

U.S. retail sales soothes markets after the poor employment data

HIGHLIGHTS

- U.S. retail sales end 2013 on a positive note.
- Housing starts post normal pullback in the United States.
- United States: Consumer prices post faster monthly growth.
- U.S. consumer confidence edged down in January.
- Canada: Business confidence has not improved significantly over the last few months.
- Canada: Another drop by existing property sales.

A LOOK AHEAD

- United States: Existing home sales should remain stable.
- The Bank of Canada will keep the target for the overnight rate at 1.00%.
- Canada: Manufacturing, wholesale and retail sales will advance in November.
- Canada: The annual inflation rate could cross above the lower target.

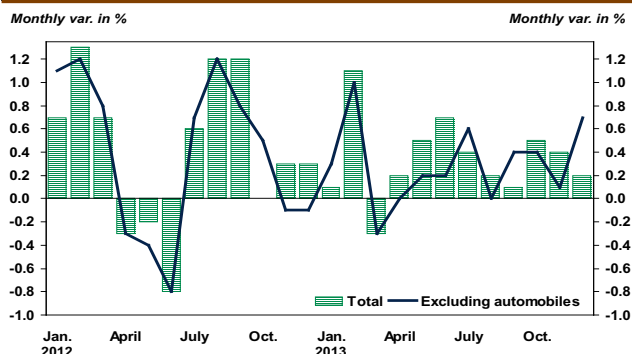
FINANCIAL MARKETS

- A volatile start to the week for the stock markets.
- The bond market consolidates its gains.
- Continuing to trend down, the Canadian dollar hits US\$0.91.

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Graph of the week – Excluding autos, growth in U.S. retail sales accelerated in December



Sources: U.S. Census Bureau 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.

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KEY STATISTICS OF THE WEEK

UNITED STATES

- Retail sales rose 0.2% in December after going up 0.4% in November (revised from 0.7%). Auto sales fell 1.8% after November's 1.9% jump. Excluding automobiles, sales rose 0.7%, their best growth since February 2013. At first glance, December's growth by retail sales was a pleasant surprise, as automobile sales were widely expected to drop. In this case, the focus is therefore on the other sales, where monthly gains were nearly twice as fast as anticipated.
- The University of Michigan consumer confidence index dipped in January, after shooting up in December and rising more moderately in November. The index went from 82.5 to 80.4. The weather, slightly higher gas prices and weaker stock markets since the start of the year are all factors that could draw down household sentiment.
- The consumer price index (CPI) ticked up 0.3% in December, after stagnating in November and dipping by 0.1% in October. Energy prices advanced by 2.1%, fuelled by accelerating gas prices. Food prices were up a modest 0.1%. The core index, which excludes food and energy, edged up by 0.1%, marking a slowdown in growth from the 0.2% recorded in November. The annual change in the total CPI shifted from 1.2% to 1.5%, while core inflation remained steady at 1.7%. The ramp-up of housing costs in the CPI was noted. Since the rest of core inflation is trending down, the effect has yet to have an impact on total inflation, but this situation will have to be watched closely in 2014.
- Housing starts declined from an annualized level of 1,107,000 in November to 999,000 in December. This 9.8% drop follows a surge of 23.1% recorded one month earlier. Building permits declined by 3.0%, slipping from 1,017,000 units to 986,000 units. The decline in housing starts was entirely predictable, primarily because the jolt in November was clearly a temporary event that corrected several months of weakness in a single swoop.
- Industrial production advanced by 0.3% in December after a 1.0% gain in November. Manufacturing output rose 0.4%. Activity in the mining sector was up 0.8%, while energy production fell by 1.4% on the heels of a 3.0% jump.

Francis Généreux
Senior Economist

CANADA

- Sales of existing homes fell 1.7% in December, their third monthly drop in a row. All provinces posted losses over the month, except for Nova Scotia (+4.6%), British Columbia (+4.1%) and Quebec (+0.7%). However, the average price continued to rise, going up 1.4% in December. The annual change is 10.6%, its highest point in almost three years.
- Monday morning, the Bank of Canada released the results of its latest *Business Outlook Survey*. In general, the outlook on sales growth has not changed much. A majority of respondents still expect sales growth to accelerate over the coming 12 months. Expectations are buoyed by gradual improvement in global and U.S. demand. In addition, businesses active in international markets indicated a growing backlog of orders in the last 12 months. That being said, the situation continues to disappoint for now, as many respondents indicated weaker sales growth over the last 12 months. Clearly, uncertainties continue to be significant. Many businesses are maintaining that fierce competition has been a challenge to gaining market share in the United States and elsewhere in the world. Nonetheless, Canadian businesses seem slightly more inclined to invest. A higher number of respondents are reporting that they will ratchet up investments in machinery and equipment in the coming 12 months. The same goes for hiring plans.
- Ontario's real GDP rose an annualized 2.3 % in the third quarter of 2013, in line with expectations. With a gain of just 1.3%, domestic demand was fairly weak. Exports fell 7.0%, while imports pulled back 4.9%. The trade balance went from -\$2.4B to -\$4.2B, contributing negatively to real GDP. The third quarter's economic growth was also inflated by business inventories.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

The markets digest last week's job figures

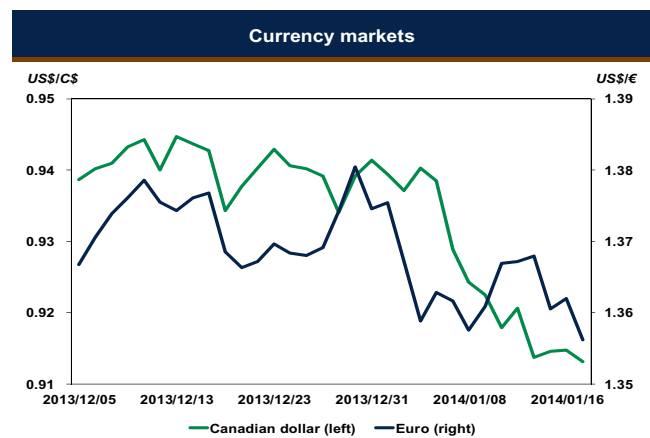
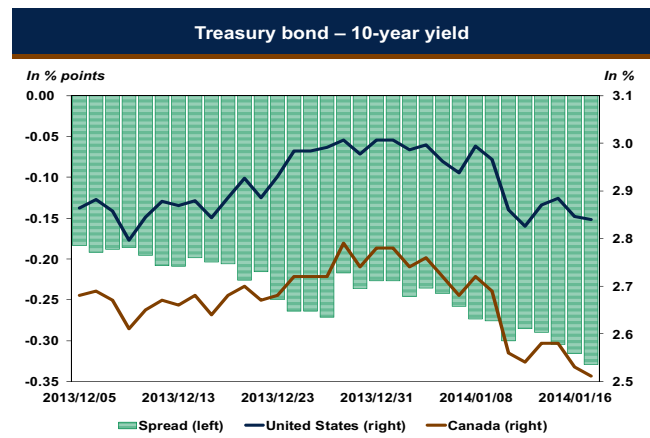
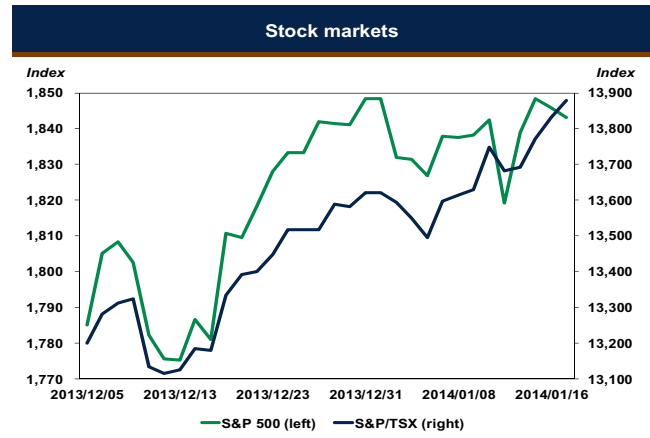
After barely reacting to the poor employment figures released last Friday, the stock markets pulled back sharply as the week began. Comments from analysts about the fact that stocks were pricey and would struggle to maintain 2013's momentum helped make the S&P 500 retreat 1.3% on Monday. However, the release of solid U.S. retail trade statistics prompted the indexes to recover considerably the next day. The S&P 500 even hit a new peak during Wednesday's session, although it was practically stable for the week overall. Canada's stock market did slightly better, benefiting from more positive sentiment towards commodities.

The bond market consolidated its sizable gains made the previous week. The U.S. 10-year yield hovered around 2.85%. Signals that the Federal Reserve (Fed) would continue to taper its securities purchases had only a temporary effect. An establishment survey that ruled out key rate cuts caused Canadian short-term yields to edge up, but the negative spread between Canadian and U.S. 10-year yields exceeded 30 basis points.

The U.S. dollar was flat on Monday and Tuesday, after last week's drop that followed the employment figures. Good statistics and the rather hawkish remarks from two Fed leaders helped the greenback in the middle of the week. The euro was not spared, and had another moment of weakness on Friday after the European Parliament refused to enshrine the banking union agreement. At the time of writing, the common currency was worth less than US\$1.36. The pound did better, propelled above US\$1.64 by excellent retail sales figures. The Canadian dollar continued to trend down, although at a slower pace. A cyclical low of US\$0.9098 was reached between Tuesday and Wednesday.

Mathieu D'Anjou
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Thursday Jan. 23 - 10:00

December	ann. rate
Consensus	4,950,000
Desjardins	4,900,000
November	4,900,000

Existing home sales (December) – In November, existing home sales recorded their largest one-month drop since February 2011. The pullback, partially triggered by rising mortgage rates in previous months, was foreshadowed by successive declines in pending home sales. The latter have stabilized recently, however, and we expect the same to happen with existing home sales, which should remain close to the 4,900,000 units posted in November. December’s drop in mortgage applications in view of a purchase points to a risk of another decline, however.

Thursday Jan. 23 - 10:00

December	m/m
Consensus	0.2%
Desjardins	0.2%
November	0.8%

Leading indicator (December) – November’s dip in jobless claims was one of the reasons for the 0.8% rebound by the leading indicator in November. However, jobless claims started rising again in December, a situation that should contribute to a slower monthly growth by the leading indicator. The ISM index and interest rate spreads should keep the indicator in positive territory, with an expected gain of 0.2%.



CANADA

Tuesday Jan. 21 - 8:30

November	m/m
Consensus	0.5%
Desjardins	0.8%
October	1.0%

Manufacturing sales (November) – October’s 5.9% rise by new orders bodes well for manufacturing sales growth in November. Merchandise exports barely fluctuated over the month, but this result reflects drops in several non-manufacturing activity sectors. Exports of automotive products jumped 9.6% in November, and exports of both aviation products and other transportation equipment grew 5.6%. However, exports of machinery and industrial equipment and parts recorded a 4.7% decline. All in all, manufacturing sales are expected to go up around 0.8% in November.

Tuesday Jan. 21 - 8:30

November	m/m
Consensus	0.4%
Desjardins	0.5%
October	1.4%

Wholesaler sales (November) – Fundamental factors remain generally favourable to wholesale trade, including an uptrend by retail sales. It would be surprising, however, if November’s growth was as spectacular as October’s. A result closer to the average over recent months is expected.

Wednesday Jan. 22 - 10:00

January	
Consensus	1.00%
Desjardins	1.00%
December 4	1.00%

Bank of Canada meeting and publication of the *Monetary Policy Report (January)* – In all likelihood, monetary authorities will once again opt for the status quo on key rates at next Wednesday’s meeting. The Bank of Canada (BoC) will also publish its *Monetary Policy Report*, which will include the BoC’s latest economic and financial outlooks. Overall, we can expect little change to the monetary authorities’ stance. The country is still grappling with uncertainties, as exports have yet to benefit from improved U.S. and global demand. In terms of economic growth, it would be surprising if the BoC made any dramatic changes to their October forecasts, as the growth forecasts for 2014 and 2015 are still in line with our latest predictions. However, the latest results suggest the BoC could upgrade its forecast for Q4 2013 somewhat.

Thursday Jan. 23 - 8:30

November	m/m
Consensus	0.2%
Desjardins	0.4%
October	-0.1%

Retail sales (November) – The trend for retail sales is fairly good. Average monthly gains since the start of 2013 are at 0.5%, or an annualized 6.2%. Note that household income continues to advance, and consumer confidence closed in on its historic average last fall. The value of retail sales will also be slightly inflated by the 0.2% rise by goods prices in November. However, preliminary data show that motor vehicle sales lost ground over the month.

Consumer price index (December) – On average, the price of regular gas went up 1.2% in December, something that should not have a big impact on the monthly change in the consumer price index (CPI). Instead, seasonal effects will be in the spotlight for December, as they have taken an average 0.4% bite from the CPI's monthly change in recent years. Also note that inflation pressures are quite weak due to persisting excess production capacity in Canada's economy and the fierce competition being waged in retail trade. A 0.3% drop by the total CPI is therefore expected for December. The annual inflation rate should go from 0.9% to 1.2%, moving back within the BoC's target range. The annual change in the BoC's core index (CPIX) could climb to 1.4% from November's 1.1%.



OVERSEAS

China: Real GDP (Q4) – China's economy accelerated in the spring and summer after a difficult winter. However, growth in the last quarter of the year seems to have been weaker. An unofficial estimate disclosed by a Chinese leader puts the annual gain for 2013 at 7.6%. This means that quarterly growth slowed in the fall, as did real GDP's annual change.

Euro zone: PMI index (January) – After falling in October and November, Euroland's composite PMI index edged up, going from 51.7 to 52.1 in December. Although the manufacturing sector is looking up, the service sector continued to erode. There are also differences between the countries: French PMI indexes are down below the 50 mark, while Germany's results are much better. We will have to see if the picture changes with January's data, which will give us a first look at how strong Euroland's economy is in 2014. The flash estimate of January's consumer confidence index will also be released Thursday.

Friday Jan. 24 - 8:30

December	m/m
Consensus	-0.2%
Desjardins	-0.3%
November	0.0%

Sunday Jan. 19 - 21:00


Q4 2013	y/y
Consensus	7.6%
Q3 2013	7.8%


Thursday Jan. 23 - 4:00

January	m/m
Consensus	52.5
December	52.1

ECONOMIC INDICATORS


Week of January 20 to 24, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 20						
	---	---				
TUESDAY 21						
	---	---				
WEDNESDAY 22						
	---	---				
THURSDAY 23						
	8:30	Initial unemployment claims	Jan. 13-17	330,000	323,000	326,000
	10:00	Leading indicator (m/m)	Dec.	0.2%	0.2%	0.8%
	10:00	Existing home sales (ann. rate)	Dec.	4,950,000	4,900,000	4,900,000
FRIDAY 24						
	---	---				
CANADA						
MONDAY 20						
	---	---				
TUESDAY 21						
	8:30	Wholesale sales (m/m)	Nov.	0.4%	0.5%	1.4%
	8:30	Wholesale inventories (m/m)	Nov.	n/a	0.3%	-0.2%
	8:30	Manufacturing sales (m/m)	Nov.	0.5%	0.8%	1.0%
WEDNESDAY 22						
	10:00	Bank of Canada meeting	Jan.	1.00%	1.00%	1.00%
	10:00	Release of the Bank of Canada <i>Monetary Policy Report</i>				
THURSDAY 23						
	8:30	Retail sales				
		Total (m/m)	Nov.	0.2%	0.4%	-0.1%
		Excluding automobiles (m/m)	Nov.	0.3%	0.6%	0.4%
FRIDAY 24						
	8:30	Consumer price index				
		Total (m/m)	Dec.	-0.2%	-0.3%	0.0%
		Excluding 8 most volatile (m/m)	Dec.	-0.4%	-0.3%	-0.1%
		Total (y/y)	Dec.	1.3%	1.2%	0.9%
		Excluding 8 most volatile (y/y)	Dec.	1.3%	1.4%	1.1%

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 January 20 to 24, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
SUNDAY 19								
China	21:00	Real GDP	Q4	2.0%	7.6%	2.2%	7.8%	
China	21:00	Industrial production	Dec.		9.8%		10.0%	
China	21:00	Retail sales	Dec.		13.6%		13.7%	
Japan	23:30	Industrial production – final	Nov.	n/a	n/a	0.1%	5.0%	
MONDAY 20								
Germany	2:00	Producer price index	Dec.	0.0%	-0.6%	-0.1%	-0.8%	
Italy	4:00	Factory orders	Nov.	0.0%	1.5%	-2.5%	1.2%	
TUESDAY 21								
Germany	5:00	ZEW survey – Current situation	Jan.	35.0		32.4		
Germany	5:00	ZEW survey – Expectations	Jan.	64.0		62.0		
Japan	23:30	All industry activity index	Nov.	0.3%		-0.2%		
WEDNESDAY 22								
Japan	---	Bank of Japan meeting						
Japan	0:00	Leading indicator – final	Nov.	n/a		110.8		
Japan	0:00	Coincident indicator – final	Nov.	n/a		110.5		
United Kingdom	4:30	Minutes of the Bank of England meeting						
United Kingdom	4:30	ILO unemployment rate	Nov.	7.3%		7.4%		
Italy	5:00	Current account (€M)	Nov.	n/a		4,022		
THURSDAY 23								
Japan	0:00	Release of the Bank of Japan's <i>Monthly Economic Report</i> for January						
France	2:45	Business confidence	Jan.	95		94		
France	3:00	PMI manufacturing index – preliminary	Jan.	47.5		47.0		
France	3:00	PMI services index – preliminary	Jan.	48.0		47.8		
Germany	3:30	PMI manufacturing index – preliminary	Jan.	54.6		54.3		
Germany	3:30	PMI services index – preliminary	Jan.	54.0		53.5		
Euro zone	4:00	Current account (€B)	Nov.	n/a		21.8		
Euro zone	4:00	PMI composite index – preliminary	Jan.	52.5		52.1		
Euro zone	4:00	PMI manufacturing index – preliminary	Jan.	53.0		52.7		
Euro zone	4:00	PMI services index – preliminary	Jan.	51.4		51.0		
Brazil	5:30	Minutes of the Bank of Brazil meeting						
Euro zone	10:00	Consumer confidence – preliminary	Jan.	-13.0		-13.6		
FRIDAY 24								
Italy	4:00	Retail sales	Nov.	0.0%	n/a	-0.1%	-1.6%	

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	15,839	4.1	2.0	2.8	1.8	2.5	-2.8
Consumption (2009 \$B)	2013 Q3	10,744	2.0	1.9	2.2	2.5	2.0	-1.6
Government spending (2009 \$B)	2013 Q3	2,907	0.4	-2.7	-1.0	-3.2	0.1	3.1
Residential investment (2009 \$B)	2013 Q3	499.2	10.3	14.2	12.9	0.5	-2.5	-21.2
Non-residential investment (2009 \$B)	2013 Q3	1,995	4.8	3.5	7.3	7.6	2.5	-15.6
Business inventory change (2009 \$B) (1)	2013 Q3	115.7	---	---	57.6	33.6	58.2	-147.6
Exports (2009 \$B)	2013 Q3	2,018	3.9	2.9	3.5	7.1	11.5	-9.1
Imports (2009 \$B)	2013 Q3	2,437	2.4	1.6	2.2	4.9	12.8	-13.7
Final domestic demand (2009 \$B)	2013 Q3	16,131	2.3	1.6	2.4	1.8	1.5	-3.0
GDP deflator (2009 = 100)	2013 Q3	106.7	2.0	1.3	1.7	2.0	1.2	0.8
Labor productivity (2009 = 100)	2013 Q3	106.1	3.0	0.3	1.5	0.5	3.3	3.2
Unit labor cost (2009 = 100)	2013 Q3	103.1	-1.4	2.1	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 Q3	-94.8	---	---	-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)	Nov.	98.3	0.8	2.0	3.1	5.2
ISM manufacturing index (1)	Dec.	57.0	57.3	56.2	50.9	50.2
ISM non-manufacturing index (1)	Dec.	53.0	53.9	54.4	52.8	55.7
Cons. confidence Conf. Board (1985 = 100) (1)	Dec.	78.1	72.0	80.2	82.1	66.7
Cons. confidence Michigan (1966 = 100) (1)	Jan.*	80.4	82.5	73.2	85.1	73.8
Personal consumption expenditure (2009 \$B)	Nov.	10,868	0.5	1.1	1.7	2.6
Disposable personal income (2009 \$B)	Nov.	11,745	0.1	0.3	1.0	0.6
Consumer credit (\$B)	Nov.	3,087	0.4	1.5	3.0	6.1
Retail sales (\$M)	Dec.*	431,879	0.2	1.2	1.9	4.1
Excluding automobiles (\$M)	Dec.*	350,189	0.7	1.2	2.3	3.7
Industrial production (2007 = 100)	Dec.*	101.8	0.3	1.6	2.6	3.7
Production capacity utilization rate (%) (1)	Dec.*	79.2	79.1	78.3	77.9	77.8
New machinery orders (\$M)	Nov.	497,882	1.8	3.2	1.8	4.9
New durable good orders (\$M)	Nov.	241,618	3.4	7.1	2.7	10.9
Business inventories (\$B)	Nov.*	1,700	0.4	1.8	2.7	4.0
Housing starts (K) (1)	Dec.*	999.0	1,107	873.0	835.0	983.0
Building permits (K) (1)	Dec.*	986.0	1,017	974.0	918.0	943.0
New home sales (K) (1)	Nov.	464.0	474.0	388.0	429.0	398.0
Existing home sales (K) (1)	Nov.	4,900	5,120	5,390	5,140	4,960
Construction spending (\$B)	Nov.	934.4	1.0	3.4	4.3	5.9
Commercial surplus (\$M) (1)	Nov.	-34,252	-39,328	-38,945	-43,886	-46,422
Nonfarm employment (K) (2)	Dec.	136,877	74.0	515.0	1,017	2,186
Unemployment rate (%) (1)	Dec.	6.7	7.0	7.2	7.5	7.9
Consumer price (1982-1984 = 100)	Dec.*	234.6	0.3	0.3	0.7	1.5
Excluding food and energy	Dec.*	235.5	0.1	0.4	0.8	1.7
Personal cons. expenditure deflator (2009 = 100)	Nov.	107.5	0.0	0.1	0.7	0.9
Excluding food and energy	Nov.	106.4	0.1	0.3	0.7	1.1
Producer price (1982 = 100)	Dec.*	198.2	0.4	0.2	0.7	1.2
Excluding food and energy	Dec.*	186.5	0.3	0.5	0.6	1.4
Export prices (2000 = 100)	Dec.*	132.2	0.4	-0.2	-0.5	-1.0
Import prices (2000 = 100)	Dec.*	137.6	0.0	-1.6	-0.9	-1.3

* 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 Q3	1,695,542	2.7	1.9	1.7	2.5	3.4	-2.7
Household consumption (2007 \$M)	2013 Q3	947,690	2.2	2.3	1.9	2.3	3.5	0.3
Government consumption (2007 \$M)	2013 Q3	349,436	0.4	1.0	1.1	0.8	2.7	3.3
Residential investment (2007 \$M)	2013 Q3	113,860	2.4	0.8	6.1	1.6	8.7	-7.0
Non-residential investment (2007 \$M)	2013 Q3	185,202	2.2	1.9	6.2	11.1	14.5	-20.2
Business inventory change (2007 \$M) (1)	2013 Q3	10,244	---	---	6,831	7,440	-452.0	-5,104
Exports (2007 \$M)	2013 Q3	512,157	-2.0	1.7	1.5	4.7	6.9	-13.1
Imports (2007 \$M)	2013 Q3	555,256	-1.4	-0.1	3.1	5.7	13.6	-12.4
Final domestic demand (2007 \$M)	2013 Q3	1,721,392	1.8	1.7	2.3	2.4	5.0	-1.9
GDP deflator (2007 = 100)	2013 Q3	111.3	2.6	1.6	1.7	3.2	2.7	-2.1
Labour productivity (2007 = 100)	2013 Q3	102.6	0.7	0.7	-0.0	0.9	1.8	0.2
Unit labour cost (2007 = 100)	2013 Q3	113.4	0.6	1.1	3.0	2.5	-0.4	2.3
Current account balance (\$M) (1)	2013 Q3	-15,466	---	---	-62,215	-48,467	-58,419	-45,750
Production capacity utilization rate (%) (1)	2013 Q3	81.7	---	---	81.5	80.6	78.5	73.3
Disposable personal income (\$M)	2013 Q3	1,084,724	5.0	4.0	3.9	4.6	3.7	2.0
Corporate net operating surplus (2007 \$M)	2013 Q3	236,932	23.2	-1.1	-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)	Oct.	1,602,534	0.3	0.9	1.4	2.7
Industrial production (2007 \$M)	Oct.	343,271	0.6	1.5	1.3	3.1
Manufacturing sales (\$M)	Oct.	50,086	1.0	1.5	3.7	2.6
Housing starts (K) (1)	Dec.	189.7	197.8	197.1	193.7	200.5
Building permits (\$M)	Nov.	6,754	-6.7	5.0	-8.9	5.4
Retail sales (\$M)	Oct.	40,719	-0.1	1.1	2.8	3.0
Excluding automobiles (\$M)	Oct.	31,209	0.4	1.1	2.3	1.8
Wholesale trade sales (\$M)	Oct.	50,530	1.4	1.9	2.8	3.5
Commercial surplus (\$M) (1)	Nov.	-940.2	-908.1	-1,001	-1,392	-1,925
Exports (\$M)	Nov.	39,780	-0.0	-0.9	2.2	4.1
Imports (\$M)	Nov.	40,720	0.1	-1.0	1.0	1.5
Employment (K) (2)	Dec.	17,770	-45.9	-3.7	3.4	8.5
Unemployment rate (%) (1)	Dec.	7.2	6.9	6.9	7.1	7.1
Average weekly earnings (\$)	Oct.	918.4	0.5	0.5	1.3	1.4
Number of salaried employees (K) (2)	Oct.	15,482	17.0	24.1	22.5	14.1
Consumer price (2002 = 100)	Nov.	123.0	0.0	-0.1	0.0	0.9
Excluding food and energy	Nov.	117.5	-0.3	0.3	0.2	0.7
Excluding 8 volatile items	Nov.	121.5	-0.1	0.2	0.2	1.1
Industrial product price (2002 = 100)	Nov.	108.3	0.1	-0.6	0.2	0.3
Raw materials price (2002 = 100)	Nov.	110.5	-4.1	-8.7	-3.3	-2.5
Money supply M1+ (\$M)	Nov.	717,978	1.1	2.0	3.7	8.8

* 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

	Jan. 17	Previous data (%)					Last 52 weeks (%)		
		Jan. 10	-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	0.25	0.25	0.25	0.25
Treasury bill – 3 months	0.03	0.05	0.07	0.04	0.03	0.08	0.14	0.06	0.00
Treasury bonds – 2 years	0.39	0.38	0.35	0.31	0.31	0.25	0.51	0.31	0.20
– 5 years	1.64	1.63	1.63	1.34	1.30	0.76	1.83	1.21	0.65
– 10 years	2.84	2.86	2.89	2.59	2.49	1.85	3.01	2.39	1.63
– 30 years	3.78	3.80	3.83	3.65	3.57	3.03	3.95	3.49	2.83
S&P 500 index	1,843	1,842	1,818	1,745	1,692	1,486	1,848	1,662	1,486
DJIA index	16,468	16,437	16,221	15,400	15,544	13,650	16,577	15,157	13,650
Gold price (US\$/ounce)	1,250	1,246	1,205	1,316	1,295	1,687	1,693	1,388	1,196
CRB index	277.96	275.42	283.13	286.92	290.92	301.20	305.07	286.54	272.29
WTI oil (US\$/barrel)	94.22	92.38	99.10	100.87	108.00	95.61	110.62	97.96	86.65
Canada									
Overnight – target	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Treasury bill – 3 months	0.89	0.88	0.90	0.92	1.00	0.92	1.03	0.96	0.88
Treasury bonds – 2 years	1.03	1.02	1.11	1.18	1.09	1.18	1.31	1.11	0.92
– 5 years	1.71	1.73	1.85	1.83	1.66	1.44	2.17	1.65	1.15
– 10 years	2.51	2.56	2.67	2.53	2.36	1.92	2.82	2.30	1.67
– 30 years	3.07	3.11	3.18	3.10	2.89	2.50	3.28	2.87	2.35
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	0.86	0.83	0.83	0.88	0.97	0.84	0.99	0.91	0.78
Treasury bonds – 2 years	0.64	0.64	0.76	0.87	0.78	0.93	0.94	0.80	0.64
– 5 years	0.07	0.10	0.22	0.49	0.36	0.68	0.69	0.44	0.07
– 10 years	-0.33	-0.30	-0.22	-0.06	-0.13	0.07	0.07	-0.09	-0.33
– 30 years	-0.71	-0.69	-0.65	-0.55	-0.68	-0.53	-0.48	-0.62	-0.74
S&P/TSX index	13,879	13,748	13,400	13,136	12,685	12,726	13,879	12,804	11,837
Exchange rate (C\$/US\$)	1.0952	1.0895	1.0636	1.0287	1.0368	0.9918	1.0945	1.0342	0.9131
Exchange rate (C\$/€)	1.4855	1.4892	1.4540	1.4077	1.3625	1.3210	1.4972	1.3763	1.2383
Overseas									
ECB – Refinancing rate	0.25	0.25	0.25	0.50	0.50	0.75	0.75	0.53	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	1.76	1.85	1.87	1.83	1.52	1.51	2.02	1.64	1.19
U.K.: Bonds – 10 years	2.83	2.88	2.94	2.71	2.47	2.02	3.07	2.41	1.62
Euro: Exchange rate (US\$/€)	1.3562	1.3670	1.3672	1.3685	1.3143	1.3320	1.3805	1.3306	1.2781
U.K.: Exchange rate (US\$/£)	1.6439	1.6483	1.6336	1.6168	1.5268	1.5868	1.6567	1.5665	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.