

Worrisome deterioration of the situation in Iraq

HIGHLIGHTS

- United States: Disappointing retail sales growth for May.
- U.S. business inventories are building more quickly.
- Canada: Housing starts went up in May.
- Canada: Manufacturing sales edged down in April.
- Canada: The industrial capacity utilization rate is back at its historic average.

A LOOK AHEAD

- Will Federal Reserve leaders downgrade their economic outlooks?
- The automotive sector should make U.S. industrial production bounce back.
- The U.S. inflation rate should stay at 2.0% in May.
- Canada: The total annual inflation rate could increase to 2.2%.
- Canada: Wholesaler and retailer sales could move back into positive territory in April.

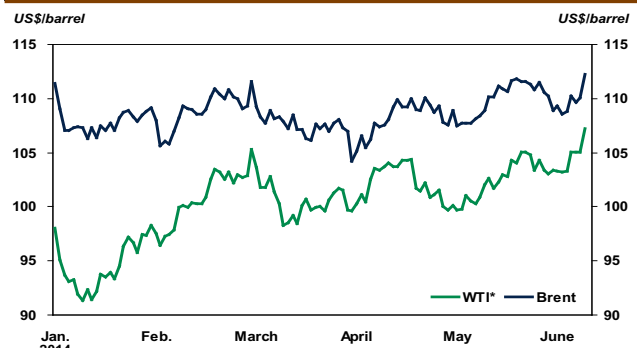
FINANCIAL MARKETS

- Geopolitical strains hurt the stock markets.
- Bond curves flatten considerably.
- The pound nears US\$1.70, as Mark Carney brings up the possibility of earlier monetary firming in the United Kingdom.

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Graph of the week – Oil prices have jumped to their highest point since the start of 2014



* West Texas Intermediate.
Sources: Datastream and Desjardins, Economic Studies

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KEY STATISTICS OF THE WEEK

UNITED STATES

- Retail sales rose just 0.3% in May, though the consensus had expected the advance to be almost twice that. However, April's revised results put a little salve on this disappointment, with growth going from a meagre 0.1% to a stronger 0.5%. Consumption's effect on the second quarter as a whole should therefore be fairly neutral compared with initial expectations. All the same, we expected dealer sales to post more robust growth, as the new auto sales released at the start of the month showed a lively advance. On a monthly basis, sales slipped for electronics stores, clothing boutiques, recreational goods stores, department stores, grocery stores and food services.
- The University of Michigan consumer confidence index posted a disappointing drop in June, according to its preliminary version. The index went from 81.9 to 81.2. This retreat largely comes from the expectations component (73.7 to 72.2), while the current situation component posted a slight increase (94.5 to 95.4).
- The producer price index (PPI) fell in May after two consecutive months of fairly strong growth, pulling back 0.2%. Food prices began to retreat after the acceleration prompted by the drought in the western United States, among other things. The core PPI, which excludes food and energy, remained stable. On an annual basis, the total PPI went from 2.1% (its peak since March 2012) to 2.0%.
- Business inventories rose 0.6% in April, the strongest monthly increase since October 2013. Wholesaler inventories went up 1.1%, while manufacturing inventories grew 0.4%. After a gain of just 0.1% in March, retailer inventories advanced 0.5%; their increase came primarily from durable goods, including motor vehicles (+1.2%). Note that the change in inventories was the prime mover behind the first quarter's contraction by real GDP. April's data points to a positive contribution in the second quarter.

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CANADA

- While forecasters expected housing starts to go down, they instead rose in May, going from 196,700 units to 198,300 units. Slight dips were posted in rural regions and multi-unit housing in urban areas, but these were offset by a rise in urban single-family dwellings. Total urban housing starts climbed to 180,813 units, an especially high number. Everything suggests that it is only a matter of time until housing starts fall.
- The value of manufacturing sales edged down 0.1% in April, proving to be a disappointment, as most forecasters had expected some growth. However, this drop can be attributed to lower prices, as real manufacturing sales rose 0.4% over the month instead. Furthermore, inventory volumes grew 1.1%, while new orders and the backlog of orders increased again. Under these conditions, not only should real production by the manufacturing sector be positive in April, but forecasts for the coming months are also quite good, given how high orders are.
- The industrial capacity utilization rate rose to 82.5% in Q1 2014, up from 82.2% the quarter before. With the first quarter's slight uptick, the industrial capacity utilization rate has now returned to its historic average. Note that it had dropped significantly during the last recession. That being said, the different activity sectors have not recovered equally. The mining sector, for example, still has a utilization rate (65.5%) well below its historic average (81.3%).

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

The situation in Iraq worries markets

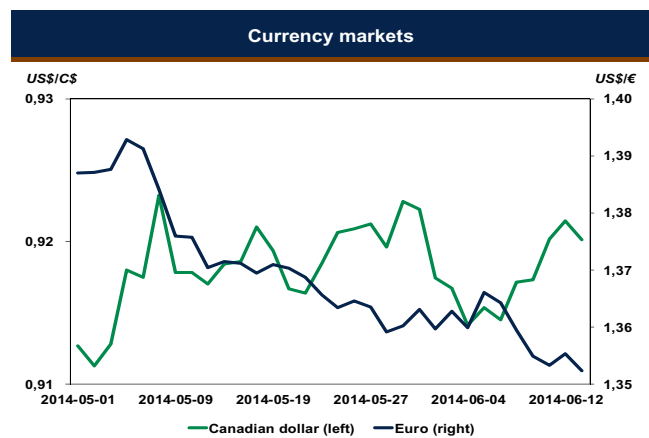
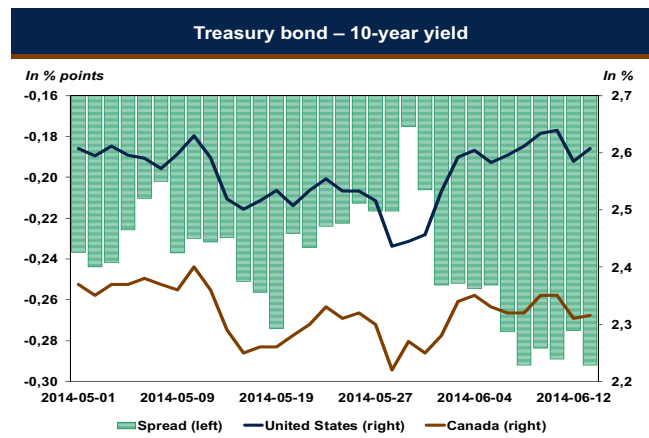
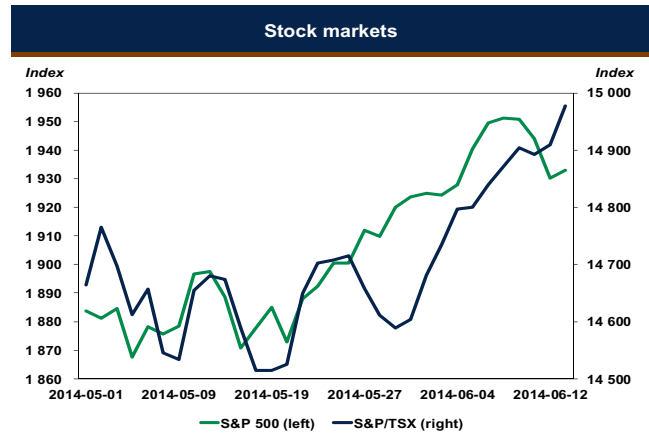
After cresting at around 1,950 points early this week, the S&P 500 began to struggle on Wednesday. Markets did not take the less optimistic growth forecasts unveiled by the World Bank well. In the United States, the defeat of House majority leader Eric Cantor in the Republican Party's primary elections also seemed to hurt confidence. Thursday, surging geopolitical tensions in Iraq triggered a significant pullback in world stock markets. The mood barely improved Friday morning and the S&P 500 was heading for a weekly loss of around 1%. Oil prices shot up in reaction to the problems in the Middle East, even beating US\$107 briefly, bringing the S&P/TSX up, in contrast to the trend for U.S. stock markets.

Bank of England Governor Mark Carney warned that rates could be raised more quickly, causing 2-year yields to jump 14 basis points in the United Kingdom, but the shock wave was also felt in the United States to a lesser degree. Friday morning, U.S. 2- and 5-year yields posted weekly gains of around 5 basis points. This helped to flatten the curve more; it had already been trending in that direction after a popular auction of 30-year bonds. Despite some dovish remarks from Governor Stephen Poloz on Thursday, Canadian short-term yields were also under upside pressure at the end of the week.

The U.S. dollar began the week with a rise, largely helped by the falling euro, but mixed economic figures for the United States took a large bite out of these gains. The euro's drop can still be attributed to recent actions by the European Central Bank. The common currency is nearing US\$1.35. The pound is moving quite differently, rising close to US\$1.70 after Mark Carney mentioned the possibility of earlier monetary firming. The Canadian dollar also appreciated over the week, benefiting from mixed U.S. data, among other things, as well as enthusiasm for some commodity currencies. The situation in Iraq, with the rise by oil prices, seems fairly good for the loonie.

Jimmy Jean
Senior Economist

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A LOOK AHEAD



UNITED STATES

Monday June 16 - 9:15

May	m/m
Consensus	0.5%
Desjardins	0.4%
April	-0.6%

Industrial production (May) – Industrial production was a disappointment in April. The consensus expected some stability after the gains made in March, but production instead contracted 0.6%. This is its largest monthly retreat since August 2012. We expect a partial rebound in May. The automotive sector probably grew considerably last month, as hours worked in that industry jumped 2.0%. The rest of the manufacturing sector should also make gains, given the manufacturing ISM's better performance: the current production component went from 55.7 to 61.0, its peak for the year. We therefore expect total manufacturing output to rise 0.6%. The other components of industrial production should remain more stable. We expect energy production to stand still after April's 5.3% drop. Overall, industrial output will likely post a 0.4% increase, while the industrial capacity utilization rate should go to 78.7. The New York Fed and Philly Fed regional indexes, released on Monday and Thursday respectively, will give us a first glimpse of manufacturing's strength in June.

Tuesday June 17 - 8:30

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

Consumer price index (May) – Growth by the consumer price index (CPI) has shown signs of accelerating for some months now. After monthly growth of 0.1% at the start of the year, monthly gains stood at 0.2% in March and 0.3% in April. We expect another 0.3% rise in May. Higher gas prices will be partially responsible for this increase, as will food prices, which have been trending up more quickly since February. Excluding food and energy, we expect core CPI to tick up 0.1%, a bit less than the 0.2% advances posted in March and April. May's weak retail sales suggest that price effects are having a downside impact. The annual price changes should remain steady at 2.0% for total CPI and 1.8% for core inflation.

Tuesday June 17 - 8:30

May	ann. rate
Consensus	1,035,000
Desjardins	990,000
April	1,072,000

Housing starts (May) – Housing starts skyrocketed in April after several disappointing months, reaching their highest point since November 2013. We can expect some pullback in May, following April's 13.2% jump. Annualized housing starts could therefore temporarily fall back below the million-unit mark. This retreat will largely come from multiple-unit dwellings. Building permits should also contract, going from 1,059,000 to 1,030,000 units. June's results for the NAHB homebuilder confidence index will be released Monday.

Wednesday June 18 - 14:00

June	
Consensus	0.25%
Desjardins	0.25%
April 30	0.25%

Federal Reserve meeting (June) – This meeting of members of the Federal Reserve (Fed) monetary policy committee should not lead the monetary authorities to stray from the path chosen late last year. Tapering should continue at the same pace, with another US\$10B cut to the amount of monthly bond purchases. The new total should therefore be US\$35B. Key rates should remain unchanged, of course. However, it will be interesting to read the statement and learn what Fed leaders think about the economy's latest movement after the problems in the first quarter, especially Janet Yellen, who will be giving a press conference. Fed members will also share their new outlooks for economic growth, inflation, unemployment and movement by key rates.

Thursday June 19 - 10:00

May	m/m
Consensus	0.6%
Desjardins	0.6%
April	0.4%

Leading indicator (May) – The leading indicator advanced 0.4% in April, largely due to the jump in building permits and, as usual, positive contributions from the interest rate spread. In addition to the latter, which will again add 0.3 percentage points to monthly growth by the leading indicator, we must include contributions from higher hours worked and fewer jobless claims. We expect the leading indicator to rise 0.6%.


CANADA

Wholesaler sales (April) – Wholesaler sales dropped 0.4% in March, after two straight months of growth. Most of this contraction can be attributed to automotive products, though, and this sector is expected to bounce back in April. Not only are auto sales up in the United States, but the interim data suggests that the number of new cars sold went up 4.0% in April in Canada. In terms of merchandise exports, a 1.2% rise was observed in April when commodities were excluded. Under these conditions, wholesaler sales should return to growth in April.

Consumer price index (May) – According to the weekly surveys at the pump, average gas prices remained practically unchanged over the month of May. Gasoline will therefore have very little effect on the monthly change in the total consumer price index (CPI). As for fluctuations caused by seasonal effects, they are generally around 0.3% in May. To this gain, add growth by inflation's trend, which should be around 0.1% according to our estimates. All in all, total CPI could advance 0.4% in April. The total annual inflation rate would then go from 2.0% to 2.2%. The annual change in the core index (CPIX) could climb to 1.5% from March's 1.4%.

Retail sales (April) – The seasonally adjusted consumer price index of consumer goods rose 0.3% in April; this should inflate the value of retail sales. Furthermore, the number of new motor vehicles sold rose 4.0% in April according to preliminary data. Finally, household confidence is doing rather well, edging past its historic average over the month. The monthly change in retail sales should therefore move back into positive territory in April.


OVERSEAS

United Kingdom: Consumer price index (May) – After remaining resiliently high for several years, growth by the consumer price index has slowed considerably in the last few quarters. Inflation's drop from 2.9% a year ago to 1.6% in March took the Bank of England by surprise. The annual change in prices rose slightly in April, to 1.8%. It will be interesting to see if it closes in on the 2.0% target or backs away from it again. May's retail sales will be published on Thursday morning. They posted a strong monthly gain of 1.8% in April, and some slight pullback is now possible.

Wednesday June 18 - 8:30

April	m/m
Consensus	n/a
Desjardins	0.7%
March	-0.4%

Friday June 20 - 8:30

May	m/m
Consensus	n/a
Desjardins	0.4%
April	0.3%

Friday June 20 - 8:30


April	m/m
Consensus	n/a
Desjardins	0.5%
March	-0.1%

Tuesday June 17 - 4:30

May	y/y
Consensus	1.7%
April	1.8%


ECONOMIC INDICATORS

Week of June 16 to 20, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 16	8:30	Empire manufacturing index	June	15.00	15.00	19.01
	9:00	Net foreign security purchases (US\$B)	April	30.0	n/a	4.0
	9:15	Industrial production (m/m)	May	0.5%	0.4%	-0.6%
	9:15	Production capacity utilization rates	May	78.9%	78.7%	78.6%
	10:00	NAHB housing market index	June	47	n/a	45
TUESDAY 17	8:30	Consumer price index				
		Total (m/m)	May	0.2%	0.3%	0.3%
		Excluding food and energy (m/m)	May	0.2%	0.1%	0.2%
		Total (y/y)	May	2.0%	2.0%	2.0%
		Excluding food and energy (y/y)	May	1.9%	1.8%	1.8%
	8:30	Housing starts (ann. rate)	May	1,035,000	990,000	1,072,000
	8:30	Building permits (ann. rate)	May	1,055,000	1,030,000	1,059,000
WEDNESDAY 18	8:30	Current account (US\$B)	Q1	-96.6	-100.0	-81.1
	14:00	Federal Reserve meeting	June	0.25%	0.25%	0.25%
	14:30	Press Conference of the Federal Reserve Chair, J. Yellen				
THURSDAY 19	8:30	Initial unemployment claims	June 9-13	314,000	312,000	317,000
	10:00	Leading indicator (m/m)	May	0.6%	0.6%	0.4%
	10:00	Philadelphia Fed index	June	14.0	15.0	15.4
FRIDAY 20	---	---				


CANADA

MONDAY 16	8:30	International transactions in securities (\$B)	April	n/a	7.50	-1.23
	9:00	Existing home sales	May			
TUESDAY 17	---	---				
WEDNESDAY 18	8:30	Wholesale sales (m/m)	April	0.5%	0.7%	-0.4%
	8:30	Wholesale inventories (m/m)	April	n/a	0.4%	2.3%
THURSDAY 19	8:30	National balance sheet	Q1			
FRIDAY 20	8:30	Consumer price index				
		Total (m/m)	May	0.2%	0.4%	0.3%
		Excluding 8 most volatile (m/m)	May	0.3%	0.3%	0.2%
		Total (y/y)	May	2.0%	2.2%	2.0%
		Excluding 8 most volatile (y/y)	May	1.5%	1.5%	1.4%
	8:30	Retail sales				
		Total (m/m)	April	0.5%	0.5%	-0.1%
		Excluding automobiles (m/m)	April	0.4%	0.3%	0.1%

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 June 16 to 20, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
MONDAY 16								
Euro zone	5:00	Consumer price index – final	May	-0.1%	0.5%	0.2%	0.5%	
TUESDAY 17								
Italy	4:00	Trade balance (€M)	April	3,700		3,873		
United Kingdom	4:30	Consumer price index	May	0.2%	1.7%	0.4%	1.8%	
United Kingdom	4:30	Producer price index	May	0.1%	0.7%	0.0%	0.6%	
Euro zone	5:00	Labour costs	Q1		n/a		1.4%	
Germany	5:00	ZEW survey – Current situation	June	62.1		62.1		
Germany	5:00	ZEW survey – Expectations	June	35.0		33.1		
Japan	19:50	Merchandise trade balance (¥B)	May	-1,060.9		-844.6		
WEDNESDAY 18								
United Kingdom	4:30	Minutes of the Bank of England meeting						
Euro zone	5:00	Construction	April	n/a	n/a	-0.6%	5.2%	
THURSDAY 19								
Japan	0:30	All industry activity index	April	-4.0%		1.5%		
Japan	1:00	Leading indicator – final	April	n/a		106.6		
Japan	1:00	Coincident indicator – final	April	n/a		111.1		
Switzerland	3:30	Swiss National Bank meeting	June	0.00%		0.00%		
Norway	4:00	Bank of Norway meeting	June	1.50%		1.50%		
United Kingdom	4:30	Retail sales	May	-0.6%	4.8%	1.8%	7.7%	
Italy	5:00	Current account (€M)	April	n/a		1,005		
FRIDAY 20								
Germany	2:00	Producer price index	May	0.0%	-0.7%	-0.1%	-0.9%	
France	2:45	Wages – final	Q1	n/a		0.6%		
Euro zone	4:00	Current account (€B)	April	n/a		18.8		
Italy	4:00	Factory orders	April	1.0%	n/a	1.3%	2.8%	
Euro zone	10:00	Consumer confidence – preliminary	June	-6.5		-7.1		
Mexico	10:00	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)	2014 Q1	15,903	-1.0	2.0	1.9	2.8	1.8	2.5
Consumption (2009 \$B)	2014 Q1	10,914	3.1	2.5	2.0	2.2	2.5	2.0
Government spending (2009 \$B)	2014 Q1	2,863	-0.8	-1.5	-2.2	-1.0	-3.2	0.1
Residential investment (2009 \$B)	2014 Q1	482.7	-5.1	2.4	12.2	12.9	0.5	-2.5
Non-residential investment (2009 \$B)	2014 Q1	2,015	-1.6	3.4	2.7	7.3	7.6	2.5
Business inventory change (2009 \$B) (1)	2014 Q1	49.0	---	---	81.6	57.6	33.6	58.2
Exports (2009 \$B)	2014 Q1	2,032	-6.0	3.7	2.7	3.5	7.1	11.5
Imports (2009 \$B)	2014 Q1	2,451	0.8	2.9	1.4	2.2	4.9	12.8
Final domestic demand (2009 \$B)	2014 Q1	16,259	1.6	1.9	1.6	2.4	1.8	1.5
GDP deflator (2009 = 100)	2014 Q1	107.4	1.3	1.4	1.4	1.7	2.0	1.2
Labor productivity (2009 = 100)	2014 Q1	106.0	-3.2	1.0	0.5	1.5	0.5	3.3
Unit labor cost (2009 = 100)	2014 Q1	104.2	5.7	1.2	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)	May	55.4	54.9	53.2	57.0	50.0
ISM non-manufacturing index (1)	May	56.3	55.2	51.6	54.1	54.0
Cons. confidence Conf. Board (1985 = 100) (1)	May	83.0	81.7	78.3	72.0	74.3
Cons. confidence Michigan (1966 = 100) (1)	June*	81.2	81.9	80.0	82.5	84.1
Personal consumption expenditure (2009 \$B)	April	10,962	-0.3	1.0	1.5	2.7
Disposable personal income (2009 \$B)	April	11,828	0.2	0.8	0.9	2.0
Consumer credit (\$B)	April*	3,175	0.9	2.0	3.3	6.5
Retail sales (\$M)	May*	437,648	0.3	2.4	2.2	4.3
Excluding automobiles (\$M)	May*	348,822	0.1	1.4	1.7	2.8
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)	April	499,779	0.7	3.9	2.7	4.9
New durable good orders (\$M)	April	239,904	0.6	7.1	3.8	7.1
Business inventories (\$B)	April*	1,728	0.6	1.5	2.9	5.0
Housing starts (K) (1)	April	1,072	947.0	897.0	936.0	848.0
Building permits (K) (1)	April	1,059	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)	April	953.5	0.2	1.2	3.3	8.6
Commercial surplus (\$M) (1)	April	-47,236	-44,176	-40,052	-39,083	-40,417
Nonfarm employment (K) (2)	May	138,463	217.0	702.0	1,152	2,379
Unemployment rate (%) (1)	May	6.3	6.3	6.7	7.0	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)	April	108.4	0.2	0.4	0.8	1.6
Excluding food and energy	April	107.1	0.2	0.4	0.7	1.4
Producer price (1982 = 100)	May*	200.7	-0.0	0.6	1.8	2.5
Excluding food and energy	May*	188.2	0.1	0.4	1.3	1.8
Export prices (2000 = 100)	May*	133.6	0.1	-0.1	1.4	0.5
Import prices (2000 = 100)	May*	139.9	0.1	0.1	1.6	0.4

* 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)	2014 Q1	1,717,239	1.2	2.2	2.0	1.7	2.5	3.4
Household consumption (2007 \$M)	2014 Q1	959,211	1.2	2.6	2.4	1.9	2.3	3.5
Government consumption (2007 \$M)	2014 Q1	348,180	-0.5	0.1	0.6	1.1	0.8	2.7
Residential investment (2007 \$M)	2014 Q1	110,767	-6.3	-0.5	-0.3	6.1	1.6	8.7
Non-residential investment (2007 \$M)	2014 Q1	182,887	-2.0	-0.9	1.3	6.2	11.1	14.5
Business inventory change (2007 \$M) (1)	2014 Q1	16,275	---	---	11,927	6,831	7,440	-452.0
Exports (2007 \$M)	2014 Q1	519,989	-2.4	1.7	2.2	1.5	4.7	6.9
Imports (2007 \$M)	2014 Q1	549,162	-7.2	-1.1	1.1	3.1	5.7	13.6
Final domestic demand (2007 \$M)	2014 Q1	1,722,577	-0.3	1.0	1.4	2.3	2.4	5.0
GDP deflator (2007 = 100)	2014 Q1	112.8	5.5	1.7	1.4	1.7	3.2	2.7
Labour productivity (2007 = 100)	2014 Q1	104.4	-0.2	2.2	1.0	-0.0	0.9	1.8
Unit labour cost (2007 = 100)	2014 Q1	113.9	1.9	1.1	1.4	3.0	2.5	-0.4
Current account balance (\$M) (1)	2014 Q1	-12,386	---	---	-60,288	-62,215	-48,467	-58,419
Production capacity utilization rate (%) (1)	2014 Q1*	82.5	---	---	81.3	81.5	80.6	78.5
Disposable personal income (\$M)	2014 Q1	1,103,432	4.5	3.2	3.6	3.9	4.6	3.7
Corporate net operating surplus (2007 \$M)	2014 Q1	258,688	25.2	6.8	-1.7	-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)	March	1,614,054	0.1	0.7	0.9	2.1
Industrial production (2007 \$M)	March	353,878	0.6	2.3	2.9	3.5
Manufacturing sales (\$M)	April*	50,850	-0.1	1.8	2.0	5.7
Housing starts (K) (1)	May*	198.3	196.7	190.9	194.9	199.4
Building permits (\$M)	April	6,039	1.1	-13.2	-16.8	-13.4
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)	April	-638.0	765.6	-343.4	-480.2	-772.9
Exports (\$M)	April	42,825	-1.8	4.7	6.3	7.1
Imports (\$M)	April	43,463	1.4	5.4	6.6	6.6
Employment (K) (2)	May	17,830	25.8	13.3	3.0	7.1
Unemployment rate (%) (1)	May	7.0	6.9	7.0	6.9	7.1
Average weekly earnings (\$)	March	932.7	0.7	0.8	2.3	3.1
Number of salaried employees (K) (2)	March	15,413	-45.3	-24.2	-9.2	4.4
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)	April	112.4	-0.2	1.5	4.0	3.9
Raw materials price (2002 = 100)	April	123.5	0.1	6.6	7.2	9.1
Money supply M1+ (\$M)	April	738,296	-0.6	0.5	3.5	6.8

* 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 (%)		
	June 13	June 6	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Treasury bill – 3 months	0.04	0.04	0.03	0.05	0.07	0.05	0.14	0.04	0.00
Treasury bonds – 2 years	0.45	0.41	0.37	0.34	0.32	0.27	0.51	0.35	0.26
– 5 years	1.70	1.65	1.55	1.53	1.53	1.02	1.83	1.52	1.04
– 10 years	2.61	2.60	2.52	2.65	2.87	2.12	3.01	2.69	2.17
– 30 years	3.41	3.44	3.35	3.59	3.88	3.29	3.95	3.66	3.29
S&P 500 index	1,933	1,949	1,878	1,841	1,775	1,627	1,951	1,780	1,573
DJIA index	16,767	16,924	16,491	16,066	15,755	15,070	16,946	15,871	14,660
Gold price (US\$/ounce)	1,274	1,253	1,294	1,376	1,236	1,387	1,418	1,295	1,196
CRB index	309.91	305.25	305.92	302.88	279.67	286.18	312.19	290.58	272.29
WTI oil (US\$/barrel)	106.67	103.32	102.31	99.23	96.26	97.83	110.62	100.89	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	0.93	0.93	0.93	0.82	0.93	1.02	1.03	0.93	0.81
Treasury bonds – 2 years	1.09	1.06	1.04	1.01	1.11	1.10	1.31	1.11	0.93
– 5 years	1.59	1.58	1.54	1.61	1.82	1.53	2.17	1.76	1.51
– 10 years	2.32	2.32	2.26	2.39	2.66	2.12	2.82	2.51	2.15
– 30 years	2.84	2.84	2.80	2.93	3.21	2.68	3.28	3.03	2.70
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	0.89	0.90	0.77	0.86	0.97	0.99	0.89	0.76
Treasury bonds – 2 years	0.64	0.65	0.67	0.67	0.79	0.83	0.92	0.76	0.61
– 5 years	-0.12	-0.07	-0.01	0.08	0.29	0.51	0.58	0.24	-0.12
– 10 years	-0.29	-0.28	-0.26	-0.26	-0.21	-0.00	-0.02	-0.19	-0.37
– 30 years	-0.58	-0.60	-0.55	-0.66	-0.67	-0.61	-0.48	-0.63	-0.74
S&P/TSX index	14,978	14,839	14,515	14,228	13,126	12,187	14,978	13,509	11,837
Exchange rate (C\$/US\$)	1.0868	1.0935	1.0858	1.1105	1.0586	1.0170	1.1241	1.0680	0.9201
Exchange rate (C\$/€)	1.4698	1.4918	1.4869	1.5451	1.4548	1.3573	1.5545	1.4480	1.2443
Overseas									
ECB – Refinancing rate	0.15	0.25	0.25	0.25	0.25	0.50	0.50	0.35	0.15
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	1.36	1.36	1.34	1.54	1.83	1.52	2.02	1.69	1.31
U.K.: Bonds – 10 years	2.75	2.66	2.57	2.66	2.90	2.07	3.07	2.73	2.08
Euro: Exchange rate (US\$/€)	1.3523	1.3643	1.3695	1.3915	1.3743	1.3347	1.3934	1.3554	1.2781
U.K.: Exchange rate (US\$/£)	1.6959	1.6803	1.6816	1.6647	1.6299	1.5705	1.6978	1.6205	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.