

Another hard blow to the first quarter's U.S. real GDP

HIGHLIGHTS

- The U.S. real GDP for the first quarter was revised downwards again.
- United States: Home prices begin to slow, but new and existing home sales bounce back.
- U.S. consumer confidence is picking up.
- Canada: Average weekly earnings increase considerably.

A LOOK AHEAD

- United States: Job creation should continue to do well in June, though a bit less lively than in April and May.
- United States: The manufacturing ISM is expected to rise again in June.
- Canada: Real GDP by industry should keep growing in April.
- Canada: The merchandise trade balance should improve.

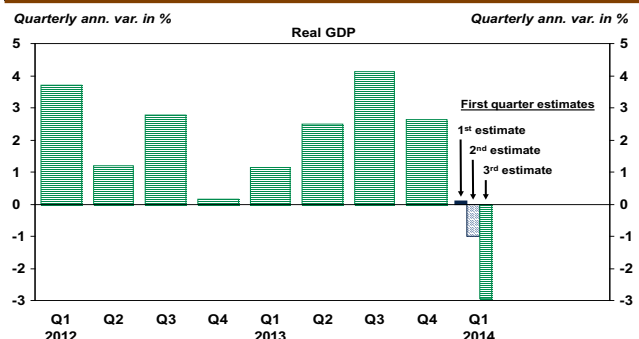
FINANCIAL MARKETS

- Tensions in Iraq continue to hurt the stock indexes.
- Doubts over U.S. growth cause bond yields to plummet.
- The U.S. dollar moves down against several currencies.

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Graph of the week – The change to the first quarter's U.S. real GDP hurts



Sources: Bureau of Economic Analysis and Desjardins, Economic Studies

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KEY STATISTICS OF THE WEEK

UNITED STATES

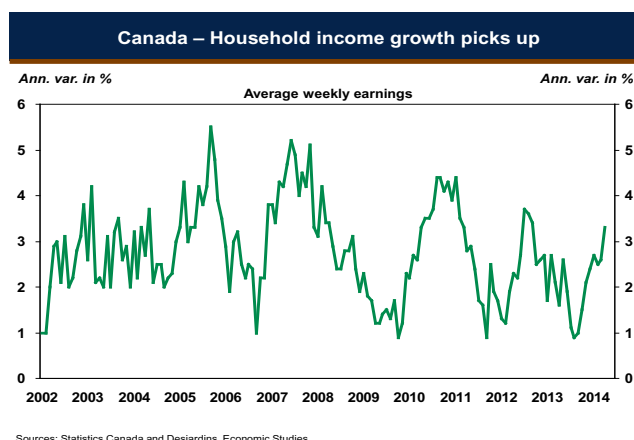
- The third estimate of the first quarter's national accounts led to another downward adjustment to the annualized change to real GDP, which had already gone from +0.1% in the first estimate to -1.0% after the first revision. The second revision brings the contraction to -2.9%, the worst drop in real GDP outside of a recession. This change largely comes from real consumer spending on medical services, which had been overestimated in the first versions. Their contribution to growth went from 1.10 points, to 1.01 points, then to -0.16 points. The drop in real GDP from the end of 2013 is still chiefly due to net exports and inventory change. Soft real GDP in the first quarter is taking a serious bite from expected annual growth for 2014 as a whole; it may fall well below 2.0%.
- In May, home sales went up dramatically in the United States. Existing home sales went from 4,660,000 units in April to 4,890,000 units, their highest point since last October. Gains largely came from single-family dwellings, which grew 5.7%, while condo sales stagnated. Sales of new single-family dwellings jumped 18.6%, going from 425,000 to 504,000 units, their highest since May 2008.
- Real consumption edged down 0.1% in May, following on April's 0.2% pullback (revised from -0.3 %). This weakness makes the hoped-for second quarter rebound in real GDP more difficult. The drop in real consumption comes from both spending on services and spending on non-durable goods; consumption of durable goods advanced 1.0%. The annual change in the consumption expenditure deflator went from 1.6% to 1.8%, while annual change in the core deflator excluding food and energy climbed from 1.4% to 1.5%.
- The Conference Board's confidence index rose from 82.2 to 85.2 in June, its highest point since January 2008.
- Growth in home prices has slowed according to the S&P/Case-Shiller index, which advanced 0.2% in April after several consecutive months of increases greater than 0.8%. The index is up 10.8% over the last year.
- New durable goods orders dropped 1.0% in May after going up 2.7% in March and 0.8% in April. This contraction comes from the military sector. Excluding aviation and defence, capital goods orders rose 0.7%, and their change over three months points to lively acceleration in business investment in the second quarter.

Francis Généreux
Senior Economist

CANADA

- Employees' average weekly earnings went up 0.5% in April, bringing its annual change to 3.3%. This is considerably stronger than it was a few months ago, with the annual change at just 0.9% in August 2013. In real terms, annual growth in earnings now stands at 1.0%, slightly above the historical average (0.8%). This is clearly good news for future movement in consumer spending.
- The industrial product price index dropped 0.5% in May. Its annual change went from 3.9% to 3.4%, the first slowdown in nearly seven months. A similar trend was observed for the raw materials price index, which pulled back 0.4% in May. The easing of industrial price growth is a good sign, suggesting that the recent acceleration in consumer prices could die down soon.

Benoit P. Durocher
Senior Economist



FINANCIAL MARKETS

The revised U.S. GDP takes worries up a notch

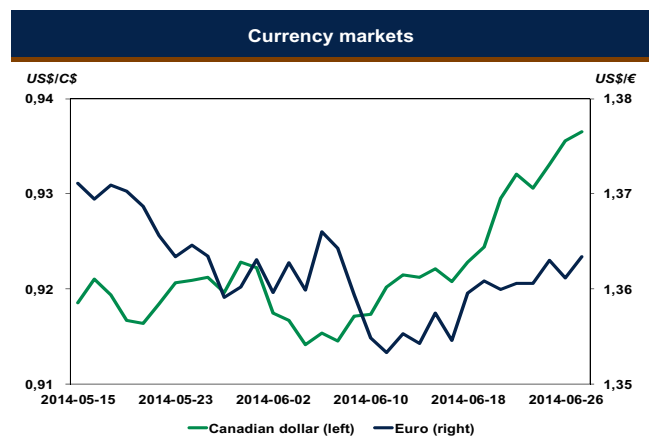
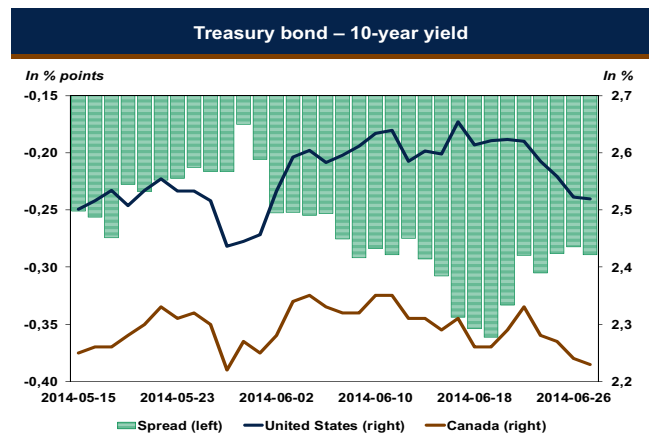
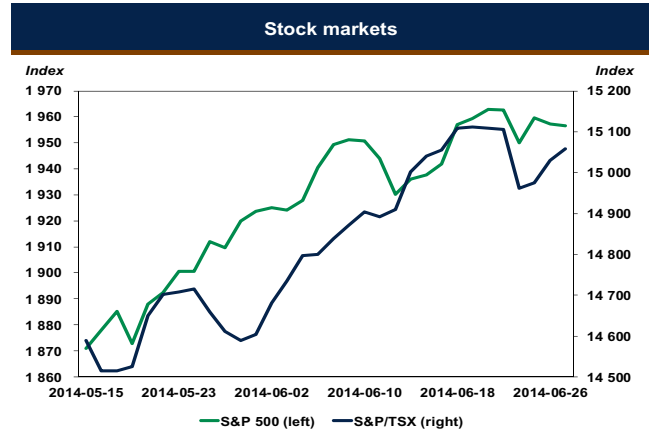
Stock markets had a challenging start to the week, despite encouraging figures from the U.S. housing market and consumer confidence. Syria entered into battle with the insurgents, which investors felt was a sign that tensions were climbing, and oil prices jumped on the news. However, this effect was short-lived, especially for the S&P, which recouped most of its losses on Wednesday, despite the shock caused by the significant downgrade to U.S. real GDP for the first quarter. The U.S. index pulled back again at opening Thursday morning, as poor results for household consumption revived doubts about the strength of the U.S. economic upswing. At the time of writing, the S&P 500 was heading for a weekly loss of around 0.4%. The Canadian stock market was moving toward a similar retreat, after being more affected by geopolitical concerns at the start of the week.

Bond yields plummeted as of Tuesday in response to geopolitical uncertainties and the revised U.S. GDP. U.S. 10-year yields went from 2.61% at the start of the week to 2.52% on Friday. Yields for shorter maturities did not fall as far, though, and the curve tended to flatten. Canadian bond yields also maintained a generally downward trajectory, though slightly less pronounced than the movement by U.S. yields. Investors seemed to be keeping last week's strong inflation numbers in mind. The futures market is no longer pricing in the slightest chance of a key rate cut in Canada.

The mixed data released for the United States kept pressure on the greenback, which, among other things, allowed the euro to climb back above US\$1.36, despite some disappointing indicators published for Europe. The pound was a bit more stable, holding slightly above US\$1.70. The Canadian dollar maintained last week's surge, prompted by higher inflation figures. The U.S. dollar's weakness also contributed to the loonie's advance this week, taking it above US\$0.935, its highest point since January.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday July 1 - 10:00

June	
Consensus	55.8
Desjardins	56.2
May	55.4

ISM manufacturing index (June) – The ISM manufacturing index rose for the fourth month in a row in May. The 0.5-point increase brings it to 55.4, its highest level since December. Another gain is expected for June. The regional manufacturing indexes have generally improved over the month. The manufacturing ISM is expected to go to 56.2.

Thursday July 3 - 8:30

May	US\$B
Consensus	-45.0
Desjardins	-44.1
April	-47.2

Trade balance (May) – The trade balance eroded considerably in April, though the consensus forecast had called for a very modest increase in the trade deficit. Instead, it went from -44.2 to -47.2, the lowest point since April 2012. The deterioration stems largely from a blip in imports, inflated by high cell phone imports, among other things. Growth by real imports, at 3.4% in March and 2.0% in April, should give way to some contraction in May. A modest rise is expected for real exports, given the solid performance by ISM indexes. Price effects should be minimal, as both export and import prices only ticked up 0.1%. The trade balance should go to -US\$44.1B.

Thursday July 3 - 8:30

June	
Consensus	210,000
Desjardins	200,000
May	217,000

Job creation according to the establishment survey (June) – Because of the U.S. national holiday on Friday, the employment data will be published on Thursday, July 3. We expect hires to tick down again in June, after gaining 282,000 in April and 217,000 in May. Employment figures were a bit more mixed in June, with new jobless claims edging up. However, the results for employment were largely positive in the Conference Board’s consumer confidence survey. It remains to be seen what the employment components of the ISM indexes will reveal, but the tone of regional manufacturing indexes has been rather good, and we expect 200,000 hires. The jobless rate should remain at 6.3%.

Thursday July 3 - 10:00

June	
Consensus	56.0
Desjardins	56.3
May	56.3

ISM non-manufacturing index (June) – The non-manufacturing ISM grew more than anticipated in May, going from 55.2 to 56.3, when the consensus had predicted a climb to just 55.5. The index is now at its highest point since summer 2013. Both above 60, the sub-indexes associated with current production and new orders are doing especially well. With these increases, we expect the non-manufacturing ISM to take a break in June, staying at 56.3.



CANADA

Monday June 30 - 8:30

April	m/m
Consensus	0.2%
Desjardins	0.2%
March	0.1%

Real GDP by industry (April) – Overall, the results for the economic indicators were very good for April. Manufacturing, wholesaler and retailer sales all advanced significantly, in real terms, and inventories also rose. The number of housing starts also jumped 25% over the month. However, the evolution of real GDP by industry could be reined in by the lower results for hours worked posted by many activity sectors in April. Real GDP by industry could grow by around 0.2%.

International merchandise trade (May) – Expressed in Canadian dollars and seasonally adjusted, the commodity price index jumped 1.1% in May. The increase is widespread, with energy product prices going up 1.1% while non-energy products rose 1.2%. This should help boost the value of Canada's exports in May. Furthermore, the arrival of spring should lead to stronger international demand, especially from the United States. In terms of imports, soft domestic demand in the country suggests very limited growth. Under these conditions, the trade balance should improve over the month.



OVERSEAS

Euro zone: European Central Bank meeting (July) – As expected, the European Central Bank (ECB) announced new monetary easing measures in June. The two main measures were lowering key interest rates, bringing the deposit rate into negative territory, and the implementation of a lending program intended to help financial institutions give more credit to consumers and businesses. While other actions could be taken eventually, no such moves will be decided on at July's meeting. The ECB will want to see its latest results for the economy, credit and especially inflation before intervening again if necessary. In the meantime, Mario Draghi should repeat that preparations to purchase asset-backed securities are ongoing. Among the economic indicators to come out this week are June's flash inflation estimate on Monday and May's jobless rate on Tuesday. May's results for retail sales will be published on Thursday.

Thursday July 3 - 8:30


May	\$B
Consensus	-0.30
Desjardins	-0.15
April	-0.64


Thursday July 3 - 7:45

July	
Consensus	0.15%
Desjardins	0.15%
June 5	0.15%

ECONOMIC INDICATORS


Week of June 30 to July 4, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 30						
	9:45	Chicago PMI index	June	63.0	62.0	65.5
	10:00	Pending home sales (m/m)	May	1.2%	n/a	0.4%
	13:10	Speech of the San Francisco Fed President, J. Williams				
TUESDAY 1						
	---	Total vehicle sales (ann. rate)	June	16.40	16.40	16.70
	10:00	Construction spending (m/m)	May	0.5%	-0.4%	0.2%
	10:00	ISM manufacturing index	June	55.8	56.2	55.4
WEDNESDAY 2						
	10:00	Factory orders (m/m)	May	-0.3%	-0.3%	0.7%
	11:00	Speech of the Federal Reserve Chair, J. Yellen				
THURSDAY 3						
	8:30	Initial unemployment claims	June 23-27	313,000	310,000	312,000
	8:30	Trade balance – Goods and services (US\$B)	May	-45.0	-44.1	-47.2
	8:30	Change in nonfarm payrolls	June	210,000	200,000	217,000
	8:30	Unemployment rate	June	6.3%	6.3%	6.3%
	8:30	Weekly worked hours	June	34.5	34.5	34.5
	8:30	Average weekly earnings (m/m)	June	0.2%	0.2%	0.2%
	10:00	ISM non-manufacturing index	June	56.0	56.3	56.3
FRIDAY 4						
	---	Markets closed (Independence Day)				
CANADA						
MONDAY 30						
	8:30	Real GDP by industry (m/m)	April	0.2%	0.2%	0.1%
TUESDAY 1						
	---	Markets closed (Canada Day)				
WEDNESDAY 2						
	---	---				
THURSDAY 3						
	8:30	International trade (\$B)	May	-0.30	-0.15	-0.64
FRIDAY 4						
	8:15	International reserves (\$B)	June	n/a	77.5	77.9

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 June 30 to July 4, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
SUNDAY 29								
Japan	19:50	Industrial production – preliminary	May	0.9%	1.5%	-2.8%	3.8%	
MONDAY 30								
Japan	0:00	Vehicle production	May		n/a		3.4%	
Japan	1:00	Small business confidence	June	n/a		46.6		
Japan	1:00	Housing starts	May		-10.5%		-3.3%	
Germany	2:00	Retail sales	May	0.8%	1.0%	-0.9%	3.4%	
Euro zone	4:00	Money supply M3	May		0.8%		0.8%	
Euro zone	5:00	Consumer price index – estimate	June		0.5%		0.5%	
Italy	5:00	Consumer price index – preliminary	June	0.1%	0.3%	-0.1%	0.5%	
Japan	19:50	Tankan large manufacturers index	Q2	15		17		
China	21:00	PMI manufacturing index	June	51.0		50.8		
Japan	21:35	PMI manufacturing index – final	June	n/a		51.1		
TUESDAY 1								
Australia	0:30	Reserve Bank of Australia meeting	July	2.50%		2.50%		
Japan	1:00	Vehicle sales	June		n/a		-5.6%	
France	3:50	PMI manufacturing index – final	June	47.8		47.8		
Germany	3:55	PMI manufacturing index – final	June	52.4		52.4		
Germany	3:55	Unemployment rate	June	6.7%		6.7%		
Euro zone	4:00	PMI manufacturing index – final	June	51.9		51.9		
Italy	4:00	Unemployment rate – preliminary	May	12.6		12.6%		
United Kingdom	4:30	PMI manufacturing index	June	56.8		57.0		
Euro zone	5:00	Unemployment rate	May	11.7%		11.7%		
WEDNESDAY 2								
United Kingdom	2:00	Nationwide house prices	June	0.5%	11.2%	0.7%	11.1%	
United Kingdom	4:30	PMI construction index	June	59.8		60.0		
Euro zone	5:00	Producer price index	May	0.0%	-1.0%	-0.1%	-1.2%	
China	21:00	PMI non-manufacturing index	June	n/a		55.5		
Japan	21:35	PMI composite index	June	n/a		49.2		
Japan	21:35	PMI services index	June	n/a		49.3		
THURSDAY 3								
Sweden	3:30	Bank of Sweden meeting	July	0.50%		0.75%		
France	3:50	PMI composite index – final	June	48.0		48.0		
France	3:50	PMI services index – final	June	48.2		48.2		
Germany	3:55	PMI composite index – final	June	54.2		54.2		
Germany	3:55	PMI services index – final	June	54.8		54.8		
Euro zone	4:00	PMI composite index – final	June	52.8		52.8		
Euro zone	4:00	PMI services index – final	June	52.8		52.8		
United Kingdom	4:30	PMI composite index	June	58.6		59.0		
United Kingdom	4:30	PMI services index	June	58.3		58.6		
Euro zone	5:00	Retail sales	May	0.3%	1.8%	0.4%	2.4%	
Euro zone	7:45	European Central Bank meeting	July	0.15%		0.15%		
FRIDAY 4								
Germany	2:00	Factory orders	May	-1.1%	6.0%	3.1%	6.3%	
Germany	3:30	PMI construction index	June	n/a		48.1		
Euro zone	4:10	PMI retail index	June	n/a		49.9		
Germany	4:10	PMI retail index	June	n/a		52.5		
France	4:10	PMI retail index	June	n/a		50.5		

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	15,824	-2.9	1.5	1.9	2.8	1.8	2.5
Consumption (2009 \$B)	2014 Q1	10,859	1.0	2.0	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	483.8	-4.2	2.7	12.2	12.9	0.5	-2.5
Non-residential investment (2009 \$B)	2014 Q1	2,017	-1.2	3.5	2.7	7.3	7.6	2.5
Business inventory change (2009 \$B) (1)	2014 Q1	45.9	---	---	81.6	57.6	33.6	58.2
Exports (2009 \$B)	2014 Q1	2,016	-8.9	2.8	2.7	3.5	7.1	11.5
Imports (2009 \$B)	2014 Q1	2,457	1.8	3.1	1.4	2.2	4.9	12.8
Final domestic demand (2009 \$B)	2014 Q1	16,207	0.3	1.6	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)	2014 Q1	-111.2	---	---	-400.3	-460.8	-459.3	-443.9

* 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)	May	101.7	0.5	1.8	2.3	5.9
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)	June*	85.2	82.2	83.9	77.5	82.1
Cons. confidence Michigan (1966 = 100) (1)	June	82.5	81.9	80.0	82.5	84.1
Personal consumption expenditure (2009 \$B)	May*	10,888	-0.1	0.4	0.3	1.9
Disposable personal income (2009 \$B)	May*	11,851	0.2	0.7	1.0	1.9
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)	May	103.7	0.6	1.2	2.3	4.3
Production capacity utilization rate (%) (1)	May	79.1	78.9	78.8	78.5	77.8
New machinery orders (\$M)	April	499,779	0.7	3.9	2.7	4.9
New durable good orders (\$M)	May*	238,008	-1.0	3.5	-1.4	2.7
Business inventories (\$B)	April	1,728	0.6	1.5	2.9	5.0
Housing starts (K) (1)	May	1,001	1,071	928.0	1,105	915.0
Building permits (K) (1)	May	1,005	1,059	1,011	1,037	1,010
New home sales (K) (1)	May*	504.0	425.0	432.0	445.0	431.0
Existing home sales (K) (1)	May*	4,890	4,660	4,600	4,830	5,150
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)	May	237.1	0.4	0.8	1.3	2.1
Excluding food and energy	May	237.8	0.3	0.7	1.1	1.9
Personal cons. expenditure deflator (2009 = 100)	May*	108.7	0.2	0.6	1.0	1.8
Excluding food and energy	May*	107.2	0.2	0.5	0.8	1.5
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)	April	41,621	1.1	1.9	1.8	5.1
Excluding automobiles (\$M)	April	31,928	0.7	1.8	1.8	4.8
Wholesale trade sales (\$M)	April	51,185	1.2	2.0	1.6	4.5
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 (\$)	April*	932.1	0.5	1.1	1.7	3.3
Number of salaried employees (K) (2)	April*	15,467	-18.5	-5.0	-3.9	9.6
Consumer price (2002 = 100)	May	125.8	0.5	1.4	2.3	2.3
Excluding food and energy	May	119.1	0.3	0.8	1.4	1.5
Excluding 8 volatile items	May	123.3	0.5	1.0	1.5	1.7
Industrial product price (2002 = 100)	May*	111.8	-0.5	-0.3	3.3	3.4
Raw materials price (2002 = 100)	May*	123.0	-0.4	0.3	11.2	7.6
Money supply M1+ (\$M)	May*	743,187	0.7	1.1	3.1	7.5

* 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 27	June 20	-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	0.02	0.02	0.04	0.04	0.07	0.04	0.14	0.04	0.00
Treasury bonds – 2 years	0.46	0.46	0.33	0.41	0.37	0.34	0.51	0.36	0.27
– 5 years	1.63	1.70	1.50	1.72	1.71	1.36	1.83	1.54	1.27
– 10 years	2.52	2.62	2.46	2.71	3.01	2.48	3.01	2.70	2.44
– 30 years	3.35	3.45	3.31	3.54	3.95	3.50	3.95	3.66	3.29
S&P 500 index	1,957	1,963	1,924	1,858	1,841	1,606	1,963	1,793	1,614
DJIA index	16,831	16,947	16,717	16,323	16,478	14,910	16,947	15,945	14,776
Gold price (US\$/ounce)	1,319	1,315	1,245	1,292	1,216	1,215	1,418	1,296	1,196
CRB index	312.09	312.93	305.48	305.21	284.16	275.62	312.93	291.77	272.29
WTI oil (US\$/barrel)	105.62	107.95	103.40	101.73	99.93	96.36	110.62	101.30	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	0.94	0.94	0.93	0.88	0.89	1.02	1.02	0.93	0.81
Treasury bonds – 2 years	1.11	1.13	1.05	1.07	1.15	1.22	1.31	1.11	0.93
– 5 years	1.54	1.60	1.53	1.71	1.96	1.80	2.17	1.75	1.51
– 10 years	2.23	2.29	2.25	2.45	2.79	2.44	2.82	2.50	2.22
– 30 years	2.79	2.84	2.78	2.95	3.25	2.90	3.28	3.03	2.76
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	0.92	0.92	0.89	0.84	0.82	0.98	0.99	0.89	0.76
Treasury bonds – 2 years	0.65	0.67	0.72	0.66	0.79	0.88	0.92	0.75	0.61
– 5 years	-0.09	-0.10	0.03	-0.01	0.25	0.44	0.58	0.22	-0.17
– 10 years	-0.29	-0.33	-0.21	-0.26	-0.22	-0.04	-0.02	-0.20	-0.37
– 30 years	-0.56	-0.61	-0.53	-0.59	-0.70	-0.60	-0.48	-0.63	-0.74
S&P/TSX index	15,058	15,109	14,604	14,261	13,588	12,129	15,112	13,624	12,129
Exchange rate (C\$/US\$)	1.0678	1.0759	1.0843	1.1061	1.0706	1.0520	1.1241	1.0695	0.9365
Exchange rate (C\$/€)	1.4559	1.4631	1.4780	1.5212	1.4712	1.3686	1.5545	1.4518	1.2768
Overseas									
ECB – Refinancing rate	0.15	0.15	0.25	0.25	0.25	0.50	0.50	0.34	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	1.26	1.35	1.36	1.55	1.95	1.73	2.02	1.67	1.24
U.K.: Bonds – 10 years	2.63	2.77	2.57	2.73	3.07	2.44	3.07	2.74	2.44
Euro: Exchange rate (US\$/€)	1.3634	1.3600	1.3631	1.3753	1.3742	1.3010	1.3934	1.3571	1.2781
U.K.: Exchange rate (US\$/£)	1.7013	1.7013	1.6752	1.6638	1.6481	1.5212	1.7041	1.6265	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.