

Renewed fears in emerging nations

HIGHLIGHTS

- The Federal Reserve reduces its monthly securities purchases again.
- U.S. real GDP posts another strong advance.
- United States: An unexpected drop in new durable goods orders.
- Canada: Real GDP advanced 0.2% in November.

A LOOK AHEAD

- United States: The ISM manufacturing index should drop again.
- United States: Hires probably bounced back in January, while staying below their recent average.
- Canada: Employment should recover in January.
- Canada: The trade balance will improve in December.

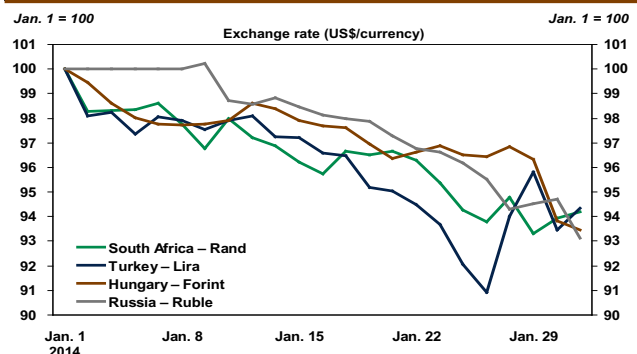
FINANCIAL MARKETS

- A roller coaster week for stock markets.
- Strong demand for U.S. bonds.
- The U.S. dollar is making gains against most of the other currencies.

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Graph of the week – Several emerging currencies show substantial declines



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

- The Federal Reserve (Fed) has once again tapered its monthly securities purchases by US\$10B. As of February, the Fed will purchase US\$30B in mortgage-backed securities (instead of US\$35B), and US\$35B in Treasury securities (instead of US\$40B). It's no surprise that Fed leaders opted for a further reduction. When the Fed announced in early December that it would begin tapering its purchases, Ben Bernanke had suggested that if the economic conditions so permitted, securities purchases would continue to wind down at the same pace.
- Real GDP grew at an annualized rate of 3.2% in the fourth quarter of 2013, based on the first estimates of the national accounts, on the heels of a 4.1% gain last summer. Real consumption increased by 3.3%, the strongest growth since fall 2010. Business investment slowed somewhat, with growth of 3.8%, after a 4.8% advance last summer. Real exports boosted the economy in Q4 with an 11.4% gain, while imports ticked up by only 0.9%. The budget impasse in October severely undermined government spending, which contracted by 4.9%, including federal spending, which plunged by 12.6%. Spending by States and municipalities was up 0.5%. For 2013 overall, real GDP grew by 1.9%, following growth of 2.8% in 2012 and a 1.8% advance in 2011.
- New manufacturing durable goods orders fell 4.3% in December following an increase of 2.6% in November. Excluding transportation, new orders were down 1.6%, the worst drop since January 2012. Excluding defence and aviation, new capital goods orders slipped 1.3% in December after advancing 2.6%.
- According to the Conference Board survey, consumer confidence was up in January. The addition of 3.2 points pushed the index from 77.5 to 80.7, its highest level since August.
- The S&P/Case-Shiller index of existing home prices in the 20 major cities edged up 0.9% in November, slightly decelerating from growth of 1.1% in October. The index's annual change moved from 13.6% to 13.7%. Since the market bottomed out in January 2012, the S&P/Case-Shiller index has grown 20.8%.
- Sales of new single-family homes fell 7.0% in December after pulling back 3.9% in November. Sales went from 445,000 to 414,000 units. This drop largely comes from the Northeast, where weather conditions have been especially harsh.

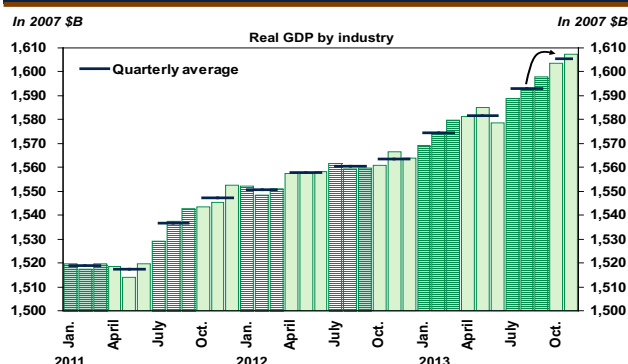
Francis Généreux
Senior Economist

CANADA

- Real GDP by industry advanced 0.2% in November, performing as expected. This followed 0.3% growth in October. Despite clearly negative sentiments on the Canadian economy that have been plaguing financial markets in recent weeks, this morning's results confirm that the country's economic growth continues at a more than satisfactory pace. The carryover for real GDP (assuming no monthly variation in December) for the fourth quarter overall is 3.2%. This projection is clearly better than the latest Bank of Canada forecast (2.5%).
- Average weekly earnings rose 0.9% in November, taking the annual change to 2.5%, a clear improvement over the 1.6% posted in October. In real terms, the annual change in earnings is 1.5%, putting an end to several months of weak growth. This rise in income should help consumer spending to keep ascending over the coming months without causing household debt to grow significantly.

Benoit P. Durocher
Senior Economist

Canada – Fourth quarter 2013 growth promises to be rather strong



Sources: Statistics Canada and Desjardins, Economic Studies

FINANCIAL MARKETS

Uncertainty in emerging nations is benefiting safe havens

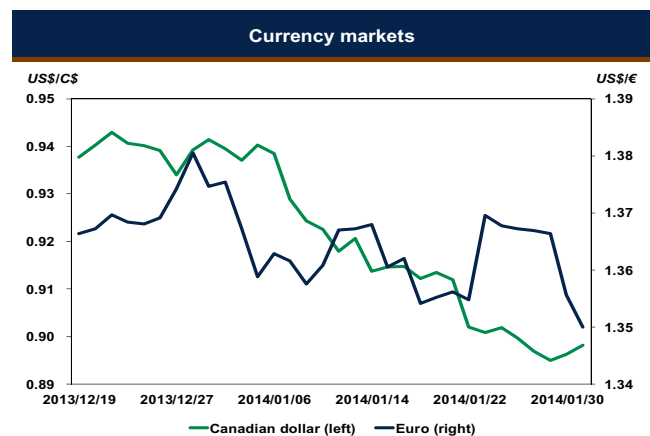
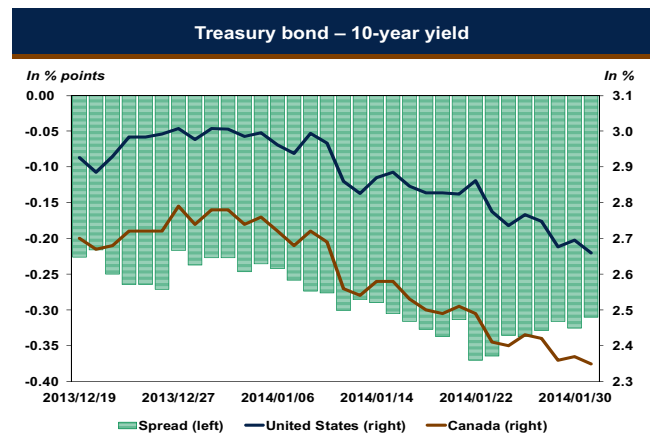
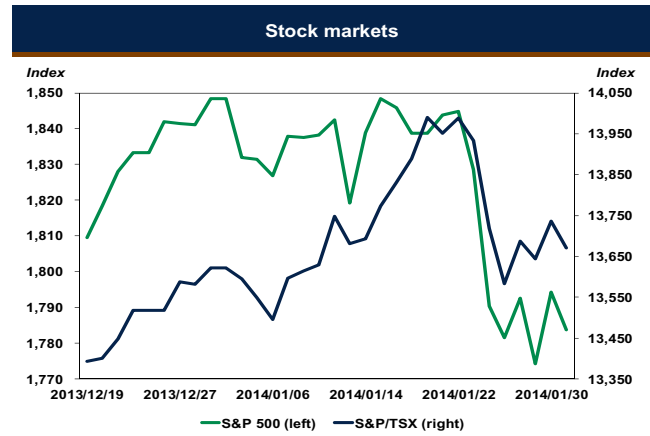
Intervention by central banks in India, Turkey and Russia helped to flatten the underlying trend, but markets were still volatile from one session to the next. Monday, disappointing durable goods orders in the United States harmed sentiment, but the Turkish central bank's decision to raise its key rate 425 basis points was somewhat reassuring on Tuesday. On Wednesday, stock markets pulled back again, before U.S. GDP figures in line with expectations brought them around on Thursday. However, by Friday morning, stock markets were heading down again, as nerves remained on edge. Canada's stock market held up well until Thursday, but posted a heavy drop on Friday morning, as did global stock markets.

Renewed risk aversion was good for bonds. U.S. 10-year yields fell below 2.70% Wednesday, reflecting stock market weakness. The Federal Reserve's statement had little influence on the trend, as its decision to taper its purchasing program had been expected. The first U.S. floating rate bond issue in 16 years was subject to sustained demand. High interest also made its mark in two other auctions on Thursday. In Canada, November's solid GDP growth had no major influence on the curve.

The U.S. dollar recouped the previous week's losses, helped by good real GDP figures in the United States and worries about emerging nations. The euro and the pound did well last week, but did not repeat this feat. The euro fell to US\$1.35 on Friday after the release of soft inflation figures, which may worry the European Central Bank next week. The pound, for its part, moved below US\$1.65. For now, investors rule out the possibility of early monetary firming in the United Kingdom. The Canadian dollar started the week on the rise, but quickly resumed its downtrend. Despite good results for November's GDP, the loonie reached a new cyclical low at US\$0.8910 on Friday morning.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Monday Feb. 3 - 10:00

January	
Consensus	56.4
Desjardins	55.0
December	57.0

ISM manufacturing index (January) – After rising for six months in a row, the ISM manufacturing index went down in December. The pullback was slight, however: just 0.3 points, taking the index to 57.0. Another drop is expected for January. The weakness of some regional indicators, difficult weather conditions and some fears about the global economy suggest that December’s sag has continued at the start of 2014. The manufacturing index is expected to go to 55.0.

Wednesday Feb. 5 - 10:00

January	
Consensus	53.7
Desjardins	54.0
December	53.0

ISM non-manufacturing index (January) – Unlike the manufacturing index, the non-manufacturing ISM’s recent movement is more worrisome. The index has lost 5.6 points in four months. What’s more, the new orders component dropped 7.0 points in December alone, which brought it below the 50 mark for the first time since the recession ended in 2009. We expect the weak patch to end: the ISM non-manufacturing index should climb starting in January, going to 54.0.

Thursday Feb. 6 - 8:30

December	US\$B
Consensus	-36.0
Desjardins	-35.1
November	-34.3

Trade balance (December) – The trade balance has been rather volatile for several months now. However, its latest movements showed solid improvement, which buoyed real GDP growth in the fourth quarter of 2013. All the same, it would be surprising if the gains made by real exports in October and November were repeated in December. At the same time, after falling for two months, imports could rise. However, these movements will be offset by price effects that benefit nominal exports. We expect the trade deficit to hit US\$35.1B in December. In its first estimate for real GDP, the Bureau of Economic Analysis expects both nominal exports and imports to drop; the net effect, however, is in line with our forecast. Accordingly, if the deficit deteriorates more than anticipated, net exports’ contribution to real GDP growth in Q4 2013 would be revised downward.

Friday Feb. 7 - 8:30

January	
Consensus	184,000
Desjardins	175,000
December	74,000

Job creation according to the establishment survey (January) – December’s 74,000 hires were a major disappointment, as few signs had suggested such a poor performance. We expect hires to pick up in January, but the weather has continued to be difficult, which should prevent gains faster than the recent trend, which is around 200,000. Nevertheless, the drop in jobless claims and the consumer opinion about the job market included in the Conference Board’s confidence survey point to some improvement. We are expecting 175,000 hires in January. All the same, we must watch out for the annual revision, which could greatly change our current picture of employment. Note that the employment level for March 2013 will be raised by 345,000 jobs (especially in health care and education), and that all monthly changes over the last five years are subject to change. With regard to the household survey, the jobless rate, which surprisingly fell from 7.0% to 6.7% in December, may climb back to 6.9%, as the labour force should recover 347,000 people that were “lost” in December.


CANADA

Industrial product price index (December) – After pulling back for three straight months, commodity prices bounced back in December in Canada, especially in the energy sector. The raw materials price index should therefore rise significantly over the month, putting upside pressure on the industrial product price index. The index could rise about 0.3% in December.

International merchandise trade (December) – Seasonally adjusted and in Canadian dollars, the Bank of Canada's (BoC) commodity price index rose 1.7% in December, putting an end to three straight drops. Most of this growth, however, comes from energy, as all other components posted retreats over the month. This should help inflate the value of Canadian exports a little. If we also take into consideration the improvement in U.S. demand, the merchandise trade balance could improve in December. The rise could also be boosted by a statistical phenomenon that has favoured improvement by the trade balance in the third month of every quarter for over a year.

Employment and the unemployment rate (January) – The labour market lost 44,000 jobs in December. As is often the case with this volatile survey, a rebound could follow this underperformance. Creation of around 30,000 jobs is therefore expected for January. The 6-month moving average will thus go to around 15,000, a level compatible with the moderate economic growth observed in the country. The gain should allow the unemployment rate to fall to 7.1%, from December's 7.2%.


OVERSEAS

United Kingdom: Bank of England meeting (February) – The Bank of England (BoE) should not announce any changes to its monetary policy. The economy is faring much better in the United Kingdom, and the jobless rate is falling quickly; all the same, Governor Carney recently reiterated that there was no reason to raise key rates immediately. The slowdown in inflation is giving the BoE some leeway. Nevertheless, the jobless rate fell to 7.1%, very close to the 7.0% threshold set by the BoE. Britain's monetary authorities will soon have to revise their forward-looking measures signalling future monetary policy movement. Changes to this effect could be announced with the release of their *Inflation Report* on February 12. Among the economic indicators to be made public this week are the PMI indexes for January (Monday, Tuesday and Wednesday). December's figures for the trade balance and industrial production will be released Friday.

Euro zone: European Central Bank meeting (February) – After January's more emphatic stance, it will be interesting to see if the European Central Bank (ECB) takes action in February. Since inflation slowed again in January and economic growth forecasts are still modest, the ECB is ready to act if inflation outlooks deteriorate further or if financial conditions firm up too quickly. It is hard to say whether the strong euro and upside pressure on short-term rates will be enough to convince the ECB to go into action immediately. A key rate cut and new long-term loans to banks are both still foreseeable, and President Draghi recently raised the idea of buying bank loans. Among the economic indicators coming out during the week, December's retail sales will be released on Wednesday. They had jumped 1.4% in November.

Monday Feb. 3 - 8:30

December	m/m
Consensus	0.3%
Desjardins	0.3%
November	0.1%

Thursday Feb. 6 - 8:30

December	\$B
Consensus	-0.7
Desjardins	-0.3
November	-0.9

Friday Feb. 7 - 8:30

January	
Consensus	20,000
Desjardins	30,000
December	-44,000

Thursday Feb. 6 - 7:00


February	
Consensus	0.50%
Desjardins	0.50%
January 9	0.50%


Thursday Feb. 6 - 7:45

February	
Consensus	0.25%
Desjardins	0.25%
January 9	0.25%

ECONOMIC INDICATORS


Week of February 3 to 7, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 3						
	---	Total vehicle sales (ann. rate)	Jan.	15,700,000	15,600,000	15,300,000
	10:00	Construction spending (m/m)	Dec.	0.4%	-1.0%	1.0%
	10:00	ISM manufacturing index	Jan.	56.4	55.0	57.0
TUESDAY 4						
	8:30	Speech of the Richmond Fed President, J. Lacker				
	10:00	Factory orders (m/m)	Dec.	-1.6%	-1.5%	1.8%
	12:30	Speech of the Chicago Fed President, C. Evans				
WEDNESDAY 5						
	10:00	ISM non-manufacturing index	Jan.	53.7	54.0	53.0
	12:30	Speech of the Philadelphia Fed President, C. Plosser				
	13:40	Speech of the Atlanta Fed President, D. Lockhart				
THURSDAY 6						
	8:30	Initial unemployment claims	Jan. 27-31	335,000	335,000	348,000
	8:30	Trade balance – Goods and services (US\$B)	Dec.	-36.0	-35.1	-34.3
	8:30	Nonfarm productivity – preliminary (ann. rate)	Q4	2.5%	3.5%	3.0%
	8:30	Unit labor costs – preliminary (ann. rate)	Q4	-0.5%	-1.5%	-1.4%
	17:30	Speech of the Boston Fed President, E. Rosengren				
FRIDAY 7						
	8:30	Change in nonfarm payrolls	Jan.	184,000	175,000	74,000
	8:30	Unemployment rate	Jan.	6.7%	6.9%	6.7%
	8:30	Weekly worked hours	Jan.	34.5	34.4	34.4
	8:30	Average weekly earnings (m/m)	Jan.	0.2%	0.3%	0.1%
	15:00	Consumer credit (US\$B)	Dec.	12.0	17.0	12.3
CANADA						
MONDAY 3						
	8:30	Industrial product price index (m/m)	Dec.	0.3%	0.3%	0.1%
	8:30	Raw materials price index (m/m)	Dec.	2.0%	2.5%	-4.1%
TUESDAY 4						
	---	---				
WEDNESDAY 5						
	8:15	International reserves (US\$B)	Jan.	n/a	68.0	71.9
	8:30	Building permits (m/m)	Dec.	2.0%	2.0%	-6.7%
THURSDAY 6						
	8:30	International trade (\$B)	Dec.	-0.7	-0.3	-0.9
	10:00	PMI-Ivey index	Jan.	49.0	48.0	46.3
FRIDAY 7						
	8:30	Net change in employment	Jan.	20,000	30,000	-44,000
	8:30	Unemployment rate	Jan.	7.1%	7.1%	7.2%

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 February 3 to 7, 2014

Country	Hour	Indicator	Period	Consensus		Previous data	
				m/m (q/q)	y/y	m/m (q/q)	y/y
 OVERSEAS							
SUNDAY 2							
China	20:00	PMI non-manufacturing index	Jan.	n/a		54.6	
MONDAY 3							
Italy	3:45	PMI manufacturing index	Jan.	53.2		53.3	
France	3:50	PMI manufacturing index – final	Jan.	48.8		48.8	
Germany	3:55	PMI manufacturing index – final	Jan.	56.3		56.3	
Euro zone	4:00	PMI manufacturing index – final	Jan.	53.9		53.9	
United Kingdom	4:30	PMI manufacturing index	Jan.	57.3		57.3	
Australia	22:30	Reserve Bank of Australia meeting	Feb.	2.50%		2.50%	
TUESDAY 4							
United Kingdom	4:30	PMI construction index	Jan.	61.5		62.1	
Euro zone	5:00	Producer price index	Dec.	0.2%	-0.8%	-0.1%	-1.2%
Italy	5:00	Consumer price index – preliminary	Jan.	0.1%	0.6%	0.2%	0.7%
WEDNESDAY 5							
Italy	3:45	PMI services index	Jan.	48.8		47.9	
France	3:50	PMI services index – final	Jan.	48.6		48.6	
Germany	3:55	PMI services index – final	Jan.	53.6		53.6	
Euro zone	4:00	PMI composite index – final	Jan.	53.2		53.2	
Euro zone	4:00	PMI services index – final	Jan.	51.9		51.9	
United Kingdom	4:30	PMI services index	Jan.	59.0		58.8	
Euro zone	5:00	Retail sales	Dec.	-0.7%	1.5%	1.4%	1.6%
THURSDAY 6							
Germany	6:00	Factory orders	Dec.	0.1%	6.3%	2.1%	6.8%
United Kingdom	7:00	Bank of England meeting	Feb.	0.50%		0.50%	
Euro zone	7:45	European Central Bank meeting	Feb.	0.25%		0.25%	
FRIDAY 7							
Japan	0:00	Leading indicator – preliminary	Dec.	111.9		111.1	
Japan	0:00	Coincident indicator – preliminary	Dec.	111.4		110.7	
Germany	2:00	Trade balance (€B)	Dec.	17.3		18.1	
Germany	2:00	Current account (€B)	Dec.	21.5		21.6	
France	2:45	Trade balance (€M)	Dec.	-5,000		-5,680	
United Kingdom	4:30	Trade balance (£M)	Dec.	-3,000		-3,238	
United Kingdom	4:30	Industrial production	Dec.	0.6%	2.3%	0.0%	2.5%
Germany	6:00	Industrial production	Dec.	0.3%	3.5%	1.9%	3.5%

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	2013	2012	2011	2010
Gross domestic product (2009 \$B)	2013 Q4*	15,966	3.2	2.7	1.9	2.8	1.8	2.5
Consumption (2009 \$B)	2013 Q4*	10,833	3.3	2.3	2.0	2.2	2.5	2.0
Government spending (2009 \$B)	2013 Q4*	2,871	-4.9	-2.3	-2.2	-1.0	-3.2	0.1
Residential investment (2009 \$B)	2013 Q4*	486.5	-9.8	6.3	12.0	12.9	0.5	-2.5
Non-residential investment (2009 \$B)	2013 Q4*	2,014	3.8	2.1	2.6	7.3	7.6	2.5
Business inventory change (2009 \$B) (1)	2013 Q4*	127.2	---	---	85.4	57.6	33.6	58.2
Exports (2009 \$B)	2013 Q4*	2,073	11.4	5.4	2.8	3.5	7.1	11.5
Imports (2009 \$B)	2013 Q4*	2,443	1.0	2.7	1.4	2.2	4.9	12.8
Final domestic demand (2009 \$B)	2013 Q4*	16,189	1.4	1.6	1.5	2.4	1.8	1.5
GDP deflator (2009 = 100)	2013 Q4*	107.0	1.3	1.3	1.4	1.7	2.0	1.2
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 Q4*	120.1	2.0	2.0	2.0	1.8	2.0	1.9
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)	Dec.	99.4	0.1	1.2	3.4	5.4
ISM manufacturing index (1)	Dec.	56.5	57.0	56.0	52.5	50.4
ISM non-manufacturing index (1)	Dec.	53.0	54.1	54.5	53.4	55.7
Cons. confidence Conf. Board (1985 = 100) (1)	Jan.*	80.7	77.5	72.4	81.0	58.4
Cons. confidence Michigan (1966 = 100) (1)	Jan.	81.2	82.5	73.2	85.1	73.8
Personal consumption expenditure (2009 \$B)	Dec.*	10,868	0.2	0.9	1.5	2.5
Disposable personal income (2009 \$B)	Dec.*	11,712	-0.2	-0.4	0.8	-2.7
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)	Dec.*	229,319	-4.3	-2.5	-6.2	0.1
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.	991.0	1,017	974.0	918.0	943.0
New home sales (K) (1)	Dec.*	414.0	445.0	403.0	450.0	396.0
Existing home sales (K) (1)	Dec.	4,870	4,820	5,290	5,060	4,900
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)	Dec.*	107.7	0.2	0.2	0.5	1.1
Excluding food and energy	Dec.*	106.5	0.1	0.3	0.6	1.2
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)	Nov.*	1,607,392	0.2	0.9	1.4	2.6
Industrial production (2007 \$M)	Nov.*	345,133	0.7	2.0	2.6	2.6
Manufacturing sales (\$M)	Nov.	50,506	1.0	2.6	3.8	1.9
Housing starts (K) (1)	Dec.	187.5	195.6	197.1	193.7	200.5
Building permits (\$M)	Nov.	6,754	-6.7	5.0	-8.9	5.4
Retail sales (\$M)	Nov.	41,006	0.6	1.5	1.7	3.1
Excluding automobiles (\$M)	Nov.	31,374	0.4	1.1	1.7	2.5
Wholesale trade sales (\$M)	Nov.	50,427	0.0	1.2	0.3	2.3
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.	17,768	-44.0	-2.4	3.3	8.3
Unemployment rate (%) (1)	Dec.	7.2	6.9	6.9	7.1	7.1
Average weekly earnings (\$)	Nov.*	927.6	0.9	1.3	1.2	2.5
Number of salaried employees (K) (2)	Nov.*	15,457	-27.6	-6.1	18.3	9.9
Consumer price (2002 = 100)	Dec.	122.7	-0.2	-0.5	-0.2	1.2
Excluding food and energy	Dec.	117.1	-0.3	-0.3	-0.1	0.9
Excluding 8 volatile items	Dec.	121.0	-0.4	-0.3	0.0	1.3
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)	Dec.	721,502	0.5	2.0	3.9	8.6

* 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 (%)		
	Jan. 31	Jan. 24	-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	0.01	0.04	0.07	0.04	0.04	0.06	0.14	0.05	0.00
Treasury bonds – 2 years	0.33	0.35	0.39	0.30	0.30	0.27	0.51	0.31	0.20
– 5 years	1.51	1.57	1.73	1.37	1.36	0.88	1.83	1.24	0.65
– 10 years	2.66	2.74	3.00	2.62	2.60	2.01	3.01	2.42	1.63
– 30 years	3.61	3.65	3.93	3.70	3.69	3.21	3.95	3.51	2.83
S&P 500 index	1,784	1,790	1,831	1,762	1,710	1,513	1,848	1,674	1,488
DJIA index	15,733	15,879	16,470	15,616	15,658	14,010	16,577	15,241	13,784
Gold price (US\$/ounce)	1,242	1,267	1,237	1,310	1,313	1,669	1,680	1,372	1,196
CRB index	283.36	282.54	276.53	274.96	283.77	305.07	304.14	285.76	272.29
WTI oil (US\$/barrel)	97.93	96.66	93.65	94.56	106.93	97.56	110.62	97.97	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	0.90	0.89	0.91	1.00	0.93	1.03	0.96	0.88
Treasury bonds – 2 years	0.96	0.97	1.14	1.12	1.16	1.19	1.31	1.10	0.92
– 5 years	1.56	1.59	1.94	1.78	1.76	1.51	2.17	1.65	1.15
– 10 years	2.35	2.40	2.76	2.50	2.49	2.04	2.82	2.32	1.67
– 30 years	2.94	2.97	3.22	3.07	3.00	2.63	3.28	2.88	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	0.88	0.86	0.82	0.87	0.96	0.87	0.99	0.91	0.78
Treasury bonds – 2 years	0.62	0.62	0.75	0.82	0.86	0.92	0.92	0.79	0.61
– 5 years	0.05	0.02	0.21	0.41	0.40	0.63	0.63	0.42	-0.02
– 10 years	-0.31	-0.34	-0.24	-0.12	-0.11	0.03	0.06	-0.10	-0.37
– 30 years	-0.67	-0.68	-0.71	-0.63	-0.69	-0.58	-0.48	-0.63	-0.74
S&P/TSX index	13,671	13,718	13,549	13,337	12,603	12,769	13,990	12,842	11,837
Exchange rate (C\$/US\$)	1.1135	1.1089	1.0636	1.0422	1.0388	0.9965	1.1173	1.0383	0.8981
Exchange rate (C\$/€)	1.5032	1.5166	1.4452	1.4056	1.3797	1.3592	1.5266	1.3825	1.2124
Overseas									
ECB – Refinancing rate	0.25	0.25	0.25	0.50	0.50	0.75	0.75	0.51	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	1.66	1.65	1.94	1.69	1.65	1.68	2.02	1.65	1.19
U.K.: Bonds – 10 years	2.71	2.78	3.03	2.65	2.63	2.10	3.07	2.44	1.62
Euro: Exchange rate (US\$/€)	1.3500	1.3678	1.3589	1.3488	1.3283	1.3640	1.3805	1.3312	1.2781
U.K.: Exchange rate (US\$/£)	1.6448	1.6484	1.6417	1.5927	1.5289	1.5693	1.6637	1.5694	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.