

The weather has hampered the Canadian labor market in April

HIGHLIGHTS

- United States: The trade deficit improved slightly in March.
- United States: Labour productivity lost ground in the first quarter.
- Canada: The labour market lost 28,900 jobs in April.
- Canada: Housing starts rebounded in April.

A LOOK AHEAD

- United States: Retail sales should advance moderately in April.
- United States: The annual change in the total consumer price index should grow from 1.5% to 2.0%.
- Canada: Manufacturing sales should head up again.

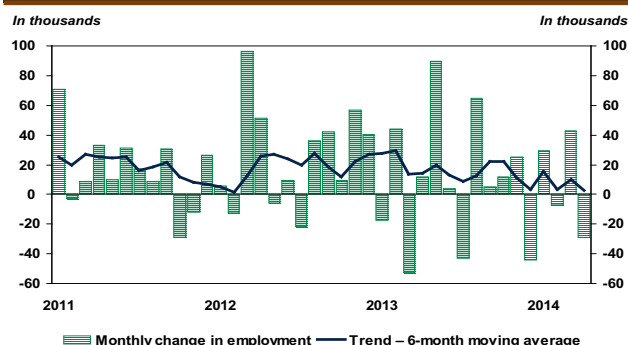
FINANCIAL MARKETS

- More trouble for Internet stocks.
- Demand for long-term bonds is starting to wane.
- The euro depreciates due to the possibility of an intervention by the European Central Bank in June.

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 – Employment trend weaker in recent months in Canada



Sources: Statistics Canada and Desjardins, Economic Studies

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NOTE TO READERS: The letters **K**, **M** and **B** are used in texts and tables to refer to thousands, millions and billions respectively.

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KEY STATISTICS OF THE WEEK

UNITED STATES

- The trade deficit improved in March, contracting from -US\$41.9B to -US\$40.4B. This slight gain comes thanks to a 2.1% increase in exports, while imports grew by just 1.1%. That said, the improvement that the Bureau of Economic Analysis had anticipated in its preliminary estimate of national accounts was far greater. In these conditions, a downwards revision of first-quarter real GDP growth is highly probable; this should drive it into negative territory.
- The job market continued its expansion in the first quarter with the creation of 569,000 jobs, according to the establishment survey. Meanwhile, production was practically nil during the period, due to the considerable negative impact of particularly severe weather conditions during the winter. Given this divergence, labour productivity deteriorated significantly in the first quarter, falling by 1.7%. Since worker compensation also increased during the period, unit labour costs jumped by 4.2%.

Benoit P. Durocher
Senior Economist

CANADA

- The labour market was hit with a loss of 28,900 jobs in April, while the unemployment rate held steady at 6.9%. The results are disappointing since we were expecting more job creation in April to further narrow the gap between production growth and job growth. That said, the labour market's underperformance is not really surprising, given the high volatility of employment data. In addition, all signs point to April's disappointing weather playing a role in job troubles, as seasonal work had to be delayed in many cases. The loss of 32,200 jobs in the accommodation and food services sector is a good example. In this context, we remain convinced that employment will recover in the coming months, likely in May.
- In April, the volume of housing starts moved back to where it was before, recovering all the ground that was lost in March: it shot up from 156,600 units to 194,800 units. The lion's share of these fluctuations comes from the multiple-unit sector in urban centres, which generated the significant decline of March, and which is largely responsible for the upturn observed in April. Thus housing starts have returned to the trend they have been following since the spring of 2013.
- The merchandise trade balance deteriorated slightly in March, going from +\$847M to +\$79M. The volume of merchandise exports fell 6.5% as a whole in the first quarter. That said, imports also recorded a 6.5% slide in the first quarter. As such, the balance of trade in goods was flat from -\$2.3B in 2007 dollars in the fourth quarter of 2013 to -\$2.2B in 2007 dollars in the first quarter of 2014. If we also factor in the upward trend observed in the balance of trade in services, first-quarter performance could actually include a slight improvement in the total balance of trade.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

The European Central Bank sets the stage for June

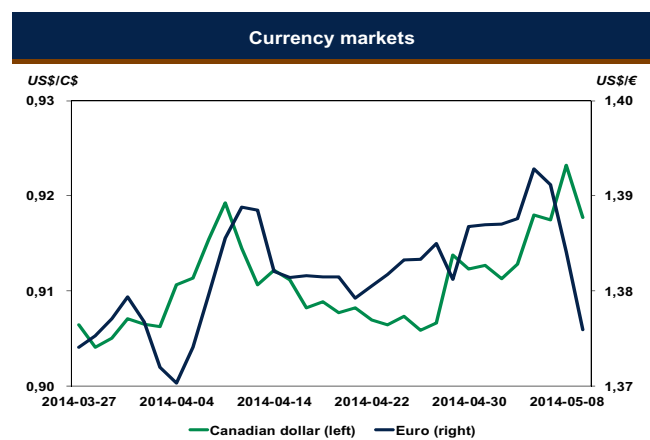
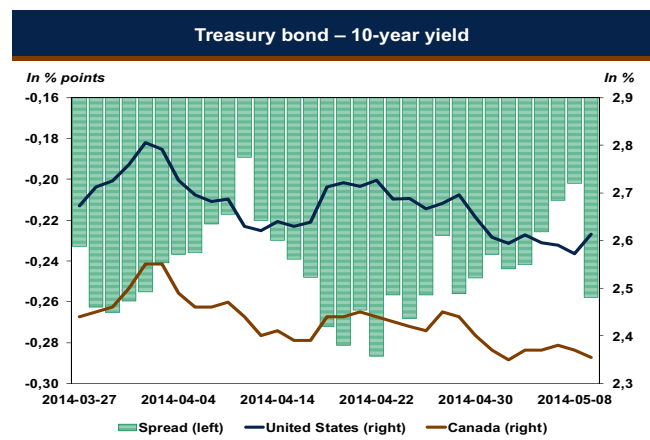
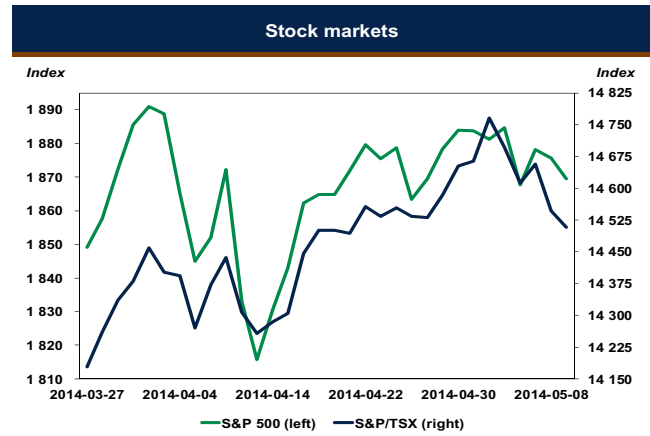
The S&P 500 meandered around with no clear direction all week long, apparently affected by renewed concerns about Internet stocks. For example, Twitter stock lost 18% of its value when the lockup period (during which insider stockholders were prohibited from selling their shares) came to an end. On Wednesday, comments by Federal Reserve Chair Janet Yellen gave some reassurance to stock markets. While testifying before the U.S. Congress, she emphasized the downside risks for the housing sector, which the markets interpreted as a dovish signal. The S&P/TSX had a rougher time, due to rather mixed corporate earnings reports. Energy and information technology were among the sectors hardest hit.

The U.S. bond curve steepened, and the spread between the 30-year and 2-year yields rose from 294 to 304 basis points as the week progressed. Investor appetite for long-term bonds seems to be sated: at the 30-year bond auction held on Thursday, demand was the weakest in the past 3 years at that maturity. The long portion of the Canadian curve fared better, contrary to the trend it has been following since the beginning of the year. The 2-year yield spread verged close to 69 basis points, mainly due to the decline in short-term yields in the United States, but negative Canadian job data caused the spread to narrow slightly on Friday.

The euro was very volatile this week. Favourable economic statistics helped it surpass US\$1.39, and then the status quo decided upon by the European Central Bank (ECB) gave it an extra boost on Thursday, taking it close to US\$1.40. But this trend reversed course during Mario Draghi's press conference, which clearly set the stage for an intervention by the ECB in June. Disappointing data from Germany and Italy, released on Friday, aggravated the euro's downwards movement, which is now back below US\$1.38. The weakness of the European currency makes the U.S. dollar look good in comparison, but it has yet to make advances against the other currencies. The loonie is managing to hold onto a few gains on the week, even though the job numbers released on Friday were not in its favour.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday May 13 - 8:30

April	m/m
Consensus	0.4%
Desjardins	0.4%
March	1.1%

Retail sales (April) – Retail sales growth outstripped expectations in March, even though the auto sector had been forecast to make a big contribution. That sector edged back in April, with new vehicle sales down 2.1% following their 6.9% surge in March. Conversely, the rise by gas prices should prompt a good improvement in the value of gas station sales. Excluding motor vehicles and gas, sales are expected to show another good monthly jump, gaining 0.5%. Retailers created 34,500 jobs in April, which is a good sign, as is the recent trend for consumer confidence indexes. Overall, retail sales should post a 0.4% increase.

Thursday May 15 - 8:30

April	m/m
Consensus	0.3%
Desjardins	0.3%
March	0.2%

Consumer price index (April) – The monthly rises posted by several price indexes, including the consumer price index (CPI), were stronger than anticipated in March. At 0.2%, the CPI's gain was also a little higher than the previous 0.1% increases. It is forecast to accelerate again in April. Gas prices surged a little faster last month than usual in April. As in March, we are expecting food prices to show another fairly strong rise. The total CPI should be up 0.3%, for the first time since June 2013. Excluding food and energy, the core CPI should increase 0.2%, as shelter costs are starting to advance more quickly. The total CPI's annual change should go from 1.5% to 2.0%, its highest point since February 2013. Core inflation should go from 1.7% to 1.8%.

Thursday May 15 - 9:15

April	m/m
Consensus	0.0%
Desjardins	0.2%
March	0.7%

Industrial production (April) – After the harsh weather seen in December and January, industrial output turned around, posting growth of 1.2% in February and 0.7% in March. Another gain is anticipated for April, but monthly growth should be a little slower than in the two months before that. Firstly, energy output most likely fell, reflecting the more normal temperatures. Secondly, April's hours worked suggest fairly sluggish growth by manufacturing production, even though the auto sector should do better than it did in March, when production was down 0.8%. The current production component of the ISM index edged down in April, although it is still well above 50. We expect manufacturing production to rise 0.3%, with industrial output up 0.2%; the industrial capacity utilization rate should stay at 79.2%. The New York and Philadelphia Fed regional manufacturing indexes will be released on Thursday, giving us a first glimpse of manufacturing's strength in May.

Friday May 16 - 8:30

April	ann. rate
Consensus	982,000
Desjardins	985,000
March	946,000

Housing starts (April) – Housing starts rose in March, but at 2.8% and 946,000 units, they came in below expectations. Another gain is expected for April. Building permits for the previous month (997,000) clearly suggest an upswing, although such hopes have frequently been dashed lately. The creation of 69,000 units in housing construction and solid growth by hours worked also point to a faster upswing in housing starts. The main dark spot in the picture is the recent weakness in new home sales. We still expect housing starts to go to 985,000 units.

Friday May 16 - 9:55

May	
Consensus	84.5
Desjardins	84.5
April	84.1

University of Michigan consumer confidence index (May – preliminary) – Consumer confidence improved substantially in April according to the University of Michigan index. It went from 80.0 in March to 82.6 in April in the preliminary version, then to 84.1 according to the final version. This is the highest confidence has been since July 2013. The current situation component is even at its highest point since the summer of 2007. The Michigan index is likely to go up again in May, but not as strongly. While the stock market has been climbing since mid-April, gas prices have been doing the same. We expect the University of Michigan index to reach 84.5.


CANADA

Manufacturing sales (March) – All the conditions seem to be in place for manufacturing sales to post strong growth in March. New orders have shot up in the last few months. With February's gain of 18.8%, new orders have increased 34.5% since September 2013. The backlog of orders is thus very high. In February, the backlog to sales ratio also hit its highest point since this economic statistic first started being compiled in 1992. Moreover, although the results for international merchandise trade point to a dip of 1.4%, much of the drop comes from commodities. Excluding natural resources, exports are up 1.1% for the month. Among others, the machinery, automotive products and aviation products sectors made strong gains.


OVERSEAS

Japan: Real GDP (Q1) – Japan's real GDP growth for the fourth quarter of 2013 was disappointing, both when it was first released, and then when it was revised. The weakness confirms that Japan's economy slowed in the second half of 2013. It is expected to rebound in the first quarter of 2014, but primarily due to the fact that some spending will have been moved up ahead of the consumption tax increase that came into force on April 1.

Euro zone: Real GDP (Q1) – At a non-annualized 0.2% in the fall of 2013, the euro zone's real GDP growth remains relatively slow. A slightly stronger rise is anticipated for early 2014, reflecting improvements to numerous economic indicators, such as confidence and the PMI indexes.

Thursday May 15 - 8:30

March	m/m
Consensus	0.1%
Desjardins	0.8%
February	1.4%

Wednesday May 14 - 19:50


Q1 2014	q/q
Consensus	1.0%
Q4 2013	0.2%

Thursday May 15 - 5:00

Q1 2014	q/q
Consensus	0.4%
Q4 2013	0.2%

ECONOMIC INDICATORS


Week of May 12 to 16, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
SUNDAY 11	1:30	Speech of the Atlanta Fed President, D. Lockhart				
MONDAY 12	12:00	Speech of the Philadelphia Fed President, C. Plosser				
	14:00	Federal budget (US\$B)	April	114.0	n/a	112.9
TUESDAY 13	0:30	Speech of the Atlanta Fed President, D. Lockhart				
	8:30	Export prices (m/m)	April	n/a	0.6%	0.8%
	8:30	Import prices (m/m)	April	0.3%	0.5%	0.6%
	8:30	Retail sales				
		Total (m/m)	April	0.4%	0.4%	1.1%
		Excluding automobiles (m/m)	April	0.6%	0.6%	0.7%
	10:00	Business inventories (m/m)	March	0.4%	0.3%	0.4%
WEDNESDAY 14	8:30	Producer price index				
		Total (m/m)	April	0.2%	0.2%	0.5%
		Excluding food and energy (m/m)	April	0.2%	0.2%	0.6%
THURSDAY 15	8:30	Initial unemployment claims	May 5-9	320,000	320,000	319,000
	8:30	Consumer price index				
		Total (m/m)	April	0.3%	0.3%	0.2%
		Excluding food and energy (m/m)	April	0.1%	0.2%	0.2%
		Total (y/y)	April	2.0%	2.0%	1.5%
		Excluding food and energy (y/y)	April	1.7%	1.8%	1.7%
	8:30	Empire manufacturing index	May	6.00	9.00	1.29
	9:00	Net foreign security purchases (US\$B)	March		n/a	85.7
	9:15	Industrial production (m/m)	April	0.0%	0.2%	0.7%
	9:15	Production capacity utilization rates	April	79.1%	79.2%	79.2%
	10:00	Philadelphia Fed index	May	14.1	14.0	16.6
	10:00	NAHB housing market index	May	49	n/a	47
	19:00	Speech of the Federal Reserve Chair, J. Yellen				
FRIDAY 16	8:30	Housing starts (ann. rate)	April	982,000	985,000	946,000
	8:30	Building permits (ann. rate)	April	1,015,000	1,000,000	990,000
	9:55	Michigan's consumer sentiment index – preliminary	May	84.5	84.5	84.1
	11:50	Speech of the St. Louis Fed President, J. Bullard				




CANADA

MONDAY 12	---	---				
TUESDAY 13	10:30	Release of the <i>Bank of Canada Review</i>				
WEDNESDAY 14	---	---				
THURSDAY 15	8:30	Manufacturing sales (m/m)	March	0.1%	0.8%	1.4%
	9:00	Existing home sales	April			
FRIDAY 16	8:30	International transactions in securities (\$B)	March	n/a	7.00	6.08

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 May 12 to 16, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
SUNDAY 11								
Japan	19:50	Trade balance (¥B)	March	-1,125.4		-533.4		
Japan	19:50	Current account (¥B)	March	-545.8		-41.4		
MONDAY 12								

TUESDAY 13								
China	1:30	Industrial production	April		8.9%		8.8%	
China	1:30	Retail sales	April		12.2%		12.2%	
Germany	5:00	ZEW survey – Current situation	May	60.5		59.5		
Germany	5:00	ZEW survey – Expectations	May	40.0		43.2		
WEDNESDAY 14								
Germany	2:00	Consumer price index – final	April	-0.2%	1.3%	-0.2%	1.3%	
France	2:45	Consumer price index	April	0.1%	0.9%	0.4%	0.6%	
United Kingdom	4:00	ILO unemployment rate	March	6.8%		6.9%		
United Kingdom	5:30	Release of the Bank of England Inflation Report						
Japan	19:50	Tertiary industry activity index	March	2.4%		-1.0%		
Japan	19:50	Real GDP – preliminary	Q1	1.0%		0.2%		
THURSDAY 15								
Japan	1:00	Consumer confidence	April	n/a		37.5		
France	1:30	Real GDP – preliminary	Q1	0.1%	0.9%	0.3%	0.8%	
Germany	2:00	Real GDP – preliminary	Q1	0.7%	2.2%	0.4%	1.4%	
Euro zone	4:00	Release of the European Central Bank Monthly Bulletin						
Italy	4:00	Trade balance (€M)	March	n/a		2,623		
Italy	4:00	Real GDP – preliminary	Q1	0.2%	-0.1%	0.1%	-0.9%	
Euro zone	5:00	Indice des prix à la consommation – final	April	0.2%	0.7%	0.9%	0.7%	
Euro zone	5:00	Real GDP	Q1	0.4%	1.1%	0.2%	0.5%	
FRIDAY 16								
Japan	0:30	Industrial production – final	March	n/a	n/a	0.3%	7.0%	
France	2:45	Non-farm payrolls – preliminary	Q1	-0.1%		0.1%		
France	2:45	Wages – preliminary	Q1	n/a		0.2%		
Euro zone	5:00	Trade balance (€B)	March	16.0		13.6		

NOTE: In contrast to the situation in Canada and the United States, disclosure of overseas economic figures is much more approximate. The day of publication is therefore shown for information purposes only. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. (SA): Seasonally adjusted, (NSA): Non seasonally adjusted. The times shown are 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)	2014 Q1	15,947	0.1	2.3	1.9	2.8	1.8	2.5
Consumption (2009 \$B)	2014 Q1	10,912	3.0	2.5	2.0	2.2	2.5	2.0
Government spending (2009 \$B)	2014 Q1	2,865	-0.5	-1.5	-2.2	-1.0	-3.2	0.1
Residential investment (2009 \$B)	2014 Q1	481.8	-5.8	2.2	12.2	12.9	0.5	-2.5
Non-residential investment (2009 \$B)	2014 Q1	2,012	-2.0	3.2	2.7	7.3	7.6	2.5
Business inventory change (2009 \$B) (1)	2014 Q1	87.4	---	---	81.6	57.6	33.6	58.2
Exports (2009 \$B)	2014 Q1	2,023	-7.6	3.2	2.7	3.5	7.1	11.5
Imports (2009 \$B)	2014 Q1	2,438	-1.4	2.3	1.4	2.2	4.9	12.8
Final domestic demand (2009 \$B)	2014 Q1	16,256	1.5	1.9	1.6	2.4	1.8	1.5
GDP deflator (2009 = 100)	2014 Q1	107.5	1.3	1.4	1.4	1.7	2.0	1.2
Labor productivity (2009 = 100)	2014 Q1*	106.4	-1.7	1.4	0.5	1.5	0.5	3.3
Unit labor cost (2009 = 100)	2014 Q1*	103.9	4.2	0.9	1.1	1.2	2.0	-1.2
Employment cost index (Dec. 2005 = 100)	2014 Q1	120.5	1.3	1.8	1.9	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)	March	100.9	0.8	1.5	2.7	6.1
ISM manufacturing index (1)	April	54.9	53.7	51.3	56.6	50.0
ISM non-manufacturing index (1)	April*	55.2	53.1	54.0	55.1	53.8
Cons. confidence Conf. Board (1985 = 100) (1)	April	82.3	83.9	79.4	72.4	69.0
Cons. confidence Michigan (1966 = 100) (1)	April	84.1	80.0	81.2	73.2	76.4
Personal consumption expenditure (2009 \$B)	March	10,979	0.7	1.2	2.0	2.9
Disposable personal income (2009 \$B)	March	11,819	0.3	0.9	0.6	2.2
Consumer credit (\$B)	March*	3,141	0.6	1.4	2.8	5.8
Retail sales (\$M)	March	432,257	1.2	1.0	2.0	3.6
Excluding automobiles (\$M)	March	346,122	0.7	0.5	1.2	2.2
Industrial production (2007 = 100)	March	103.2	0.7	1.7	2.5	3.8
Production capacity utilization rate (%) (1)	March	79.2	78.8	78.4	78.3	78.0
New machinery orders (\$M)	March	493,933	1.1	1.6	0.5	5.3
New durable good orders (\$M)	March	236,039	2.9	3.8	0.4	9.6
Business inventories (\$B)	Feb.	1,716	0.4	1.3	3.1	4.2
Housing starts (K) (1)	March	946.0	920.0	1,024	873.0	1,005
Building permits (K) (1)	March	997.0	1,014	991.0	974.0	890.0
New home sales (K) (1)	March	384.0	449.0	437.0	403.0	443.0
Existing home sales (K) (1)	March	4,590	4,600	4,870	5,260	4,960
Construction spending (\$B)	March	942.5	0.2	-0.4	2.8	8.4
Commercial surplus (\$M) (1)	March*	-40,378	-41,874	-38,975	-43,434	-36,562
Nonfarm employment (K) (2)	April	138,252	288.0	713.0	1,215	2,367
Unemployment rate (%) (1)	April	6.3	6.7	6.6	7.2	7.5
Consumer price (1982-1984 = 100)	March	235.6	0.2	0.4	0.8	1.5
Excluding food and energy	March	236.6	0.2	0.5	0.9	1.6
Personal cons. expenditure deflator (2009 = 100)	March	108.2	0.2	0.4	0.7	1.1
Excluding food and energy	March	106.9	0.2	0.4	0.7	1.2
Producer price (1982 = 100)	March	199.4	-0.1	0.9	1.3	1.7
Excluding food and energy	March	187.6	0.1	0.8	1.2	1.7
Export prices (2000 = 100)	March	134.7	0.8	1.8	1.7	0.2
Import prices (2000 = 100)	March	140.4	0.6	1.9	0.4	-0.6

* 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.

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)	Feb.	1,614,274	0.2	0.3	1.3	2.5
Industrial production (2007 \$M)	Feb.	351,447	0.9	1.5	3.5	3.6
Manufacturing sales (\$M)	Feb.	51,200	1.4	1.7	4.0	3.3
Housing starts (K) (1)	April*	194.8	156.6	176.5	201.3	177.5
Building permits (\$M)	March*	5,987	-3.0	-7.0	-11.6	-5.5
Retail sales (\$M)	Feb.	41,031	0.5	-0.0	1.0	3.7
Excluding automobiles (\$M)	Feb.	31,549	0.6	0.3	0.9	3.1
Wholesale trade sales (\$M)	Feb.	50,673	1.1	0.1	1.2	3.5
Commercial surplus (\$M) (1)	March*	79.3	846.9	-591.5	263.3	-398.5
Exports (\$M)	March*	42,703	-1.4	4.2	3.3	7.3
Imports (\$M)	March*	42,623	0.4	2.5	3.8	6.1
Employment (K) (2)	April*	17,804	-28.9	2.3	2.9	12.4
Unemployment rate (%) (1)	April*	6.9	6.9	7.0	7.0	7.2
Average weekly earnings (\$)	Feb.	924.8	0.3	0.4	1.5	2.3
Number of salaried employees (K) (2)	Feb.	15,470	-11.9	-4.1	-1.3	11.0
Consumer price (2002 = 100)	March	124.8	0.6	1.7	1.2	1.5
Excluding food and energy	March	118.6	0.3	1.3	0.9	1.2
Excluding 8 volatile items	March	122.5	0.3	1.2	0.9	1.3
Industrial product price (2002 = 100)	March	112.3	0.4	3.0	3.4	2.7
Raw materials price (2002 = 100)	March	123.0	0.6	9.2	3.3	6.1
Money supply M1+ (\$M)	March	743,261	1.1	2.3	4.9	7.3

* New statistic in comparison with last week.

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

Major financial indicators

	Previous data (%)						Last 52 weeks (%)		
	May 9	May 2	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Treasury bill – 3 months	0.03	0.02	0.04	0.08	0.06	0.04	0.14	0.05	0.00
Treasury bonds – 2 years	0.39	0.43	0.36	0.30	0.31	0.24	0.51	0.34	0.23
– 5 years	1.63	1.68	1.56	1.46	1.41	0.81	1.83	1.46	0.77
– 10 years	2.61	2.59	2.62	2.68	2.74	1.85	3.01	2.65	1.82
– 30 years	3.44	3.37	3.48	3.67	3.84	3.09	3.95	3.65	3.08
S&P 500 index	1,869	1,881	1,816	1,797	1,771	1,634	1,891	1,754	1,573
DJIA index	16,522	16,513	16,027	15,794	15,762	15,118	16,581	15,731	14,660
Gold price (US\$/ounce)	1,289	1,303	1,318	1,263	1,285	1,423	1,436	1,307	1,196
CRB index	305.79	307.14	309.39	289.78	274.39	288.68	312.19	288.61	272.29
WTI oil (US\$/barrel)	100.88	100.09	103.68	99.98	94.56	95.80	110.62	100.01	91.35
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	0.92	0.94	0.92	0.88	0.90	1.00	1.03	0.94	0.81
Treasury bonds – 2 years	1.06	1.07	1.05	0.98	1.13	1.01	1.31	1.11	0.93
– 5 years	1.63	1.63	1.65	1.60	1.84	1.34	2.17	1.75	1.33
– 10 years	2.36	2.35	2.40	2.41	2.61	1.89	2.82	2.48	1.88
– 30 years	2.89	2.88	2.94	3.01	3.16	2.51	3.28	3.01	2.49
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	0.89	0.92	0.88	0.80	0.84	0.96	0.99	0.89	0.76
Treasury bonds – 2 years	0.67	0.64	0.69	0.68	0.82	0.77	0.92	0.77	0.61
– 5 years	-0.01	-0.05	0.09	0.14	0.43	0.53	0.58	0.29	-0.05
– 10 years	-0.26	-0.24	-0.22	-0.27	-0.13	0.04	0.06	-0.16	-0.37
– 30 years	-0.55	-0.49	-0.54	-0.66	-0.68	-0.58	-0.48	-0.64	-0.74
S&P/TSX index	14,508	14,765	14,258	13,787	13,378	12,589	14,765	13,300	11,837
Exchange rate (C\$/US\$)	1.0897	1.0974	1.0982	1.1033	1.0480	1.0100	1.1241	1.0619	0.9177
Exchange rate (C\$/€)	1.4994	1.5221	1.5248	1.5043	1.4013	1.3122	1.5545	1.4339	1.2627
Overseas									
ECB – Refinancing rate	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.38	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	1.45	1.45	1.51	1.66	1.76	1.36	2.02	1.70	1.31
U.K.: Bonds – 10 years	2.68	2.64	2.61	2.71	2.77	1.88	3.07	2.67	1.87
Euro: Exchange rate (US\$/€)	1.3759	1.3871	1.3885	1.3635	1.3372	1.2993	1.3934	1.3497	1.2781
U.K.: Exchange rate (US\$/£)	1.6846	1.6867	1.6734	1.6412	1.6018	1.5365	1.6978	1.6062	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.