

## The stock market is not too worried about poor statistics in the United States

### HIGHLIGHTS

- U.S. industrial output and retail sales fell in January.
- Canada: Manufacturing sales lost ground in December.
- Canada: Housing starts pulled back in January.

### A LOOK AHEAD

- United States: Existing home sales are expected to drop in January, but housing starts should be fairly stable.
- The U.S. inflation rate should stay at 1.5% in January.
- Canada: The total annual inflation rate could edge up.

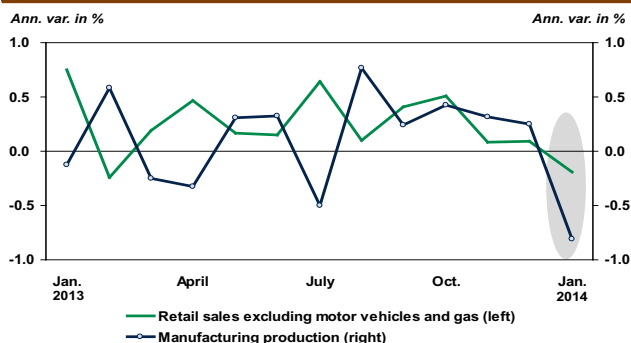
### FINANCIAL MARKETS

- The Canadian stock market has good momentum.
- Disappointing economic figures rein in the rise in yields.
- The U.S. dollar dips on more mixed economic numbers in the United States.

### 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 – Disappointing news are adding up in the United States



Sources: U.S. Census Bureau, Federal Reserve Board 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 © 2014, Desjardins Group. All rights reserved.

## KEY STATISTICS OF THE WEEK

### UNITED STATES

- Industrial production fell 0.3% in January after December's 0.3% jump. Manufacturing production fell by 0.8%. This is the largest drop since May 2009, and seems to have been caused by the harsh weather conditions. However, the weather prompted a jump by energy production, which rose 4.1%. Mining sector activity fell 0.9%. Several manufacturing sectors were hard hit, including automobile production, which slid 5.0%.
- Retail sales dropped 0.4% in January after ticking down 0.1% in December. Auto sales fell 2.1% after posting a similar 1.8% retreat in December. Excluding automobiles, sales were stable, boosted by a 1.1% gain in service station sales. Excluding these two components, there was still a 0.2% drop, the first contraction since February 2013. In addition to motor vehicles, several other retail categories posted flagging sales, such as department stores, leisure goods stores, clothing boutiques, furniture stores and food services. In many of these cases, the harsh weather could have reduced traffic. Nonstore retailers posted an unusual monthly drop of 0.6%.
- The University of Michigan confidence index was stable at 81.2 between January's final version and February's preliminary one. However, its components have moved, with current conditions falling from 96.8 to 94.0 and household expectations rising from 71.2 to 73.0, their highest point since August.

**Francis Généreux**  
Senior Economist

### CANADA

- Canadian manufacturing sales slipped 0.9% in December, performing sharply below expectations. Real manufacturing sales fell 1.9%, while inventories dropped 0.5%. Yet, not all is lost for the coming months. For one thing, data on manufacturing sales is very volatile and the previous months stood out with significant growth in sales. In fact, even after December's dip, sales volume was up 1.0% for the fourth quarter of 2013. For another, new orders also grew sharply in December (+3.8% in real terms), something that should support activity in the manufacturing sector in the coming months.
- Housing starts went from 187,144 units in December to 180,248 units in January. Most provinces recorded pullbacks in January, including Quebec, which fell 18.3% (down to 32,300 units from the previous 39,500 units). This is the third monthly drop in a row for housing starts in Canada as a whole.
- Existing home sales slid 3.3% in January. This is the fifth monthly contraction in a row, confirming even more the onset of a downtrend in the housing market. However, the average price continued to rise, going up 0.3 % in December.
- With the 2014 budget tabled last Tuesday, the federal Department of Finance continues to expect to balance the budget in 2015–2016. The target date could even be moved up a year if the amounts allocated for risk are not needed. To hit the target, the federal government is relying on tight control of program spending, which should even decline 0.4% in 2014–2015. Among other things, the measures introduced in the 2014 budget will help save \$2.1B in 2014–2015, for a total of nearly \$10B over six years. In this context, the new expenditures and investments put forward are, of course, quite small. Still, funds have been earmarked for infrastructures, research and workforce training.

**Benoit P. Durocher**  
Senior Economist

# FINANCIAL MARKETS

## Janet Yellen reassures investors

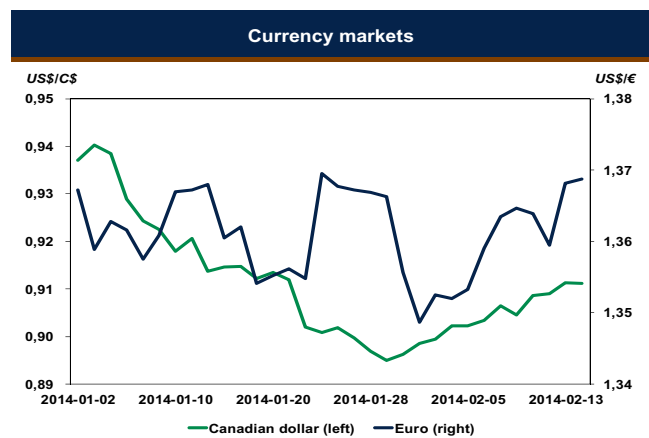
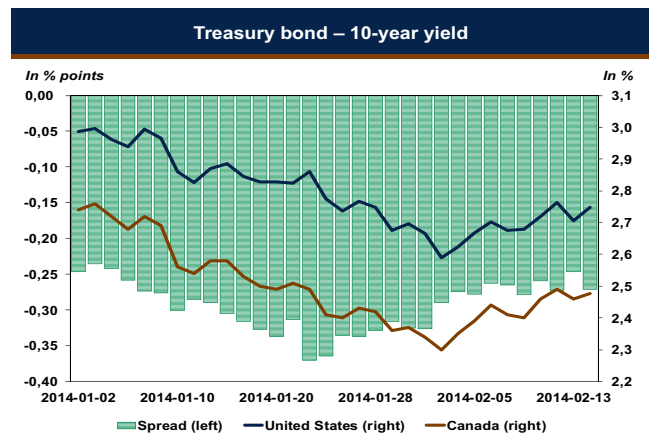
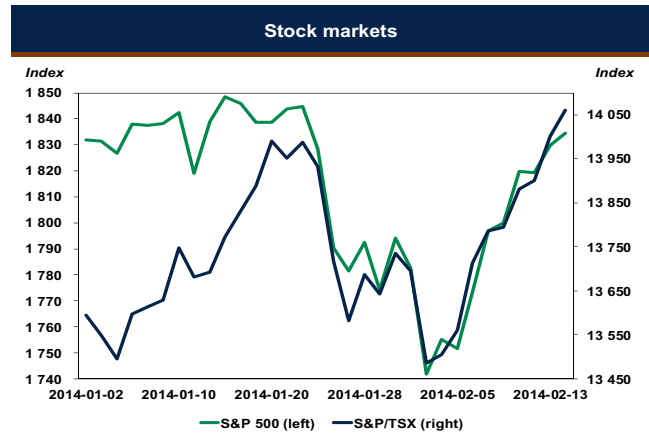
The week got off to a good start, with markets welcoming Tuesday's remarks by new Federal Reserve (Fed) Chair Janet Yellen, who reiterated her commitment to support the economy when she testified before the House of Representatives. Congress's vote to suspend the debt ceiling until March 2015 was also well received. Despite Thursday's disappointing U.S. retail sales figures, the S&P 500 index managed to post a 0.6% rise during that session. It held onto this gain Friday morning, despite another disappointing statistic on industrial production. The Canadian stock market was poised to make a ninth straight gain on Friday, boosted by West Texas Intermediate crude oil prices, which briefly crept above US\$100.

The drop in risk aversion hurt bonds, with yields taking an upward trajectory that brought 10-year yields to 2.78% on Thursday. Still, disappointing retail sales and industrial output reversed the trend and, on Friday morning, the 10-year yield was hovering close to 2.75%. The spread between Canadian and U.S. 2-year yields widened past 70 basis points for the first time since the start of the year, in conjunction with the drop in expectations of monetary easing. The federal government budget tabled Tuesday also contained C\$95B in gross bond issues for the coming fiscal year, as well as a bias towards issuing long-term bonds.

Disappointing economic figures in the United States and the sense that the Fed will not be in a rush to raise its key rates hurt the U.S. dollar. The pound stood out, gaining three cents to hit a nearly 3-year peak at US\$1.67. The Bank of England amended the conduct of its monetary policy by putting less weight on the unemployment rate, but this has not convinced investors to push back their monetary firming expectations. The euro dropped below US\$1.36 on some disappointment from industrial output, but ended the week close to US\$1.37 in response to better-than-anticipated economic growth. The Canadian dollar edged up on the greenback's weakness. It was trading at around US\$0.91 on Friday.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



# A LOOK AHEAD



## UNITED STATES

### Tuesday Feb. 18 - 8:30

<b>January</b>	ann. rate
Consensus	950,000
Desjardins	990,000
<b>December</b>	<b>999,000</b>

**Housing starts (January)** – After November’s big jump, it was no surprise that housing starts pulled back in December, going from 1,107,000 to 999,000 units. The retreat by building permits to 991,000 units in December and the cold weather at the start of the month suggest that housing starts will fall further. However, the 13,200 homebuilding jobs created in January point to another rise. We therefore expect housing starts to remain fairly stable, at 990,000 units. Building permits should increase to 1,005,000 units.

### Thursday Feb. 20 - 8:30

<b>January</b>	m/m
Consensus	0.1%
Desjardins	0.0%
<b>December</b>	<b>0.3%</b>

**Consumer price index (January)** – In December, the consumer price index (CPI) posted its biggest monthly increase since June, a gain that largely stems from higher energy prices, including gas, after several months of weakness. We expect gas prices to make a negative contribution to total CPI growth in January: while prices at the pump edged up in January (+1.4%), this is a much smaller increase than normally observed during this month (+3.4%). Seasonal adjustments will therefore cause gas prices to drop. However, we expect food prices to begin climbing more quickly, given the ongoing drought in California. These two factors should cancel each other out. Excluding food and energy, price growth should remain slow, like the 0.1% growth observed in December. All in all, the CPI should be stable, leaving its annual change at 1.5% (although base effects should slow it down as of February). Inflation excluding food and energy will go from 1.7% to 1.6%. Note that the revisions to the CPI will be done two days before, on Tuesday.

### Thursday Feb. 20 - 10:00

<b>January</b>	m/m
Consensus	0.4%
Desjardins	0.5%
<b>December</b>	<b>0.1%</b>

**Leading indicator (January)** – Rising jobless claims in December and the drop in building permits issued prompted the leading indicator to slow. However, it should bounce back as of January. The retreat by jobless claims and the ongoing wide spread between key rates and bond yields will both make good contributions to growth by the leading indicator. However, these effects will be partly offset by the low hours worked and the drop by the new orders component of the ISM manufacturing index. Overall, we expect the leading indicator to rise 0.5%.

### Friday Feb. 21 - 10:00

<b>January</b>	ann. rate
Consensus	4,700,000
Desjardins	4,600,000
<b>December</b>	<b>4,870,000</b>

**Existing home sales (January)** – After four straight months with no growth, existing home sales advanced 1.0% in December, despite the harsh weather. Resales apparently had some trouble in January, however. The 8.6% drop by pending resales is the largest since May 2010, when a U.S. federal government assistance program came to an end. Weak mortgage applications in view of a purchase in December and January also suggest that resales are down, reflecting the new rise by interest rates that took place at the end of the fall. We therefore expect annualized home resales to slide to 4,600,000 units, with a risk of a sharper contraction.



## CANADA

### Wednesday Feb. 19 - 8:30

<b>December</b>	m/m
Consensus	-0.2%
Desjardins	0.6%
<b>November</b>	<b>0.0%</b>

**Wholesale trade (December)** – Since the start of 2013, retail sales have grown 5.5%, an improvement that favours an uptrend by wholesalers’ sales. What’s more, the international market seems to have been good for some wholesalers in December, as exports of industrial machinery, equipment and parts, electronic and electrical equipment and parts, aviation products and consumer goods rose substantially over the month. The impact of the poor weather in some parts of the country on results for wholesalers remains to be seen.

**Consumer price index (January)** – According to weekly surveys at the pumps, regular gas prices were almost flat in January. As for seasonal effects, these are generally quite low for January, so the monthly change to the total consumer price index (CPI) will most likely be quite close to its trend. A 0.1% rise by total CPI, as well as the Bank of Canada's core index (CPIX), is therefore expected for January. The total annual inflation rate could go from 1.2% to 1.3%.

**Retail sales (December)** – On a seasonally adjusted basis, the consumer price index of goods rose 0.4% in December, a situation that should help boost the value of retail sales that month. Moreover, the trend for retail trade has been fairly good for several months, with the recent acceleration by income growth and employment that is still notching up. However, the interim numbers show that new motor vehicle sales plunged in December. Also, the tough weather in some parts of the country may have kept consumers at home, thus reducing their purchases. All in all, retail sales are expected to post a slight uptick.



## OVERSEAS

**Japan: Real GDP (Q4)** – After several quarters of very good growth, Japan's economy was a little slower in summer 2013. We could see another modest result for the fourth quarter, as several Japanese indicators have been rather mixed. For example, the trade balance deteriorated over the final months of 2013, especially in nominal terms. Nevertheless, the consensus is calling for fairly good quarterly growth, at 0.7%. A gain like this would put the annual change in Japan's real GDP at 1.6% for 2013, a percentage that is in line with our scenarios.

### Friday Feb. 21 - 8:30

<b>January</b>	m/m
Consensus	0.1%
Desjardins	0.1%
<b>December</b>	<b>-0.2%</b>

### Friday Feb. 21 - 8:30


<b>December</b>	m/m
Consensus	-0.5%
Desjardins	0.3%
<b>November</b>	<b>0.6%</b>


### Sunday Feb. 16 - 18:50

<b>Q4 2013</b>	q/q
Consensus	0.7%
<b>Q3 2013</b>	<b>0.3%</b>

# ECONOMIC INDICATORS


## Week of February 17 to 21, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 17</b>	---	---				
<b>TUESDAY 18</b>	8:30	Empire manufacturing index	Feb.	9.00	7.5	12.51
	9:00	Net foreign security purchases (US\$B)	Dec.	30.0	n/a	-29.3
	10:00	NAHB housing market index	Feb.	56	n/a	56
<b>WEDNESDAY 19</b>	8:30	Producer price index				
		Total (m/m)	Jan.	n/a	0.0%	0.4%
		Excluding food and energy (m/m)	Jan.	n/a	0.2%	0.3%
	8:30	Housing starts (ann. rate)	Jan.	950,000	990,000	999,000
	8:30	Building permits (ann. rate)	Jan.	975,000	1,005,000	991,000
	12:15	Speech of the Atlanta Fed President, D. Lockhart				
	13:00	Speech of the St. Louis Fed President, J. Bullard				
	14:00	Release minutes from January 28-29 FOMC meeting				
	19:00	Speech of the San Francisco Fed President, J. Williams				
<b>THURSDAY 20</b>	8:30	Initial unemployment claims	Feb. 10-14	334,000	330,000	339,000
	8:30	Consumer price index				
		Total (m/m)	Jan.	0.1%	0.0%	0.3%
		Excluding food and energy (m/m)	Jan.	0.1%	0.1%	0.1%
		Total (y/y)	Jan.	1.6%	1.5%	1.5%
		Excluding food and energy (y/y)	Jan.	1.6%	1.6%	1.7%
	10:00	Leading indicator (m/m)	Jan.	0.4%	0.5%	0.1%
	10:00	Philadelphia Fed index	Feb.	9.0	7.5	9.4
<b>FRIDAY 21</b>	10:00	Existing home sales (ann. rate)	Jan.	4,700,000	4,600,000	4,870,000
	13:10	Speech of the St. Louis Fed President, J. Bullard				
	13:45	Speech of the Dallas Fed President, R. Fisher				
<b>CANADA</b>						
<b>MONDAY 17</b>	---	Markets closed (Family Day in Ontario)				
<b>TUESDAY 18</b>	8:30	International transactions in securities (\$B)	Dec.	n/a	4.00	8.66
<b>WEDNESDAY 19</b>	8:30	Wholesale sales (m/m)	Dec.	-0.2%	0.6%	0.0%
	8:30	Wholesale inventories (m/m)	Dec.	n/a	-0.1%	-0.3%
<b>THURSDAY 20</b>	---	---				
<b>FRIDAY 21</b>	8:30	Consumer price index				
		Total (m/m)	Jan.	0.1%	0.1%	-0.2%
		Excluding 8 most volatile (m/m)	Jan.	0.1%	0.1%	-0.4%
		Total (y/y)	Jan.	1.3%	1.3%	1.2%
		Excluding 8 most volatile (y/y)	Jan.	1.3%	1.3%	1.3%
	8:30	Retail sales				
		Total (m/m)	Dec.	-0.5%	0.3%	0.6%
		Excluding automobiles (m/m)	Dec.	0.1%	0.5%	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. (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 17 to 21, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 <b>OVERSEAS</b>								
<b>SUNDAY 16</b>								
Japan	18:50	Real GDP – preliminary	Q4	0.7%		0.3%		
Japan	23:30	Industrial production – final	Dec.	n/a	n/a	1.1%	7.3%	
<b>MONDAY 17</b>								
Japan	---	Bank of Japan meeting						
Italy	5:00	Current account (€M)	Dec.	n/a		2,828		
<b>TUESDAY 18</b>								
Euro zone	4:00	Current account (€B)	Dec.	n/a		23.5		
Italy	4:00	Trade balance (€M)	Dec.	n/a		3,091		
United Kingdom	4:30	Consumer price index	Jan.	-0.5%	2.0%	0.4%	2.0%	
United Kingdom	4:30	Producer price index	Jan.	0.0%	0.7%	0.0%	1.0%	
Germany	5:00	ZEW survey – Current situation	Feb.	44.0		41.2		
Germany	5:00	ZEW survey – Expectations	Feb.	61.5		61.7		
Japan	23:30	All industry activity index	Dec.	0.1%		0.3%		
<b>WEDNESDAY 19</b>								
Japan	0:00	Leading indicator – final	Dec.	n/a		112.1		
Japan	0:00	Coincident indicator – final	Dec.	n/a		111.7		
Japan	0:00	Release of the Bank of Japan's Monthly Economic Report for February						
United Kingdom	4:30	Minutes of the Bank of England meeting						
United Kingdom	4:30	ILO unemployment rate	Dec.	7.1%		7.1%		
Euro zone	5:00	Construction	Dec.	n/a	n/a	-0.6%	-1.7%	
Japan	18:50	Trade balance (¥B)	Jan.	-1,520.0		-1,148.6		
<b>THURSDAY 20</b>								
Germany	2:00	Producer price index	Jan.	0.2%	-0.8%	0.1%	-0.5%	
France	2:45	Consumer price index	Jan.	-0.4%	0.8%	0.3%	0.7%	
France	3:00	PMI manufacturing index – preliminary	Feb.	49.5		49.3		
France	3:00	PMI services index – preliminary	Feb.	49.3		48.9		
Germany	3:30	PMI manufacturing index – preliminary	Feb.	56.3		56.5		
Germany	3:30	PMI services index – preliminary	Feb.	53.4		53.1		
Euro zone	4:00	PMI composite index – preliminary	Feb.	53.1		52.9		
Euro zone	4:00	PMI manufacturing index – preliminary	Feb.	54.0		54.0		
Euro zone	4:00	PMI services index – preliminary	Feb.	51.9		51.6		
Italy	4:00	Factory orders	Dec.	n/a	n/a	2.3%	3.0%	
Euro zone	10:00	Consumer confidence – preliminary	Feb.	-11.0		-11.7		
<b>FRIDAY 21</b>								
United Kingdom	4:30	Retail sales	Jan.	-1.2%	5.0%	2.8%	6.1%	

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 Q4	107.1	3.2	1.7	0.6	1.5	0.5	3.3
Unit labor cost (2009 = 100)	2013 Q4	102.6	-1.6	-1.3	1.0	1.2	2.0	-1.2
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)	Jan.	51.3	56.5	56.6	54.9	52.3
ISM non-manufacturing index (1)	Jan.	54.0	53.0	55.1	55.9	54.9
Cons. confidence Conf. Board (1985 = 100) (1)	Jan.	80.7	77.5	72.4	81.0	58.4
Cons. confidence Michigan (1966 = 100) (1)	Feb.*	81.2	81.2	75.1	82.1	77.6
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)	Dec.*	3,106	0.6	1.6	3.1	6.2
Retail sales (\$M)	Jan.*	427,829	-0.4	-0.3	0.6	2.6
Excluding automobiles (\$M)	Jan.*	347,740	-0.0	0.1	0.9	2.2
Industrial production (2007 = 100)	Jan.*	101.0	-0.3	0.6	2.0	2.9
Production capacity utilization rate (%) (1)	Jan.*	78.5	78.9	78.4	77.7	77.7
New machinery orders (\$M)	Dec.	489,171	-1.5	-0.4	-1.6	0.8
New durable good orders (\$M)	Dec.	229,987	-4.2	-2.2	-5.9	0.4
Business inventories (\$B)	Dec.*	1,708	0.5	1.7	3.1	4.4
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)	Dec.	930.5	0.1	1.5	3.7	5.3
Commercial surplus (\$M) (1)	Dec.	-38,701	-34,558	-42,714	-34,383	-38,307
Nonfarm employment (K) (2)	Jan.	137,499	113.0	462.0	1,065	2,238
Unemployment rate (%) (1)	Jan.	6.6	6.7	7.2	7.3	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.	197.7	0.4	0.4	0.5	1.3
Excluding food and energy	Dec.	186.2	0.3	0.4	0.6	1.4
Export prices (2000 = 100)	Jan.*	132.5	0.2	0.7	-0.1	-1.2
Import prices (2000 = 100)	Jan.*	138.0	0.1	-0.6	-0.6	-1.5

\* 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)	Dec.*	49,870	-0.9	0.5	2.4	2.7
Housing starts (K) (1)	Jan.*	180.2	187.1	201.2	198.6	155.3
Building permits (\$M)	Dec.	6,482	-4.1	-3.2	-2.1	12.8
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)	Dec.	-1,658	-1,534	-157.2	57.0	-16.1
Exports (\$M)	Dec.	39,723	0.9	-2.8	-0.5	2.9
Imports (\$M)	Dec.	41,381	1.2	0.9	3.8	7.1
Employment (K) (2)	Jan.	17,797	29.4	3.5	15.3	12.2
Unemployment rate (%) (1)	Jan.	7.0	7.2	7.0	7.2	7.0
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)	Dec.	109.1	0.7	0.4	0.6	1.4
Raw materials price (2002 = 100)	Dec.	112.5	1.9	-5.5	-1.2	2.1
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 (%)		
	Feb. 14	Feb. 7	-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	0.03	0.08	0.05	0.08	0.05	0.10	0.14	0.05	0.00
Treasury bonds – 2 years	0.32	0.30	0.38	0.29	0.35	0.28	0.51	0.31	0.20
– 5 years	1.53	1.46	1.63	1.35	1.56	0.87	1.83	1.26	0.65
– 10 years	2.75	2.68	2.83	2.71	2.82	2.01	3.01	2.45	1.63
– 30 years	3.70	3.67	3.76	3.80	3.85	3.18	3.95	3.53	2.83
S&P 500 index	1,834	1,797	1,839	1,798	1,656	1,520	1,848	1,685	1,488
DJIA index	16,094	15,794	16,459	15,962	15,081	13,982	16,577	15,310	13,784
Gold price (US\$/ounce)	1,316	1,263	1,252	1,288	1,368	1,606	1,614	1,357	1,196
CRB index	292.75	289.78	278.41	274.34	292.49	298.45	298.45	285.29	272.29
WTI oil (US\$/barrel)	100.08	99.98	93.95	93.80	107.57	95.95	110.62	98.06	86.65
<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	0.88	0.88	0.89	0.94	0.99	0.95	1.03	0.96	0.88
Treasury bonds – 2 years	1.01	0.98	1.02	1.12	1.22	1.13	1.31	1.09	0.92
– 5 years	1.66	1.60	1.70	1.78	1.96	1.48	2.17	1.66	1.15
– 10 years	2.48	2.41	2.50	2.56	2.71	2.02	2.82	2.34	1.67
– 30 years	3.06	3.01	3.07	3.12	3.18	2.63	3.28	2.90	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	0.85	0.80	0.84	0.86	0.94	0.85	0.99	0.91	0.78
Treasury bonds – 2 years	0.70	0.68	0.64	0.83	0.87	0.85	0.92	0.78	0.61
– 5 years	0.13	0.14	0.07	0.43	0.40	0.61	0.61	0.40	-0.02
– 10 years	-0.27	-0.27	-0.33	-0.15	-0.11	0.01	0.06	-0.11	-0.37
– 30 years	-0.64	-0.66	-0.69	-0.68	-0.67	-0.55	-0.48	-0.63	-0.74
S&P/TSX index	14,061	13,787	13,888	13,483	12,737	12,687	14,061	12,882	11,837
Exchange rate (C\$/US\$)	1.0976	1.1033	1.0962	1.0440	1.0337	1.0064	1.1173	1.0424	0.9111
Exchange rate (C\$/€)	1.5020	1.5043	1.4844	1.4089	1.3778	1.3448	1.5266	1.3887	1.2470
<b>Overseas</b>									
ECB – Refinancing rate	0.25	0.25	0.25	0.25	0.50	0.75	0.75	0.49	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	1.68	1.66	1.76	1.71	1.87	1.64	2.02	1.65	1.19
U.K.: Bonds – 10 years	2.80	2.71	2.83	2.75	2.88	2.19	3.07	2.47	1.62
Euro: Exchange rate (US\$/€)	1.3687	1.3635	1.3541	1.3496	1.3330	1.3364	1.3805	1.3318	1.2781
U.K.: Exchange rate (US\$/£)	1.6726	1.6412	1.6425	1.6122	1.5630	1.5518	1.6726	1.5724	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.