

Geopolitical concerns remain lively

HIGHLIGHTS

- U.S. retail sales post a modest rebound.
- Canada: Household debt remains flat.
- Canada: Housing starts rose in February.

A LOOK AHEAD

- The Federal Reserve should maintain the pace of its tapering.
- United States: Industrial production is forecast to tick up.
- Inflation should slide in the United States.
- U.S. housing starts should rebound slightly.
- Canada: The annual inflation rate will fall close to the bottom of the target range.
- Canada: Sales by retailers and wholesalers could bounce back in January.
- Canada: The drop in exports should hurt manufacturing sales.

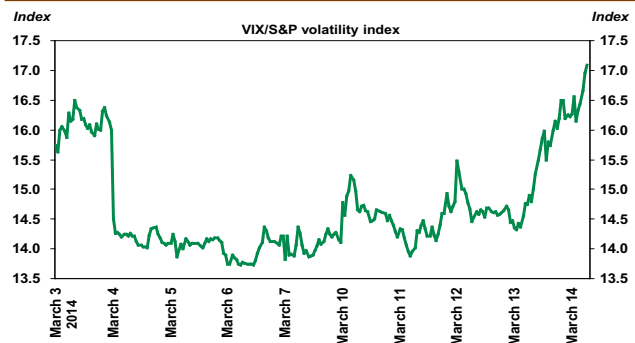
FINANCIAL MARKETS

- The resurgence of tensions in Ukraine scares investors.
- Yields drop, completely wiping out the previous week's rise.
- The euro closed in on US\$1.40, a peak that dates back to October 2011.

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Graph of the week – Tensions in Ukraine and fears about China boost investor anxiety



Sources: Chicago Board of Trade and Desjardins, Economic Studies

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KEY STATISTICS OF THE WEEK

UNITED STATES

- Retail sales rose 0.3% in February after falling 0.6% in January and 0.3% in December. Auto sales are up 0.3% after January's 2.2% drop. Excluding automobiles, sales also increased 0.3%. In addition to motor vehicles, several other retail categories are showing sales on the rise, with the strongest growth coming from leisure goods stores, drug stores and nonstore retailers. Gas station sales ticked up 0.1%. Excluding autos and gas, sales went up 0.3% in February after January's 0.5% slide. This winter was a tough one for retailers. The downside changes to data on monthly fluctuations in sales ex-autos and gas (from +0.1% to -0.1% for December and from -0.2% to -0.5% for January) indicate that the problems were bigger than initially thought. Under these circumstances, February's 0.3% gain is good news. The rise is a little stronger than the forecast consensus and the data was gathered when the weather was still relatively poor.
- The initial version of the University of Michigan's consumer confidence index for March edged down from 81.6 to 79.9. The pullback essentially stems from consumer expectations (72.7 to 69.4), which fell to their lowest point since November. Consumers' current conditions component went up from 95.4 to 96.1.
- Business inventories rose 0.4% in January. The rise was partially triggered by a 0.9% tumble in sales, for which January's harsh weather is also responsible. As the inventory increase recorded in January is lower than the average gain posted for the fourth quarter of 2013, inventories contribution to real GDP for Q1 could be negative.

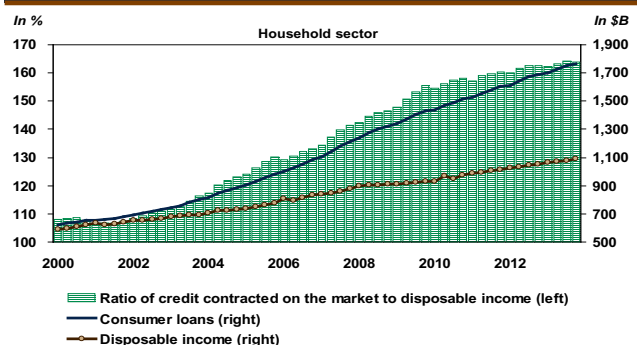
Francis Généreux
Senior Economist

CANADA

- The ratio of household debt contracted in the credit market to disposable income has edged down, going from 164.20% to 163.97%. This ratio has been nearly stable for more than a year now, with slight quarterly upticks and dips alternating. For lack of improving, consumers' financial position seems to have stabilized. This is a step in the right direction, of course, but the fact is that household debt loads are still at a record high, leaving the concerns about this issue as large as ever.
- Housing starts went from 180,500 units in January to 192,100 units in February. Much of the improvement comes from starts in the multi-unit housing sector in urban areas, climbing towards their trend of recent months. Quebec saw a particularly big increase: the number of housing starts rose to 51,600 units, a peak that dates back nearly a year and a half. That being said, the downtrend that has been noted for Canada as a whole in the last few months should reassert itself as of next month.
- Due to a large rise by industrial production, the industrial capacity utilization rate went to 82.0% in Q4 2013 from 81.2% the previous quarter. This puts the utilization rate just 0.5 points away from its historic average, meaning that some of the excess production capacity has been absorbed. Mining is the industry with the largest ongoing distance from its average, with a utilization rate of 63.2% at the end of 2013.

Benoit P. Durocher
Senior Economist

Canada – The household debt ratio fell slightly at the end of 2013



Sources: Statistics Canada and Desjardins, Economic Studies

FINANCIAL MARKETS

Concerns return to the markets

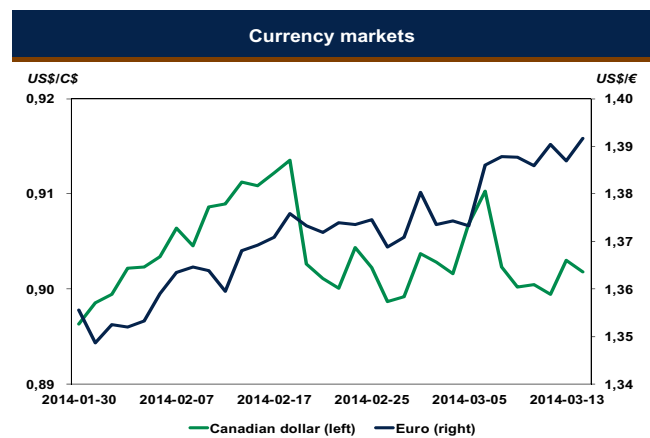
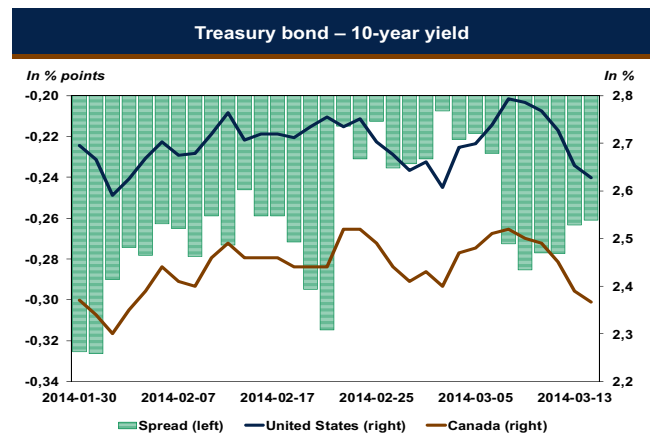
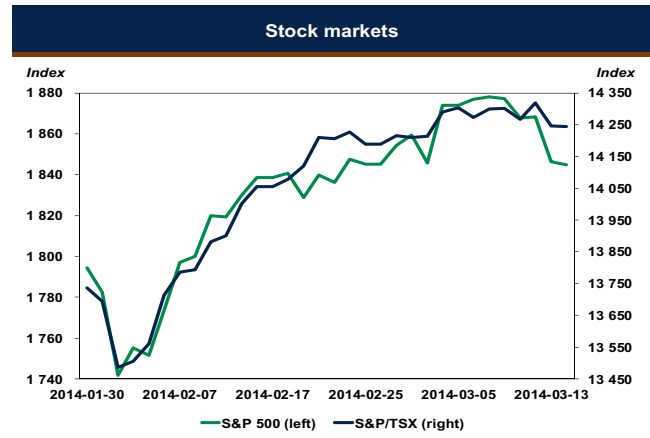
The early part of the week was relatively quiet, with little economic data on the menu in the United States and fairly small trading volumes in markets. The S&P 500 ticked down from Monday to Wednesday, as some economic news from China continued to fuel some concern. Although U.S. retail sales figures came in just above expectations on Thursday, stock markets fell more than 1.0%, as Russia began to deploy troops along Ukraine’s border. The fact that the action occurred just before a referendum on the annexation of Crimea to Russia boosted fears. Against this backdrop, the VIX volatility index went over 16 points for the first time since the start of the month.

After closing in on 2.80% last week, U.S. 10-year bond yields pull back slightly from Monday to Wednesday. Upheaval in Ukraine, however, triggered an 8.5 basis point tumble on Thursday alone. Friday morning, the yield was oscillating a few basis points above 2.60%. Although there were little fundamental drivers in Canada, Canadian bonds outperformed U.S. bonds from Monday to Wednesday. The upswing in risk aversion then reversed the trend, favouring U.S. securities on Thursday. Friday morning, short-term spreads once again neared the level at which they started the week.

Currencies were more volatile in the second part of the week. The euro got a boost from a few good figures released mid-week and rose to US\$1.3967, a peak that dates back to October 2011. Tensions between Ukraine and Russia also seem to be benefiting the euro a little more, due to its role as a safe-haven security in countries surrounding the euro zone. The U.S. dollar nonetheless recouped some of its losses during Thursday’s session, helped by an upswing in fears on China. The yen also rose, with the exchange rate nearing ¥101/US\$ Friday morning. The Canadian dollar edged up Thursday and was holding above US\$0.90 on Friday.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Monday March 17 - 9:15

February	m/m
Consensus	0.2%
Desjardins	0.3%
January	-0.3%

Industrial production (February) – Industrial and manufacturing production dropped by 0.3% and 0.8% respectively, much more than anticipated. As with many indicators that focus on the start of the year, we can blame the bad weather for sapping January’s industrial output. On the other hand, the colder than usual weather boosted energy production, which rose 4.1%. Although the weather was not that warm in February, we can expect heating demand to slide from January. In contrast, manufacturing output is not expected to rebound, as hours worked were still declining in February. Manufacturing is forecast to stagnate, although resource production is expected to post a solid rise. All in all, therefore, industrial production is projected to gain 0.3%, which would take the industrial capacity utilization rate to 78.6%. The New York and Philadelphia Fed regional manufacturing indexes will be released on Monday and Thursday respectively, giving us a first glimpse of manufacturing’s strength in March.

Tuesday March 18 - 8:30

February	m/m
Consensus	0.1%
Desjardins	0.1%
January	0.1%

Consumer price index (March) – Following December’s 0.2% gain, the monthly change in the consumer price index (CPI) dropped back to 0.1% in January. Motor vehicle and food prices fell and a pullback in gas prices partially offset the rise in electricity and natural gas prices. A similar outcome is expected for February. The seasonally adjusted monthly change in gas prices should show another decline. As in January, we are forecasting a 0.1% rise in both the total CPI and the CPI that excludes food and energy. Due to the base effects that remove February 2013’s monthly 0.6% increase from the total CPI, its annual change should drop from 1.6% to 1.1%. The annual change in the CPI that excludes food and energy should be flat at 1.6%.

Tuesday March 18 - 8:30

February	ann. rate
Consensus	910,000
Desjardins	950,000
January	880,000

Housing starts (February) – January’s 16.0% tumble in housing starts obviously results from the bad weather that afflicted the United States, particularly the Midwest, where new construction plunged 67.7%. February is expected to post a rebound but, as that month also saw its share of bad weather, the forecast increase will not bring housing starts back to where they were in December, at more than a million units. A smaller rise to 950,000 is anticipated, close to the number of building permits issued the previous month. On Monday, it will be interesting to see whether homebuilder confidence, calculated by the NAHB index, climbs in March after February’s drop.

Wednesday March 19 - 14:00

March	
Consensus	0.25%
Desjardins	0.25%
January 29	0.25%

Federal Reserve meeting (March) – This will be the first Federal Reserve (Fed) monetary policy committee meeting in the Janet Yellen era. The Fed’s new chair should not make any big changes to the stance, given that she was a major force in the meetings once chaired by Ben Bernanke. Janet Yellen’s recent speeches to Congress do not point to a change of heading either. The Fed should, of course, stress the fact that a number of indicators have been soft lately but will simultaneously blame the weather by signalling that these poor performances should be ephemeral. Here, the Fed should not deviate from the tapering process started in December; another US\$10B cut to securities purchases is anticipated, consisting of a drop of US\$5B in Treasuries purchases and US\$5B in mortgage-backed securities, taking purchases to US\$55B in April. Along with the meeting, Janet Yellen will hold a press conference, and Fed leaders’ new economic projections will be released.

Leading indicator (February) – The leading indicator gained 0.3% in January after stagnating in December. The contribution from the drop in jobless claims combines with the drop in the interest rate spread and credit conditions. A slightly stronger 0.4% rise is anticipated for February. The acceleration will come from the forecast gain in building permits and less negative contributions from hours worked and the ISM index.

Existing home sales (February) – As augured by the drop in pending home sales, home resales tumbled in January. The 5.1% decline took resales to an annualized 4,620,000 units, their lowest point since June 2012. Pending sales were fairly stable in February, suggesting that resales will remain flat at 4,620,000 units. February's weak mortgage applications in view of a purchase point to a risk of another decline, however.


CANADA

Manufacturing sales (January) – The value of merchandise exports fell 2.6% in January excluding energy products. Major drops were noted in automotive products (-11.0%), aerospace products (-7.7%) and machinery and equipment (-2.1%). This does not augur too well for the manufacturing sector. What's more, movement by business non-residential investment is fairly disappointing in Canada, adding to the difficulties facing Canadian manufacturers. Under the circumstances, manufacturing sales are expected to slide in January.

Wholesale sales (January) – Sales by wholesalers posted a second straight pullback in December, dropping 1.4%. However, it is hard to tell what role December's harsh weather in some parts of the country may have played in the underperformance. January's results should answer the question. On the other hand, wholesale trade conditions are not very good, as non-energy exports retreated in January and retail sales had a tough year-end. All in all, wholesale sales are expected to show a slight upswing.

Retail sales (January) – On a seasonally adjusted basis, goods prices were nearly flat in January. Price movements should therefore not affect the value of retail sales for the month. According to the interim figures, the number of new motor vehicles sold ticked up in January, but the positive impact on the value of sales was likely wiped out by a downtick in new car prices. December's weather was difficult in some parts of the country; the size of the downside impact on December's results and, in particular, the magnitude of January's rebound due to activity getting back to normal remain to be seen. Under the circumstances, retail sales are forecast to rise in January, especially as consumer confidence is close to its historic average and income growth is fairly good.

Consumer price index (February) – According to the weekly surveys, gas prices rose an average of 2.1% in February. The gas component should therefore lead to a 0.1% rise in the total consumer price index (CPI). Added to that will be the seasonal price increase of about 0.3% usually seen at this time of year, particularly in clothing. If we also factor in inflation's underlying uptrend, February should end with the total CPI up by a monthly 0.6%. Despite the increase, the total annual inflation rate could go from 1.5% to 0.9%, as the impacts of the major increase recorded in February 2013 will drop out of the calculation. The annual change in the core index (CPIX) could slide to 1.1% from January's 1.4%.

Thursday March 20 - 10:00

February	m/m
Consensus	0.2%
Desjardins	0.4%
January	0.3%

Thursday March 20 - 10:00

February	ann. rate
Consensus	4,620,000
Desjardins	4,620,000
January	4,620,000

Tuesday March 18 - 8:30

January	m/m
Consensus	0.6%
Desjardins	-0.7%
December	-0.9%

Wednesday March 19 - 8:30

January	m/m
Consensus	1.0%
Desjardins	0.3%
December	-1.4%

Friday March 21 - 8:30

January	m/m
Consensus	0.8%
Desjardins	1.0%
December	-1.8%

Friday March 21 - 8:30

February	m/m
Consensus	0.6%
Desjardins	0.6%
January	0.3%



OVERSEAS




Tuesday March 18 - 6:00


January	€B
Consensus	13.9
December	13.7

Euro zone: Trade balance (January) – At the end of 2013, the improvement to Eurozone's trade balance was the main factor in real GDP growth. January's figures will tell us whether Europe's economy can bank on this factor again in early 2014. The trade balance had declined from November to December. In January, it improved in Germany but eroded in France, but these data include trade within the zone.

ECONOMIC INDICATORS


Week of March 17 to 21, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
 UNITED STATES						
MONDAY 17	8:30	Empire manufacturing index	March	6.25	8.0	4.48
	9:00	Net foreign security purchases (US\$B)	Jan.	30.0	n/a	-45.9
	9:15	Industrial production (m/m)	Feb.	0.2%	0.3%	-0.3%
	9:15	Production capacity utilization rates	Feb.	78.6%	78.6%	78.5%
	10:00	NAHB housing market index	March	50	n/a	46
TUESDAY 18	8:30	Consumer price index				
		Total (m/m)	Feb.	0.1%	0.1%	0.1%
		Excluding food and energy (m/m)	Feb.	0.1%	0.1%	0.1%
		Total (y/y)	Feb.	1.2%	1.1%	1.6%
		Excluding food and energy (y/y)	Feb.	1.6%	1.6%	1.6%
	8:30	Housing starts (ann. rate)	Feb.	910,000	950,000	880,000
	8:30	Building permits (ann. rate)	Feb.	960,000	990,000	945,000
WEDNESDAY 19	8:30	Current account (US\$B)	Q4	-88.0	-86.0	-94.8
	14:00	Federal Reserve meeting	March	0.25%	0.25%	0.25%
	14:30	Speech of the Federal Reserve Chair, J. Yellen				
THURSDAY 20	8:30	Initial unemployment claims	March 10-14	325,000	319,000	315,000
	10:00	Leading indicator (m/m)	Feb.	0.2%	0.4%	0.3%
	10:00	Philadelphia Fed index	March	4.0	3.5	-6.3
	10:00	Existing home sales (ann. rate)	Feb.	4,620,000	4,620,000	4,620,000
FRIDAY 21	11:45	Speech of the St. Louis Fed President, J. Bullard				
	13:45	Speech of the Dallas Fed President, R. Fisher				
	16:30	Speech of the Minneapolis Fed President, N. Kocherlakota				
	18:30	Speech of a Federal Reserve Governor, J. Stein				
 CANADA						
MONDAY 17	8:30	International transactions in securities (\$B)	Jan.	n/a	8.00	-4.28
	9:00	Existing home sales	Feb.			
TUESDAY 18	8:30	Manufacturing sales (m/m)	Jan.	0.6%	-0.7%	-0.9%
	11:55	Speech of the Bank of Canada Governor, S. Poloz				
WEDNESDAY 19	8:30	Wholesale sales (m/m)	Jan.	1.0%	0.3%	-1.4%
	8:30	Wholesale inventories (m/m)	Jan.	n/a	0.2%	0.4%
THURSDAY 20	---	---				
FRIDAY 21	8:30	Retail sales				
		Total (m/m)	Jan.	0.8%	1.0%	-1.8%
		Excluding automobiles (m/m)	Jan.	0.9%	1.0%	-1.4%
	8:30	Consumer price index				
		Total (m/m)	Feb.	0.6%	0.6%	0.3%
		Excluding 8 most volatile (m/m)	Feb.	0.5%	0.5%	0.2%
		Total (y/y)	Feb.	0.9%	0.9%	1.5%
		Excluding 8 most volatile (y/y)	Feb.	1.1%	1.1%	1.4%

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 Daylight Saving Time (GMT - 4 hours).  Forecast of Desjardins, Economic Studies of the Desjardins Group.

ECONOMIC INDICATORS

Week of March 17 to 21, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
MONDAY 17								
Euro zone	6:00	Consumer price index – final	Feb.	0.4%	0.8%	-1.1%	0.8%	
TUESDAY 18								
Italy	5:00	Trade balance (€M)	Jan.	n/a		3,618		
Euro zone	6:00	Trade balance (€B)	Jan.	13.9		13.7		
Germany	6:00	ZEW survey – Current situation	March	52.0		50.0		
Germany	6:00	ZEW survey – Expectations	March	52.0		55.7		
Japan	19:50	Merchandise trade balance (¥B)	Feb.	-893.6		-1,818.8		
WEDNESDAY 19								
Japan	0:30	All industry activity index	Jan.	1.2%		-0.1%		
Japan	1:00	Leading indicator – final	Jan.	n/a		112.2		
Japan	1:00	Coincident indicator – final	Jan.	n/a		114.8		
United Kingdom	5:30	Minutes of the Bank of England meeting						
United Kingdom	5:30	ILO unemployment rate	Jan.	7.2%		7.2%		
Euro zone	6:00	Construction	Jan.	n/a	n/a	0.9%	-0.2%	
Euro zone	6:00	Labour costs	Q4		n/a		1.0%	
THURSDAY 20								
Germany	3:00	Producer price index	Feb.	0.1%	-0.9%	-0.1%	-1.1%	
Switzerland	4:30	Swiss National Bank meeting	March	0.00%		0.00%		
Euro zone	5:00	Current account (€B)	Jan.	n/a		21.3		
Italy	6:00	Current account (€M)	Jan.	n/a		1,848		
FRIDAY 21								
France	3:45	Wages – final	Q4	0.2%		0.2%		
Italy	5:00	Factory orders	Jan.	n/a	n/a	-4.9%	1.9%	
Euro zone	11:00	Consumer confidence – preliminary	March	-12.3		-12.7		
Mexico	11:00	Bank of Mexico meeting	March	3.50%		3.50%		

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 Daylight Saving Time (GMT - 4 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	15,933	2.4	2.5	1.9	2.8	1.8	2.5
Consumption (2009 \$B)	2013 Q4	10,812	2.6	2.1	2.0	2.2	2.5	2.0
Government spending (2009 \$B)	2013 Q4	2,866	-5.5	-2.5	-2.3	-1.0	-3.2	0.1
Residential investment (2009 \$B)	2013 Q4	487.9	-8.8	6.6	12.1	12.9	0.5	-2.5
Non-residential investment (2009 \$B)	2013 Q4	2,030	7.3	3.0	2.8	7.3	7.6	2.5
Business inventory change (2009 \$B) (1)	2013 Q4	117.4	---	---	83.0	57.6	33.6	58.2
Exports (2009 \$B)	2013 Q4	2,064	9.4	4.9	2.7	3.5	7.1	11.5
Imports (2009 \$B)	2013 Q4	2,446	1.5	2.8	1.4	2.2	4.9	12.8
Final domestic demand (2009 \$B)	2013 Q4	16,180	1.2	1.5	1.5	2.4	1.8	1.5
GDP deflator (2009 = 100)	2013 Q4	107.1	1.6	1.4	1.4	1.7	2.0	1.2
Labor productivity (2009 = 100)	2013 Q4	106.7	1.8	1.3	0.5	1.5	0.5	3.3
Unit labor cost (2009 = 100)	2013 Q4	102.9	-0.1	-0.9	1.1	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)	Jan.	99.5	0.3	1.2	3.1	5.0
ISM manufacturing index (1)	Feb.	53.2	51.3	57.0	56.3	53.1
ISM non-manufacturing index (1)	Feb.	51.6	54.0	54.1	57.9	54.8
Cons. confidence Conf. Board (1985 = 100) (1)	Feb.	78.1	79.4	72.0	81.8	68.0
Cons. confidence Michigan (1966 = 100) (1)	March*	79.9	81.6	82.5	77.5	78.6
Personal consumption expenditure (2009 \$B)	Jan.	10,853	0.3	0.6	1.2	2.2
Disposable personal income (2009 \$B)	Jan.	11,738	0.3	0.1	0.8	2.8
Consumer credit (\$B)	Jan.*	3,112	0.4	1.2	2.9	5.8
Retail sales (\$M)	Feb.*	427,186	0.3	-0.7	0.2	1.5
Excluding automobiles (\$M)	Feb.*	347,220	0.3	0.1	0.8	1.3
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)	Jan.	483,047	-0.7	-1.2	-0.0	2.0
New durable good orders (\$M)	Jan.	224,989	-1.0	-3.7	0.2	4.6
Business inventories (\$B)	Jan.*	1,715	0.4	1.3	3.2	3.9
Housing starts (K) (1)	Jan.	880.0	1,048	899.0	891.0	898.0
Building permits (K) (1)	Jan.	945.0	991.0	1,039	954.0	915.0
New home sales (K) (1)	Jan.	468.0	427.0	452.0	373.0	458.0
Existing home sales (K) (1)	Jan.	4,620	4,870	5,130	5,380	4,870
Construction spending (\$B)	Jan.	943.1	0.1	2.2	4.5	9.3
Commercial surplus (\$M) (1)	Jan.	-39,095	-38,975	-39,770	-38,900	-42,139
Nonfarm employment (K) (2)	Feb.	137,699	175.0	388.0	1,063	2,158
Unemployment rate (%) (1)	Feb.	6.7	6.6	7.0	7.2	7.7
Consumer price (1982-1984 = 100)	Jan.	234.9	0.1	0.5	0.7	1.6
Excluding food and energy	Jan.	235.8	0.1	0.4	0.8	1.6
Personal cons. expenditure deflator (2009 = 100)	Jan.	107.9	0.1	0.3	0.6	1.2
Excluding food and energy	Jan.	106.6	0.1	0.3	0.6	1.1
Producer price (1982 = 100)	Feb.*	199.5	0.4	1.3	1.2	1.3
Excluding food and energy	Feb.*	187.4	0.1	0.9	1.1	1.7
Export prices (2000 = 100)	Feb.*	133.3	0.6	1.1	1.1	-1.3
Import prices (2000 = 100)	Feb.*	139.7	0.9	1.5	0.2	-1.1

* 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	2013	2012	2011	2010
Gross domestic product (2007 \$M)	2013 Q4	1,712,001	2.9	2.7	2.0	1.7	2.5	3.4
Household consumption (2007 \$M)	2013 Q4	954,859	3.1	2.5	2.2	1.9	2.3	3.5
Government consumption (2007 \$M)	2013 Q4	350,496	1.6	0.8	0.8	1.1	0.8	2.7
Residential investment (2007 \$M)	2013 Q4	112,607	-2.3	-0.0	-0.2	6.1	1.6	8.7
Non-residential investment (2007 \$M)	2013 Q4	183,760	-1.3	-0.2	1.4	6.2	11.1	14.5
Business inventory change (2007 \$M) (1)	2013 Q4	18,025	---	---	12,484	6,831	7,440	-452.0
Exports (2007 \$M)	2013 Q4	520,272	1.7	3.1	2.1	1.5	4.7	6.9
Imports (2007 \$M)	2013 Q4	558,571	0.9	1.3	1.1	3.1	5.7	13.6
Final domestic demand (2007 \$M)	2013 Q4	1,723,628	1.2	1.2	1.4	2.3	2.4	5.0
GDP deflator (2007 = 100)	2013 Q4	111.2	0.4	1.0	1.3	1.7	3.2	2.7
Labour productivity (2007 = 100)	2013 Q4	104.4	3.9	2.4	1.0	-0.0	0.9	1.8
Unit labour cost (2007 = 100)	2013 Q4	113.3	1.8	0.5	1.3	3.0	2.5	-0.4
Current account balance (\$M) (1)	2013 Q4	-16,009	---	---	-60,698	-62,215	-48,467	-58,419
Production capacity utilization rate (%) (1)	2013 Q4*	82.0	---	---	81.3	81.5	80.6	78.5
Disposable personal income (\$M)	2013 Q4	1,090,364	4.4	3.4	3.6	3.9	4.6	3.7
Corporate net operating surplus (2007 \$M)	2013 Q4	241,416	-1.7	2.9	-2.6	-4.9	11.3	31.6

* 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)	Dec.	1,600,084	-0.5	0.1	1.3	2.3
Industrial production (2007 \$M)	Dec.	342,479	-0.9	0.5	2.0	2.7
Manufacturing sales (\$M)	Dec.	49,870	-0.9	0.5	2.4	2.7
Housing starts (K) (1)	Feb.*	192.1	180.5	195.3	187.8	179.7
Building permits (\$M)	Jan.	6,987	8.5	-3.7	-13.6	21.9
Retail sales (\$M)	Dec.	40,187	-1.8	-1.5	0.3	3.4
Excluding automobiles (\$M)	Dec.	30,903	-1.4	-0.6	1.1	1.9
Wholesale trade sales (\$M)	Dec.	49,585	-1.4	-0.2	1.7	2.1
Commercial surplus (\$M) (1)	Jan.	-177.2	-921.5	-478.0	-1,003	-747.8
Exports (\$M)	Jan.	40,645	0.2	1.0	3.6	5.0
Imports (\$M)	Jan.	40,822	-1.6	0.2	1.4	3.5
Employment (K) (2)	Feb.	17,790	-7.0	-7.2	3.4	7.9
Unemployment rate (%) (1)	Feb.	7.0	7.0	6.9	7.1	7.0
Average weekly earnings (\$)	Dec.	933.4	0.9	2.1	2.1	2.9
Number of salaried employees (K) (2)	Dec.	15,463	-16.4	-0.7	20.7	12.9
Consumer price (2002 = 100)	Jan.	123.1	0.3	0.1	0.0	1.5
Excluding food and energy	Jan.	117.3	0.2	-0.4	0.2	1.2
Excluding 8 volatile items	Jan.	121.3	0.2	-0.2	0.2	1.4
Industrial product price (2002 = 100)	Jan.	110.5	1.4	2.2	1.9	2.3
Raw materials price (2002 = 100)	Jan.	115.4	2.6	0.2	-3.8	0.1
Money supply M1+ (\$M)	Jan.	735,642	1.5	3.5	5.6	9.9

* 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 (%)		
	Mar. 14	Mar. 7	-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	0.04	0.06	0.02	0.07	0.01	0.09	0.14	0.05	0.00
Treasury bonds – 2 years	0.33	0.37	0.32	0.32	0.44	0.25	0.51	0.32	0.20
– 5 years	1.51	1.64	1.53	1.53	1.70	0.84	1.83	1.31	0.65
– 10 years	2.63	2.79	2.72	2.87	2.89	2.00	3.01	2.51	1.63
– 30 years	3.57	3.72	3.69	3.88	3.85	3.23	3.95	3.57	2.83
S&P 500 index	1,845	1,878	1,839	1,775	1,688	1,561	1,878	1,710	1,542
DJIA index	16,081	16,453	16,154	15,755	15,376	14,514	16,577	15,469	14,421
Gold price (US\$/ounce)	1,385	1,336	1,317	1,236	1,317	1,593	1,614	1,338	1,196
CRB index	302.79	307.19	293.24	279.67	291.02	296.44	307.59	285.97	272.29
WTI oil (US\$/barrel)	98.94	102.82	100.31	96.26	108.31	93.49	110.62	98.78	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	0.82	0.82	0.88	0.93	0.98	0.96	1.03	0.95	0.81
Treasury bonds – 2 years	1.00	1.05	1.01	1.11	1.29	0.99	1.31	1.10	0.92
– 5 years	1.57	1.72	1.64	1.82	2.13	1.37	2.17	1.68	1.15
– 10 years	2.37	2.52	2.46	2.66	2.78	1.90	2.82	2.38	1.67
– 30 years	2.91	3.04	3.05	3.21	3.26	2.60	3.28	2.93	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	0.78	0.76	0.86	0.86	0.97	0.87	0.99	0.90	0.76
Treasury bonds – 2 years	0.67	0.68	0.69	0.79	0.85	0.74	0.92	0.78	0.61
– 5 years	0.06	0.08	0.11	0.29	0.43	0.53	0.58	0.37	-0.02
– 10 years	-0.26	-0.27	-0.26	-0.21	-0.11	-0.10	0.06	-0.13	-0.37
– 30 years	-0.66	-0.68	-0.64	-0.67	-0.59	-0.63	-0.48	-0.64	-0.74
S&P/TSX index	14,245	14,299	14,055	13,126	12,723	12,830	14,319	12,994	11,837
Exchange rate (C\$/US\$)	1.1089	1.1083	1.0979	1.0586	1.0352	1.0194	1.1173	1.0487	0.9018
Exchange rate (C\$/€)	1.5434	1.5381	1.5032	1.4548	1.3761	1.3329	1.5459	1.4028	1.2550
Overseas									
ECB – Refinancing rate	0.25	0.25	0.25	0.25	0.50	0.75	0.75	0.45	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	1.53	1.65	1.69	1.83	1.94	1.46	2.02	1.66	1.19
U.K.: Bonds – 10 years	2.65	2.79	2.80	2.90	2.93	1.94	3.07	2.52	1.62
Euro: Exchange rate (US\$/€)	1.3917	1.3878	1.3693	1.3743	1.3294	1.3076	1.3917	1.3371	1.2781
U.K.: Exchange rate (US\$/£)	1.6617	1.6713	1.6747	1.6299	1.5875	1.5116	1.6747	1.5844	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.