orders plummeted 25.1% in the aviation sector, with another drop coming in January for civil aviation, while Boeing's net orders also seem to be negative. January's industrial output suggests that orders for motor vehicles have also stagnated. Not including transportation, a gain of 0.8% is anticipated. Steady manufacturing output and the high level of the "new orders" component of the ISM manufacturing index point that way. In all, a 0.2% increase is forecast.

Consumer spending (January) – U.S. consumer spending was low at the end of 2020, including a 0.6% drop in real consumption. Significantly better performance is expected for January, however, as we see from the 5.3% surge in retail sales. The federal assistance program adopted at the very end of 2020, which included US\$600 per person up to a certain income level, certainly resulted in more spending, with a sharp rise in real consumption that could reach 2.1%. Personal income (over 10%) and the household saving rate (over 20%) should be way up.

CANADA

Annual Capital Expenditures Survey (2021) – Statistics Canada will release the results of its annual survey of business capital spending intentions on Friday. It will be interesting to see what impact the pandemic has had on the future growth of business investments. Marked disparities are to be expected, either between sectors or between regions.


DURING THE WEEK**January****THURSDAY February 25 - 5:00****February****OVERSEAS**


Japan: Economic indicators (January) – Several major indicators for January will be released this week. They will give us a first look at how robust the Japanese economy was as 2021 started. Keep in mind that Japan's real GDP rose 3.0% (non-annualized) during the fourth quarter of 2020, despite the weakness of some indicators in November and December. Those indicators included industrial output and retail sales, which were both down in December; the January figures for those sectors will come out on Thursday evening.

Euro zone: Confidence indicators (February) – Several European confidence indicators declined in January. It should be noted that some countries tightened their health measures at the very end of 2020 and the beginning of 2021. The delayed start of the vaccination rollout was also a negative factor. Nevertheless, things may improve in February. The preliminary version of the consumer confidence index showed modest improvement. The euro zone's composite PMI index also rose according to February's preliminary version, but the services sector still seems weak.

Economic Indicators

Week of February 22 to 26, 2021

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 22	10:00	Leading indicator (m/m)	Jan.	0.3%	0.6%	0.3%
TUESDAY 23	9:00	S&P/Case-Shiller home price index (y/y)	Dec.	n/a	9.90%	9.08%
	10:00	Consumer confidence	Feb.	90.0	91.5	89.3
	10:00	Speech of the Federal Reserve Chair, J. Powell				
WEDNESDAY 24	10:00	New home sales (ann. rate)	Jan.	859,000	900,000	842,000
	10:00	Testimony of the Federal Reserve Chair, J. Powell, before a House committee				
	10:30	Speech of a Federal Reserve Governor, L. Brainard				
	13:00	Speech of a Federal Reserve Vice Chair, R. Clarida				
THURSDAY 25	8:30	Initial unemployment claims	Feb. 15-19	750,000	835,000	861,000
	8:30	Real GDP (ann. rate)	Q4s	4.1%	4.0%	4.0%
	8:30	Factory orders (m/m)	Jan.	1.2%	0.2%	0.5%
	10:00	Pending home sales (m/m)	Jan.	n/a	n/a	-0.3%
	10:30	Speech of the St. Louis Fed President, J. Bullard				
FRIDAY 26	8:30	Goods trade balance – preliminary (US\$B)	Jan.	-83.0	-83.9	-82.5
	8:30	Retail inventories – preliminary (m/m)	Jan.	n/a	n/a	1.0%
	8:30	Wholesale inventories – preliminary (m/m)	Jan.	n/a	n/a	0.3%
	8:30	Personal income (m/m)	Jan.	10.0%	10.7%	0.6%
	8:30	Personal consumption expenditures (m/m)	Jan.	1.3%	2.3%	-0.2%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	Jan.	0.2%	0.2%	0.4%
		Excluding food and energy (m/m)	Jan.	0.1%	0.1%	0.3%
		Total (y/y)	Jan.	1.4%	1.3%	1.3%
		Excluding food and energy (y/y)	Jan.	1.4%	1.3%	1.5%
	9:45	Chicago PMI index	Feb.	61.0	59.0	63.8
	10:00	Michigan's consumer sentiment index – final	Feb.	76.4	76.2	76.2
CANADA						
MONDAY 22	---	---				
TUESDAY 23	12:30	Speech of the Bank of Canada Governor, T. Macklem				
WEDNESDAY 24	---	---				
THURSDAY 25	8:30	Average weekly earnings (y/y)	Dec.	n/a	6.7%	6.6%
	8:30	Number of salaried employees (m/m)	Dec.	n/a	-0.3%	-0.5%
FRIDAY 26	8:30	Capital and Repair Expenditures Survey (2021)				
	8:30	Industrial product price index (m/m)	Jan.	1.9%	1.9%	1.5%
	8:30	Raw materials price index (m/m)	Jan.	n/a	3.8%	3.5%

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. Following the quarter, the abbreviations f, s and t correspond to first estimate, second estimate and third estimate respectively. The times shown are Eastern Standard Time (GMT - 5 hours).  Forecast of Desjardins, Economic Studies of the Desjardins Group.

Economic Indicators

Week of February 22 to 26, 2021

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
MONDAY 22								
Germany	4:00	Ifo survey – Business climate	Feb.	90.4		90.1		
Germany	4:00	Ifo survey – Current situation	Feb.	89.0		89.2		
Germany	4:00	Ifo survey – Expectations	Feb.	91.6		91.1		
TUESDAY 23								
United Kingdom	2:00	ILO unemployment rate	Dec.	5.1%		5.0%		
Euro zone	5:00	Consumer price index – final	Jan.	0.2%	0.9%	0.2%	-0.3%	
New Zealand	20:00	Reserve Bank of New Zealand meeting	Feb.	0.25%		0.25%		
WEDNESDAY 24								
Germany	2:00	Real GDP – final	Q4	0.1%	-3.9%	0.1%	-3.9%	
France	2:45	Business confidence	Feb.	92		92		
France	2:45	Production outlook	Feb.	-8		-9		
THURSDAY 25								
South Korea	---	Bank of Korea meeting	Feb.	0.50%		0.50%		
Japan	0:00	Leading indicator – final	Dec.	n/a		94.9		
Japan	0:00	Coincident indicator – final	Dec.	n/a		87.8		
Germany	2:00	Consumer confidence	March	-14.0		-15.6		
France	2:45	Consumer confidence	Feb.	92		92		
Euro zone	4:00	Money supply M3	Jan.		12.5%		12.3%	
Italy	4:00	Consumer confidence	Feb.	101.0		100.7		
Italy	4:00	Economic confidence	Feb.	n/a		87.9		
Euro zone	5:00	Consumer confidence – final	Feb.	n/a		-14.8		
Euro zone	5:00	Industrial confidence	Feb.	-5.3		-5.9		
Euro zone	5:00	Services confidence	Feb.	-17.4		-17.8		
Euro zone	5:00	Economic confidence	Feb.	92.0		91.5		
Japan	18:30	Consumer price index – Tokyo	Feb.		-0.4%		-0.5%	
Japan	18:50	Industrial production – preliminary	Jan.	3.9%	-5.4%	-1.0%	-2.6%	
Japan	18:50	Retail sales	Jan.	-1.3%	-2.6%	-0.8%	-0.3%	
FRIDAY 26								
Japan	0:00	Housing starts	Jan.		-1.9%		-9.0%	
France	2:45	Personal consumption expenditures	Jan.	-3.4%	1.3%	23.0%	3.7%	
France	2:45	Consumer price index – preliminary	Feb.	n/a	n/a	0.2%	0.6%	
France	2:45	Real GDP – final	Q4	-1.3%	-5.0%	-1.3%	-5.0%	

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. The times shown are Eastern Standard Time (GMT - 5 hours).

UNITED STATES
Quarterly economic indicators

	REF. QUART.	LEVEL	VARIATION (%)		ANNUAL VARIATION (%)		
			Quart. ann.	1 year	2020	2019	2018
Gross domestic product (2012 \$B)	2020 Q4	18,780	4.0	-2.5	-3.5	2.2	3.0
Consumption (2012 \$B)	2020 Q4	13,005	2.5	-2.6	-3.9	2.4	2.7
Government spending (2012 \$B)	2020 Q4	3,317	-1.2	-0.6	1.1	2.3	1.8
Residential investment (2012 \$B)	2020 Q4	693.9	33.5	13.7	5.9	-1.7	-0.6
Non-residential investment (2012 \$B)	2020 Q4	2,746	13.8	-1.3	-4.0	2.9	6.9
Business inventory change (2012 \$B) ¹	2020 Q4	44.6	---	---	-81.8	48.5	53.4
Exports (2012 \$B)	2020 Q4	2,277	22.0	-11.0	-13.0	-0.1	3.0
Imports (2012 \$B)	2020 Q4	3,398	29.5	-0.6	-9.3	1.1	4.1
Final domestic demand (2012 \$B)	2020 Q4	19,776	4.4	-1.5	-2.7	2.3	3.0
GDP deflator (2012 = 100)	2020 Q4	114.4	2.0	1.3	1.2	1.8	2.4
Labor productivity (2012 = 100)	2020 Q4	111.1	-4.8	2.5	2.6	1.7	1.4
Unit labor cost (2012 = 100)	2020 Q4	117.6	6.8	5.2	4.3	1.9	1.9
Employment cost index (Dec. 2005 = 100)	2020 Q4	142.4	2.9	2.5	2.6	2.7	2.8
Current account balance (\$B) ¹	2020 Q3	-178.5	---	---	-480.2	-449.7	-365.3

¹ Statistics representing the level during the period; * New statistic in comparison with last week.

UNITED STATES
Monthly economic indicators

	REF. MONTH	LEVEL	VARIATION (%)			
			-1 month	-3 months	-6 months	-1 year
Leading indicator (2016 = 100)	Dec.	109.5	0.3	2.0	6.5	-1.7
ISM manufacturing index ¹	Jan.	58.7	60.5	58.8	53.7	51.1
ISM non-manufacturing index ¹	Jan.	58.7	57.7	56.2	56.6	55.9
Cons. confidence Conference Board (1985 = 100) ¹	Jan.	89.3	87.1	101.4	91.7	130.4
Personal consumption expenditure (2012 \$B)	Dec.	12,922	-0.6	-1.1	2.2	-3.3
Disposable personal income (2012 \$B)	Dec.	15,458	0.2	-2.1	-4.3	3.3
Consumer credit (\$B)	Dec.	4,184	0.2	0.7	1.1	0.1
Retail sales (\$M)	Jan.*	568,215	5.3	2.9	6.0	7.4
<i>Excluding automobiles (\$M)</i>	Jan.*	449,379	5.9	2.8	5.5	6.1
Industrial production (2012 = 100)	Jan.*	107.2	0.9	3.1	5.2	-1.8
Production capacity utilization rate (%) ¹	Jan.*	75.6	74.9	73.3	71.8	76.9
New machinery orders (\$M)	Dec.	493,548	1.1	3.7	12.6	-0.8
New durable good orders (\$M)	Dec.	246,405	0.5	3.6	18.8	1.9
Business inventories (\$B)	Dec.*	1,972	0.6	1.9	3.1	-2.6
Housing starts (k) ¹	Jan.*	1,580	1,680	1,530	1,487	1,617
Building permits (k) ¹	Jan.*	1,881	1,704	1,544	1,483	1,536
New home sales (k) ¹	Dec.	842.0	829.0	965.0	840.0	731.0
Existing home sales (k) ¹	Jan.*	6,690	6,650	6,730	5,900	5,410
Commercial surplus (\$M) ¹	Dec.	-66,613	-69,005	-62,728	-51,850	-45,676
Nonfarm employment (k) ²	Jan.	142,631	49.0	86.0	3,065	-9,603
Unemployment rate (%) ¹	Jan.	6.3	6.7	6.9	10.2	3.5
Consumer price (1982-1984 = 100)	Jan.	262.2	0.3	0.7	1.4	1.4
<i>Excluding food and energy</i>	Jan.	270.0	0.0	0.3	0.9	1.4
Personal cons. expenditure deflator (2012 = 100)	Dec.	112.2	0.4	0.5	1.2	1.3
<i>Excluding food and energy</i>	Dec.	114.4	0.3	0.3	1.1	1.5
Producer price (2009 = 100)	Jan.*	121.3	1.3	1.7	2.6	1.8
Export prices (2000 = 100)	Jan.*	128.7	2.5	4.6	5.9	2.3
Import prices (2000 = 100)	Jan.*	126.3	1.4	2.4	3.4	0.9

¹ Statistic shows the level of the month of the column; ² Statistic shows the variation since the reference month; * New statistic in comparison with last week.

CANADA
Quarterly economic indicators

	REF. QUART.	LEVEL	VARIATION (%)		ANNUAL VARIATION (%)		
			Quart. ann.	1 year	2019	2018	2017
Gross domestic product (2012 \$M)	2020 Q3	2,003,084	40.5	-5.2	1.9	2.4	3.0
Household consumption (2012 \$M)	2020 Q3	1,133,623	62.8	-4.5	1.6	2.5	3.8
Government consumption (2012 \$M)	2020 Q3	425,273	13.5	0.0	2.0	2.9	2.1
Residential investment (2012 \$M)	2020 Q3	157,232	187.3	9.5	-0.2	-1.7	2.3
Non-residential investment (2012 \$M)	2020 Q3	158,297	25.8	-14.8	1.1	3.1	1.9
Business inventory change (2012 \$M) ¹	2020 Q3	-35,960	---	---	18,766	15,486	19,200
Exports (2012 \$M)	2020 Q3	613,818	71.8	-9.7	1.3	3.7	1.4
Imports (2012 \$M)	2020 Q3	605,869	113.7	-9.9	0.4	3.4	4.6
Final domestic demand (2012 \$M)	2020 Q3	2,023,141	50.8	-3.2	1.4	2.5	3.3
GDP deflator (2012 = 100)	2020 Q3	111.6	10.7	1.5	1.7	1.8	2.5
Labour productivity (2012 = 100)	2020 Q3	111.8	-35.2	4.0	0.7	0.4	2.0
Unit labour cost (2012 = 100)	2020 Q3	115.0	-5.9	4.3	2.9	2.8	0.7
Current account balance (\$M) ¹	2020 Q3	-7,528	---	---	-47,384	-52,224	-59,999
Production capacity utilization rate (%) ¹	2020 Q3	76.5	---	---	82.6	83.7	80.8
Disposable personal income (\$M)	2020 Q3	1,416,188	-12.0	10.6	3.8	3.1	5.0
Corporate net operating surplus (\$M)	2020 Q3	285,368	182.9	-1.8	0.6	3.8	19.3

¹ Statistics representing the level during the period; * New statistic in comparison with last week.

CANADA
Monthly economic indicators

	REF. MONTH	LEVEL	VARIATION (%)			
			-1 month	-3 months	-6 months	-1 year
Gross domestic product (2012 \$M)	Nov.	1,934,643	0.7	2.0	12.1	-2.8
Industrial production (2012 \$M)	Nov.	378,417	1.9	3.2	13.4	-5.1
Manufacturing sales (\$M)	Dec.*	54,185	0.9	0.7	8.5	-3.9
Housing starts (k) ¹	Jan.*	282.4	229.4	227.1	245.1	216.3
Building permits (\$M)	Dec.	9,083	-4.1	-4.9	12.6	1.7
Retail sales (\$M)	Dec.*	53,378	-3.4	-1.8	1.9	3.3
<i>Excluding automobiles (\$M)</i>	Dec.*	39,181	-4.1	-1.8	0.9	3.4
Wholesale trade sales (\$M)	Dec.	66,502	-1.3	0.6	6.8	4.8
Commercial surplus (\$M) ¹	Dec.	-1,665	-3,560	-3,925	-1,576	-373.3
<i>Exports (\$M)</i>	Dec.	47,318	1.5	3.6	14.5	-4.1
<i>Imports (\$M)</i>	Dec.	48,983	-2.3	-1.3	14.2	-1.5
Employment (k) ²	Jan.	18,272	-212.8	-70.3	78.2	-69.5
Unemployment rate (%) ¹	Jan.	9.4	8.8	9.0	10.9	5.6
Average weekly earnings (\$)	Nov.	1,110	0.6	0.1	-2.5	6.6
Number of salaried employees (k) ²	Nov.	15,922	-79.5	155.3	370.0	-93.7
Consumer price (2002 = 100)	Jan.*	138.2	0.6	0.5	0.7	1.0
<i>Excluding food and energy</i>	Jan.*	132.8	0.5	0.2	0.7	1.4
<i>Excluding 8 volatile items</i>	Jan.*	136.7	0.5	0.3	0.9	1.6
Industrial product price (2010 = 100)	Dec.	101.8	1.5	1.0	3.9	1.8
Raw materials price (2010 = 100)	Dec.	100.5	3.5	4.6	11.2	-0.7
Money supply M1+ (\$M)	Nov.	1,395,122	1.1	4.5	13.3	30.0

¹ Statistic shows the level of the month of the column; ² Statistic shows the variation since the reference month; * New statistic in comparison with last week.

UNITED STATES, CANADA, OVERSEAS
Major financial indicators

IN % (EXPECTED IF INDICATED)	ACTUAL		PREVIOUS DATA				LAST 52 WEEKS		
	Feb. 19	Feb. 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	0.25	0.25	0.25	0.25	0.25	1.75	1.75	0.32	0.25
Treasury bill – 3 months	0.03	0.04	0.08	0.07	0.10	1.53	1.50	0.15	-0.05
Treasury bonds – 2 years	0.11	0.11	0.13	0.17	0.15	1.35	1.27	0.20	0.11
– 5 years	0.57	0.48	0.43	0.38	0.27	1.32	1.22	0.39	0.19
– 10 years	1.32	1.18	1.09	0.82	0.62	1.48	1.38	0.80	0.50
– 30 years	2.12	2.01	1.86	1.54	1.35	1.92	2.12	1.52	1.03
S&P 500 index (level)	3,929	3,935	3,841	3,558	3,397	3,338	3,935	3,293	2,237
DJIA index (level)	31,626	31,458	30,997	29,263	27,930	28,992	31,626	27,177	18,592
Gold price (US\$/ounce)	1,787	1,827	1,854	1,874	1,940	1,642	2,053	1,812	1,475
CRB index (level)	189.54	185.29	172.85	156.16	149.96	174.65	189.54	148.16	106.29
WTI oil (US\$/barrel)	59.81	58.22	53.08	41.72	42.67	53.81	61.12	39.19	-37.63
Canada									
Overnight – target	0.25	0.25	0.25	0.25	0.25	1.75	1.75	0.34	0.25
Treasury bill – 3 months	0.08	0.07	0.06	0.11	0.15	1.63	1.61	0.21	0.05
Treasury bonds – 2 years	0.23	0.19	0.18	0.27	0.28	1.42	1.34	0.31	0.15
– 5 years	0.63	0.49	0.44	0.42	0.36	1.29	1.21	0.45	0.30
– 10 years	1.19	1.03	0.84	0.66	0.54	1.28	1.21	0.67	0.43
– 30 years	1.77	1.63	1.47	1.17	1.07	1.38	1.77	1.20	0.71
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.02	0.00
Treasury bill – 3 months	0.05	0.03	-0.02	0.04	0.05	0.10	0.53	0.06	-0.04
Treasury bonds – 2 years	0.12	0.08	0.05	0.10	0.13	0.07	0.31	0.11	0.00
– 5 years	0.06	0.01	0.01	0.05	0.09	-0.03	0.29	0.07	-0.15
– 10 years	-0.14	-0.15	-0.25	-0.16	-0.08	-0.20	0.09	-0.13	-0.30
– 30 years	-0.35	-0.38	-0.39	-0.37	-0.28	-0.54	0.06	-0.32	-0.52
S&P/TSX index (level)	18,367	18,460	17,846	17,019	16,518	17,844	18,493	16,083	11,228
Exchange rate (C\$/US\$)	1.2610	1.2696	1.2737	1.3098	1.3177	1.3224	1.4513	1.3351	1.2610
Exchange rate (C\$/€)	1.5297	1.5388	1.5498	1.5528	1.5545	1.4341	1.5903	1.5434	1.4429
Overseas									
<u>Euro zone</u>									
ECB – Refinancing rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exchange rate (US\$/€)	1.2131	1.2120	1.2168	1.1855	1.1797	1.0845	1.2327	1.1576	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.10	0.10	0.75	0.75	0.13	0.10
Bonds – 10 years	0.68	0.54	0.32	0.33	0.17	0.57	0.78	0.26	0.04
FTSE index (level)	6,645	6,590	6,695	6,351	6,002	7,404	7,157	6,146	4,994
Exchange rate (US\$/£)	1.4013	1.3846	1.3686	1.3284	1.3090	1.2971	1.4013	1.2932	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.32	-0.46	-0.54	-0.58	-0.54	-0.43	-0.17	-0.51	-0.84
DAX index (level)	14,007	14,050	13,874	13,137	12,765	13,579	14,109	12,386	8,442
<u>Japan</u>									
BoJ – Main policy rate	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10
Nikkei index (level)	30,018	29,520	28,631	25,527	22,920	23,387	30,468	23,386	16,553
Exchange rate (US\$/¥)	105.55	104.95	103.79	103.86	105.80	111.59	111.23	106.02	102.36

CRB: Commodity Research Bureau; WTI: West Texas Intermediate; ECB: European Central Bank; BoE: Bank of England; BoJ: Bank of Japan

Note: Data taken at markets closing, with the exception of the current day where they were taken at 11:00 a.m.