

## The United States is showing more vitality than the other economies

### HIGHLIGHTS

- The Federal Reserve brings its monthly securities purchase program to a close.
- U.S. real GDP picks up again.
- Canada: Real GDP by industry lost ground in August.

### A LOOK AHEAD

- United States: Another slight decline in the ISM indexes is expected.
- Job creation was probably strong again in the United States in October.
- Canada: We may see job losses in October.
- Canada: The trade balance is likely to deteriorate in September.

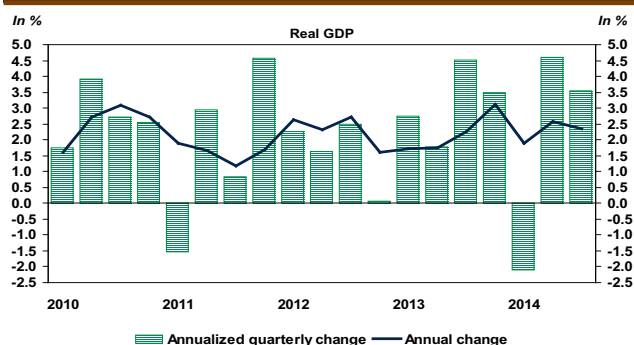
### FINANCIAL MARKETS

- Corporate earnings reports and positive economic data galvanize U.S. stock markets.
- The Federal Reserve's hawkish tone triggers a spike in short-term yields.
- Another surge in the U.S. dollar.

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Graph of the week – Further strong growth by U.S. real GDP



Sources: Bureau of Economic Analysis 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

- As the Monetary Policy Committee of the Federal Reserve (Fed) announced at its previous meeting, the bond purchase program (QE3) will conclude in October. The greater uncertainty surrounding the global economy and financial markets could have driven Janet Yellen and her colleagues to adopt a more dovish tone. The statement released Wednesday nevertheless shows equilibrium. In terms of the job market, the Fed even sounds encouraged. As forecast, there was no meaningful change in the sentence noting that the current federal funds range will likely be appropriate for considerable time after the end of the securities purchase program. Our own scenarios continue to be compatible with key rates seeing an initial increase in June 2015.
- Real GDP increased by an annualized 3.5% in Q3 of 2014, according to the advance estimate of the national accounts; this follows the spring's 4.6% gain and winter's 2.1% loss. Real consumption rose 1.8%, slower growth than the 2.5% gain recorded in the previous quarter. Business investment rose 5.5%, following a 9.7% gain in the second quarter. Residential investment disappointed once again, with an increase of just 1.8%. Real exports were up 7.8%, while imports were down 1.7%. Government expenditures swelled by 4.6%, the strongest gain since spring 2009. The third-quarter's 3.5% growth of real GDP exceeded expectations, as the consensus had been calling for a 3.0% gain.
- Surprisingly, consumer confidence improved in October, according to the Conference Board survey. The gain of 5.5 points pushes the index from 89.0 to 94.5. This is the sharpest monthly increase since March, and is mainly attributable to the household expectations component (+8.6 points). The confidence index now stands at its highest point since October 2007.
- New durable goods orders pulled back by 1.3% in September after a plunge of 18.3% in August and a surge of 22.5% in July. If we exclude defence and aviation, new capital goods orders fell by 1.7%; this is disappointing, considering the positive performance by the ISM indexes.
- The S&P/Case-Shiller index of existing home prices in the 20 major cities recorded a fourth straight decline, slipping 0.1% in August. The index's annual change fell from 6.7% to 5.6%.

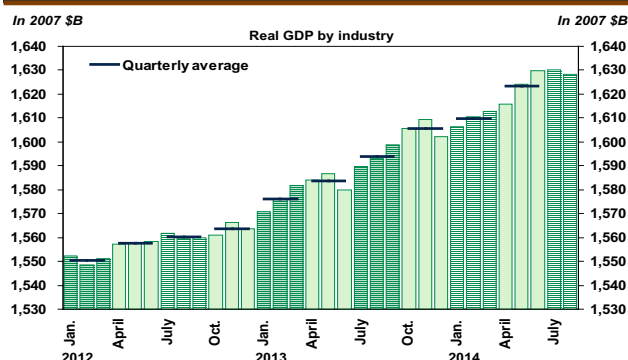
**Francis Généreux**  
Senior Economist

### CANADA

- The most recent results for the Canadian economy were most definitely disappointing. After a lively spring with real GDP by industry increasing 0.5% in May and 0.3% in June, the first two months of summer saw growth stagnate. Furthermore, real GDP by industry fell 0.1% in August. Under these conditions, our forecast that real GDP would increase 2.5% for the third quarter has become too optimistic. We should now expect growth to hover around 1.5% for the summer—a disappointment compared with initial expectations. This highlights the climate of uncertainty surrounding the outlook for the Canadian economy.
- According to the establishment survey, the labour market enjoyed the creation of 11,000 jobs in August, a result slightly below the average that has been observed since the beginning of the year (+15,500). Still, that increase is in stark contrast to the loss of 11,000 jobs that was recorded by the Labour Force Survey in August. Keep in mind that the decline was followed by the creation of 74,100 jobs in September, bringing the average since the beginning of 2014 to 16,000 jobs per month—a result similar to that obtained by the establishment survey.
- The industrial product price index dipped 0.4% in September due to a significant slump in the prices of oil and energy products. Despite the Canadian dollar's depreciation, the nearly widespread decline in commodity prices on international markets generated a 1.8% drop in the commodity price index in August.

**Benoit P. Durocher**  
Senior Economist

Canada – Third quarter growth looks fairly weak



Sources: Statistics Canada and Desjardins, Economic Studies

# FINANCIAL MARKETS

## The U.S. stock market is closing in on its most recent peak

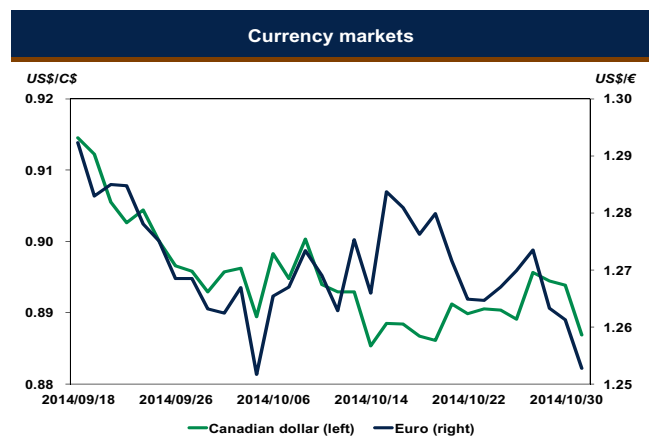
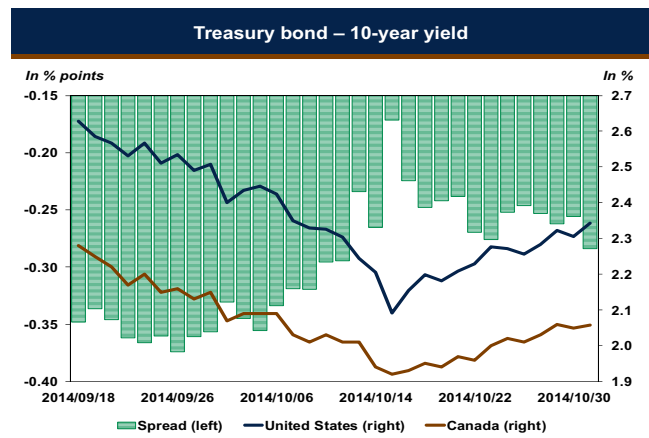
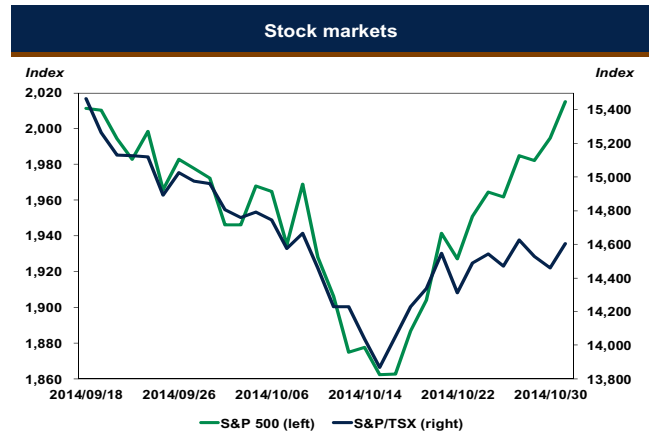
The bull run that has been ongoing in the stock markets has led the S&P 500 index to close the month of October above 2,000 points. Corporate profits are still boosting confidence. According to Bloomberg, over 80% of the 357 companies in the S&P 500 that have reported their earnings have performed better than expected. Sentiment was so positive that the slightly more hawkish press release issued by the Federal Reserve (Fed) triggered only a slight pullback on Wednesday. Then on Thursday, the indexes resumed their ascent thanks to more-solid-than-expected growth data in the United States. The strong-armed measures announced by the Bank of Japan (BoJ) on Friday gave extra momentum to the global stock markets. Meanwhile, the Canadian stock market was bogged down this week by the downward trajectory of oil prices.

A more solid upward trend was observed in bond yields, even though they are still significantly below the levels reached at the beginning of October. The 2-year and 5-year yields were showing weekly increases of more than 10 basis points at the time of writing; the bulk of the increases occurred on Wednesday, after the Fed's press release. The 2/10 and 5/10 curves flattened considerably due to a far less intense reaction by the longer terms. Canadian bonds performed better in the shorter terms, against a backdrop of disappointing data on Canada's GDP.

After a fairly calm start to the week in the currency market, the U.S. dollar appreciated sharply following the Fed's relatively optimistic press release, confirming the end of the third quantitative asset purchase program. Relatively encouraging economic data also played in the greenback's favour. The BoJ's surprise decision to pick up the pace of its asset purchases pushed the greenback even higher on Friday morning, while the yen plunged to its lowest level since the end of 2007. After starting off the week on an upward track, the euro and the pound sterling ended it down, given the surge by the U.S. dollar. The Canadian dollar was holding its own at mid-week, but the downturn in Canada's GDP in August drove the currency slightly below US\$0.89 on Friday morning.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



# A LOOK AHEAD



## UNITED STATES

### Monday Nov. 3 - 10:00

<b>October</b>	
Consensus	56.4
Desjardins	55.8
<b>September</b>	<b>56.6</b>

**ISM Manufacturing index (October)** – After a good upward run lasting several months, from 51.3 in January to 59.0 in August, the ISM manufacturing index dipped to 56.6 in September. This pullback is not of great concern, since the majority of the index's components remained strong. However, another decline is likely to materialize in October, based on the latest trends in the main regional manufacturing indexes. We expect a modest drop, to 55.8.

### Monday Nov. 3

<b>October</b>	ann. rate
Consensus	16,550,000
Desjardins	16,500,000
<b>September</b>	<b>16,340,000</b>

**New motor vehicle sales (October)** – In August, sales of new motor vehicles recorded their highest volume since January 2006. Then in September, a slump of 6.3% pulled them back onto a more sustainable trend. A slight gain is expected for October: an annualized volume of 16,500,000 units.

### Tuesday Nov. 4 - 8:30

<b>September</b>	US\$B
Consensus	-40.0
Desjardins	-42.5
<b>August</b>	<b>-40.1</b>

**Trade balance (September)** – The U.S. trade balance has been fairly stable in the past few months. But in real terms, it has improved, making a strong contribution to real GDP growth in the third quarter. In its estimate of this quarterly contribution, the Bureau of Economic Analysis is counting on strong improvement in nominal net exports in September, with an upturn in exports and a downturn in imports. However, we are anticipating a significant increase in imports, partly due to the market launch of new Apple products. Therefore, we predict a deficit of \$42.5B. This result would lead to a downward revision of the contribution to real GDP growth by net exports in the third quarter.

### Wednesday Nov. 5 - 10:00

<b>October</b>	
Consensus	58.0
Desjardins	57.5
<b>September</b>	<b>58.6</b>

**ISM non-manufacturing index (October)** – The non-manufacturing ISM slipped from 59.6 in August to 58.6 in September. However, it is still very high. Another drop is expected for October, partly reflecting the modest activity in consumption and housing. The non-manufacturing ISM should pull back to 57.5.

### Friday Nov. 7 - 8:30

<b>October</b>	
Consensus	228,000
Desjardins	235,000
<b>September</b>	<b>248,000</b>

**Job creation according to the establishment survey (October)** – When we combine the creation of 248,000 jobs and the positive revisions of the previous months' data, September brought good news for the U.S. job market. The numbers will probably be quite high again in October. New jobless claims were low; they even touched a trough of 266,000 at the beginning of the month. The employment components of the Conference Board's consumer confidence index are also sounding a positive note for job creation, which should reach 235,000 new jobs. The job components of the ISM indexes will provide more information before the establishment survey numbers are released on Friday. Barring a spike in the size of the labour force, the unemployment rate should stay at 5.9%.

### Friday Nov. 7 - 15:00

<b>September</b>	US\$B
Consensus	16.50
Desjardins	18.00
<b>August</b>	<b>13.53</b>

**Consumer credit (September)** – After very sharp growth in July, consumer credit slowed in August. The monthly gain tumbled from US\$21.6B to US\$13.5B. Renewable credit (cards and lines of credit) shrank for the first time since February. Acceleration in consumer loans is expected for September, based on the weekly bank credit data. However, lower gas prices, weak retail sales and lower motor vehicle sales should keep the gain moderate. We expect a monthly increase of US\$18B.


**CANADA**

**International merchandise trade (September)** – Once seasonally adjusted and expressed in Canadian dollars, the commodity price index posted a pullback of 0.8% in September. Furthermore, energy prices fell by 0.1%, while metal and mineral prices dropped 1.0%. It goes without saying that this will reduce the value of Canadian exports during the month. In addition, the output of the U.S. automobile industry contracted by 1.4% in September, suggesting that exports in that sector had a tough time during the month. All told, a decline in Canadian exports is expected in September, opening the door to deterioration in the trade balance.

**Labour Force Survey (October)** – All signs point to a loss of jobs in the labour market in October; otherwise, the 6-month moving average (the trend indicator) could exceed the threshold of 20,000 jobs per month, clearly too high a number, considering the economic growth of recent months. In these conditions, we predict the loss of approximately 10,000 jobs in October. This could drive the unemployment rate up to 6.9%, versus 6.8% in September.


**OVERSEAS**

**China: Trade balance (October)** – Despite some acceleration in the annual change of exports in September, the trade surplus shrank to US\$30.94B, its narrowest since the month of April. Further deterioration in China's trade balance could generate new concerns about the strength of the global economy, as the fourth quarter gets underway. However, the consensus is anticipating improvement in the trade balance and stronger growth in exports.

**United Kingdom: Bank of England meeting (November)** – The Bank of England will stick with the status quo in November. Many indicators are still showing favourable conditions in the United Kingdom, and the first estimate of real GDP in the third quarter pegged growth at 2.8%. However, the minutes of the October monetary policy meeting highlighted concerns about European economic growth and future growth in exports and the housing market in the United Kingdom. Moreover, the recent drop in the inflation rate, to 1.2%, reduces the urgency of starting monetary firming. Among the indicators to be released, the PMI indexes for October and industrial output for September bear watching.

**Euro zone: European Central Bank meeting (November)** – Expectations are restrained as far as the November meeting of the European Central Bank (ECB) is concerned. The ECB recently started purchasing covered bonds. At the November meeting, it is likely to provide more details about its purchases of asset-backed securities which should soon get underway. Given that outlooks for economic growth and inflation are still very dim and many observers have doubts about the effects to be expected from the measures announced so far, the ECB could open the door to the introduction of new, stimulative measures, possibly including purchases of corporate bonds. Among the indicators to be released this week in the euro zone are retail sales for September, on Wednesday. Friday will bring the release of September's industrial output data from France and Germany.

<b>Tuesday Nov. 4 - 8:30</b>	
<b>September</b>	\$B
Consensus	-0.35
Desjardins	-1.10
<b>August</b>	<b>-0.61</b>

<b>Friday Nov. 7 - 8:30</b>	
<b>October</b>	
Consensus	-10,000
Desjardins	-10,000
<b>September</b>	<b>74,100</b>


<b>During the week</b>	
<b>October</b>	US\$B
Consensus	35.40
<b>September</b>	<b>30.94</b>


<b>Thursday Nov. 6 - 7:00</b>	
<b>November</b>	
Consensus	0.50%
Desjardins	0.50%
<b>October 9</b>	<b>0.50%</b>

<b>Thursday Nov. 6 - 7:45</b>	
<b>November</b>	
Consensus	0.05%
Desjardins	0.05%
<b>October 2</b>	<b>0.05%</b>

# ECONOMIC INDICATORS


## Week of November 3 to 7, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 3</b>						
	---	Total vehicle sales (ann. rate)	Oct.	16,550,000	16,500,000	16,340,000
	10:00	Construction spending (m/m)	Sept.	0.7%	0.5%	-0.8%
	10:00	ISM manufacturing index	Oct.	56.4	55.8	56.6
	12:40	Speech of the Dallas Fed President, R. Fisher				
<b>TUESDAY 4</b>						
	8:30	Trade balance – Goods and services (US\$B)	Sept.	-40.0	-42.5	-40.1
	10:00	Factory orders (m/m)	Sept.	-0.5%	-0.5%	-10.1%
<b>WEDNESDAY 5</b>						
	9:15	Speech of the Minneapolis Fed President, N. Kocherlakota				
	9:30	Speech of the Richmond Fed President, J. Lacker				
	10:00	Speech of the Boston Fed President, E. Rosengren				
	10:00	ISM non-manufacturing index	Oct.	58.0	57.5	58.6
<b>THURSDAY 6</b>						
	8:30	Initial unemployment claims	Oct. 27-31	283,000	290,000	287,000
	8:30	Nonfarm productivity – preliminary (ann. rate)	Q3	1.0%	2.1%	2.3%
	8:30	Unit labor costs – preliminary (ann. rate)	Q3	0.8%	0.4%	-0.1%
	19:05	Speech of the Cleveland Fed President, L. Mester				
<b>FRIDAY 7</b>						
	8:30	Change in nonfarm payrolls	Oct.	228,000	235,000	248,000
	8:30	Unemployment rate	Oct.	5.9%	5.9%	5.9%
	8:30	Weekly worked hours	Oct.	34.6	34.6	34.6
	8:30	Average weekly earnings (m/m)	Oct.	0.2%	0.2%	0.0%
	9:15	Speech of the Chicago Fed President, C. Evans				
	10:15	Speech of the Federal Reserve Chairman, J. Yellen				
	15:00	Consumer credit (US\$B)	Sept.	16.50	18.00	13.53
<b>CANADA</b>						
<b>MONDAY 3</b>						
	12:50	Speech of the Bank of Canada Governor, S. Poloz				
<b>TUESDAY 4</b>						
	8:30	International trade (\$B)	Sept.	-0.35	-1.10	-0.61
<b>WEDNESDAY 5</b>						
	---	---				
<b>THURSDAY 6</b>						
	8:30	Building permits (m/m)	Sept.	5.0%	5.0%	-27.3%
	10:00	PMI-Ivey index	Oct.	57.0	57.0	58.6
<b>FRIDAY 7</b>						
	8:30	Net change in employment	Oct.	-10,000	-10,000	74,100
	8:30	Unemployment rate	Oct.	6.8%	6.9%	6.8%

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 Eastern Standard Time (GMT - 5 hours).  Forecast of Desjardins, Economic Studies of the Desjardins Group.

# ECONOMIC INDICATORS

## Week of November 3 to 7, 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>							
China	---	Trade balance (US\$B)	Oct.	35.40		30.94	
<b>SUNDAY 2</b>							
China	20:00	PMI non-manufacturing index	Oct.	n/a		54.0	
<b>MONDAY 3</b>							
Italy	3:45	PMI manufacturing index	Oct.	50.6		50.7	
France	3:50	PMI manufacturing index – final	Oct.	47.3		47.3	
Germany	3:55	PMI manufacturing index – final	Oct.	51.8		51.8	
Euro zone	4:00	PMI manufacturing index – final	Oct.	50.7		50.7	
United Kingdom	4:30	Indice PMI manufacturier	Oct.	51.4		51.6	
Japan	20:35	PMI manufacturing index – final	Oct.	n/a		52.8	
Australia	22:30	Reserve Bank of Australia meeting	Nov.	2.50%		2.50%	
<b>TUESDAY 4</b>							
Japan	0:00	Vehicle sales	Oct.		n/a		-2.8%
United Kingdom	4:30	PMI construction index	Oct.	63.5		64.2	
Euro zone	5:00	Producer price index	Sept.	0.0%	-1.5%	-0.1%	-1.4%
<b>WEDNESDAY 5</b>							
Italy	3:45	PMI composite index	Oct.	n/a		49.5	
Italy	3:45	PMI services index	Oct.	49.4		48.8	
France	3:50	PMI composite index – final	Oct.	48.0		48.0	
France	3:50	PMI services index	Oct.	48.1		48.1	
Germany	3:55	PMI composite index – final	Oct.	54.3		54.3	
Germany	3:55	PMI services index – final	Oct.	54.8		54.8	
Euro zone	4:00	PMI composite index – final	Oct.	52.2		52.2	
Euro zone	4:00	PMI services index – final	Oct.	52.4		52.4	
United Kingdom	4:30	PMI composite index	Oct.	57.0		57.4	
United Kingdom	4:30	PMI services index	Oct.	58.5		58.7	
Euro zone	5:00	Retail sales	Sept.	-0.8%	1.4%	1.2%	1.9%
Japan	20:35	PMI composite index	Oct.	n/a		52.8	
Japan	20:35	PMI services index	Oct.	n/a		52.5	
<b>THURSDAY 6</b>							
Japan	0:00	Leading indicator – preliminary	Sept.	105.5		104.4	
Japan	0:00	Coincident indicator – preliminary	Sept.	109.8		108.3	
Germany	2:00	Factory orders	Sept.	2.2%	-1.0%	-5.7%	-1.3%
Germany	3:30	PMI construction index	Oct.	n/a		50.0	
Euro zone	4:10	PMI retail index	Oct.	n/a		44.8	
Germany	4:10	PMI retail index	Oct.	n/a		47.1	
France	4:10	PMI retail index	Oct.	n/a		41.8	
Italy	4:10	PMI retail index	Oct.	n/a		45.4	
United Kingdom	4:30	Industrial production	Sept.	0.4%	1.6%	0.0%	2.5%
Brazil	5:30	Minutes of the Bank of Brazil meeting					
United Kingdom	7:00	Bank of England meeting		0.50%		0.50%	
Euro zone	7:45	European Central Bank meeting		0.05%		0.05%	
<b>FRIDAY 7</b>							
Germany	2:00	Trade balance (€B)	Sept.	19.0		14.1	
Germany	2:00	Industrial production	Sept.	2.0%	-0.6%	-4.0%	-2.8%
France	2:45	Trade balance (€M)	Sept.	-5,200		-5,783	
France	2:45	Industrial production	Sept.	-0.2%	-0.4%	0.0%	-0.3%
United Kingdom	4:30	Trade balance (£M)	Sept.	-2,300		-1,917	

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 Eastern Standard Time (GMT - 5 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 Q3*	16,151	3.5	2.3	2.2	2.3	1.6	2.5
Consumption (2009 \$B)	2014 Q3*	10,961	1.8	2.3	2.4	1.8	2.3	1.9
Government spending (2009 \$B)	2014 Q3*	2,913	4.6	0.4	-2.0	-1.4	-3.0	0.1
Residential investment (2009 \$B)	2014 Q3*	497.9	1.9	-1.0	11.9	13.5	0.5	-2.5
Non-residential investment (2009 \$B)	2014 Q3*	2,128	5.5	6.7	3.0	7.2	7.7	2.5
Business inventory change (2009 \$B) (1)	2014 Q3*	62.8	---	---	63.6	57.1	37.6	58.2
Exports (2009 \$B)	2014 Q3*	2,120	7.8	4.6	3.0	3.3	6.9	11.9
Imports (2009 \$B)	2014 Q3*	2,530	-1.7	3.2	1.1	2.3	5.5	12.7
Final domestic demand (2009 \$B)	2014 Q3*	16,480	2.7	2.4	1.9	2.1	1.7	1.5
GDP deflator (2009 = 100)	2014 Q3*	108.6	1.3	1.6	1.5	1.8	2.1	1.2
Labor productivity (2009 = 100)	2014 Q2	106.0	2.3	1.1	0.9	1.0	0.1	3.3
Unit labor cost (2009 = 100)	2014 Q2	105.1	-0.1	1.7	0.3	1.7	2.1	-1.3
Employment cost index (Dec. 2005 = 100)	2014 Q3*	122.2	2.7	2.3	1.9	1.8	2.0	1.9
Current account balance (\$B) (1)	2014 Q2	-98.5	---	---	-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)	Sept.	104.4	0.8	1.9	3.5	6.3
ISM manufacturing index (1)	Sept.	56.6	59.0	55.3	53.7	56.0
ISM non-manufacturing index (1)	Sept.	58.6	59.6	56.0	53.1	54.5
Cons. confidence Conf. Board (1985 = 100) (1)	Oct.*	94.5	89.0	90.3	81.7	72.4
Cons. confidence Michigan (1966 = 100) (1)	Oct.	86.9	84.6	81.8	84.1	73.2
Personal consumption expenditure (2009 \$B)	Sept.*	10,964	-0.2	0.3	0.6	2.1
Disposable personal income (2009 \$B)	Sept.*	12,033	0.0	0.5	1.4	2.5
Consumer credit (\$B)	Aug.	3,247	0.4	1.7	3.8	6.8
Retail sales (\$M)	Sept.	442,689	-0.3	0.5	2.0	4.3
Excluding automobiles (\$M)	Sept.	353,000	-0.2	0.2	1.7	3.1
Industrial production (2007 = 100)	Sept.	105.1	1.0	1.1	1.9	4.3
Production capacity utilization rate (%) (1)	Sept.	79.3	78.7	79.1	79.1	78.3
New machinery orders (\$M)	Aug.	502,007	-10.1	0.9	2.6	4.1
New durable good orders (\$M)	Sept.*	241,633	-1.3	-1.3	1.3	3.3
Business inventories (\$B)	Aug.	1,752	0.2	0.9	2.4	5.7
Housing starts (K) (1)	Sept.	1,017	957.0	909.0	950.0	863.0
Building permits (K) (1)	Sept.	1,031	1,003	973.0	1,000	993.0
New home sales (K) (1)	Sept.	467.0	466.0	409.0	403.0	399.0
Existing home sales (K) (1)	Sept.	5,170	5,050	5,030	4,590	5,260
Construction spending (\$B)	Aug.	961.0	-0.8	-1.2	1.5	5.0
Commercial surplus (\$M) (1)	Aug.	-40,109	-40,321	-43,465	-42,230	-39,515
Nonfarm employment (K) (2)	Sept.	139,435	248.0	671.0	1,471	2,635
Unemployment rate (%) (1)	Sept.	5.9	6.1	6.1	6.7	7.2
Consumer price (1982-1984 = 100)	Sept.	237.6	0.1	-0.0	0.8	1.7
Excluding food and energy	Sept.	238.7	0.1	0.2	0.9	1.7
Personal cons. expenditure deflator (2009 = 100)	Sept.*	109.2	0.1	0.1	0.8	1.4
Excluding food and energy	Sept.*	107.9	0.1	0.3	0.8	1.5
Producer price (1982 = 100)	Sept.	201.1	-0.2	-0.5	0.7	2.1
Excluding food and energy	Sept.	189.2	0.2	0.3	0.8	2.0
Export prices (2000 = 100)	Sept.	132.1	-0.2	-0.7	-2.1	-0.2
Import prices (2000 = 100)	Sept.	138.6	-0.5	-1.4	-1.4	-0.9

\* 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.



## Canada: Quarterly economic indicators

	Ref. quart.	Level	Variation (%)		Annual variation (%)			
			Quart. ann.	1 year	2013	2012	2011	2010
Gross domestic product (2007 \$M)	2014 Q2	1,729,324	3.1	2.5	2.0	1.7	2.5	3.4
Household consumption (2007 \$M)	2014 Q2	969,175	3.8	2.7	2.4	1.9	2.3	3.5
Government consumption (2007 \$M)	2014 Q2	349,594	1.4	0.3	0.6	1.1	0.8	2.7
Residential investment (2007 \$M)	2014 Q2	114,141	11.9	1.0	-0.3	6.1	1.6	8.7
Non-residential investment (2007 \$M)	2014 Q2	182,851	0.9	-0.6	1.3	6.2	11.1	14.5
Business inventory change (2007 \$M) (1)	2014 Q2	7,075	---	---	11,927	6,831	7,440	-452.0
Exports (2007 \$M)	2014 Q2	543,999	17.8	5.1	2.2	1.5	4.7	6.9
Imports (2007 \$M)	2014 Q2	566,394	11.1	1.4	1.1	3.1	5.7	13.6
Final domestic demand (2007 \$M)	2014 Q2	1,735,676	3.0	1.3	1.4	2.3	2.4	5.0
GDP deflator (2007 = 100)	2014 Q2	113.1	0.7	2.4	1.4	1.7	3.2	2.7
Labour productivity (2007 = 100)	2014 Q2	106.3	7.3	3.3	1.0	-0.0	0.9	1.8
Unit labour cost (2007 = 100)	2014 Q2	114.6	1.0	1.6	1.4	3.0	2.5	-0.4
Current account balance (\$M) (1)	2014 Q2	-11,871	---	---	-60,288	-62,215	-48,467	-58,419
Production capacity utilization rate (%) (1)	2014 Q2	82.7	---	---	81.2	81.5	80.6	78.5
Disposable personal income (\$M)	2014 Q2	1,111,816	2.3	3.9	3.6	3.9	4.6	3.7
Corporate net operating surplus (2007 \$M)	2014 Q2	263,088	6.3	12.1	-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)	Aug.*	1,628,207	-0.1	0.2	1.1	2.2
Industrial production (2007 \$M)	Aug.*	352,398	-1.0	-0.6	0.1	3.2
Manufacturing sales (\$M)	Aug.	52,052	-3.3	0.5	2.5	6.1
Housing starts (K) (1)	Sept.	197.3	196.3	198.3	157.4	196.7
Building permits (\$M)	Aug.	6,652	-27.3	-5.6	7.8	2.4
Retail sales (\$M)	Aug.	42,416	-0.3	0.7	3.0	4.4
Excluding automobiles (\$M)	Aug.	32,301	-0.3	0.6	2.0	3.3
Wholesale trade sales (\$M)	Aug.	53,068	0.2	0.8	4.4	6.0
Commercial surplus (\$M) (1)	Aug.	-609.6	2,195	315.4	841.4	-659.0
Exports (\$M)	Aug.	44,189	-2.5	-1.0	1.9	9.1
Imports (\$M)	Aug.	44,799	3.9	1.0	5.4	8.8
Employment (K) (2)	Sept.	17,926	74.1	34.9	15.4	12.5
Unemployment rate (%) (1)	Sept.	6.8	7.0	7.1	6.9	6.9
Average weekly earnings (\$)	Aug.*	943.3	0.1	0.9	1.9	3.5
Number of salaried employees (K) (2)	Aug.*	15,609	11.0	21.4	25.2	10.9
Consumer price (2002 = 100)	Sept.	125.8	0.1	-0.1	0.8	2.0
Excluding food and energy	Sept.	119.7	0.3	0.5	0.9	1.9
Excluding 8 volatile items	Sept.	124.0	0.2	0.6	1.2	2.1
Industrial product price (2002 = 100)	Sept.*	111.3	-0.4	-0.4	-1.2	2.5
Raw materials price (2002 = 100)	Sept.*	118.0	-1.8	-5.3	-4.5	-0.9
Money supply M1+ (\$M)	Sept.	740,531	1.0	2.5	2.7	7.6

\* 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.

## Major financial indicators

	Previous data (%)						Last 52 weeks (%)		
	Oct. 31	Oct. 24	-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	0.01	0.01	0.01	0.03	0.02	0.04	0.09	0.04	0.01
Treasury bonds – 2 years	0.50	0.39	0.57	0.48	0.43	0.30	0.57	0.40	0.27
– 5 years	1.62	1.50	1.74	1.67	1.68	1.37	1.84	1.60	1.30
– 10 years	2.34	2.27	2.45	2.50	2.59	2.62	3.01	2.62	2.09
– 30 years	3.07	3.05	3.13	3.30	3.37	3.70	3.95	3.49	2.88
S&P 500 index	2,015	1,965	1,968	1,925	1,881	1,762	2,015	1,890	1,742
DJIA index	17,354	16,805	17,010	16,493	16,513	15,616	17,354	16,503	15,373
Gold price (US\$/ounce)	1,166	1,231	1,194	1,295	1,303	1,310	1,376	1,276	1,166
CRB index	270.54	270.22	276.34	292.48	307.14	274.96	312.93	291.93	270.22
WTI oil (US\$/barrel)	80.15	81.27	89.76	97.86	99.80	94.56	107.30	97.82	80.15
<b>Canada</b>									
Overnight – target	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Treasury bill – 3 months	0.89	0.88	0.92	0.96	0.94	0.91	0.96	0.91	0.81
Treasury bonds – 2 years	1.03	1.00	1.13	1.07	1.07	1.12	1.17	1.07	0.91
– 5 years	1.55	1.50	1.60	1.47	1.63	1.78	1.96	1.64	1.38
– 10 years	2.06	2.02	2.09	2.12	2.35	2.50	2.79	2.35	1.92
– 30 years	2.60	2.56	2.61	2.66	2.88	3.07	3.28	2.89	2.47
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	0.88	0.87	0.91	0.93	0.92	0.87	0.93	0.87	0.76
Treasury bonds – 2 years	0.54	0.61	0.56	0.59	0.64	0.82	0.85	0.67	0.54
– 5 years	-0.07	0.00	-0.14	-0.20	-0.05	0.41	0.46	0.04	-0.24
– 10 years	-0.28	-0.25	-0.36	-0.38	-0.24	-0.12	-0.09	-0.27	-0.40
– 30 years	-0.47	-0.49	-0.52	-0.64	-0.49	-0.63	-0.41	-0.60	-0.72
S&P/TSX index	14,605	14,544	14,790	15,215	14,765	13,337	15,658	14,442	13,114
Exchange rate (C\$/US\$)	1.1275	1.1232	1.1244	1.0917	1.0974	1.0422	1.1296	1.0893	0.8869
Exchange rate (C\$/€)	1.4130	1.4231	1.4073	1.4661	1.5221	1.4056	1.5545	1.4690	1.1110
<b>Overseas</b>									
ECB – Refinancing rate	0.05	0.05	0.05	0.15	0.25	0.50	0.50	0.20	0.05
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	0.84	0.85	0.89	1.14	1.45	1.69	1.95	1.40	0.72
U.K.: Bonds – 10 years	2.25	2.23	2.40	2.68	2.64	2.65	3.07	2.67	1.98
Euro: Exchange rate (US\$/€)	1.2527	1.2671	1.2517	1.3431	1.3871	1.3488	1.3934	1.3486	1.2517
U.K.: Exchange rate (US\$/£)	1.5997	1.6091	1.5965	1.6821	1.6867	1.5927	1.7166	1.6570	1.5905

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.