

Falling gas prices did not keep inflation from rising in Canada

HIGHLIGHTS

- Industrial production and housing starts fall in October in the United States.
- United States: Sharp rise by the Philadelphia Fed manufacturing index.
- Canada: A surprise increase by the total annual inflation rate.
- Canada: Wholesaler sales jumped in September.

A LOOK AHEAD

- United States: Q3 real GDP growth should be revised downwards.
- United States: The Conference Board consumer confidence index should post further improvement.
- Canada: Real GDP by industry should rise 0.3% in September.
- Canada: The third quarter as a whole will end with real GDP growth of around 1.9%.
- Canada: Retail sales will edge up for September.

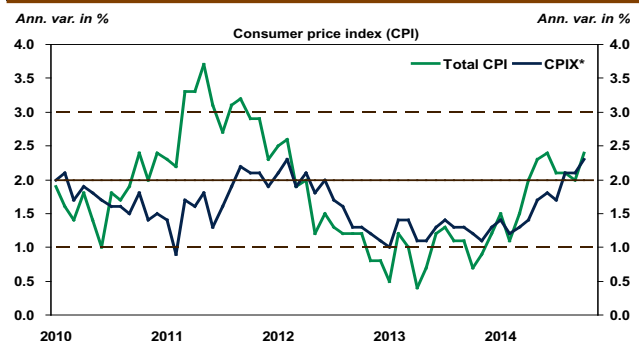
FINANCIAL MARKETS

- Mario Draghi's statement welcomed by stock markets.
- U.S. yields move with no clear trend.
- The Canadian dollar climbs to US\$0.89 after inflation figures are released.

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Graph of the week – Canadian inflation surpassed the median target



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

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KEY STATISTICS OF THE WEEK

UNITED STATES

- After jumping 0.8% in September, industrial production ticked down 0.1% in October. The consensus expectation had been a slight increase. The manufacturing sector edged up 0.2%, despite another decline in automobile production, the third consecutive drop for this sector. However, good gains were posted for machinery, electronics and chemical products. The mining sector pulled back 0.9%, while energy supplier production fell 0.7%, largely due to natural gas. The industrial capacity utilization rate went from 79.2% to 78.9%.
- Both regional manufacturing indexes rose. The New York Fed's Empire index climbed from 6.17 to 10.16, but the prize goes to the Philadelphia Fed index, which nearly doubled, going from an already high 20.7 to 40.8. This is the index's best result since 1993.
- Housing starts moved from an annualized 1,038,000 units in September (revised from 1,017,000) to just 1,009,000 in October. This is a 2.8% decrease after September's good 7.8% gain. The drop by housing starts is chiefly due to a 15.5% contraction in multi-unit dwellings, as new construction of single-family dwellings rose 4.2%. Building permits increased 4.8% in October, going from 1,031,000 to 1,080,000 units. This is the highest level for permits since June 2008.
- Existing home sales rose 1.5% in October, after advancing 2.6% in September. Resales therefore went from 5,180,000 to 5,260,000 units, their highest since September 2013. Single-family dwellings gained 1.3% and condos, 3.3%. The inventory of homes on the market fell 2.6%.
- As expected, the consumer price index (CPI) remained stable in October and the inflation rate was flat at 1.7%. Once again helped by lower gas prices (-3.0%), energy prices fell, this time by 1.9%. Food prices rose just 0.1%, their weakest monthly growth since June. The core CPI excluding food and energy increased 0.2%, its strongest gain since May. Core inflation went from 1.7% to 1.8%.
- The leading indicator advanced 0.9% in October after rising 0.7% in September. All components except the stock market contributed to the index's monthly increase, with the most support coming from the interest rate spread, the ISM index and weekly jobless claims.

Francis Généreux
Senior Economist

CANADA

- The total consumer price index (CPI) rose 0.1% in October. The Bank of Canada's core index (CPIX), which excludes eight volatile components, advanced 0.3% during the month. This increase in total CPI is really surprising, as all signs pointed to a decrease. However, gas prices fell less sharply than expected, and the negative impact this had on total CPI was almost completely offset by an increase in new auto prices. In addition, the seasonal jump in the price of clothing and footwear was nearly twice as large as is normal for October. With total inflation at 2.4% and core inflation at 2.3%, the overall picture shows that price growth is higher than expected across the country. Clearly, the upside risks in growing inflation are mounting, a situation that Canadian monetary authorities must take into consideration.
- After two more disappointing months, wholesaler sales firmed up in September, gaining 1.8%. Excluding automotive products, all other major sectors posted growth during the month. In real terms, sales also rose 1.8% while inventories increased 0.5%. The wholesale trade sector will therefore contribute substantially to economic growth in September.
- Sales of existing properties rose 0.7% in October, but the results Canada-wide are once again very contradictory. On one hand, sales fell in Quebec (-1.6%) and the Atlantic Provinces (-3.3%). On the other, sales rose in Ontario (+1.5%), the Prairies (+1.3%) and British Columbia (+0.9%). As for prices, an average increase of 0.9% was observed for the country as a whole in September. Annual growth is 7.1%.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

A week packed with events

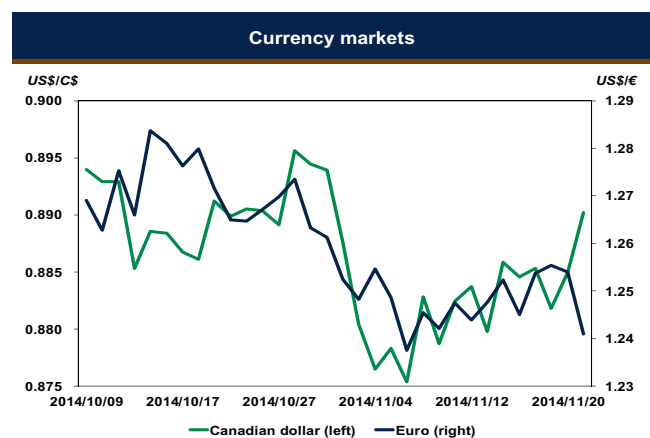
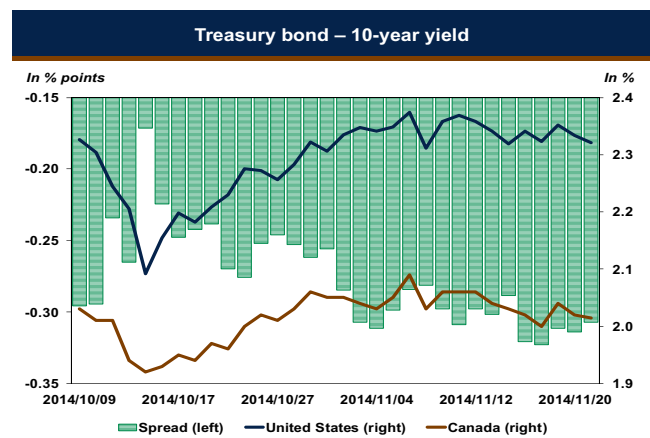
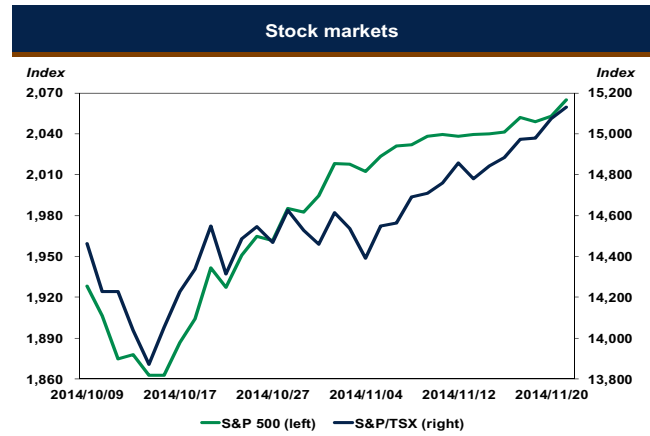
Japan attracted attention early this week. The surprise announcement of a return to recession cased the Nikkei index to fall nearly 3% on Monday. However, it recovered after Prime Minister Shinzo Abe decided to postpone the sales tax hike. In the United States, the release of the minutes of the Federal Reserve (Fed) meeting triggered some market volatility on Wednesday, but this was short-lived. On Friday, stock markets shot up in reaction to remarks from European Central Bank (ECB) President Mario Draghi that opened the door to more aggressive measures to support inflation. The S&P/TSX had a good week, helped by West Texas Intermediate (WTI) oil prices, which climbed to nearly US\$78 per barrel.

Despite the encouraging North American economic data, uncertainties about global growth kept a lid on bond yields. After briefly falling below 2.30% on Monday morning, U.S. federal 10-year yields oscillated between 2.31% and 2.36%. Yields for other maturities posted no clear trend. The Fed's minutes initially caused 2-year yields to climb, but they quickly retreated to just above 0.50%. In Canada, yields edged up on Friday after the release of surprising inflation data.

Currencies were rather volatile at the start of the week, with Japan's surprising return to recession and renewed optimism in Europe after last Friday's publication of better economic growth than was expected. The euro, which had risen to around US\$1.255, was hard hit on Friday by the ECB president's dovish remarks and at the time of writing was worth just over US\$1.24. The yen capitalized on a safe-haven effect after Japan's economic results were released, but began depreciating soon after, nearing ¥119/US\$ on Thursday. The Canadian dollar appreciated significantly on Friday in the wake of surprising inflation in the country and the general wave of optimism caused by the interest rate cut in China.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday Nov. 25 - 8:30

Q3 2014 - 2nd est.	ann. rate	
Consensus		3.2%
Desjardins		3.2%
Q3 2014 - 1st est.		3.5%

Real GDP (Q3 – Second estimate) – Real GDP growth was stronger than anticipated with the advance estimate of the national accounts for the third quarter. One of the sectors that added the most to growth, net exports, should however make a smaller contribution, according to September’s trade balance figures. Furthermore, the results for construction spending and business inventories also point to weaker growth than was previously announced. The recent revisions to monthly retail sales, however, suggest that real consumption will be revised upwards. Overall, real GDP growth should pull back to 3.2%.

Tuesday Nov. 25 - 9:00

September	y/y	
Consensus		4.45%
Desjardins		4.60%
August		5.57%

S&P/Case-Shiller index of existing home prices (September) – Home prices continued to retreat in August. The 0.14% monthly drop is the smallest of the last four consecutive monthly retreats. The housing market is still struggling, but we can assume that prices are done falling. We expect a gain of 0.2% for September; this will not help the annual change in prices climb. The base effects will take 12-month growth by the S&P/Case-Shiller index from 5.6% to 4.6%.

Tuesday Nov. 25 - 10:00

November		
Consensus		96.0
Desjardins		96.0
October		94.5

Conference Board consumer confidence index (October) – Consumer confidence has had good momentum for several months now. In fact, several factors point to good household sentiment. Gas prices continue to fall, job creation is strong and stock indexes are now higher than they were before mid-October’s short correction. Bloomberg’s weekly confidence index and the University of Michigan index both rose in November, and we expect the Conference Board index to do the same. It should rise to 96.0.

Wednesday Nov. 26 - 8:30

October	m/m	
Consensus		-0.6%
Desjardins		-1.5%
September		-1.3%

New durable goods orders (October) – As expected, the aviation sector brought new orders down in September. However, the other sectors were generally weak as well, contrasting with other manufacturing indicators. The strong manufacturing ISM, which climbed again last month, suggests better growth by orders excluding transportation, and we expect a 0.8% increase in October. However, Boeing orders are signalling another sizable drop by aviation. Overall, new durable goods orders should contract 1.5%.

Wednesday Nov. 26 - 8:30

October	m/m	
Consensus		0.3%
Desjardins		0.1%
September		-0.2%

Consumer spending (October) – Consumer spending was disappointing in September, pulling back 0.2% in real terms. We expect this decrease to be moderated somewhat by the upward revision to retail sales figures. A modest rise is expected for October. Motor vehicle sales stood still; this should limit growth by durable goods consumption. What’s more, energy demand seems to have been soft in October; this should lead to a standstill in service consumption. However, retail sales point to some acceleration by consumption of non-durable goods. All in all, we expect growth of just 0.1%. The consumer expenditure deflator probably remained flat in October, and its annual change should stay at 1.4%.

Wednesday Nov. 26 - 10:00

October	ann. rate	
Consensus		471,000
Desjardins		450,000
September		467,000

New home sales (September) – After several months of heightened volatility, sales of new single-family dwellings remained particularly stable in September, edging up just 0.2% from August. The pullback expected following August’s 15.4% jump has not yet materialized. Building permits for single-family dwellings suggest a contraction in October, though, to around 450,000 units.


CANADA

Retail sales (September) – According to the preliminary data, the number of new automobiles sold went up 2.5% in September, although the impact of this rise will be partially offset by the 1.4% drop in new car prices over the month. September also saw gas prices fall 1.2% (once seasonally adjusted); this will negatively affect the value of service station sales. However, the price of other goods climbed slightly in September. Another positive, consumer confidence is still relatively high, as the trend for the labour market has been rather positive since early 2014. All in all, the total value of retail sales could grow 0.4% in September. Excluding automobile sales, growth should be just 0.2%.

Current account (Q3) – The value of merchandise exports rose 1.6% in the third quarter, while the value of imports rose 0.9%. This difference, combined with the uptrend in the service sector, will foster some improvement by the current account balance during this period.

Real GDP by industry (September) – Overall, the results for the different economic indicators are rather good for September. In terms of volume, manufacturing sales went up 2.3%, while wholesaler sales rose 1.8%. In total, the number of hours worked rose 0.4% during the month. Considerable increases were posted in several service industries. In contrast, the number of hours worked pulled back in forestry, fishing, mining, quarrying, oil and gas extraction, and construction. We therefore expect real GDP by industry to grow around 0.3% in September.

Real GDP (Q3) – According to our projections, real GDP by industry advanced by around 0.3% in September. This is a much higher result than was posted during the first two months of the third quarter, as real GDP by industry remained unchanged in July and dipped 0.1% in August. Under these conditions, the third quarter as a whole should end with real GDP growth of 1.9%. International trade should once again make a positive contribution to growth, as will consumer spending and residential investment.


OVERSEAS

Euro zone: Economic indicators – Several Euroland confidence indexes will be released Thursday. Most showed modest growth in October, though they continue to be rather weak. However, the drop in consumer confidence according to November's preliminary results and the slides by most PMI indexes suggest that the climate for confidence has not improved further. The flash estimate of November's annual change in the consumer price index will come out on Friday. Inflation stood at 0.4% in October. October's unemployment rate will also be published Friday.

Japan: Economic indicators – Several indicators for October will be released Thursday in Japan, including retail sales, industrial production, the unemployment rate and consumer price indexes. Solid improvements to these figures would suggest that the recession will not last into the fourth quarter.

Tuesday Nov. 25 - 8:30

September	m/m
Consensus	0.5%
Desjardins	0.4%
August	-0.3%

Thursday Nov. 27 - 8:30

Q3 2014	\$B
Consensus	n/a
Desjardins	-11.0
Q2 2014	-11.9

Friday Nov. 28 - 8:30

September	m/m
Consensus	0.4%
Desjardins	0.3%
August	-0.1%


Friday Nov. 28 - 8:30


Q3 2014	ann. rate
Consensus	2.1%
Desjardins	1.9%
Q2 2014	3.6%

During the week**During the week**

ECONOMIC INDICATORS


Week of November 24 to 28, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 24	---	---				
TUESDAY 25	8:30	Real GDP (ann. rate)	Q3s	3.2%	3.2%	3.5%
	9:00	S&P/Case-Shiller home price index (y/y)	Sept.	4.45%	4.60%	5.57%
	10:00	Consumer confidence	Nov.	96.0	96.0	94.5
WEDNESDAY 26	8:30	Initial unemployment claims	Nov. 17-21	288,000	293,000	291,000
	8:30	Durable goods orders (m/m)	Oct.	-0.6%	-1.5%	-1.3%
	8:30	Personal income (m/m)	Oct.	0.4%	0.3%	0.2%
	8:30	Personal consumption expenditures (m/m)	Oct.	0.3%	0.1%	-0.2%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	Oct.	0.0%	0.0%	0.1%
		Excluding food and energy (m/m)	Oct.	0.2%	0.2%	0.1%
		Total (y/y)	Oct.	1.4%	1.4%	1.4%
		Excluding food and energy (y/y)	Oct.	1.5%	1.5%	1.5%
	9:45	Chicago PMI index	Nov.	63.0	60.0	66.2
	9:55	Michigan's consumer sentiment index – final	Nov.	90.0	89.4	89.4
	10:00	New home sales (ann. rate)	Oct.	471,000	450,000	467,000
	10:00	Pending home sales (m/m)	Oct.	1.0%	n/a	0.3%
THURSDAY 27	---	Markets closed (Thanksgiving Day)				
FRIDAY 28	---	---				
CANADA						
MONDAY 24	---	---				
TUESDAY 25	8:30	Retail sales				
		Total (m/m)	Sept.	0.5%	0.4%	-0.3%
		Excluding automobiles (m/m)	Sept.	0.3%	0.2%	-0.3%
WEDNESDAY 26	---	---				
THURSDAY 27	8:30	Current account balance (\$B)	Q3	n/a	-11.0	-11.9
	8:30	Average weekly earnings (y/y)	Sept.	n/a	3.8%	3.5%
	8:30	Number of salaried employees (m/m)	Sept.	n/a	0.3%	0.1%
FRIDAY 28	8:30	Real GDP by industry (m/m)	Sept.	0.4%	0.3%	-0.1%
	8:30	Real GDP (ann. rate)	Q3	2.1%	1.9%	3.6%
	8:30	Industrial product price index (m/m)	Oct.	-0.4%	-0.6%	-0.4%
	8:30	Raw materials price index (m/m)	Oct.	n/a	-4.0%	-1.8%

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 24 to 28, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
MONDAY 24								
Germany	4:00	IFO survey – Business climate	Nov.	103.0		103.2		
Germany	4:00	IFO survey – Current situation	Nov.	108.0		108.4		
Germany	4:00	IFO survey – Expectations	Nov.	98.5		98.3		
TUESDAY 25								
Germany	2:00	Real GDP – final	Q3	0.1%	1.2%	0.1%	1.2%	
France	2:45	Business confidence	Nov.	92		91		
France	2:45	Production outlook	Nov.	-23		-22		
Italy	4:00	Retail sales	Sept.	n/a	n/a	-0.1%	-3.1%	
WEDNESDAY 26								
Japan	0:00	Small business confidence	Nov.	47.5		47.4		
France	2:45	Consumer confidence	Nov.	86		85		
Italy	4:00	Consumer confidence	Nov.	101.7		101.4		
United Kingdom	4:30	Index of services	Sept.	0.4%		0.0%		
United Kingdom	4:30	Real GDP – preliminary	Q3	0.7%	3.0%	0.7%	3.0%	
THURSDAY 27								
Germany	3:55	Unemployment rate	Nov.	6.7%		6.7%		
Euro zone	4:00	Money supply M3	Oct.		2.6%		2.5%	
Italy	4:00	Business confidence	Nov.	95.8		96.0		
Italy	4:00	Economic confidence	Nov.	n/a		89.3		
Euro zone	5:00	Business climate	Nov.	0.02		0.05		
Euro zone	5:00	Consumer confidence – final	Nov.	-11.6		-11.6		
Euro zone	5:00	Industrial confidence	Nov.	-5.5		-5.1		
Euro zone	5:00	Services confidence	Nov.	4.0		4.4		
Euro zone	5:00	Economic confidence	Nov.	100.3		100.7		
Germany	7:00	Consumer confidence	Dec.	8.6		8.5		
Germany	8:00	Consumer price index – preliminary	Nov.	0.0%	0.6%	-0.3%	0.8%	
Japan	18:30	Workers' household spending	Oct.		-5.0%		-5.6%	
Japan	18:30	Consumer price index	Oct.		3.0%		3.2%	
Japan	18:30	Consumer price index – Tokyo	Nov.		2.3%		2.5%	
Japan	18:30	Unemployment rate	Oct.	3.6%		3.6%		
Japan	18:50	Industrial production – preliminary	Oct.	-0.5%	-1.7%	2.9%	0.8%	
Japan	18:50	Retail sales	Oct.	-1.1%	1.5%	2.8%	2.3%	
United Kingdom	19:05	Consumer confidence	Nov.	-1		-2		
Japan	23:00	Vehicle production	Oct.		n/a		-2.6%	
FRIDAY 28								
Japan	0:00	Housing starts	Oct.		-15.0%		-14.3%	
United Kingdom	2:00	Nationwide house prices	Nov.	0.3%	8.6%	0.5%	9.0%	
Germany	2:00	Retail sales	Oct.	1.5%	1.7%	-3.2%	2.3%	
France	2:45	Personal consumption expenditures	Oct.	0.3%	1.0%	-0.8%	0.2%	
France	2:45	Producer price index	Oct.	n/a	-1.4%	0.5%	-1.4%	
Italy	4:00	Unemployment rate – preliminary	Oct.	12.6%		12.6%		
Euro zone	5:00	Consumer price index – estimate	Nov.		0.3%		0.4%	
Euro zone	5:00	Unemployment rate	Oct.	11.5%		11.5%		
Italy	6:00	Producer price index	Oct.	n/a	n/a	0.1%	-2.0%	

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 Q3	106.6	2.0	0.9	0.9	1.0	0.1	3.3
Unit labor cost (2009 = 100)	2014 Q3	105.1	0.3	2.4	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)	Oct.*	105.2	0.9	1.5	4.0	6.8
ISM manufacturing index (1)	Oct.	59.0	56.6	57.1	54.9	56.6
ISM non-manufacturing index (1)	Oct.	57.1	58.6	58.7	55.2	55.1
Cons. confidence Conf. Board (1985 = 100) (1)	Oct.	94.5	89.0	90.3	81.7	72.4
Cons. confidence Michigan (1966 = 100) (1)	Nov.	89.4	86.9	82.5	81.9	75.1
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)	Sept.	3,267	0.5	1.6	3.7	6.9
Retail sales (\$M)	Oct.	444,491	0.3	0.7	1.8	4.1
Excluding automobiles (\$M)	Oct.	354,832	0.3	0.6	1.6	3.3
Industrial production (2007 = 100)	Oct.*	104.9	-0.1	0.5	1.6	4.0
Production capacity utilization rate (%) (1)	Oct.*	78.9	79.2	79.2	79.0	78.2
New machinery orders (\$M)	Sept.	499,395	-0.6	-1.2	0.6	1.9
New durable good orders (\$M)	Sept.	242,184	-1.1	-1.1	1.6	3.5
Business inventories (\$B)	Sept.	1,756	0.3	0.8	2.2	5.3
Housing starts (K) (1)	Oct.*	1,009	1,038	1,098	1,063	936.0
Building permits (K) (1)	Oct.*	1,080	1,031	1,057	1,059	1,067
New home sales (K) (1)	Sept.	467.0	466.0	409.0	403.0	399.0
Existing home sales (K) (1)	Oct.*	5,260	5,180	5,140	4,660	5,130
Construction spending (\$B)	Sept.	950.9	-0.4	-0.6	0.4	2.9
Commercial surplus (\$M) (1)	Sept.	-43,032	-39,991	-40,810	-43,124	-42,263
Nonfarm employment (K) (2)	Oct.	139,680	214.0	673.0	1,412	2,643
Unemployment rate (%) (1)	Oct.	5.8	5.9	6.2	6.3	7.2
Consumer price (1982-1984 = 100)	Oct.*	237.6	0.0	-0.1	0.6	1.7
Excluding food and energy	Oct.*	239.2	0.2	0.4	0.8	1.8
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)	Oct.*	200.5	-0.3	-0.9	-0.1	1.7
Excluding food and energy	Oct.*	189.3	0.1	0.3	0.7	2.1
Export prices (2000 = 100)	Oct.	130.6	-1.0	-1.9	-2.2	-0.8
Import prices (2000 = 100)	Oct.	136.4	-1.3	-2.6	-2.4	-1.8

* 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.

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	1,742,404	3.6	2.6	2.0	1.9	3.0	3.4
Household consumption (2007 \$M)	2014 Q2	969,783	3.7	2.7	2.5	1.9	2.2	3.5
Government consumption (2007 \$M)	2014 Q2	350,332	2.1	0.5	0.4	1.2	0.8	2.7
Residential investment (2007 \$M)	2014 Q2	113,769	11.9	1.1	-0.4	5.7	1.7	8.7
Non-residential investment (2007 \$M)	2014 Q2	193,141	1.8	-0.4	2.6	9.0	12.7	14.5
Business inventory change (2007 \$M) (1)	2014 Q2	6,333	---	---	12,368	7,437	10,911	-452.0
Exports (2007 \$M)	2014 Q2	551,678	18.9	5.9	2.0	2.6	4.6	6.9
Imports (2007 \$M)	2014 Q2	573,031	10.5	2.5	1.3	3.7	5.7	13.6
Final domestic demand (2007 \$M)	2014 Q2	1,746,358	3.2	1.5	1.5	2.5	2.5	5.0
GDP deflator (2007 = 100)	2014 Q2	112.9	-0.4	2.1	1.3	1.6	3.4	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	1,111,344	0.9	3.5	3.8	4.2	4.5	3.7
Corporate net operating surplus (2007 \$M)	2014 Q2	278,080	4.6	11.9	-0.6	-4.2	15.4	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)	Sept.	52,981	2.1	1.2	4.1	7.3
Housing starts (K) (1)	Oct.	183.6	197.4	203.0	195.9	201.3
Building permits (\$M)	Sept.	7,498	12.7	-8.5	25.5	10.8
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)	Sept.*	54,032	1.8	1.6	6.4	8.1
Commercial surplus (\$M) (1)	Sept.	710.1	-463.5	1,570	1,176	275.8
Exports (\$M)	Sept.	44,792	1.1	-0.0	1.6	8.4
Imports (\$M)	Sept.	44,082	-1.5	2.0	2.7	7.4
Employment (K) (2)	Oct.	17,969	43.1	35.4	27.4	15.2
Unemployment rate (%) (1)	Oct.	6.5	6.8	7.0	6.9	7.0
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)	Oct.*	125.9	0.1	0.2	0.6	2.4
Excluding food and energy	Oct.*	120.2	0.4	1.1	1.2	2.0
Excluding 8 volatile items	Oct.*	124.4	0.3	1.1	1.4	2.3
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 (%)		
	Nov. 21	Nov. 14	-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	0.00	0.02	0.01	0.03	0.04	0.07	0.08	0.04	0.00
Treasury bonds – 2 years	0.51	0.51	0.39	0.49	0.34	0.28	0.57	0.42	0.27
– 5 years	1.62	1.61	1.50	1.66	1.52	1.36	1.84	1.62	1.30
– 10 years	2.32	2.32	2.27	2.40	2.53	2.75	3.01	2.60	2.09
– 30 years	3.04	3.05	3.05	3.16	3.40	3.84	3.95	3.45	2.88
S&P 500 index	2,065	2,040	1,965	1,988	1,901	1,805	2,065	1,905	1,742
DJIA index	17,842	17,635	16,805	17,001	16,606	16,065	17,842	16,605	15,373
Gold price (US\$/ounce)	1,205	1,173	1,231	1,278	1,293	1,245	1,376	1,269	1,146
CRB index	268.99	266.79	270.22	288.67	308.26	275.21	312.93	291.60	264.56
WTI oil (US\$/barrel)	76.22	75.91	81.27	93.61	105.01	94.53	107.30	96.82	74.13
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	0.90	0.90	0.88	0.94	0.92	0.94	0.96	0.91	0.81
Treasury bonds – 2 years	1.07	1.01	1.00	1.09	1.06	1.11	1.17	1.07	0.91
– 5 years	1.52	1.52	1.50	1.55	1.57	1.76	1.96	1.63	1.38
– 10 years	2.01	2.03	2.02	2.08	2.31	2.58	2.79	2.32	1.92
– 30 years	2.56	2.59	2.56	2.63	2.84	3.14	3.28	2.86	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	0.90	0.88	0.87	0.91	0.88	0.87	0.93	0.87	0.76
Treasury bonds – 2 years	0.56	0.50	0.61	0.60	0.72	0.83	0.83	0.65	0.46
– 5 years	-0.10	-0.09	0.00	-0.11	0.05	0.40	0.41	0.01	-0.24
– 10 years	-0.31	-0.29	-0.25	-0.32	-0.22	-0.17	-0.17	-0.28	-0.40
– 30 years	-0.48	-0.46	-0.49	-0.53	-0.56	-0.70	-0.41	-0.59	-0.72
S&P/TSX index	15,129	14,843	14,544	15,536	14,708	13,478	15,658	14,522	13,114
Exchange rate (C\$/US\$)	1.1233	1.1289	1.1232	1.0947	1.0862	1.0515	1.1424	1.0944	0.8902
Exchange rate (C\$/€)	1.3939	1.4137	1.4231	1.4498	1.4809	1.4256	1.5545	1.4693	1.1046
Overseas									
ECB – Refinancing rate	0.05	0.05	0.05	0.15	0.25	0.25	0.25	0.18	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	0.77	0.79	0.85	0.99	1.36	1.75	1.95	1.35	0.72
U.K.: Bonds – 10 years	2.05	2.14	2.23	2.54	2.64	2.79	3.07	2.63	1.98
Euro: Exchange rate (US\$/€)	1.2409	1.2524	1.2671	1.3244	1.3634	1.3559	1.3934	1.3429	1.2375
U.K.: Exchange rate (US\$/£)	1.5679	1.5670	1.6091	1.6571	1.6833	1.6226	1.7166	1.6554	1.5634

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.