

## Canadian inflation has returned to the median target

### HIGHLIGHTS

- Home sales finally went up in the United States in April.
- Canada: The total annual inflation rate has reached the median target.
- Canada: Wholesaler and retailer sales pulled back in March.

### A LOOK AHEAD

- The first quarter change in U.S. real GDP should be in negative territory.
- Slight improvement expected for consumer confidence in the United States.
- United States: Some pullback predicted for new durable goods orders.
- After jumping dramatically in March, U.S. real consumption should retreat in April.
- Canada: Real GDP by industry should advance moderately in March.
- Canada: A 1.9% growth is expected for the entire first quarter.

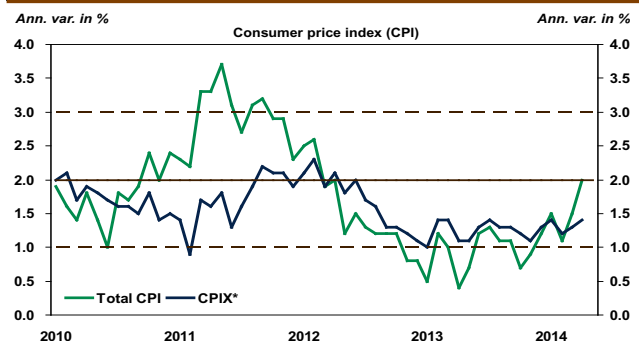
### FINANCIAL MARKETS

- The mood improves in the stock markets.
- Canadian bonds underperform.
- The euro slides to nearly US\$1.36.

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**Graph of the week – Core inflation could also start accelerating somewhat in the coming months in Canada**



\* Bank of Canada's core index.  
Sources: Statistics Canada and Desjardins, Economic Studies

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## KEY STATISTICS OF THE WEEK

### UNITED STATES

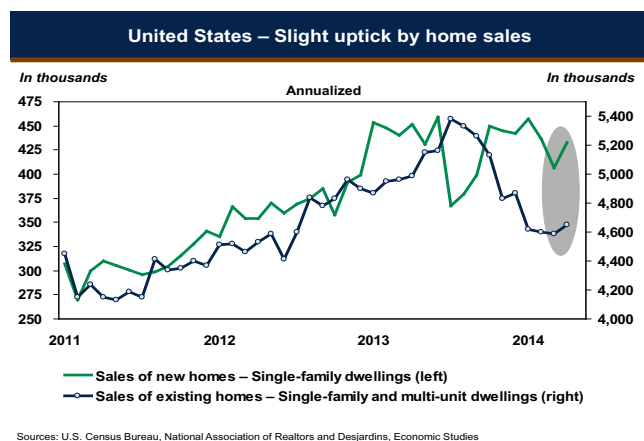
- After several months of disappointment, U.S. home sales rose in April. Existing home sales went from 4,590,000 units in March to 4,650,000 units, the first increase in 2014. The gain largely comes from multi-unit dwellings (+7.3%), while existing single-family homes edged up just 0.5%. Gains mainly occurred in the western United States. The rise by sales came with even stronger growth (+16.8%) by the number of homes for sale, and the inventory to sales ratio climbed to its highest point since August 2012.
- Sales of new single-family homes went from 407,000 units in March to 433,000 in April, a 6.4% rise that still leaves sales below February's levels. There are still extensive regional disparities in the movement by sales: they plunged 26.7% in the Northeast, but jumped 47.4% in the Midwest. The number of new single-family homes on the market remained fairly stable (+0.5%).
- The leading indicator rose 0.4% in April following March's 1.0% advance. The increase comes mainly from building permits and the spread between bond yields and key rates. The 3-month annualized change to the leading indicator hit 7.9%, its highest point since November.

**Francis Généreux**  
Senior Economist

### CANADA

- The total consumer price index (CPI) rose 0.3% in April. The total annual inflation rate rose from 1.5% to 2.0%. The Bank of Canada's core index (CPIX), which excludes the eight most volatile components, ticked up 0.2% in April. Its annual change edged up to 1.4%, versus 1.3% in March. Total CPI adjusted for seasonal effects inched up 0.2% in April, similar to the average advance of the last six months. This represents an acceleration compared with 2012 and 2013, which saw average monthly growth at 0.1%. Clearly, inflationary pressures are heavier across the country. For now, this upward trend is not really reflected in the annual change in the CPIX, which has held steady between 1.1% and 1.4% over the last 15 months. That said, monthly growth in the seasonally adjusted CPIX has also been somewhat faster in recent months, leading our projections to indicate that the annual change in the CPIX could reach the median target (2%) around the end of 2014 or beginning of 2015. This projection is quite different from the Bank of Canada's projection, which is waiting for core inflation to gradually return to 2% by the beginning of 2016.
- Retail sales dipped 0.1% in March. While disappointing, this sluggishness is not overly worrisome. For one thing, monthly retail trade figures are quite volatile and sensitive to fluctuations from certain industries. For another, an activity sector's growth depends on sales registered during the month, as well as on the change in inventory. Even though monthly data on retail inventory is not available, the sharp increase (+2.3%) in wholesale inventory recorded in March signals an upward trend in trade inventory.
- Wholesale sales contracted 0.4% in March, after gaining 1.1% in February. If not for the 3.0% drop by wholesale distributors of automobiles and parts, sales would have instead gone up 0.1%. In real terms, sales posted a small 0.2% downtick.

**Benoit P. Durocher**  
Senior Economist



# FINANCIAL MARKETS

## All in all, a good week

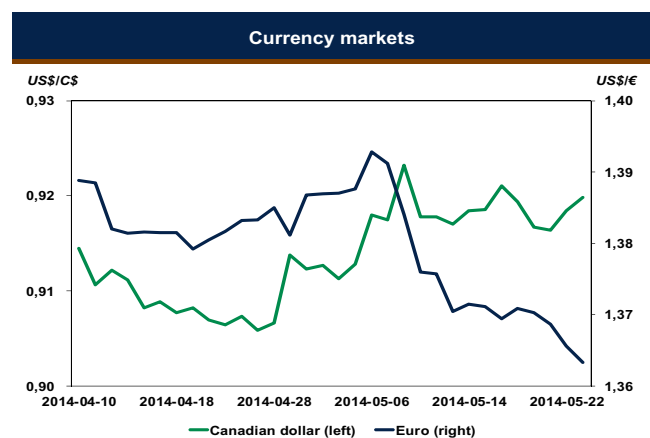
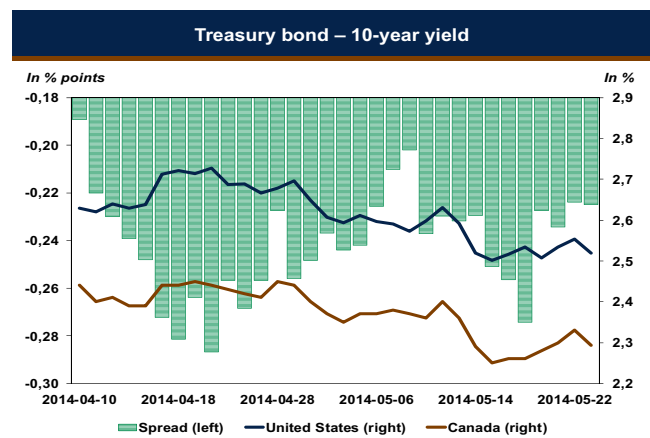
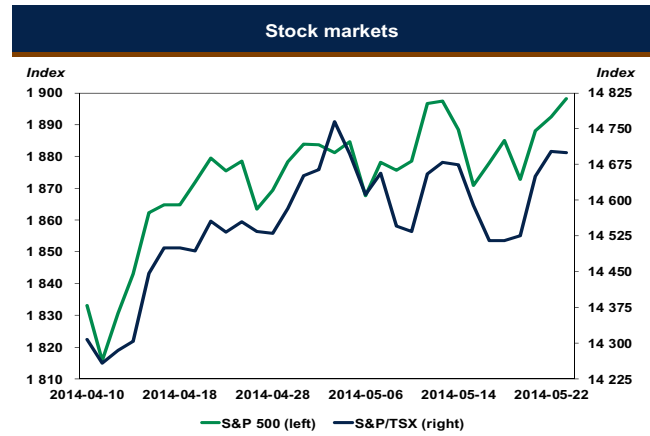
After a slow start, the S&P 500 picked up as of Tuesday when some retail sector stocks strengthened on better-than-expected corporate results. There were no major surprises in the minutes of the Federal Reserve (Fed) meeting, published Wednesday, which the stock markets seemed to take well. On Thursday, the rebound in China's PMI manufacturing index reassured the markets with respect to global growth. For its part, the Canadian stock market posted a good run from Tuesday to Thursday. Solid first-quarter performances from Canadian banks were good for the stock market, helping make up for some fairly disappointing economic numbers here.

The yield curve tended to steepen, with the U.S. 30-year yield climbing back above 3.40%. Markets were somewhat influenced by the stock market optimism, as there was little economic data in the United States. The fairly dovish tone of the Fed meeting minutes did not appear to have a lasting impact on bonds. In Canada, investors responded to the possibility that inflation—back at the Bank of Canada's (BoC) 2% target—would prompt the BoC to change its stance. The spread on 2-year yields went back over 70 basis points for the first time in a month, while the 5-year spread closed in on 5 basis points after making several incursions into negative territory.

The euro continues to slide, and was trading at close to US\$1.36 on Friday. The chances of monetary easing remain a drag on the euro, along with fears of seeing more eurosceptics voted into office during the European election. Across the Channel, the pound jumped above US\$1.690 on Wednesday, buoyed by the minutes of the latest monetary policy meeting and another big surge in retail sales. The prospect of monetary firming is, however, reined in by weak inflation and the pound stood at around US\$1.685 on Friday morning. The Canadian dollar slid on the figures on wholesale and retail sales, but the fact that inflation is back at 2% helped it hold near US\$0.92.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



# A LOOK AHEAD



## UNITED STATES

### Tuesday May 27 - 8:30

<b>April</b>	m/m
Consensus	-0.7%
Desjardins	-0.7%
<b>March</b>	<b>2.6%</b>

**New durable goods orders (April)** – New durable goods orders posted solid growth of 2.6% in March, similar to February’s rise. This time, the surge was not triggered only by volatility in the aircraft sector; new orders excluding transportation climbed 2.1%, their best gain since April 2013. After growth like this, we can expect some stagnation from new orders excluding transportation. Lack of further progress from the manufacturing ISM component associated with orders (although it remains quite high, at 55.1) does not allow us to hope for better. For transportation, a heavy drop in Boeing’s orders will offset the slight growth expected from the auto industry. All in all, a 0.7% drop in new manufacturing durable goods orders is expected.

### Tuesday May 27 - 9:00

<b>March</b>	y/y
Consensus	11.75%
Desjardins	11.80%
<b>February</b>	<b>12.86%</b>

**S&P/Case-Shiller index of existing home prices (March)** – With a second consecutive 0.8% monthly rise in February, the S&P/Case-Shiller index is up 23.4% from its January 2012 low. Another 0.8% gain is expected for March. However, the slowdown in new home sales since summer 2013 suggests that price increases will moderate soon. The annual change in the S&P/Case-Shiller index should go from 12.9% to 11.8%.

### Tuesday May 27 - 10:00

<b>May</b>	83.0
Consensus	83.5
Desjardins	83.5
<b>April</b>	<b>82.3</b>

**Conference Board consumer confidence index (April)** – After an encouragingly strong jump in March, the Conference Board index fell in April. The pullback is entirely due to the consumer current situation component, as expectations improved a bit. We expect the confidence index to go up in May. The drop by other indexes over the month probably reflects the previous reversal, not a new trend. Stock markets are up nearly 4% from their mid-April low, hires recently picked up, the weather has improved and gas prices are a bit lower than they were a month ago. The Conference Board index should go to 83.5.

### Thursday May 29 - 8:30

<b>Q1 2014 - 2<sup>nd</sup> est.</b>	ann. rate
Consensus	-0.5%
Desjardins	-0.4%
<b>Q1 2014 - 1<sup>st</sup> est.</b>	<b>0.1%</b>

**Real GDP (Q1 – second estimate)** – Annualized real GDP growth of just 0.1% according to the first estimate was clearly disappointing when gains of 1.0% had been anticipated. Since then, several indicators released have suggested this growth should be downgraded, even going into negative territory. This is the case for construction spending, international trade (which improved less than the Bureau of Economic Analysis thought) and retailer inventories. On the other hand, the revisions to retail sales growth and rise in wholesaler inventories are positive factors, although they are not enough to counter the negatives. We therefore expect the annualized real GDP change to fall to -0.4%.

### Friday May 30 - 8:30

<b>April</b>	m/m
Consensus	0.2%
Desjardins	0.1%
<b>March</b>	<b>0.9%</b>

**Consumer spending (April)** – Nominal consumption rose 0.9% in March, its strongest monthly growth since August 2009 (when auto sales were temporarily inflated by the federal Cash-for-Clunkers program). The automotive sector also prompted March’s strong growth, as sales bounced back after several weak months. After a rise like that, it would be normal for growth to be weaker in April. In real terms, we expect drops in consumption of both durable goods and services. April’s retail sales suggest another gain from non-durable goods, however. All in all, real consumption should slide 0.1%, but there is a risk of a bigger contraction. Add to this an expected 0.2% rise in the consumer expenditure deflator (whose annual change should go from 1.1% to 1.6%). Nominal consumption should therefore post growth of 0.1%. Personal income should go up 0.3%.


**CANADA**

**Current account (Q1)** – The value of merchandise exports increased 4.8% in the first quarter, while imports only advanced 2.2%. The current account component associated with goods trade should therefore improve substantially in the first quarter. All in all, the current account balance could improve by approximately \$2.5B.

**Real GDP by industry (March)** – In general, the economic results for March were not very good, with a drop in retailer and wholesaler sales, among other things. What's more, the number of hours worked in Canada's economy remained practically unchanged over the month. That being said, economic growth for March could benefit from another jump in inventories, as well as some rebound in the arts, entertainment and recreation sector, which had been affected in February by the suspension of National Hockey League activity during the Olympic Games. A slight rise in real GDP by industry is therefore expected in March.

**Real GDP (Q1)** – Real GDP by industry rose 0.5% in January and 0.2% in February. According to our estimates, March should have finished with a gain of 0.1%, which suggests that the first quarter of 2014 as a whole will see growth of 1.9%. Growth in inventories and the slight improvements to the trade balance should make a positive contribution to economic growth during the quarter. In all likelihood, domestic demand will continue to rise at a fairly moderate pace.


**OVERSEAS**

**Japan: Retail sales (April)** – As expected, retail sales jumped in March, ahead of the sales tax increase from 5% to 8%. After this rise, we must now expect a substantial pullback, which should offset it. In nominal terms, sales should have been partially inflated by tax-related price increases (the consumer price indexes will be released Thursday night). A very sharp retail sales drop in real terms would signal that Japan's economic growth should be negative for the second quarter.

**Thursday May 29 - 8:30**

<b>Q1 2014</b>	\$B
Consensus	-13.2
Desjardins	-13.5
<b>Q4 2013</b>	<b>-16.0</b>

**Friday May 30 - 8:30**

<b>March</b>	m/m
Consensus	0.1%
Desjardins	0.1%
<b>February</b>	<b>0.2%</b>

**Friday May 30 - 8:30**


<b>Q1 2014</b>	ann. rate
Consensus	1.7%
Desjardins	1.9%
<b>Q4 2013</b>	<b>2.9%</b>


**Wednesday May 28 - 19:50**

<b>April</b>	m/m
Consensus	-11.6%
<b>March</b>	<b>6.3%</b>

# ECONOMIC INDICATORS


## Week of May 26 to 30, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 26</b>	---	Markets closed (Memorial Day)				
<b>TUESDAY 27</b>	8:30	Durable goods orders (m/m)	April	-0.7%	-0.7%	2.6%
	9:00	S&P/Case-Shiller home price index (y/y)	March	11.75%	11.80%	12.86%
	10:00	Consumer confidence	May	83.0	83.5	82.3
	20:10	Speech of the Atlanta Fed President, D. Lockhart				
<b>WEDNESDAY 28</b>	---	---				
<b>THURSDAY 29</b>	8:30	Initial unemployment claims	May 19-23	318,000	318,000	326,000
	8:30	Speech of the Cleveland Fed President, S. Pianalto				
	8:30	Real GDP (ann. rate)	Q1s	-0.5%	-0.4%	0.1%
	10:00	Pending home sales (m/m)	April	1.0%	n/a	3.4%
	21:30	Speech of the Kansas City Fed President, E. George				
<b>FRIDAY 30</b>	8:30	Speech of the Cleveland Fed President, S. Pianalto				
	8:30	Personal income (m/m)	April	0.3%	0.3%	0.5%
	8:30	Personal consumption expenditures (m/m)	April	0.2%	0.1%	0.9%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	April	0.3%	0.2%	0.2%
		Excluding food and energy (m/m)	April	0.2%	0.2%	0.2%
		Total (y/y)	April	1.7%	1.6%	1.1%
		Excluding food and energy (y/y)	April	1.4%	1.4%	1.2%
	9:45	Chicago PMI index	May	60.8	60.0	63.0
	9:55	Michigan's consumer sentiment index – final	May	82.5	81.8	81.8
	14:00	Speech of the Richmond Fed President, J. Lacker				
	17:00	Speech of the San Francisco Fed President, J. Williams and of the Philadelphia Fed President, C. Plosser				
<b>CANADA</b>						
<b>MONDAY 26</b>	---	---				
<b>TUESDAY 27</b>	8:30	Quarterly financial statistics for enterprises	Q1			
<b>WEDNESDAY 28</b>	---	---				
<b>THURSDAY 29</b>	8:30	Current account balance (\$B)	Q1	-13.2	-13.5	-16.0
	8:30	Average weekly earnings (y/y)	March	n/a	2.4%	2.3%
	8:30	Number of salaried employees (m/m)	March	n/a	0.0%	-0.1%
<b>FRIDAY 30</b>	8:30	Industrial product price index (m/m)	April	0.4%	0.3%	0.4%
	8:30	Raw materials price index (m/m)	April	0.4%	0.2%	0.6%
	8:30	Real GDP by industry (m/m)	March	0.1%	0.1%	0.2%
	8:30	Real GDP (ann. rate)	Q1	1.7%	1.9%	2.9%

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 26 to 30, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 <b>OVERSEAS</b>								
<b>DURING THE WEEK</b>								
Germany	---	Retail sales	April	0.2%	1.5%	-0.7%	-1.9%	
<b>MONDAY 26</b>								
Germany	2:00	Consumer confidence	June	8.5		8.5		
<b>TUESDAY 27</b>								
Japan	1:00	Small business confidence	May	n/a		45.4		
France	2:45	Consumer confidence	May	85		85		
Italy	4:00	Consumer confidence	May	104.9		105.4		
<b>WEDNESDAY 28</b>								
Brazil	---	Bank of Brazil meeting	May	11.00%		11.00%		
France	2:45	Personal consumption expenditures	April	0.5%	0.0%	0.4%	-1.2%	
France	2:45	Producer price index	April	-0.1%	-0.9%	-0.4%	-2.0%	
Germany	3:55	Unemployment rate	May	6.7%		6.7%		
Euro zone	4:00	Money supply M3	April		1.1%		1.1%	
Italy	4:00	Business confidence	May	99.6		99.9		
Italy	4:00	Economic confidence	May	n/a		88.8		
Euro zone	5:00	Business climate	May	0.30		0.27		
Euro zone	5:00	Consumer confidence – final	May	-7.1		-7.1		
Euro zone	5:00	Industrial confidence	May	-4.0		-3.6		
Euro zone	5:00	Services confidence	May	3.7		3.5		
Euro zone	5:00	Economic confidence	May	102.2		102.0		
Japan	19:50	Retail sales	April	-11.6%	-3.2%	6.3%	11.0%	
<b>THURSDAY 29</b>								
United Kingdom	19:05	Consumer confidence	May	-2		-3		
Japan	19:30	Unemployment rate	April	3.6%		3.6%		
Japan	19:30	Household spending	April		-3.7%		7.2%	
Japan	19:30	Consumer price index	April		3.3%		1.6%	
Japan	19:30	Consumer price index – Tokyo	May		3.0%		2.9%	
Japan	19:50	Industrial production – preliminary	April	-2.0%	4.6%	0.7%	7.4%	
<b>FRIDAY 30</b>								
Japan	0:00	Vehicle production	April		n/a		14.0%	
Japan	1:00	Housing starts	April		-8.3%		-2.9%	
Italy	4:00	Producer price index	April	n/a	n/a	-0.2%	-1.9%	
Italy	5:00	Consumer price index – preliminary	May	0.0%	0.6%	0.2%	0.6%	
<b>SATURDAY 31</b>								
China	21:00	PMI manufacturing index	May	50.7		50.4		

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)	April*	101.4	0.4	1.9	2.9	5.8
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)	May	81.8	84.1	81.6	75.1	84.5
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)	April	434,571	0.1	2.5	1.9	4.0
Excluding automobiles (\$M)	April	347,487	-0.0	1.5	1.2	2.7
Industrial production (2007 = 100)	April	102.7	-0.6	1.4	1.9	3.5
Production capacity utilization rate (%) (1)	April	78.6	79.3	78.1	78.2	77.8
New machinery orders (\$M)	March	493,437	0.9	0.9	0.7	5.5
New durable good orders (\$M)	March	235,637	2.5	2.5	0.7	10.2
Business inventories (\$B)	March	1,717	0.4	1.3	2.9	4.7
Housing starts (K) (1)	April	1,072	947.0	897.0	936.0	848.0
Building permits (K) (1)	April	1,080	1,000	939.0	1,067	1,040
New home sales (K) (1)	April*	433.0	407.0	457.0	450.0	452.0
Existing home sales (K) (1)	April*	4,650	4,590	4,620	5,130	4,990
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)	April	236.3	0.3	0.6	1.1	2.0
Excluding food and energy	April	237.2	0.2	0.6	1.0	1.8
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)	April	200.8	0.7	1.0	1.8	3.1
Excluding food and energy	April	188.1	0.3	0.5	1.5	1.8
Export prices (2000 = 100)	April	133.7	-1.0	0.8	1.6	0.1
Import prices (2000 = 100)	April	139.8	-0.4	1.1	0.6	-0.3

\* New statistic in comparison with last week.

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



## Canada: Quarterly economic indicators

	Ref. quart.	Level	Variation (%)		Annual variation (%)			
			Quart. ann.	1 year	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)	March	50,922	0.4	2.2	3.1	3.5
Housing starts (K) (1)	April	195.3	156.7	176.5	201.3	177.5
Building permits (\$M)	March	5,987	-3.0	-7.0	-11.6	-5.5
Retail sales (\$M)	March*	41,065	-0.1	1.5	0.2	3.9
Excluding automobiles (\$M)	March*	31,662	0.1	1.5	1.3	3.7
Wholesale trade sales (\$M)	March*	50,454	-0.4	1.2	0.9	2.9
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)	April*	125.2	0.3	1.7	1.8	2.0
Excluding food and energy	April*	118.8	0.2	1.3	0.8	1.4
Excluding 8 volatile items	April*	122.7	0.2	1.2	0.9	1.4
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)	April*	739,065	-0.6	0.6	3.6	6.9

\* 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 (%)		
	May 23	May 16	-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	0.03	0.03	0.05	0.07	0.04	0.14	0.05	0.00
Treasury bonds – 2 years	0.34	0.37	0.39	0.32	0.28	0.25	0.51	0.35	0.25
– 5 years	1.52	1.55	1.71	1.53	1.36	0.89	1.83	1.49	0.91
– 10 years	2.52	2.52	2.67	2.73	2.75	2.01	3.01	2.67	2.03
– 30 years	3.39	3.35	3.44	3.70	3.84	3.17	3.95	3.66	3.19
S&P 500 index	1,898	1,878	1,863	1,836	1,805	1,650	1,898	1,763	1,573
DJIA index	16,593	16,491	16,361	16,103	16,065	15,303	16,715	15,780	14,660
Gold price (US\$/ounce)	1,294	1,294	1,302	1,320	1,245	1,388	1,418	1,303	1,196
CRB index	307.93	305.92	310.69	301.58	275.21	284.89	312.19	289.38	272.29
WTI oil (US\$/barrel)	104.13	102.31	100.84	102.53	94.53	93.84	110.62	100.32	91.35
<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	0.92	0.93	0.94	0.86	0.94	1.00	1.03	0.94	0.81
Treasury bonds – 2 years	1.05	1.04	1.07	1.01	1.11	1.03	1.31	1.11	0.93
– 5 years	1.56	1.54	1.67	1.69	1.76	1.37	2.17	1.76	1.40
– 10 years	2.29	2.26	2.41	2.52	2.58	1.95	2.82	2.49	1.98
– 30 years	2.83	2.80	2.93	3.02	3.14	2.57	3.28	3.02	2.59
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	0.90	0.91	0.81	0.87	0.96	0.99	0.89	0.76
Treasury bonds – 2 years	0.71	0.67	0.68	0.69	0.83	0.78	0.92	0.76	0.61
– 5 years	0.04	-0.01	-0.04	0.16	0.40	0.48	0.58	0.27	-0.05
– 10 years	-0.23	-0.26	-0.26	-0.21	-0.17	-0.06	-0.00	-0.17	-0.37
– 30 years	-0.55	-0.55	-0.51	-0.68	-0.70	-0.60	-0.48	-0.64	-0.74
S&P/TSX index	14,700	14,515	14,534	14,206	13,478	12,667	14,765	13,377	11,837
Exchange rate (C\$/US\$)	1.0872	1.0858	1.1040	1.1111	1.0515	1.0319	1.1241	1.0644	0.9198
Exchange rate (C\$/€)	1.4822	1.4869	1.5271	1.5265	1.4256	1.3343	1.5545	1.4405	1.2540
<b>Overseas</b>									
ECB – Refinancing rate	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.37	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	1.41	1.34	1.48	1.67	1.75	1.44	2.02	1.70	1.31
U.K.: Bonds – 10 years	2.63	2.57	2.64	2.79	2.79	1.90	3.07	2.69	1.90
Euro: Exchange rate (US\$/€)	1.3633	1.3695	1.3833	1.3740	1.3559	1.2932	1.3934	1.3527	1.2781
U.K.: Exchange rate (US\$/£)	1.6844	1.6816	1.6805	1.6617	1.6226	1.5127	1.6978	1.6126	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.