

## Americans gain confidence after a tough winter

### HIGHLIGHTS

- United States: The Conference Board's consumer confidence index hit its highest point since January 2008.
- United States: Real GDP growth for the fourth quarter was slightly revised upwards, to 2.6%.
- United States: Aviation drives up new durable goods orders.
- In February, new home sales retreated in the United States.

### A LOOK AHEAD

- Hires probably accelerated in March in the United States.
- United States: The ISM manufacturing and non-manufacturing indexes are forecast to increase.
- Canada: Real GDP by industry should bounce back in January.
- Canada: The labour market will see jobs created in March.

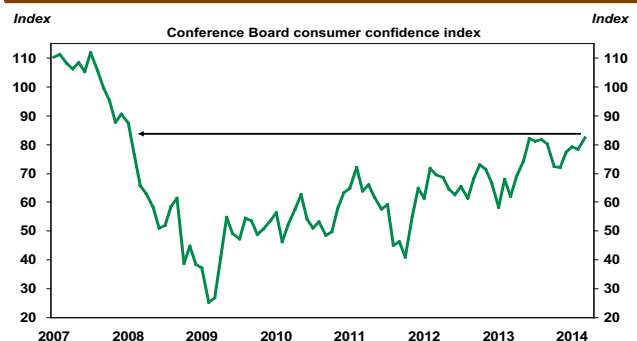
### FINANCIAL MARKETS

- Stock markets seesaw.
- The 10-year yield fails to hold at 2.75%.
- The Canadian dollar goes above US\$0.90.

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**Graph of the week – U.S. consumer confidence has risen to where it was at the start of the recession**



Sources: Conference Board 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

- Real consumption rose 0.2% in February, on the heels of January's 0.1% uptick (revised from 0.3%). If we take the 0.1% advance by the consumption expenditure deflator into account, nominal consumption rose 0.3%, the strongest upswing since November. Contrary to expectations, consumption of services did not tick down in response to the warmer weather. On the other hand, durable goods spending rose less than anticipated. Real disposable income went up 0.3% in February.
- Real GDP growth for Q4 2013 was revised upwards from the second to the third estimates. The first estimate had put growth at 3.2%. It then went to 2.4%, and is now at 2.6%. The rise was mainly triggered by contributions from consumption of services and construction.
- According to the Conference Board survey, consumer confidence improved in March. The four-point gain takes the index from 78.3 to 82.3, its highest level since the recession began in January 2008. The rise primarily stems from the consumer expectations component, which added seven points; the current situation index edged down.
- The S&P/Case-Shiller index of existing home prices in the 20 largest cities rose 0.8% in January, after going up 0.7% in December. The index's annual change went from 13.38% to 13.24%.
- Sales of new single-family homes fell 3.3% in February after jumping 3.2% in January. The weather once again seems to have had a big hand in the movement by sales: they plunged 32.4% in the Northeast, but went up 36.7% in the Midwest. The weakness of sales is more worrisome in the Western United States, where they retreated 15.9% in February and are down 27.5% in the last year.
- New durable goods orders gained 2.2% in February after dropping 1.3% in January. The advance mainly comes from a 15.2% rebound by aviation orders and a 3.6% jump by motor vehicle orders. With transportation excluded, new orders rose just 0.2%. New capital goods orders, excluding aviation and defence, retreated a disappointing 1.3%.

**Francis Généreux**  
Senior Economist

### CANADA

- Extraordinarily, no economic indicators were published this week.

**Benoit P. Durocher**  
Senior Economist

# FINANCIAL MARKETS

## Fears over the U.S. banking sector hurt the stock markets

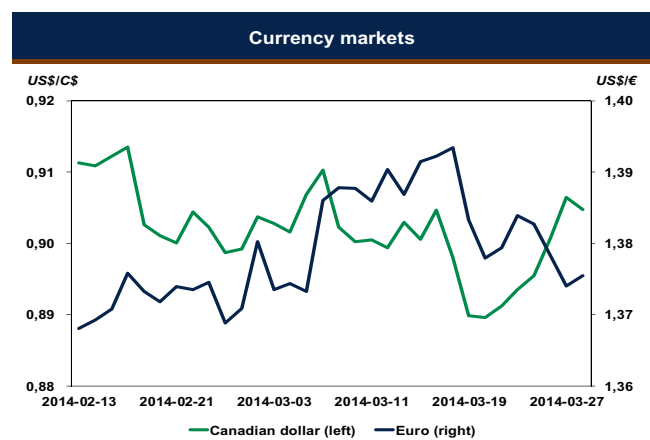
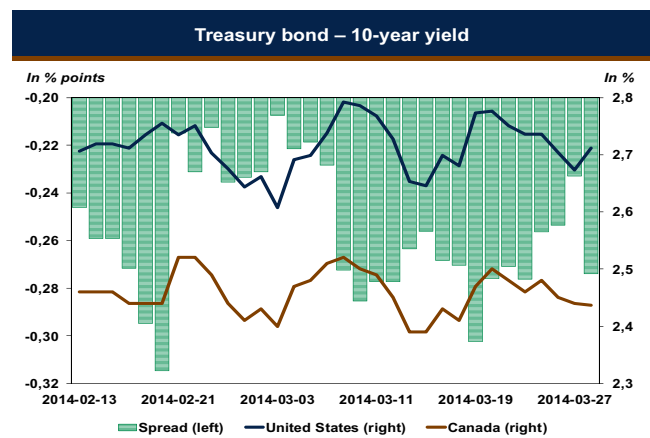
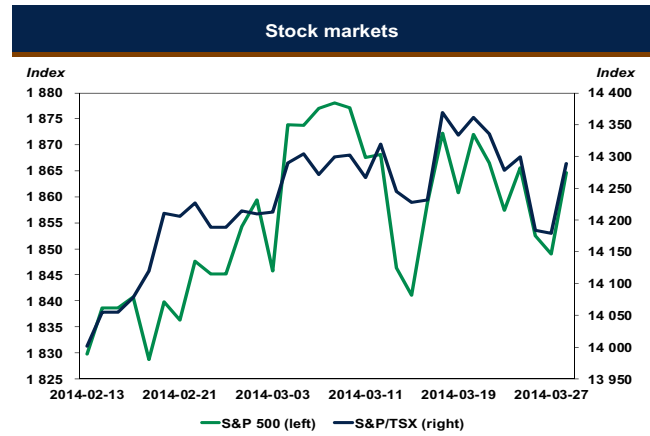
The markets had a hard time establishing a clear trend this week. After getting off to a nice start Monday and Tuesday, helped among other things by encouraging data on consumer confidence, the mood soured a little in the U.S. stock markets on Wednesday and Thursday on the somewhat disappointing numbers on capital goods orders, and the fact that five U.S. banks failed the Federal Reserve’s (Fed) annual stress tests. The S&P 500 still rebounded Friday morning, with the index closing in on where it was on Monday. The S&P/TSX also had a rough time this week, posting dips in almost every session. Materials and healthcare were the weakest performers.

Bonds were hesitant. After surging above 2.75% on the Fed’s optimistic remarks the previous week, the 10-year yield lost steam and oscillated around 2.70% towards the end of the week. The disappointing news on durable goods orders put negative pressure on yields, given the downside risks to investment growth in the first quarter. However, the 5-year yield managed to hold above 1.70% and the curve tended to flatten over the course of the week. Canadian bonds generally followed the path carved out by U.S. bonds, with no Canadian economic data in the picture.

The euro essentially moved down in response to the looming European Central Bank meeting. Further easing measures could be announced, or a warning could be issued about the strong euro. In contrast, the pound sterling went over US\$1.66, boosted among other things by strong retail sales numbers in the United Kingdom. Although no major indicators were released in Canada, the loonie climbed above US\$0.90. The Canadian dollar is sailing along on the possibility of faster inflation growth and potential support measures in China. Finally, the U.S. DXY exchange rate index was fairly stable. The euro’s drop was offset by the rises of the pound and loonie.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



## A LOOK AHEAD



### UNITED STATES

#### Tuesday April 1 - 10:00

##### March

Consensus 53.9

Desjardins 54.5

**February 53.2**

**ISM manufacturing index (March)** – February’s 1.9-point rise by the ISM manufacturing index was fairly stunning, given that both the regional indexes and the weather were pointing to another pullback. It seems that manufacturing is bouncing back from the harsh winter quickly. Another gain is forecast for March. The Empire index and, in particular, the Philadelphia Fed index advanced over the month. The improved weather (although more storms hit in March) should also help the manufacturing ISM advance. We expect it to gain just over a point, going to 54.5.

#### Thursday April 3 - 8:30

##### February

US\$B

Consensus -38.6

Desjardins -39.7

**January -39.1**

**Trade balance (February)** – The trade balance was fairly stable from December to January, going from -US\$39.0B to -US\$39.1B. Both exports and imports rose 0.6% in January. We expect these two components to post similar advances in February, once expressed in nominal terms; this would prompt a slight erosion of the trade balance, taking it to -US\$39.7B. However, the movement by imports will be inflated by faster price growth. In real terms, therefore, the trade balance is expected to show slight improvement.

#### Thursday April 3 - 10:00

##### March

Consensus 53.5

Desjardins 53.5

**February 51.6**

**ISM non-manufacturing index (March)** – Unlike the manufacturing index, the non-manufacturing ISM eroded in February, dropping to 51.6, its lowest point since February 2010. The better weather should be good for the service sector, especially retailers (mainly car dealers) and builders. The upswing should take the ISM non-manufacturing index to 53.5 in March.

#### Friday April 4 - 8:30

##### March

Consensus 195,000

Desjardins 220,000

**February 175,000**

**Job creation according to the establishment survey (March)** – The establishment survey showed employment rising a little faster than expected in February, with 175,000 hires; the consensus forecast was for about 150,000 new jobs. Even stronger growth is anticipated in March. The better weather—despite a few other storms—should bring some “normality” back to monthly employment growth. The harsh winter led to weakness in the job market; prior to that, monthly job creation was at about 205,000. If we add in a shortfall, we can expect close to 220,000 new jobs. We can also anticipate a rebound by weekly hours worked—they had dropped to 34.2 hours in February, with a storm battering the eastern United States in the week the survey was taken. The average work week should climb to 34.4 hours. The jobless rate should remain at 6.7%.



### CANADA

#### Monday March 31 - 8:30

##### January

m/m

Consensus 0.4%

Desjardins 0.4%

**December -0.5%**

**Real GDP by industry (January)** – 2013 ended on a sour note, with real GDP by industry retreating 0.5% in December. However, much of the pullback can be chalked up to tough weather conditions in some parts of the country and real GDP by industry is expected to rebound in January. Most indicators showed substantial growth over the month, although they have not made up all of the ground lost in December. The extraordinarily cold temperatures recorded during the winter will also no doubt inflate Canadian spending on energy. All in all, real GDP by industry is expected to rise 0.4% in January.

**International merchandise trade (February)** – Expressed in Canadian dollars and seasonally adjusted, the raw materials price index jumped 4.7% in February. The surge was mainly by energy (+8.1%); the index excluding energy fell 0.3% over the month. The increase in energy prices should thus inflate the value of Canadian exports in February. Import growth should be slower, due to some weak components of domestic demand, particularly non-residential investment. The merchandise trade balance could therefore improve slightly in February.

**Labour Force Survey (March)** – After losing 7,000 jobs in February, the labour market should bounce back in March and create about 35,000 jobs. This will allow the trend established using the 6-month moving average to edge up towards a level that is more consistent with Canada's moderate economic growth. The unemployment rate should remain at 7.0%.



## OVERSEAS

**Euro zone: European Central Bank meeting (April)** – The European Central Bank (ECB) has held to its status quo in the last few months, even though it expects inflation to remain below its target for a considerable period. While the upswing continues, it is modest; the downside risks dominate. Several ECB leaders recently said they were ready to step in to reduce the risks of deflation. With the strong euro threatening to ramp up downside pressures on prices, the ECB could well trim its key rates as early as April. Among the economic indicators to come out this week are March's flash inflation estimate (Monday) and February's jobless rate (Tuesday). February's retail sales will be released on Thursday. They jumped 1.6% in January.

### Thursday April 3 - 8:30

|                 |              |
|-----------------|--------------|
| <b>February</b> | \$B          |
| Consensus       | 0.15         |
| Desjardins      | 0.40         |
| <b>January</b>  | <b>-0.18</b> |

### Friday April 4 - 8:30


|                 |               |
|-----------------|---------------|
| <b>March</b>    |               |
| Consensus       | 25,000        |
| Desjardins      | 35,000        |
| <b>February</b> | <b>-7,000</b> |


### Thursday April 3 - 7:45

|                |              |
|----------------|--------------|
| <b>April</b>   |              |
| Consensus      | 0.25%        |
| Desjardins     | 0.10%        |
| <b>March 6</b> | <b>0.25%</b> |

# ECONOMIC INDICATORS


## Week of March 31 to April 4, 2014

| Day                  | Hour  | Indicator  | Period      | Consensus  |  | Previous data |
|----------------------|-------|--|-------------|------------|---|---------------|
| <b>UNITED STATES</b> |       |  |             |            |   |               |
| <b>MONDAY 31</b>     |       |  |             |            |   |               |
|                      | 9:45  | Chicago PMI index                                | March       | 59.0       | 60.0  | 59.8          |
|                      | 9:55  | Speech of the Federal Reserve Chair, J. Yellen   |             |            |   |               |
| <b>TUESDAY 1</b>     |       |  |             |            |   |               |
|                      | ---   | Total vehicle sales (ann. rate)                  | March       | 15,800,000 | 15,800,000  | 15,270,000    |
|                      | 10:00 | ISM manufacturing index                          | March       | 53.9       | 54.5  | 53.2          |
|                      | 10:00 | Construction spending (m/m)                      | Feb.        | 0.1%       | -0.3%   | 0.1%          |
| <b>WEDNESDAY 2</b>   |       |  |             |            |   |               |
|                      | 10:00 | Factory orders (m/m)                             | Feb.        | 0.5%       | 1.1%  | -0.7%         |
|                      | 12:30 | Speech of the Atlanta Fed President, D. Lockhart |             |            |   |               |
| <b>THURSDAY 3</b>    |       |  |             |            |   |               |
|                      | 8:30  | Initial unemployment claims                      | March 24-28 | 317,000    | 313,000   | 311,000       |
|                      | 8:30  | Trade balance – Goods and services (US\$B)       | Feb.        | -38.6      | -39.7   | -39.1         |
|                      | 10:00 | ISM non-manufacturing index                      | March       | 53.5       | 53.5  | 51.6          |
| <b>FRIDAY 4</b>      |       |  |             |            |   |               |
|                      | 8:30  | Change in nonfarm payrolls                       | March       | 195,000    | 220,000   | 175,000       |
|                      | 8:30  | Unemployment rate                                | March       | 6.6%       | 6.7%  | 6.7%          |
|                      | 8:30  | Weekly worked hours                              | March       | 34.4       | 34.4  | 34.2          |
|                      | 8:30  | Average weekly earnings (m/m)                    | March       | 0.1%       | 0.2%  | 0.4%          |
| <b>CANADA</b>        |       |  |             |            |   |               |
| <b>MONDAY 31</b>     |       |  |             |            |   |               |
|                      | 8:30  | Real GDP by industry (m/m)                       | Jan.        | 0.4%       | 0.4%  | -0.5%         |
|                      | 8:30  | Average weekly earnings (y/y)                    | Jan.        | n/a        | 3.0%  | 2.5%          |
|                      | 8:30  | Number of salaried employees (m/m)               | Jan.        | n/a        | 0.1%  | -0.1%         |
| <b>TUESDAY 1</b>     |       |  |             |            |   |               |
|                      | 8:30  | Industrial product price index (m/m)             | Feb.        | 0.8%       | 0.8%  | 1.4%          |
|                      | 8:30  | Raw materials price index (m/m)                  | Feb.        | 3.0%       | 3.0%  | 2.6%          |
| <b>WEDNESDAY 2</b>   |       |  |             |            |   |               |
|                      | ---   | ---  |             |            |   |               |
| <b>THURSDAY 3</b>    |       |  |             |            |   |               |
|                      | 8:15  | International reserves (\$B)                     | March       | n/a        | 79.0  | 77.2          |
|                      | 8:30  | International trade (\$B)                        | Feb.        | 0.15       | 0.40  | -0.18         |
| <b>FRIDAY 4</b>      |       |  |             |            |   |               |
|                      | 8:30  | Net change in employment                         | March       | 25,000     | 35,000  | -7,000        |
|                      | 8:30  | Unemployment rate                                | March       | 7.0%       | 7.0%  | 7.0%          |
|                      | 10:00 | PMI-Ivey index                                   | March       | n/a        | 59.0  | 57.2          |

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

# ECONOMIC INDICATORS

## Week of March 31 to April 4, 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 30</b>   |       |                                       |        |           |       |               |       |  |
| Japan  | 19:50 | Industrial production – preliminary   | Feb.   | 0.3%      | 9.9%  | 3.8%          | 10.3% |  |
| <b>MONDAY 31</b>   |       |                                       |        |           |       |               |       |  |
| Germany  | ---   | Retail sales                          | Feb.   | -0.5%     | 0.8%  | 2.5%          | 0.9%  |  |
| Japan  | 0:00  | Vehicle production                    | Feb.   |           | n/a   |               | 14.5% |  |
| Japan  | 1:00  | Housing starts                        | Feb.   |           | 4.8%  |               | 12.3% |  |
| France   | 2:45  | Real GDP – final                      | Q4     | 0.3%      | 0.8%  | 0.3%          | 0.8%  |  |
| Euro zone  | 5:00  | Consumer price index – estimate       | March  |           | 0.6%  |               | 0.7%  |  |
| Italy  | 5:00  | Consumer price index – preliminary    | March  | 0.2%      | 0.4%  | -0.1%         | 0.5%  |  |
| Japan  | 19:50 | Tankan large manufacturers index      | Q1     |           | 19    |               | 16    |  |
| China  | 21:00 | PMI manufacturing index               | March  |           | 50.1  |               | 50.2  |  |
| Australia  | 23:30 | Reserve Bank of Australia meeting     | April  | 2.50%     |       | 2.50%         |       |  |
| <b>TUESDAY 1</b>   |       |                                       |        |           |       |               |       |  |
| Japan  | 1:00  | Vehicle sales                         | March  |           |       | n/a           | 15.0% |  |
| Italy  | 3:45  | PMI manufacturing index               | March  | 52.0      |       | 52.3          |       |  |
| France   | 3:50  | PMI manufacturing index – final       | March  | 51.9      |       | 51.9          |       |  |
| Germany  | 3:55  | PMI manufacturing index – final       | March  | 53.8      |       | 53.8          |       |  |
| Germany  | 3:55  | Unemployment rate                     | March  | 6.8%      |       | 6.8%          |       |  |
| Euro zone  | 4:00  | PMI manufacturing index – final       | March  | 53.0      |       | 53.0          |       |  |
| Italy  | 4:00  | Unemployment rate – preliminary       | Feb.   | 12.9%     |       | 12.9%         |       |  |
| United Kingdom   | 4:30  | PMI manufacturing index               | March  | 56.7      |       | 56.9          |       |  |
| Euro zone  | 5:00  | Unemployment rate                     | Feb.   | 12.0%     |       | 12.0%         |       |  |
| <b>WEDNESDAY 2</b>   |       |                                       |        |           |       |               |       |  |
| Brazil   | ---   | Bank of Brazil meeting                | April  | 11.00%    |       | 10.75%        |       |  |
| United Kingdom   | 2:00  | Nationwide house prices               | March  | 0.8%      | 9.6%  | 0.6%          | 9.4%  |  |
| United Kingdom   | 4:30  | PMI construction index                | March  | 63.0      |       | 62.6          |       |  |
| Euro zone  | 5:00  | Producer price index                  | Feb.   | 0.0%      | -1.6% | -0.3%         | -1.4% |  |
| China  | 21:00 | PMI non-manufacturing index           | March  |           | n/a   |               | 55.0  |  |
| <b>THURSDAY 3</b>  |       |                                       |        |           |       |               |       |  |
| Italy  | 3:45  | PMI composite index                   | March  |           | n/a   |               | 53.4  |  |
| Italy  | 3:45  | PMI services index                    | March  | 52.0      |       | 52.9          |       |  |
| France   | 3:50  | PMI composite index – final           | March  | 51.6      |       | 51.6          |       |  |
| France   | 3:50  | PMI services index – final            | March  | 51.4      |       | 51.4          |       |  |
| Germany  | 3:55  | PMI composite index – final           | March  | 55.0      |       | 55.0          |       |  |
| Germany  | 3:55  | PMI services index – final            | March  | 54.0      |       | 54.0          |       |  |
| Euro zone  | 4:00  | PMI composite index – final           | March  | 53.2      |       | 53.2          |       |  |
| Euro zone  | 4:00  | PMI services index – final            | March  | 52.4      |       | 52.4          |       |  |
| United Kingdom   | 4:30  | PMI composite index                   | March  | 58.1      |       | 58.2          |       |  |
| United Kingdom   | 4:30  | PMI services index                    | March  | 58.2      |       | 58.2          |       |  |
| Euro zone  | 5:00  | Retail sales                          | Feb.   | -0.5%     | 0.7%  | 1.6%          | 1.3%  |  |
| Euro zone  | 7:45  | European Central Bank meeting         | April  | 0.25%     |       | 0.25%         |       |  |
| <b>FRIDAY 4</b>  |       |                                       |        |           |       |               |       |  |
| Germany  | 3:30  | PMI construction index                | March  |           | n/a   |               | 53.6  |  |
| Euro zone  | 4:10  | PMI retail index                      | March  |           | n/a   |               | 48.5  |  |
| Germany  | 4:10  | PMI retail index                      | March  |           | n/a   |               | 52.1  |  |
| France   | 4:10  | PMI retail index                      | March  |           | n/a   |               | 48.4  |  |
| Italy  | 4:10  | PMI retail index                      | March  |           | n/a   |               | 43.1  |  |
| Germany  | 6:00  | Factory orders                        | Feb.   | 0.3%      | 6.8%  | 1.2%          | 8.4%  |  |
| Mexico   | 11:00 | Minutes of the Bank of Mexico meeting |        |           |       |               |       |  |

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     | 15,942 | 2.6           | 2.6    | 1.9                  | 2.8    | 1.8    | 2.5    |
| Consumption (2009 \$B)                   | 2013 Q4     | 10,832 | 3.3           | 2.3    | 2.0                  | 2.2    | 2.5    | 2.0    |
| Government spending (2009 \$B)           | 2013 Q4     | 2,869  | -5.2          | -2.4   | -2.2                 | -1.0   | -3.2   | 0.1    |
| Residential investment (2009 \$B)        | 2013 Q4     | 489.0  | -7.9          | 6.9    | 12.2                 | 12.9   | 0.5    | -2.5   |
| Non-residential investment (2009 \$B)    | 2013 Q4     | 2,023  | 5.7           | 2.6    | 2.7                  | 7.3    | 7.6    | 2.5    |
| Business inventory change (2009 \$B) (1) | 2013 Q4     | 111.7  | ---           | ---    | 81.6                 | 57.6   | 33.6   | 58.2   |
| Exports (2009 \$B)                       | 2013 Q4     | 2,064  | 9.5           | 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     | 16,196 | 1.6           | 1.6    | 1.6                  | 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 Q4     | -81.1  | ---           | ---    | -379.3               | -440.4 | -457.7 | -449.5 |

\* 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)                   | Feb.       | 99.8    | 0.5           | 0.5       | 2.7       | 4.7     |
| 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)    | March*     | 82.3    | 78.3          | 77.5      | 80.2      | 61.9    |
| Cons. confidence Michigan (1966 = 100) (1)       | March      | 80.0    | 81.6          | 82.5      | 77.5      | 78.6    |
| Personal consumption expenditure (2009 \$B)      | Feb.*      | 10,871  | 0.2           | 0.2       | 1.2       | 2.1     |
| Disposable personal income (2009 \$B)            | Feb.*      | 11,763  | 0.3           | 0.2       | 0.5       | 2.1     |
| 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)               | Feb.       | 101.6   | 0.6           | 0.4       | 2.1       | 2.8     |
| Production capacity utilization rate (%) (1)     | Feb.       | 78.8    | 78.5          | 78.9      | 78.0      | 78.1    |
| New machinery orders (\$M)                       | Jan.       | 483,047 | -0.7          | -1.2      | -0.0      | 2.0     |
| New durable good orders (\$M)                    | Feb.*      | 229,379 | 2.2           | -4.4      | 1.6       | 0.2     |
| Business inventories (\$B)                       | Jan.       | 1,715   | 0.4           | 1.3       | 3.2       | 3.9     |
| Housing starts (K) (1)                           | Feb.       | 907.0   | 909.0         | 1,101     | 883.0     | 969.0   |
| Building permits (K) (1)                         | Feb.       | 1,014   | 945.0         | 1,017     | 926.0     | 952.0   |
| New home sales (K) (1)                           | Feb.*      | 440.0   | 455.0         | 448.0     | 388.0     | 445.0   |
| Existing home sales (K) (1)                      | Feb.       | 4,600   | 4,620         | 4,830     | 5,330     | 4,950   |
| 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)                 | Feb.       | 235.2   | 0.1           | 0.5       | 0.7       | 1.1     |
| Excluding food and energy                        | Feb.       | 236.1   | 0.1           | 0.3       | 0.8       | 1.6     |
| Personal cons. expenditure deflator (2009 = 100) | Feb.*      | 108.0   | 0.1           | 0.4       | 0.6       | 0.9     |
| Excluding food and energy                        | Feb.*      | 106.7   | 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)             | Jan.       | 50,361    | 1.5           | 0.5       | 2.0       | 5.0     |
| Housing starts (K) (1)                | Feb.       | 191.9     | 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)                    | Jan.       | 40,696    | 1.3           | -0.1      | 1.0       | 3.7     |
| Excluding automobiles (\$M)           | Jan.       | 31,228    | 1.0           | -0.0      | 1.2       | 2.6     |
| Wholesale trade sales (\$M)           | Jan.       | 50,025    | 0.8           | -0.7      | 0.9       | 2.4     |
| 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)           | Feb.       | 124.1     | 0.8           | 0.9       | 0.8       | 1.1     |
| Excluding food and energy             | Feb.       | 118.2     | 0.8           | 0.6       | 0.9       | 1.1     |
| Excluding 8 volatile items            | Feb.       | 122.1     | 0.7           | 0.5       | 0.7       | 1.2     |
| 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)                | Feb.*      | 735,990   | 0.2           | 2.1       | 4.6       | 7.9     |

\* New statistic in comparison with last week.

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

## Major financial indicators

|                                      | Previous data (%) |         |          |           |           |         | Last 52 weeks (%) |         |        |
|--------------------------------------|-------------------|---------|----------|-----------|-----------|---------|-------------------|---------|--------|
|                                      | Mar. 28           | Mar. 21 | -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              | 0.06    | 0.05     | 0.07      | 0.02      | 0.07    | 0.14              | 0.05    | 0.00   |
| Treasury bonds – 2 years             | 0.45              | 0.44    | 0.30     | 0.37      | 0.32      | 0.25    | 0.51              | 0.32    | 0.20   |
| – 5 years                            | 1.73              | 1.71    | 1.49     | 1.71      | 1.37      | 0.74    | 1.83              | 1.35    | 0.65   |
| – 10 years                           | 2.71              | 2.75    | 2.66     | 3.01      | 2.62      | 1.85    | 3.01              | 2.54    | 1.63   |
| – 30 years                           | 3.55              | 3.61    | 3.59     | 3.95      | 3.68      | 3.11    | 3.95              | 3.58    | 2.83   |
| S&P 500 index                        | 1,865             | 1,867   | 1,859    | 1,841     | 1,692     | 1,569   | 1,878             | 1,721   | 1,542  |
| DJIA index                           | 16,404            | 16,303  | 16,322   | 16,478    | 15,258    | 14,579  | 16,577            | 15,538  | 14,537 |
| Gold price (US\$/ounce)              | 1,295             | 1,335   | 1,326    | 1,216     | 1,340     | 1,596   | 1,596             | 1,327   | 1,196  |
| CRB index                            | 304.96            | 299.40  | 302.43   | 284.16    | 286.98    | 296.39  | 307.59            | 286.21  | 272.29 |
| WTI oil (US\$/barrel)                | 101.84            | 99.97   | 102.88   | 99.93     | 102.86    | 97.24   | 110.62            | 98.98   | 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             | 0.89              | 0.87    | 0.84     | 0.89      | 0.98      | 0.97    | 1.03              | 0.95    | 0.81   |
| Treasury bonds – 2 years             | 1.07              | 1.07    | 1.00     | 1.15      | 1.20      | 1.00    | 1.31              | 1.10    | 0.92   |
| – 5 years                            | 1.70              | 1.73    | 1.63     | 1.96      | 1.88      | 1.30    | 2.17              | 1.70    | 1.15   |
| – 10 years                           | 2.44              | 2.48    | 2.43     | 2.79      | 2.56      | 1.76    | 2.82              | 2.40    | 1.67   |
| – 30 years                           | 2.94              | 2.96    | 2.94     | 3.25      | 3.08      | 2.51    | 3.28              | 2.95    | 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              | 0.81    | 0.79     | 0.82      | 0.96      | 0.90    | 0.99              | 0.90    | 0.76   |
| Treasury bonds – 2 years             | 0.62              | 0.63    | 0.70     | 0.79      | 0.88      | 0.75    | 0.92              | 0.78    | 0.61   |
| – 5 years                            | -0.04             | 0.02    | 0.14     | 0.25      | 0.51      | 0.56    | 0.58              | 0.35    | -0.04  |
| – 10 years                           | -0.27             | -0.27   | -0.23    | -0.22     | -0.06     | -0.09   | 0.06              | -0.13   | -0.37  |
| – 30 years                           | -0.61             | -0.65   | -0.65    | -0.70     | -0.60     | -0.60   | -0.48             | -0.64   | -0.74  |
| S&P/TSX index                        | 14,288            | 14,336  | 14,210   | 13,588    | 12,844    | 12,750  | 14,369            | 13,053  | 11,837 |
| Exchange rate (C\$/US\$)             | 1.1053            | 1.1221  | 1.1066   | 1.0706    | 1.0307    | 1.0175  | 1.1241            | 1.0524  | 0.9047 |
| Exchange rate (C\$/€)                | 1.5201            | 1.5477  | 1.5273   | 1.4712    | 1.3936    | 1.3044  | 1.5545            | 1.4115  | 1.2444 |
| <b>Overseas</b>                      |                   |         |          |           |           |         |                   |         |        |
| ECB – Refinancing rate               | 0.25              | 0.25    | 0.25     | 0.25      | 0.50      | 0.75    | 0.75              | 0.43    | 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            | 1.55              | 1.63    | 1.63     | 1.95      | 1.79      | 1.28    | 2.02              | 1.67    | 1.19   |
| U.K.: Bonds – 10 years               | 2.72              | 2.75    | 2.72     | 3.07      | 2.72      | 1.76    | 3.07              | 2.56    | 1.62   |
| Euro: Exchange rate (US\$/€)         | 1.3755            | 1.3794  | 1.3803   | 1.3742    | 1.3522    | 1.2821  | 1.3934            | 1.3407  | 1.2781 |
| U.K.: Exchange rate (US\$/£)         | 1.6643            | 1.6487  | 1.6746   | 1.6481    | 1.6139    | 1.5203  | 1.6747            | 1.5898  | 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.