

## Total inflation drops back below the lower target in Canada

### HIGHLIGHTS

- United States: Retail sales beat expectations, slightly.
- Home resales decline in the United States.
- United States: Pullback by the Philadelphia Fed manufacturing index.
- Canada: Wholesale and retail sales rise in September.
- The inflation rate drops back below the lower target in Canada.

### A LOOK AHEAD

- Housing starts in the United States are expected to rise in September and October.
- Canada: Real GDP by industry should post a slight advance in September.
- Canada: The third quarter should end with a real GDP increase of 2.6%.

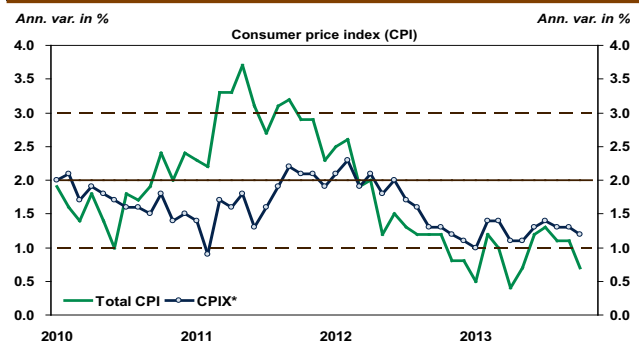
### FINANCIAL MARKETS

- The S&P 500 struggles to stay above 1,800 points.
- The minutes of the Federal Reserve meeting make U.S. long-term yields jump.
- The loonie posts a 3-month low.

### CONTENTS

Key statistics of the week.....	2
United States and Canada	
Financial markets.....	3
A look ahead .....	4
United States, Canada and Overseas	
Economic indicators of the week .....	6
Tables	
Economic indicators – United States .....	8
Economic indicators – Canada .....	9
Major financial indicators .....	10

Graph of the week – Total inflation drops again below the lower target in Canada



\* Bank of Canada's core index.  
Sources: Statistics Canada and Desjardins, Economic Studies

**François Dupuis**  
Vice-President and Chief Economist

**Yves St-Maurice**  
Senior Director and Deputy Chief Economist

514-281-2336 or 1 866 866-7000, ext. 2336  
E-mail: [desjardins.economics@desjardins.com](mailto:desjardins.economics@desjardins.com)

**Mathieu D'Anjou**  
Senior Economist

**Benoit P. Durocher**  
Senior Economist

**Francis Généreux**  
Senior Economist

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist

**NOTE TO READERS:** The letters **K**, **M** and **B** are used in texts and tables to refer to thousands, millions and billions respectively.

**IMPORTANT:** This document is based on public information and may under no circumstances be used or construed as a commitment by Desjardins Group. While the information provided has been determined on the basis of data obtained from sources that are deemed to be reliable, Desjardins Group in no way warrants that the information is accurate or complete. The document is provided solely for information purposes and does not constitute an offer or solicitation for purchase or sale. Desjardins Group takes no responsibility for the consequences of any decision whatsoever made on the basis of the data contained herein and does not hereby undertake to provide any advice, notably in the area of investment services. The data on prices or margins are provided for information purposes and may be modified at any time, based on such factors as market conditions. The past performances and projections expressed herein are no guarantee of future performance. The opinions and forecasts contained herein are, unless otherwise indicated, those of the document's authors and do not represent the opinions of any other person or the official position of Desjardins Group. Copyright © 2013, Desjardins Group. All rights reserved.

## KEY STATISTICS OF THE WEEK

### UNITED STATES

- Retail sales ticked up 0.4% in October after stagnating in September. Automobile sales were up 1.3% while service station sales declined by 0.6%. Excluding automobiles and gas, sales growth reached 0.3% for a second consecutive month. Other than automobiles, sales in clothing and electronics stores also recorded sound advances. While not staggering, retail sales posted good growth in October, especially if we consider the drop in consumer confidence that occurred during the month. With the holidays just around the corner, this resilience is encouraging.
- The consumer price index (CPI) dipped by 0.1% in October, the first pullback since April 2013. This decline was fuelled in large part by the drop in gas prices. For the third straight month, the core index, which excludes energy and food, edged up by only 0.1%. The annual change in the total CPI total shifted from 1.2% to 1.0%. Core inflation stayed put at 1.7%.
- Existing home sales declined by 3.2% in October on the heels of a 1.9% decline in September, with the number of units sold slipping from 5,290,000 to 5,120,000, annualized. The drop is mainly in the sale of single family homes (-4.1%), while sales of multiple unit dwellings were up by 3.3%.
- The 0.6% increase in business inventories exceeded expectations by the Bureau of Economic Analysis in the advance estimate of national accounts. As a result, the upward revision to inventories' contribution should fully offset the expected downward revision to net exports' contribution.
- The Philadelphia Fed manufacturing index plunged from 19.8 to 6.5 between October and November, reaching its lowest level since May 2013. Several components dropped sharply, including new orders, the number of employees and, most importantly, the work week (which slipped into negative territory). With the drop in the Empire index recorded in the same month, the Philadelphia Fed index points to a decline in the ISM manufacturing index in November.

**Francis Généreux**  
Senior Economist

### CANADA

- The total consumer price index (CPI) dipped 0.2% in October. The core index (CPIX), which excludes eight volatile components, increased 0.2% during the month. Seasonal effects were consistent with prior years and saw decreases in the prices of gas, recreation, healthcare and food. Once seasonally adjusted, total CPI posted a decrease of 0.08%, down slightly from the last two months. This weakness in price growth is clearly reflected in the 0.7% slide in the total CPI's annual change, a level below the Bank of Canada's lower target of 1%. This phenomenon of disinflation is not unique to Canada, as similar trends are currently being observed in most industrialized countries. Clearly, substantial surplus production capacity noted around the world is a significant drag on price growth.
- Retail sales ticked up 1.0% in September, a result that largely exceeds expectations. Most of this growth stems from the new motor vehicle sector, which posted a 5.0% increase in sales for the month. Excluding the automobile sector, retail sales remained somewhat unchanged for the month. Expressed in real terms, retailers' total sales advanced by 1.0% in September.
- The 12-month total of net foreign purchases of Canadian securities reached only \$48.6B in September, the weakest level since April 2009. A downtrend has clearly taken hold since the start of 2013. This highlights falling interest in Canadian equities at a time when the natural resources sector is struggling to capitalize on increasing demand worldwide. The ongoing battle in Canada to rein in budget deficits has tempered public debt increases. New government bond issues are no longer as necessary, at both the federal and provincial levels. This of course translates to fewer foreign purchases of this type of security.
- Wholesale sales edged up 0.2% in September, in line with expectations. Expressed in real terms, sales were also up by 0.2%. However, this positive support to economic growth in September will be fully offset by the 0.2% decline in the volume of wholesale inventories.

**Benoit P. Durocher**  
Senior Economist

# FINANCIAL MARKETS

## Markets subject to the vagaries of central bankers' comments

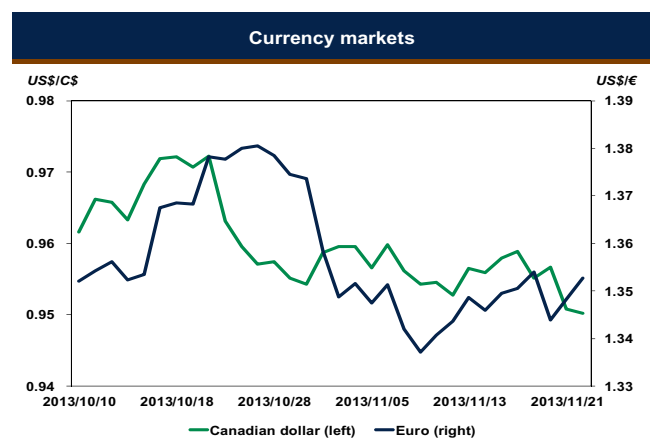
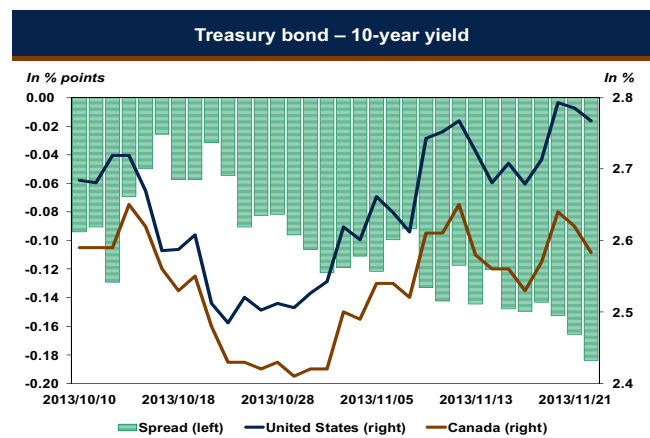
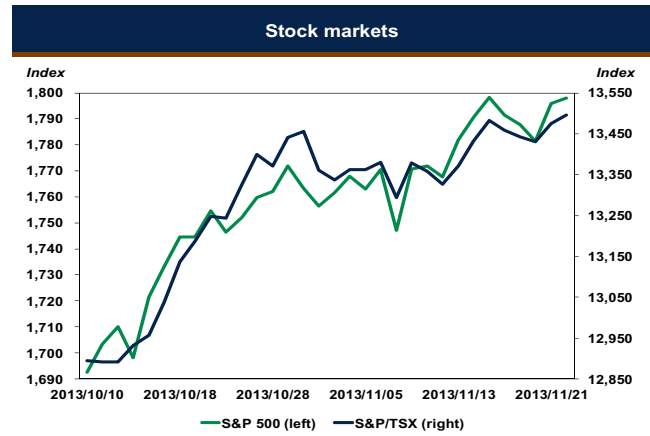
After rising above 1,800 points last Friday, the S&P 500 index had three straight negative sessions. The Dow Jones, which reached 16,000 points last Friday, also had a tough time maintaining that lofty level. The most vivid reactions came on Wednesday with the release of the minutes of the Federal Reserve (Fed) meeting, signaling that the Fed could start tapering its purchases in the coming months—news that prompted some investors to cash in their profits. The indexes recouped their losses by Thursday however, as the less-than-encouraging statistics on U.S. manufacturing slightly reduced the likelihood of pre-emptive tapering. Thursday and Friday, the S&P/TSX capitalized on the oil price rebound.

The 10-year U.S. bond yield continued its downtrend early in the week, reaching a low point of 2.66% by Tuesday morning. It rallied on Wednesday however, on the release of the minutes of the Fed meeting which were viewed as hawkish. The yield jumped 9 basis points during this session, while the 30-year yield rose by 11 points. Investors seemed to think this reaction was excessive—once the yield reached a peak of 2.84% on Thursday, the 10-year yield retreated, settling at around 2.75% Friday. Bank of Canada Governor Stephen Poloz surprised when expressing his disagreement with the position of the Organisation for Economic Co-operation and Development, which suggested that monetary tightening should begin at the end of 2014. The 2-year yield fell to 1.10%, the weakest level since May 2013.

The euro was penalized on Wednesday when comments were published confirming that discussions took place at the European Central Bank on reducing interest rates into negative territory. The euro quickly recovered, however, to more than US\$1.35, supported by some encouraging economic indicators. The minutes of the Fed's most recent monetary policy meeting were rather favourable to the greenback. The Bank of England also released the minutes of its latest meeting, but nothing in the minutes suggested delaying monetary tightening expectations. The pound sterling rose to US\$1.62 this week. In Canada, the dovish comments made by Governor Poloz and the drop in inflation to below the Bank of Canada's target range weighed heavily on the loonie, which dropped back below US\$0.95.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



# A LOOK AHEAD



## UNITED STATES

### Tuesday Nov. 26 - 8:30

<b>October</b>	ann. rate
Consensus	920,000
Desjardins	935,000
<b>September</b>	
Consensus	n/a
Desjardins	915,000
<b>August</b>	<b>891,000</b>

**Housing starts (September and October)** – The budget impasse that prevailed in October is responsible for the delay in releasing the monthly statistics on housing starts and building permits. As a result, the data for September and October will be made public at the same time. We are expecting September to see an increase in housing starts after the disappointing 891,000 starts recorded in August. The level of building permits, the homebuilders’ confidence index and the rebound in new home sales all point to gains in new construction. An advance is also expected in October, given the 4,500 jobs created in residential construction for the month. The NAHB level (despite its slip) and the anticipated number of building permits also suggest that progress was made. Housing starts should rise to 915,000 in September and 935,000 in October.

### Tuesday Nov. 26 - 9:00

<b>September</b>	y/y
Consensus	13.0%
Desjardins	12.8%
<b>August</b>	<b>12.8%</b>

**S&P/Case-Shiller index of existing home prices (September)** – The S&P/Case-Shiller index ticked up 0.9% in August—a stronger-than-expected gain. A slight slowdown is expected in September however, with the monthly growth rate expected to reach 0.6%, the same as in July. The interest rate hike introduced last summer and that has been tapering existing home sales for the past two months should contribute to limiting price increases. The annual change in this index should remain at 12.8%.

### Tuesday Nov. 26 - 10:00

<b>November</b>	
Consensus	72.2
Desjardins	73.0
<b>October</b>	<b>71.2</b>

**Conference Board consumer confidence index (November)** – The Conference Board consumer confidence index suffered its steepest decline in October since June 2011—the budget impasse in October echoed the debt ceiling crisis of two years ago. If the University of Michigan survey is any indication, another pullback in confidence is expected; this index showed a new decline this month, the fourth in just as many months. That said, the continuing slide in gas prices (last week they hit their lowest level since March 2011) and the stock market’s good performance make room for greater optimism. The daily Gallup indexes or the weekly Bloomberg indexes are also climbing. We therefore expect the Conference Board index to show a slight increase, perhaps to 73.0.

### Wednesday Nov. 27 - 8:30

<b>October</b>	m/m
Consensus	-1.8%
Desjardins	-2.2%
<b>September</b>	<b>3.7%</b>

**New durable goods orders (October)** – Once again, the growth of new durable goods orders in September was largely inflated by orders related to civil aviation, data that are usually highly volatile. However, after the 57.5% surge in September, aircraft orders should decline in October. We expect the other components to post better advances after the disappointing performance in September, which was inconsistent with the strong showing by the ISM manufacturing index. Excluding transportation, we expect orders for new durable goods to edge up 0.5%, but a 2.2% decline is expected overall.

### Wednesday Nov. 27 - 8:30

<b>October</b>	m/m
Consensus	0.0%
Desjardins	0.0%
<b>September</b>	<b>0.7%</b>

**Leading indicator (October)** – For the second straight month, the leading indicator edged up by 0.7% in September, reined in by the growing interest rate spread and the drop in the number of jobless claims. These two components are poised to make less of a contribution in October however, and the rise in the number of jobless claims may have a serious negative impact. The leading indicator should show stagnation, overall. The release on Tuesday of the data on building permits for September and October could very well mean that September’s results will be revised.


**CANADA**

**Current account (Q3)** – The value of merchandise exports rose by a scant 0.8% in the third quarter, while the value of imports advanced by 1.0%. The trade deficit for goods posted therefore a tepid uptick for the period. In these conditions, the current account balance is expected to deteriorate slightly in the third quarter.

**Real GDP by industry (September)** – Generally speaking, the different economic indicators recorded relatively modest advances in September. That said, the ramp-up in housing starts stood out, with a 5.5% increase for the month. In contrast, the number of hours worked declined by 0.1% in September in the service sectors, pointing to difficulties in industries for which few monthly data are recorded. All in all, real GDP by industry is expected to post modest growth in September.

**Real GDP (Q3)** – The 0.1% increase anticipated for real GDP by industry in September, combined with gains of 0.6% and 0.3% recorded in July and August, paves the way for real GDP growth of 2.6% (annualized) for Q3 economic accounts. The drop in exports recorded last summer should set the tone for a new decline in the trade balance, thus reining in real GDP. Support from domestic demand and inventories should offset this negative contribution, however. Furthermore, the preliminary data show that investment in non-residential structures was up considerably in the third quarter.


**OVERSEAS**

**Japan: Economic indicators (October)** – Several indicators are set to be published in Japan this week. The figures for retail sales will be released Wednesday evening—we will find out if another gain follows on the heels of the strong advances posted in August and September. The unemployment rate for October will be made public Thursday evening, in addition to the figures for consumer prices and industrial output.

**Euro zone: Confidence indexes (November)** – On Thursday we will see if the consumer confidence indexes kept up their good showing in November. The dip in consumer confidence in the preliminary version and the slight pullback by the PMI composite index suggest that this renewed confidence is on the wane. The unemployment rate for October and the first estimate on inflation in November will be released on Friday. Keep in mind that the weak inflation posted in October, at only 0.7%, is one of the factors that prompted the European Central Bank to reduce its key rate at the beginning of the month.

**Thursday Nov. 28 - 8:30**

<b>Q3 2013</b>	\$B
Consensus	-14.4
Desjardins	-14.8
<b>Q2 2013</b>	<b>-14.6</b>

**Friday Nov. 29 - 8:30**

<b>September</b>	m/m
Consensus	0.2%
Desjardins	0.1%
<b>August</b>	<b>0.3%</b>


**Friday Nov. 29 - 8:30**


<b>Q3 2013</b>	ann. rate
Consensus	2.4%
Desjardins	2.6%
<b>Q2 2013</b>	<b>1.7%</b>

**During the week****Thursday Nov. 28 - 5:00**

# ECONOMIC INDICATORS

## Week of November 18 to 22, 2013


Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 25</b>						
	10:00	Pending home sales (m/m)	Oct.	1.7%	n/a	-5.6%
<b>TUESDAY 26</b>						
	8:30	Housing starts (ann. rate)	Sept.	n/a	915,000	891,000
	8:30	Housing starts (ann. rate)	Oct.	920,000	935,000	n/a
	8:30	Building permits (ann. rate)	Sept.	n/a	940,000	926,000
	8:30	Building permits (ann. rate)	Oct.	931,000	960,000	n/a
	9:00	S&P/Case-Shiller home price index (y/y)	Sept.	13.0%	12.8%	12.8%
	10:00	Consumer confidence	Nov.	72.2	73.0	71.2
<b>WEDNESDAY 27</b>						
	8:30	Initial unemployment claims	Nov. 18-22	330,000	328,000	323,000
	8:30	Durable goods orders (m/m)	Oct.	-1.8%	-2.2%	3.7%
	9:45	Chicago PMI index	Nov.	60.0	58.0	65.9
	9:55	Michigan's consumer sentiment index – final	Nov.	73.0	72.0	72.0
	10:00	Leading indicator (m/m)	Oct.	0.0%	0.0%	0.7%
<b>THURSDAY 28</b>						
	---	Markets closed (Thanksgiving Day)				
<b>FRIDAY 29</b>						
	---					
<b>CANADA</b>						
<b>MONDAY 25</b>						
	---					
<b>TUESDAY 26</b>						
	8:30	Quarterly financial statistics for enterprises	Q3			
<b>WEDNESDAY 27</b>						
	8:30	Average weekly earnings (y/y)	Sept.	n/a	1.9%	1.3%
	8:30	Number of salaried employees (m/m)	Sept.	n/a	0.1%	0.3%
<b>THURSDAY 28</b>						
	8:30	Current account balance (\$B)	Q3	-14.4	-14.8	-14.6
	8:30	Industrial product price index (m/m)	Oct.	-0.5%	-0.1%	-0.3%
	8:30	Raw materials price index (m/m)	Oct.	-2.0%	-0.8%	-1.5%
<b>FRIDAY 29</b>						
	8:30	Real GDP by industry (m/m)	Sept.	0.2%	0.1%	0.3%
	8:30	Real GDP (ann. rate)	Q3	2.4%	2.6%	1.7%

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. (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 November 18 to 22, 2013

Country	Hour	Indicator	Period	Consensus		Previous data	
				m/m (q/q)	y/y	m/m (q/q)	y/y
 <b>OVERSEAS</b>							
<b>MONDAY 25</b>							
France	2:45	Manufacturing confidence	Nov.	97		98	
France	2:45	Production outlook	Nov.	-7		-5	
<b>TUESDAY 26</b>							
Japan	0:00	Small business confidence	Nov.	n/a		50.8	
Italy	4:00	Consumer confidence	Nov.	97.2		97.3	
<b>WEDNESDAY 27</b>							
Brazil	---	Bank of Brazil meeting	Nov.	10.00%		9.50%	
France	2:45	Consumer confidence	Nov.	84		85	
Germany	4:00	Consumer confidence	Dec.	7.1		7.0	
United Kingdom	4:30	Index of services	Sept.	0.4%		0.4%	
Japan	18:50	Retail sales	Oct.	-0.8%	2.1%	1.7%	3.0%
<b>THURSDAY 28</b>							
Germany	3:55	Unemployment rate	Nov.	6.9%		6.9%	
Euro zone	4:00	Money supply M3	Oct.		1.7%		2.1%
Italy	4:00	Business confidence	Nov.	97.3		97.3	
Italy	4:00	Economic confidence	Nov.	n/a		79.3	
Euro zone	5:00	Business climate	Nov.	0.05		-0.01	
Euro zone	5:00	Consumer confidence – final	Nov.	-15.4		-15.4	
Euro zone	5:00	Industrial confidence	Nov.	-4.4		-4.8	
Euro zone	5:00	Services confidence	Nov.	-3.5		-3.7	
Euro zone	5:00	Economic confidence	Nov.	98.0		97.8	
Germany	8:00	Consumer price index – preliminary	Nov.	0.1%	1.2%	-0.2%	1.2%
Japan	18:30	Workers' household spending	Oct.		1.0%		3.7%
Japan	18:30	Consumer price index	Oct.		1.1%		1.1%
Japan	18:30	Consumer price index – Tokyo	Nov.		0.7%		0.6%
Japan	18:30	Unemployment rate	Oct.	3.9%		4.0%	
Japan	18:50	Industrial production – preliminary	Oct.	2.0%	6.3%	1.3%	5.1%
United Kingdom	19:05	Consumer confidence	Nov.	-10		-11	
Japan	23:00	Vehicle production	Oct.		n/a		13.0%
<b>FRIDAY 29</b>							
Japan	0:00	Housing starts	Oct.		5.0%		19.4%
United Kingdom	2:00	Nationwide house prices	Nov.	0.6%	6.2%	1.0%	5.8%
Germany	2:00	Retail sales	Oct.	0.5%	1.4%	-0.4%	0.2%
France	2:45	Personal consumption expenditures	Oct.	0.3%	0.2%	-0.1%	-0.1%
France	2:45	Producer price index	Oct.	n/a	-0.9%	0.3%	-0.8%
Italy	4:00	Unemployment rate – preliminary	Oct.	n/a		12.5%	
Euro zone	5:00	Consumer price index – estimate	Nov.		0.8%		0.7%
Euro zone	5:00	Unemployment rate	Oct.	12.2%		12.2%	
Italy	5:00	Consumer price index – preliminary	Nov.	-0.2%	0.8%	-0.3%	0.7%
Italy	6:00	Producer price index	Oct.	n/a	n/a	0.0%	-2.2%
<b>SATURDAY 30</b>							
China	20:00	PMI manufacturing index	Nov.	51.0		51.4	

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 (%)		Annual variation (%)			
			Quart. ann.	1 year	2012	2011	2010	2009
Gross domestic product (2009 \$B)	2013 Q3	15,790	2.8	1.6	2.8	1.8	2.5	-2.8
Consumption (2009 \$B)	2013 Q3	10,732	1.5	1.8	2.2	2.5	2.0	-1.6
Government spending (2009 \$B)	2013 Q3	2,906	0.2	-2.8	-1.0	-3.2	0.1	3.1
Residential investment (2009 \$B)	2013 Q3	504.0	14.6	15.3	12.9	0.5	-2.5	-21.2
Non-residential investment (2009 \$B)	2013 Q3	1,979	1.6	2.7	7.3	7.6	2.5	-15.6
Business inventory change (2009 \$B) (1)	2013 Q3	86.0	---	---	57.6	33.6	58.2	-147.6
Exports (2009 \$B)	2013 Q3	2,021	4.6	3.0	3.5	7.1	11.5	-9.1
Imports (2009 \$B)	2013 Q3	2,434	1.8	1.5	2.2	4.9	12.8	-13.7
Final domestic demand (2009 \$B)	2013 Q3	16,107	1.7	1.4	2.4	1.8	1.5	-3.0
GDP deflator (2009 = 100)	2013 Q3	106.7	1.9	1.3	1.7	2.0	1.2	0.8
Labor productivity (2009 = 100)	2013 Q3	105.9	1.9	0.0	1.5	0.5	3.3	3.2
Unit labor cost (2009 = 100)	2013 Q3	103.0	-0.6	1.9	1.2	2.0	-1.2	-2.0
Employment cost index (Dec. 2005 = 100)	2013 Q3*	119.5	1.7	1.9	1.8	2.0	1.9	1.7
Current account balance (\$B) (1)	2013 Q2	-98.9	---	---	-440.4	-457.7	-449.5	-381.6

\* New statistic in comparison with last week.

(1) Statistics representing the level during the period.

## United States: Monthly economic indicators

	Ref. month	Level	Variation (%)			
			-1 month	-3 months	-6 months	-1 year
Leading indicator (2004 = 100)	Sept.	97.1	0.7	1.9	3.0	4.2
ISM manufacturing index (1)	Oct.	56.4	56.2	55.4	50.7	51.7
ISM non-manufacturing index (1)	Oct.	55.4	54.4	56.0	53.1	54.8
Cons. confidence Conf. Board (1985 = 100) (1)	Oct.	71.2	80.2	81.0	69.0	73.1
Cons. confidence Michigan (1966 = 100) (1)	Nov.	72.0	73.2	82.1	84.5	82.7
Personal consumption expenditure (2009 \$B)	Sept.	10,749	0.1	0.4	0.7	1.7
Disposable personal income (2009 \$B)	Sept.	11,725	0.4	1.1	1.4	2.0
Consumer credit (\$B)	Sept.	3,052	0.5	1.3	2.8	6.1
Retail sales (\$M)	Oct.*	428,099	0.4	0.6	2.2	3.9
Excluding automobiles (\$M)	Oct.*	346,228	0.2	0.5	1.5	2.4
Industrial production (2007 = 100)	Oct.	100.0	-0.1	1.0	1.2	3.2
Production capacity utilization rate (%) (1)	Oct.	78.1	78.3	77.7	77.9	77.0
New machinery orders (\$M)	Sept.	490,760	1.7	-1.3	4.6	3.0
New durable good orders (\$M)	Sept.	234,253	3.8	-4.1	8.8	7.8
Business inventories (\$B)	Sept.*	1,679	0.6	1.4	1.6	3.1
Housing starts (K) (1)	Aug.	891.0	883.0	919	969.0	749.0
Building permits (K) (1)	Aug.	926.0	954.0	985	952.0	827.0
New home sales (K) (1)	Aug.	421.0	390.0	429.0	445.0	374.0
Existing home sales (K) (1)	Oct.*	5,120	5,290	5,390	4,970	4,830
Construction spending (\$B)	Aug.	915.1	0.6	2.1	5.2	7.1
Commercial surplus (\$M) (1)	Sept.	-41,778	-38,701	-34,543	-36,787	-41,570
Nonfarm employment (K) (2)	Oct.	136,554	204.0	605.0	1,042	2,329
Unemployment rate (%) (1)	Oct.	7.3	7.2	7.4	7.5	7.9
Consumer price (1982-1984 = 100)	Oct.*	233.8	-0.1	0.2	1.0	0.9
Excluding food and energy	Oct.*	234.9	0.1	0.4	0.9	1.7
Personal cons. expenditure deflator (2009 = 100)	Sept.	107.5	0.1	0.3	0.5	0.9
Excluding food and energy	Sept.	106.2	0.1	0.3	0.5	1.2
Producer price (1982 = 100)	Oct.*	197.5	-0.2	0.1	1.4	0.3
Excluding food and energy	Oct.*	185.9	0.2	0.2	0.5	1.4
Export prices (2000 = 100)	Oct.	131.8	-0.5	-0.6	-1.3	-2.1
Import prices (2000 = 100)	Oct.	138.4	-0.7	-0.4	-1.3	-2.0

\* New statistic in comparison with last week.

(1) Statistic shows the level of the month of the column; (2) Statistic shows the variation since the reference month.



## Canada: Quarterly economic indicators

	Ref. quart.	Level	Variation (%)		Annual variation (%)			
			Quart. ann.	1 year	2012	2011	2010	2009
Gross domestic product (2007 \$M)	2013 Q2	1,683,937	1.7	1.4	1.7	2.5	3.4	-2.7
Household consumption (2007 \$M)	2013 Q2	943,365	3.8	2.5	1.9	2.3	3.5	0.3
Government consumption (2007 \$M)	2013 Q2	350,547	2.2	1.4	1.1	0.8	2.7	3.3
Residential investment (2007 \$M)	2013 Q2	112,814	5.4	-0.4	6.1	1.6	8.7	-7.0
Non-residential investment (2007 \$M)	2013 Q2	183,321	-2.5	0.4	6.2	11.1	14.5	-20.2
Business inventory change (2007 \$M) (1)	2013 Q2	5,102	---	---	6,831	7,440	-452.0	-5,104
Exports (2007 \$M)	2013 Q2	512,193	0.9	0.8	1.5	4.7	6.9	-13.1
Imports (2007 \$M)	2013 Q2	556,769	1.5	1.2	3.1	5.7	13.6	-12.4
Final domestic demand (2007 \$M)	2013 Q2	1,714,992	2.2	1.7	2.3	2.4	5.0	-1.9
GDP deflator (2007 = 100)	2013 Q2	110.5	-0.4	1.3	1.7	3.2	2.7	-2.1
Labour productivity (2007 = 100)	2013 Q2	102.4	2.0	0.1	-0.2	1.0	1.8	0.2
Unit labour cost (2007 = 100)	2013 Q2	113.4	2.3	2.3	3.0	2.5	-0.4	2.3
Current account balance (\$M) (1)	2013 Q2	-14,583	---	---	-62,215	-48,467	-58,419	-45,750
Production capacity utilization rate (%) (1)	2013 Q2	80.6	---	---	80.8	79.7	77.4	72.1
Disposable personal income (\$M)	2013 Q2	1,069,872	3.3	3.4	3.9	4.6	3.7	2.0
Corporate net operating surplus (2007 \$M)	2013 Q2	225,732	-16.6	-7.9	-4.9	11.3	31.6	-33.3

\* New statistic in comparison with last week.

(1) Statistics representing the level during the period.

## Canada: Monthly economic indicators

	Ref. month	Level	Variation (%)			
			-1 month	-3 months	-6 months	-1 year
Gross domestic product (2007 \$M)	Aug.	1,590,209	0.3	0.5	1.1	2.0
Industrial production (2007 \$M)	Aug.	340,293	0.5	1.0	0.2	1.9
Manufacturing sales (\$M)	Sept.	49,904	0.6	2.4	1.2	1.0
Housing starts (K) (1)	Oct.	198.3	195.9	198.6	175.6	208.5
Building permits (\$M)	Sept.	6,544	1.7	-1.2	3.9	0.2
Retail sales (\$M)	Sept.*	40,729	1.0	1.6	3.0	3.6
Excluding automobiles (\$M)	Sept.*	31,008	0.0	1.4	1.5	1.6
Wholesale trade sales (\$M)	Sept.*	49,814	0.2	2.2	1.7	2.6
Commercial surplus (\$M) (1)	Sept.	-435.4	-1,086	-140.6	-277.8	-732.7
Exports (\$M)	Sept.	40,647	1.8	2.2	1.4	7.2
Imports (\$M)	Sept.	41,083	0.2	2.9	1.8	6.3
Employment (K) (2)	Oct.	17,794	13.2	28.1	23.3	17.8
Unemployment rate (%) (1)	Oct.	6.9	6.9	7.2	7.2	7.4
Average weekly earnings (\$)	Aug.	918.2	0.4	0.2	1.0	1.3
Number of salaried employees (K) (2)	Aug.	15,461	51.3	37.9	23.8	9.9
Consumer price (2002 = 100)	Oct.*	123.0	-0.2	-0.1	0.2	0.7
Excluding food and energy	Oct.*	117.8	0.3	0.6	0.5	0.9
Excluding 8 volatile items	Oct.*	121.6	0.2	0.5	0.5	1.2
Industrial product price (2002 = 100)	Sept.	116.4	-0.3	0.3	-0.3	1.0
Raw materials price (2002 = 100)	Sept.	169.2	-1.5	3.7	2.0	2.1
Money supply M1+ (\$M)	Sept.	705,787	0.4	1.7	1.6	7.9

\* New statistic in comparison with last week.

(1) Statistic shows the level of the month of the column; (2) Statistic shows the variation since the reference month.

## Major financial indicators

	Previous data (%)						Last 52 weeks (%)		
	Nov. 22	Nov. 15	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
<b>United States</b>									
Federal funds – target	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Treasury bill – 3 months	0.07	0.08	0.04	0.03	0.04	0.10	0.14	0.06	0.00
Treasury bonds – 2 years	0.28	0.29	0.30	0.38	0.25	0.28	0.51	0.29	0.20
– 5 years	1.37	1.35	1.28	1.64	0.89	0.69	1.83	1.07	0.60
– 10 years	2.77	2.71	2.50	2.82	2.01	1.69	2.97	2.22	1.58
– 30 years	3.85	3.80	3.59	3.80	3.17	2.83	3.91	3.35	2.77
S&P 500 index	1,798	1,798	1,760	1,664	1,650	1,409	1,798	1,603	1,399
DJIA index	16,020	15,962	15,570	15,011	15,303	13,010	16,020	14,697	12,878
Gold price (US\$/ounce)	1,246	1,288	1,347	1,396	1,388	1,748	1,748	1,458	1,215
CRB index	274.68	274.34	282.56	290.79	284.89	299.07	305.07	289.25	272.47
WTI oil (US\$/barrel)	94.39	93.80	97.40	106.47	93.84	87.08	110.62	97.06	85.13
<b>Canada</b>									
Overnight – target	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Treasury bill – 3 months	0.94	0.94	0.90	0.99	1.00	0.96	1.03	0.97	0.89
Treasury bonds – 2 years	1.10	1.12	1.09	1.19	1.03	1.12	1.31	1.11	0.92
– 5 years	1.76	1.78	1.71	1.94	1.37	1.34	2.17	1.57	1.15
– 10 years	2.58	2.56	2.42	2.69	1.95	1.79	2.82	2.17	1.67
– 30 years	3.15	3.12	3.02	3.16	2.57	2.37	3.28	2.74	2.29
Spread with the U.S. rate (% points)									
Overnight – target	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Treasury bill – 3 months	0.87	0.86	0.86	0.96	0.96	0.86	0.99	0.91	0.78
Treasury bonds – 2 years	0.82	0.83	0.79	0.81	0.78	0.84	0.96	0.82	0.68
– 5 years	0.40	0.43	0.43	0.30	0.48	0.65	0.69	0.50	0.26
– 10 years	-0.18	-0.15	-0.08	-0.13	-0.06	0.10	0.11	-0.04	-0.19
– 30 years	-0.70	-0.68	-0.57	-0.64	-0.60	-0.46	-0.47	-0.60	-0.74
S&P/TSX index	13,496	13,483	13,399	12,762	12,667	12,213	13,496	12,637	11,837
Exchange rate (C\$/US\$)	1.0524	1.0440	1.0449	1.0496	1.0319	0.9929	1.0579	1.0223	0.9502
Exchange rate (C\$/€)	1.4237	1.4089	1.4424	1.4045	1.3343	1.2884	1.4424	1.3521	1.2767
<b>Overseas</b>									
ECB – Refinancing rate	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.60	0.25
BoE – Base rate	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
BoJ – Overnight rate	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Germany: Bonds – 10 years	1.75	1.71	1.76	1.94	1.44	1.43	2.02	1.58	1.19
U.K.: Bonds – 10 years	2.80	2.75	2.62	2.89	1.90	1.84	3.03	2.26	1.62
Euro: Exchange rate (US\$/€)	1.3527	1.3496	1.3805	1.3382	1.2932	1.2977	1.3805	1.3225	1.2781
U.K.: Exchange rate (US\$/£)	1.6190	1.6122	1.6166	1.5568	1.5127	1.6033	1.6280	1.5623	1.4867

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.