

WEEKLY NEWSLETTER

A New Chapter Has Begun with Joe Biden's Arrival at the White House

HIGHLIGHTS

- ▶ U.S. housing starts hit their highest level since 2006.
- ▶ The Bank of Canada left its key rates at their effective lower bound.
- ▶ Canada: The total annual inflation rate fell back below the lower target.
- ▶ Canada: Retail sales grew more than anticipated in November.
- ▶ Canada: The number of housing starts ticked down in December.

A LOOK AHEAD

- ▶ Despite the second wave of COVID-19, U.S. real GDP likely recorded strong growth in the fourth quarter of 2020.
- ▶ The Federal Reserve should maintain its current monetary policy but claims to be ready to take further action if necessary.
- ▶ United States: New home sales are expected to rise significantly.
- ▶ Canada: Real GDP by industry should continue to climb in November.

FINANCIAL MARKETS

- ▶ The U.S. indexes reached new peaks before dropping back on Friday.
- ▶ Canadian bond yields are up after the Bank of Canada's announcement.
- ▶ The Canadian dollar is struggling to stay above US\$0.79.

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Key Statistics of the Week

UNITED STATES

- ▶ Housing starts saw strong growth of 5.8% in December after rising 3.1% in November. They climbed to 1,669,000 units on an annualized basis, their highest level since September 2006, and 3.2% above the cyclical peak reached in January 2020. December's monthly increase was solely due to construction of new single-family homes, which surged 12.0%. Multi-unit housing starts plunged 15.2%.
- ▶ The Federal Reserve Bank of Philadelphia's manufacturing index rose sharply in January, going from 9.1 to 26.5, its highest point since February 2020.
- ▶ Sales of existing homes ticked up 0.7% in December after dropping 2.2% in November. They went from 6,710,000 to 6,760,000 units on an annualized basis, which is still below their cyclical peak in October.
- ▶ New jobless claims fell slightly last week, going from 926,000 to 900,000, which is still above the average of 786,000 recorded in the fourth quarter of 2020.

Francis Généreux, Senior economist

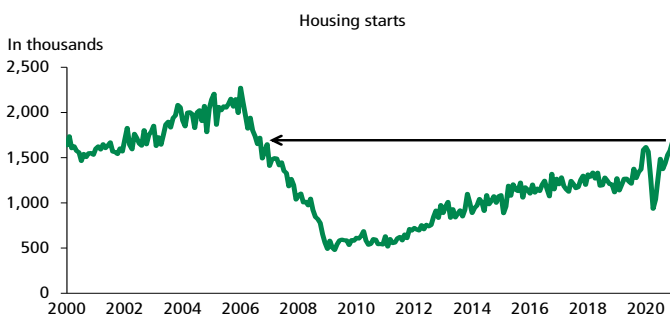
CANADA

- ▶ The Bank of Canada (BoC) announced that it would keep its target for the overnight rate at its effective lower bound of 0.25%. Purchases as part of this program will continue at the current pace of at least \$4B per week. Before changing its key interest rates, the BoC indicated that it will adjust the pace of its net bond purchases in accordance with economic developments. If the vaccination campaign continues as planned, the BoC could begin to gradually reduce its purchases in 2021.
- ▶ The consumer price index fell 0.2% in December. The annual variation went from 1.0% (November 2020 compared with November 2019) to 0.7% (December 2020 compared with December 2019). The total annual inflation rate for 2020 was 0.7% on average.
- ▶ The value of retail sales increased 1.3% in November, which exceeded expectations. Growth was particularly strong for supermarkets and other grocery stores (+6.5%) Excluding that sector, sales rose just 0.4% over the month. Statistics Canada's advance results show that retail sales dropped 2.6% in December.
- ▶ As expected, the number of housing starts dipped slightly at the end of 2020, from 261,152 units in November (revised) to 228,279 in December. Trend in housing starts (based on a 6-month moving average) nevertheless remained on an upward trajectory, at 239,052 units. The overall number of housing starts for 2020 reached 217,802 units, a 4.4% increase over 2019.
- ▶ The value of manufacturing sales slid 0.6% in November. This drop was mainly evident in aerospace products and automotive products. Excluding these two sectors, sales grew 1.0% over the month.
- ▶ The value of wholesale sales gained 0.7% in November. Sales rose in five of the seven main sectors. Statistics Canada's advance results show that wholesale sales fell 1.7% in December.

Benoit P. Durocher, Senior economist

UNITED STATES

Housing starts hit their highest level since 2006



Sources: U.S. Census Bureau and Desjardins, Economic Studies

Financial Markets

The Inauguration of President Joe Biden Encouraged Investors

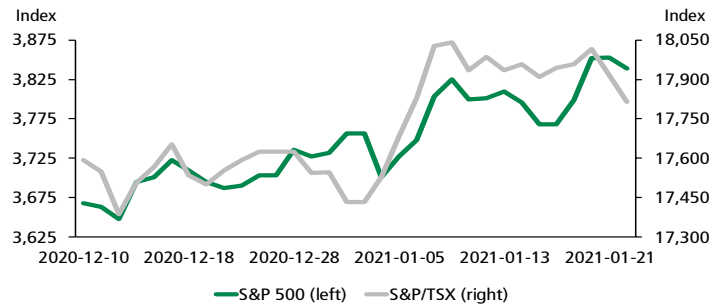
Financial result season was in full swing this week, but optimism gave way to new concerns on Friday morning. The inauguration of the new U.S. president Joe Biden and the many executive orders announced on Wednesday mark a new political chapter and appear to have been well perceived by investors. The U.S. stock markets were up until closing on Thursday and posted new records. Friday morning, new concerns about the efficacy of vaccines against new coronavirus variants grabbed investors' attention. Joe Biden's US\$1,900B stimulus package also seemed less certain. At the time of writing, the U.S. indexes were posting daily declines, but the S&P 500 and the NASDAQ hung on to good weekly gains of about 2% and 4% respectively, while the Dow Jones was up about 0.5%. The Canadian S&P/TSX index had a more difficult week, dropping Thursday and Friday to end the week down -0.5%. The WTI (West Texas Intermediate) price was also down for the week, trading at US\$51.50 on Friday morning.

The Bank of Canada appeared more optimistic for 2021 and ruled out a cut to its key interest rate at its meeting on Wednesday. Canadian bond yields gained a few points while their U.S. counterparts remained more stable. At the time of writing, the 10-year yield in Canada posted a weekly gain of 5 basis points (0.86%), vs. a loss of 1 basis point for its U.S. counterpart (1.09%).

The U.S. dollar lost a bit of ground this week, penalized by investors' risk appetite. The greenback nevertheless rebounded slightly on Friday, in more volatile markets. The European Central Bank also appeared more optimistic and less willing to increase its level of intervention, which seems to have helped the euro up once again near US\$1.22. The Canadian dollar rose on Wednesday to more than US\$0.79 but dropped below that mark on Friday.

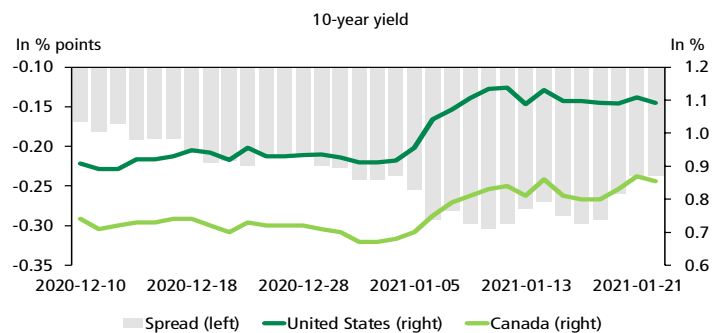
Hendrix Vachon, Senior Economist
Lorenzo Tessier-Moreau, Senior Economist

GRAPH 1
Stock markets



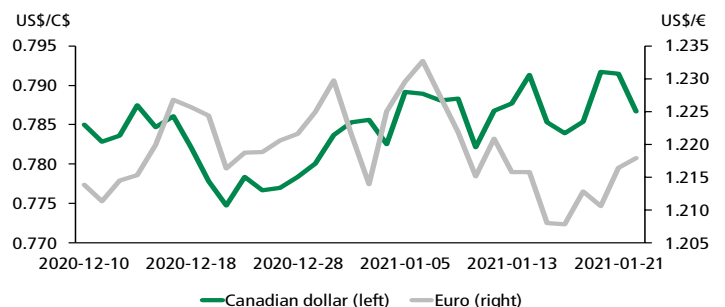
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

TUESDAY January 26 - 9:00

November	y/y
Consensus	8.10%
Desjardins	8.70%
October	7.95%

TUESDAY January 26 - 10:00

January	
Consensus	89.1
Desjardins	88.0
December	88.6

WEDNESDAY January 27 - 8:30

December	m/m
Consensus	1.0%
Desjardins	1.9%
November	1.0%

WEDNESDAY January 27 - 14:00

January	
Consensus	0.25%
Desjardins	0.25%
December 16	0.25%

THURSDAY January 28 - 8:30

Q4 2020 - 1st est.	ann. rate
Consensus	4.4%
Desjardins	5.4%
Q3 2020	33.4%

UNITED STATES

S&P/Case-Shiller Index of existing home prices (November) – Home prices in the United States are on the rise. The monthly gain recorded by the S&P/Case-Shiller Index in October was the highest since 2013. In just a few months, the annual variation in the index more than doubled, from 3.5% in June to 8.0% in October. This trend is expected to continue, with another monthly increase of 1.2% in November, which would make the annual variation in the index jump to 8.7%.

Conference Board consumer confidence index (January) – The Conference Board confidence index fell in November and December as the pandemic continues to spread and other economic indicators, such as employment and retail sales, deteriorate. Other confidence indexes also dropped during this time. Another, smaller decrease is expected for January. The University of Michigan index was down for the month, whereas the TIPP index posted a modest increase. The split between Democrats and Republicans is still being felt. The January 6 attack on the Capitol may be a cause for concern, but the transfer of presidential power on January 20 went ahead without a hitch. Despite the turmoil, the stock market has steadily climbed since the beginning of the year. Nonetheless, gas prices rose. The extent of the pandemic threatens to rattle consumer confidence again. All in all, a modest drop in the Conference Board index is forecast.

New orders for durable goods (December) – New orders for durable goods were up 1.0% in November. Despite posting a total increase of 45.9% since April's low, new orders were down 0.7% from pre-pandemic levels. The increase forecast for December should close this gap. The transportation sector will contribute to growth, with orders up for Boeing's 737-MAX. Still, the motor vehicle sector is expected to show a slight drop. Excluding transportation, a 1.5% rise is anticipated based on manufacturing's strong performance and the increase in the "new orders" component of the ISM manufacturing index. In all, a 1.9% hike is forecast.

Federal Reserve meeting (January) – The Federal Reserve (Fed) should make two observations regarding changes to the economy since the December meeting. First, the economic conditions have deteriorated directly in relation to the pandemic. Employment fell in December, and retail sales declined. Second, the news about the vaccines remains positive, with nearly one million vaccines administered per day in the United States. Furthermore, the federal government managed to pass a substantial aid package at the end of 2020. Under these circumstances, Jerome Powell and the Fed's leaders will probably want to continue to monitor the situation while maintaining the current pace of security purchases and the level of the key rates. Still, they will continue to signal that they are prepared to take further actions if the situation deteriorates.

Real GDP (Q4 – preliminary estimate) – The change in real GDP in the United States was erratic in 2020. Real GDP plunged 5.0% and 31.4% annualized in the first and second quarters, then surged 33.4% in the third quarter. The last quarter of 2020 is expected to indicate another hike. The end of summer and early fall showed that consumption was advancing. A monthly decrease is expected for December, but it will not be enough to lead to a net contraction for the third quarter. Real consumption should even post annualized growth of approximately 3.5%. Companies are expected to significantly increase their investments, especially in equipment. Residential construction should post a significant increase, which will, however, be offset by the latest drop in commercial construction. Business inventories should contribute very positively to the gain in real GDP, but the trade balance has, probably, deteriorated. All in all, we expect a 5.4% annualized increase in real GDP.

THURSDAY January 28 - 10:00

December	m/m
Consensus	0.2%
Desjardins	0.3%
November	0.6%

THURSDAY January 28 - 10:00

December	ann. rate
Consensus	852,000
Desjardins	950,000
November	841,000

FRIDAY January 29 - 8:30

November	m/m
Consensus	0.4%
Desjardins	0.4%
October	0.4%

FRIDAY January 29 - 1:30

Q4 2020 - 1st est.	q/q
Consensus	-4.0%
Q3 2020	18.7%

Leading indicator (December) – The leading indicator continued to advance in November, gaining 0.6%. Another more modest increase is expected for December. For the first time since April, jobless claims should contribute negatively to the monthly variation in the leading indicator. However, this will be more than offset by the significant contributions from the ISM index, building permits and the stock market. The leading indicator is expected to gain 0.3%.

New home sales (December) – After robust growth in the spring and summer, new single-family home sales are slowing. They fell 14.1% in total between July and November despite low mortgage rates and a healthier job market. However, they are expected to recover in December, as suggested by the number of building permits for single-family homes. The builders' confidence index also remained high. Sales of new single-family homes should hit 950,000 units.

CANADA


Real GDP by industry (November) – According to Statistics Canada's interim results, real GDP by industry rose nearly 0.4% in November, roughly the same as in October. According to our estimates, this projection remains realistic based on the results of the different economic indicators in November. Furthermore, the total number of hours worked in the Canadian economy was up 1.2% for the month.


OVERSEAS

France: Real GDP (Q4 – preliminary estimate) – After plunging 5.9% (non-annualized) in the first quarter and 13.8% in the spring, France's real GDP soared 18.7% in the third quarter. France was one of the first countries to reintroduce extremely restrictive public health measures in the fall. This probably had a serious impact on growth in the fourth quarter. Therefore, real GDP is expected to fall.

Economic Indicators

Week of January 25 to 29, 2021

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 25	---	---				
TUESDAY 26	9:00	S&P/Case-Shiller home price index (y/y)	Nov.	8.10%	8.70%	7.95%
	10:00	Consumer confidence	Jan.	89.1	88.0	88.6
WEDNESDAY 27	8:30	Durable goods orders (m/m)	Dec.	1.0%	1.9%	1.0%
	14:00	Federal Reserve meeting	Jan.	0.25%	0.25%	0.25%
	14:30	Speech of the Federal Reserve Chair, J. Powell				
THURSDAY 28	8:30	Initial unemployment claims	Jan. 18-22	875,000	880,000	900,000
	8:30	Real GDP (ann. rate)	Q4f	4.4%	5.4%	33.4%
	8:30	Goods trade balance – preliminary (US\$B)	Dec.	-83.5	-86.4	-85.5
	8:30	Retail inventories – preliminary (m/m)	Dec.	n/a	n/a	0.7%
	8:30	Wholesale inventories – preliminary (m/m)	Dec.	n/a	n/a	0.0%
	10:00	Leading indicator (m/m)	Dec.	0.2%	0.3%	0.6%
	10:00	New home sales (ann. rate)	Dec.	852,000	950,000	841,000
FRIDAY 29	8:30	Employment cost index (q/q)	Q4	0.5%	0.5%	0.5%
	8:30	Personal income (m/m)	Dec.	0.2%	-0.1%	-1.1%
	8:30	Personal consumption expenditures (m/m)	Dec.	-0.5%	-0.4%	-0.4%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	Dec.	0.3%	0.3%	0.0%
		Excluding food and energy (m/m)	Dec.	0.1%	0.1%	0.0%
		Total (y/y)	Dec.	1.2%	1.1%	1.1%
		Excluding food and energy (y/y)	Dec.	1.3%	1.3%	1.4%
	9:45	Chicago PMI index	Jan.	58.0	56.5	59.5
	10:00	Michigan's consumer sentiment index – final	Jan.	79.2	79.2	79.2
	10:00	Pending home sales (m/m)	Dec.	-0.5%	n/a	-2.6%
	13:00	Speech of the Dallas Fed President, R. Kaplan				
CANADA						
MONDAY 25	---	---				
TUESDAY 26	---	---				
WEDNESDAY 27	---	---				
THURSDAY 28	8:30	Building permits (m/m)	Dec.	-5.0%	3.0%	12.9%
	8:30	Average weekly earnings (y/y)	Nov.	n/a	6.1%	5.9%
	8:30	Number of salaried employees (m/m)	Nov.	n/a	0.6%	1.2%
FRIDAY 29	8:30	Industrial product price index (m/m)	Dec.	0.9%	1.4%	-0.6%
	8:30	Raw materials price index (m/m)	Dec.	2.5%	4.5%	0.6%
	8:30	Real GDP by industry (m/m)	Nov.	0.4%	0.4%	0.4%

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 January 25 to 29, 2021

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
DURING THE WEEK								
United Kingdom	---	Nationwide house prices	Jan.	0.3%	6.9%	0.8%	7.3%	
MONDAY 25								
Germany	4:00	Ifo survey – Business climate	Jan.	91.3		92.1		
Germany	4:00	Ifo survey – Current situation	Jan.	90.5		91.3		
Germany	4:00	Ifo survey – Expectations	Jan.	93.5		92.8		
TUESDAY 26								
United Kingdom	2:00	ILO unemployment rate	Nov.	5.1%		4.9%		
WEDNESDAY 27								
Japan	0:00	Leading indicator – final	Nov.	n/a		96.6		
Japan	0:00	Coincident indicator – final	Nov.	n/a		89.1		
Germany	2:00	Consumer confidence	Feb.	-7.8		-7.3		
France	2:45	Consumer confidence	Jan.	94		95		
Japan	18:50	Retail sales	Dec.	-0.9%	-0.5%	-2.0%	0.7%	
THURSDAY 28								
Italy	4:00	Consumer confidence	Jan.	100.1		102.4		
Italy	4:00	Economic confidence	Jan.	n/a		87.7		
Euro zone	5:00	Consumer confidence – final	Jan.	n/a		-15.5		
Euro zone	5:00	Industrial confidence	Jan.	-7.2		-7.2		
Euro zone	5:00	Services confidence	Jan.	-18.5		-17.4		
Euro zone	5:00	Economic confidence	Jan.	89.5		90.4		
Germany	8:00	Consumer price index – preliminary	Jan.	0.4%	0.7%	0.5%	-0.3%	
Japan	18:30	Consumer price index – Tokyo	Jan.		-0.9%		-1.3%	
Japan	18:30	Unemployment rate	Dec.	3.0%		2.9%		
Japan	18:50	Industrial production – preliminary	Dec.	-1.5%	-3.2%	-0.5%	-3.9%	
FRIDAY 29								
Japan	0:00	Consumer confidence	Jan.	28.0		31.8		
Japan	0:00	Housing starts	Dec.		-3.8%		-3.7%	
France	1:30	Personal consumption expenditures	Dec.	20.0%	3.0%	-18.9%	-17.1%	
France	1:30	Real GDP – preliminary	Q4	-4.0%	-7.6%	18.7%	-3.9%	
Germany	2:00	Real GDP – preliminary	Q4	0.0%	-4.0%	8.5%	-4.0%	
Euro zone	4:00	Money supply M3	Dec.		11.0%		11.0%	
SATURDAY 30								
China	20:00	PMI manufacturing index	Jan.	51.6		51.9		
China	20:00	PMI non-manufacturing index	Jan.	54.9		55.7		

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	2019	2018	2017
Gross domestic product (2012 \$B)	2020 Q3	18,597	33.4	-2.8	2.2	3.0	2.3
Consumption (2012 \$B)	2020 Q3	12,925	41.0	-2.8	2.4	2.7	2.6
Government spending (2012 \$B)	2020 Q3	3,327	-4.8	0.3	2.3	1.8	0.9
Residential investment (2012 \$B)	2020 Q3	645.5	63.0	7.2	-1.7	-0.6	4.0
Non-residential investment (2012 \$B)	2020 Q3	2,659	22.9	-4.5	2.9	6.9	3.7
Business inventory change (2012 \$B) ¹	2020 Q3	-3.7	---	---	48.5	53.4	15.8
Exports (2012 \$B)	2020 Q3	2,167	59.6	-14.6	-0.1	3.0	3.9
Imports (2012 \$B)	2020 Q3	3,186	93.1	-8.6	1.1	4.1	4.7
Final domestic demand (2012 \$B)	2020 Q3	19,565	29.8	-2.1	2.3	3.0	2.5
GDP deflator (2012 = 100)	2020 Q3	113.8	3.5	1.1	1.8	2.4	1.9
Labor productivity (2012 = 100)	2020 Q3	112.3	4.6	4.0	1.7	1.4	1.2
Unit labor cost (2012 = 100)	2020 Q3	115.7	-6.6	4.0	1.9	1.9	2.2
Employment cost index (Dec. 2005 = 100)	2020 Q3	141.4	2.0	2.5	2.7	2.8	2.4
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)	Nov.	109.1	0.6	2.2	9.3	-2.2
ISM manufacturing index ¹	Dec.	60.7	57.5	55.4	52.6	47.8
ISM non-manufacturing index ¹	Dec.	57.2	55.9	57.8	57.1	54.9
Cons. confidence Conference Board (1985 = 100) ¹	Dec.	88.6	92.9	101.3	98.3	128.2
Personal consumption expenditure (2012 \$B)	Nov.	13,041	-0.4	1.0	9.2	-2.4
Disposable personal income (2012 \$B)	Nov.	15,467	-1.3	-1.4	-6.0	3.1
Consumer credit (\$B)	Nov.	4,177	0.4	0.8	1.4	0.5
Retail sales (\$M)	Dec.	540,915	-0.7	-2.1	2.1	2.9
<i>Excluding automobiles (\$M)</i>	Dec.	425,693	-1.4	-2.8	1.5	1.1
Industrial production (2012 = 100)	Dec.	105.7	1.6	3.0	8.1	-3.6
Production capacity utilization rate (%) ¹	Dec.	74.5	73.4	72.3	68.9	77.2
New machinery orders (\$M)	Nov.	487,240	1.0	3.7	18.3	-0.4
New durable good orders (\$M)	Nov.	244,439	1.0	4.9	26.9	3.9
Business inventories (\$B)	Nov.	1,960	0.5	2.1	1.4	-3.2
Housing starts (k) ¹	Dec.*	1,669	1,578	1,437	1,265	1,587
Building permits (k) ¹	Dec.*	1,709	1,635	1,545	1,258	1,457
New home sales (k) ¹	Nov.	841.0	945.0	977.0	698.0	696.0
Existing home sales (k) ¹	Dec.*	6,760	6,710	6,570	4,700	5,530
Commercial surplus (\$M) ¹	Nov.	-68,142	-63,111	-64,918	-55,594	-41,054
Nonfarm employment (k) ²	Dec.	142,624	-140.0	850.0	4,815	-9,374
Unemployment rate (%) ¹	Dec.	6.7	6.7	7.8	11.1	3.6
Consumer price (1982-1984 = 100)	Dec.	261.8	0.4	0.6	1.8	1.3
<i>Excluding food and energy</i>	Dec.	270.1	0.1	0.3	1.5	1.6
Personal cons. expenditure deflator (2012 = 100)	Nov.	111.7	0.0	0.2	1.3	1.1
<i>Excluding food and energy</i>	Nov.	114.1	0.0	0.2	1.2	1.4
Producer price (2009 = 100)	Dec.	119.8	0.3	0.8	2.0	0.8
Export prices (2000 = 100)	Dec.	125.2	1.1	2.0	4.1	0.2
Import prices (2000 = 100)	Dec.	124.6	0.9	1.0	3.3	-0.3

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)	Oct.	1,920,056	0.4	2.2	16.4	-3.5
Industrial production (2012 \$M)	Oct.	370,952	-0.4	0.9	16.8	-7.0
Manufacturing sales (\$M)	Nov.*	53,664	-0.6	1.8	32.3	-4.8
Housing starts (k) ¹	Dec.*	228.3	261.2	209.0	212.0	196.7
Building permits (\$M)	Nov.	9,424	12.9	16.8	24.2	16.2
Retail sales (\$M)	Nov.*	55,193	1.3	3.2	28.8	7.5
<i>Excluding automobiles (\$M)</i>	Nov.*	40,717	2.1	3.8	20.7	9.0
Wholesale trade sales (\$M)	Nov.*	67,417	0.7	2.6	28.3	7.7
Commercial surplus (\$M) ¹	Nov.	-3,340	-3,728	-3,089	-1,719	-129.0
<i>Exports (\$M)</i>	Nov.	46,763	0.5	3.6	38.3	-4.7
<i>Imports (\$M)</i>	Nov.	50,103	-0.3	3.9	41.0	1.8
Employment (k) ²	Dec.	18,553	-62.6	27.7	187.6	-47.6
Unemployment rate (%) ¹	Dec.	8.6	8.5	9.0	12.3	5.6
Average weekly earnings (\$)	Oct.	1,106	-0.1	-0.7	-1.0	5.9
Number of salaried employees (k) ²	Oct.	15,995	183.7	289.4	292.1	-87.2
Consumer price (2002 = 100)	Dec.*	137.4	-0.2	0.4	0.1	0.7
<i>Excluding food and energy</i>	Dec.*	132.2	-0.4	0.2	0.1	1.1
<i>Excluding 8 volatile items</i>	Dec.*	136.0	-0.4	0.2	0.3	1.5
Industrial product price (2010 = 100)	Nov.	99.8	-0.6	-0.3	1.9	0.0
Raw materials price (2010 = 100)	Nov.	96.9	0.6	-0.8	13.1	-1.7
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		
	Jan. 22	Jan. 15	-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	0.44	0.25
Treasury bill – 3 months	0.07	0.09	0.09	0.10	0.11	1.51	1.56	0.26	-0.05
Treasury bonds – 2 years	0.12	0.13	0.13	0.16	0.15	1.49	1.47	0.30	0.11
– 5 years	0.44	0.46	0.37	0.37	0.28	1.50	1.47	0.46	0.19
– 10 years	1.09	1.10	0.93	0.84	0.59	1.68	1.65	0.84	0.50
– 30 years	1.86	1.85	1.67	1.65	1.24	2.13	2.13	1.53	1.03
S&P 500 index (level)	3,839	3,768	3,703	3,465	3,216	3,295	3,853	3,251	2,237
DJIA index (level)	30,997	30,814	30,200	28,336	26,470	28,990	31,188	27,022	18,592
Gold price (US\$/ounce)	1,855	1,825	1,878	1,900	1,902	1,571	2,053	1,793	1,475
CRB index (level)	173.67	175.25	165.55	150.69	143.05	175.75	176.77	147.41	106.29
WTI oil (US\$/barrel)	52.40	53.44	48.00	40.46	40.92	54.12	53.88	38.82	-37.63
Canada									
Overnight – target	0.25	0.25	0.25	0.25	0.25	1.75	1.75	0.45	0.25
Treasury bill – 3 months	0.05	0.05	0.09	0.09	0.17	1.64	1.65	0.33	0.05
Treasury bonds – 2 years	0.17	0.15	0.22	0.24	0.27	1.49	1.51	0.41	0.15
– 5 years	0.44	0.42	0.43	0.38	0.34	1.39	1.41	0.52	0.30
– 10 years	0.85	0.81	0.72	0.64	0.50	1.36	1.39	0.70	0.43
– 30 years	1.48	1.44	1.26	1.24	0.97	1.49	1.51	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	-0.02	-0.04	0.00	-0.01	0.06	0.13	0.53	0.07	-0.04
Treasury bonds – 2 years	0.05	0.02	0.09	0.08	0.12	0.00	0.31	0.11	0.00
– 5 years	0.01	-0.04	0.06	0.01	0.06	-0.11	0.29	0.06	-0.15
– 10 years	-0.24	-0.29	-0.21	-0.20	-0.09	-0.32	0.09	-0.14	-0.30
– 30 years	-0.37	-0.41	-0.41	-0.41	-0.27	-0.64	0.06	-0.33	-0.63
S&P/TSX index (level)	17,815	17,909	17,624	16,304	15,997	17,565	18,042	16,051	11,228
Exchange rate (C\$/US\$)	1.2711	1.2735	1.2870	1.3123	1.3415	1.3144	1.4513	1.3390	1.2632
Exchange rate (C\$/€)	1.5479	1.5383	1.5709	1.5565	1.5637	1.4491	1.5903	1.5363	1.4286
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\$/€)	1.2179	1.2080	1.2206	1.1861	1.1656	1.1025	1.2327	1.1487	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.10	0.10	0.75	0.75	0.18	0.10
Bonds – 10 years	0.31	0.31	0.28	0.33	0.09	0.56	0.78	0.27	0.04
FTSE index (level)	6,693	6,736	6,502	5,860	6,124	7,586	7,534	6,212	4,994
Exchange rate (US\$/£)	1.3678	1.3588	1.3550	1.3042	1.2791	1.3078	1.3734	1.2871	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.51	-0.57	-0.54	-0.57	-0.48	-0.37	-0.17	-0.50	-0.84
DAX index (level)	13,875	13,788	13,587	12,646	12,838	13,577	14,050	12,355	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)	28,631	28,519	26,657	23,517	22,752	23,827	28,757	22,949	16,553
Exchange rate (US\$/¥)	103.76	103.89	103.50	104.71	106.14	109.28	112.13	106.39	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.