

Canada's economy surprisingly robust in the third quarter

HIGHLIGHTS

- United States: Real GDP growth is revised upwards to 3.9%.
- United States: Surprise drop by the Conference Board's consumer confidence index.
- Canada: Astonishing real GDP gains in the third quarter.
- Canada: Retail sales advanced 0.8% in September.

A LOOK AHEAD

- United States: The ISM manufacturing index should remain stable in November.
- Slower growth by U.S. employment is expected for November.
- The Bank of Canada will keep the target for the overnight rate at 1.00%.
- Canada: After two months of strong increases, the labour market could contract in November.
- Canada: The merchandise trade balance could deteriorate in October.
- Canada: Labour productivity should remain practically unchanged in the third quarter.

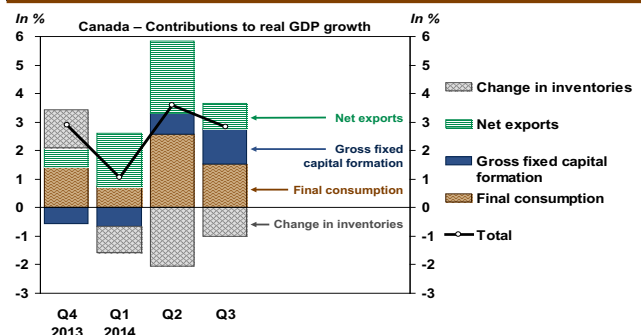
FINANCIAL MARKETS

- Oil prices fall below US\$70 per barrel.
- Sharp decline in market inflation expectations.
- Lower oil prices are dragging down the Canadian dollar.

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Graph of the week – Domestic demand and international trade again made positive contributions to real GDP last summer



Sources: Statistics Canada and Desjardins, Economic Studies

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KEY STATISTICS OF THE WEEK

UNITED STATES

- The third quarter's real GDP growth was revised upwards with the preliminary estimate of the national accounts. The annualized gain is now 3.9% instead of 3.5%. The upward change came as a surprise, as many of the indicators released since the advance estimate was announced had pointed to slightly weaker results. As expected, net exports were revised downwards, but this was more than offset by higher consumption and investment. However, the clear winner was the inventory change, which made a much smaller negative contribution than previously announced. The 3.9% rise by real GDP follows a 4.6% increase in the spring; the average since mid-2013 is 2.9%, despite the drop posted last winter.
- According to the Conference Board survey, consumer confidence deteriorated in November. The 5.4-point drop brings the index from 94.1 to 88.7. This drop is disappointing, as the consensus had expected another gain. With the labour market's solid performance, falling gas prices and the rebound by stock indexes, it is hard to see what could have sapped household sentiment. We can therefore assume this is temporary.
- Real household consumption advanced 0.2% in October after stagnating in September. The gain primarily comes from non-durable goods, which rose 0.5%. Real services consumption increased 0.1%, while consumption of durable goods edged down 0.1%. Real personal disposable income went up just 0.1%.
- In September, the S&P/Case-Shiller index of existing home prices in the 20 largest cities went up for the first time (+0.3%) since April. The index's annual change still slowed from 5.7% to 4.9%.
- New durable goods orders rose 0.4%, thanks to a 45.3% jump by military aircraft spending. Excluding defence, they pulled back 0.6%. Metallurgy, machinery, IT goods and electrical equipment all posted steep drops in October. Excluding defence and aviation, new capital goods orders fell 1.3%, as they did in September. This weakness contrasts with the solid performance by the ISM manufacturing index.
- Sales of new single-family dwellings rose 0.7% in October, but September's level was revised downwards. All in all, annualized sales look to be rather stable, going from 453,000 in August, to 455,000 in September, then to 458,000 in October.

Francis Généreux
Senior Economist

CANADA

- Real GDP grew at an annualized quarterly rate of 2.8% in the third quarter. This good news comes on the heels of Statistics Canada's upward revision, at the beginning of this month, to the data of 2011, 2012 and the first quarters of 2014. Clearly, the overall picture of the Canadian economy is rosier than we thought. This means that our forecast of 2.3% real GDP growth for the year 2014 will have to be raised, probably to around 2.4%. It will be interesting to see what view the Bank of Canada takes of this state of affairs when it makes its decision next week, especially since inflation has also been stronger than expected in the past few months.
- Retail sales rose 0.8% in September, coming in above expectations. However, most of this growth comes from the automotive sector, as sales in other retail categories stayed rather flat during the month. Clothing store sales also dropped 0.9%. In real terms, sales for all retailers went up 1.0% in September.
- Corporate operating profits rose to \$90.2B in the third quarter, up 3.7% from the previous quarter. The gain amounts to 8.8% over one year. Profit margin growth is also very positive. At 9.7% for all businesses, the Canadian average has never been this high since this statistic began being tracked in 1988. This confirms the strong financial position for the vast majority of activity sectors, where 20 of the 22 main sectors have posted profit margins higher than their historic average.
- The current account balance improved a little more than expected in the third quarter, going from -\$9.9B to -\$8.4B. As the movement by merchandise trade suggested, the deficit for goods and services has shrunk. The balance for direct investment income also improved considerably during this period.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

The S&P/TSX and Canadian dollar both hit hard by oil's decline

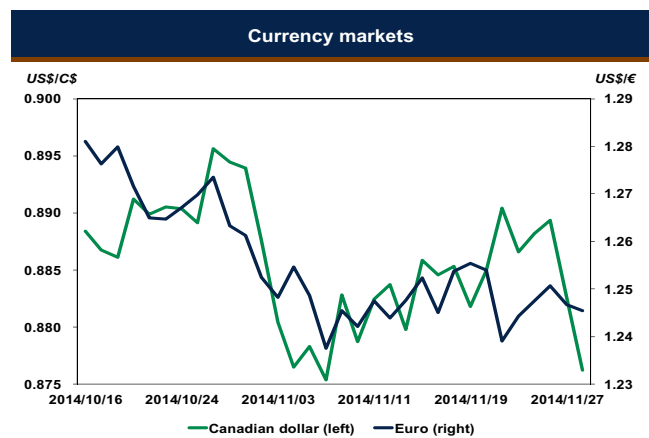
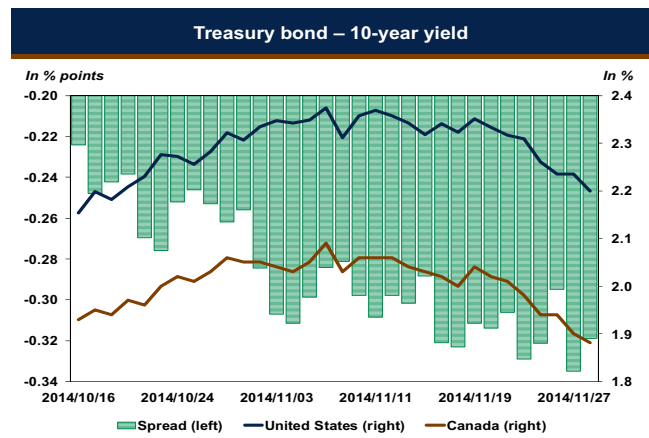
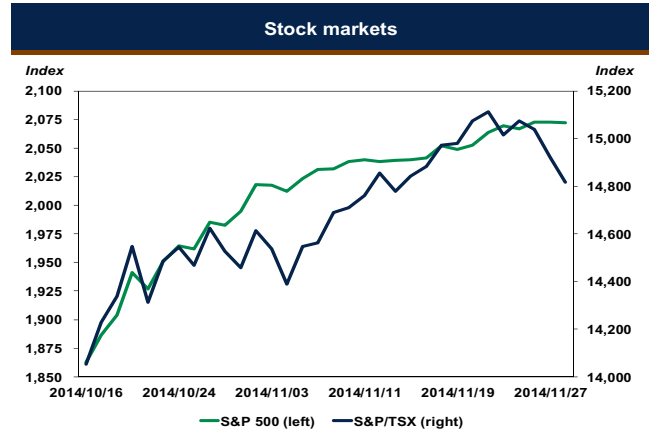
Investors were focused on Thursday's meeting of the Organization of the Petroleum Exporting Countries (OPEC). At the start of the week, preliminary meetings suggested that there would be no agreement to reduce production levels and counteract the price drop. This was confirmed when the meeting ended on Thursday, and West Texas Intermediate (WTI) prices posted their worst week since 2012, falling more than US\$7 per barrel and ending below US\$70. Unsurprisingly, the S&P/TSX was severely affected and was poised for a weekly slide of 2.5%. The index's energy component pulled back more than 8.5%, its largest contraction in three years. The U.S. stock market instead posted slight gains, in a week cut short by Thanksgiving break.

Bond yields continued to trend down. OPEC's refusal to deal with the excess oil supply put more downside pressure on the market's implicit inflation expectations. In the United States, the inflation rate priced over two years fell to just 0.6% on Friday, its lowest point since 2010. The rate over five years is just 1.4%. In Canada, 10-year yields lost more than 10 basis points over the week, ending at 1.89%. On Friday, Canadian yields did not react at all to stronger-than-forecast third-quarter growth.

The U.S. dollar edged down in the middle of the week following the release of fairly mixed statistics for the United States. All the same, the DXY U.S. exchange rate index was boosted by weaker values for the Canadian dollar, the yen and the pound. Despite Canada's growing collection of solid economic data, the loonie fell on Thursday and Friday in response to the dramatic slide in oil prices. Canada's dollar was trading under US\$0.88 on Friday. In Japan, disappointing inflation took the exchange rate above ¥118/US\$. In Europe, the pound resumed its downtrend on Thursday, following disappointing results for investment and confidence. The euro fared better, making up some of the ground lost last Friday and climbing close to US\$1.25.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Monday Dec. 1 - 10:00

November	
Consensus	57.9
Desjardins	59.0
October	59.0

ISM manufacturing index (November) – In October, the ISM index made up all of the ground it had lost in September, returning to 59.0, its level in August. The regional manufacturing indexes posted contradictory movements in November: the New York Fed’s index edged up, the Philadelphia Fed’s posted spectacular gains, and the Chicago PMI index pulled back. Under these circumstances, we expect the ISM manufacturing index to remain stable.

Wednesday Dec. 3 - 10:00

November	
Consensus	57.5
Desjardins	58.0
October	57.1

ISM non-manufacturing index (November) – The non-manufacturing ISM fell for a second consecutive month in October, though it is still at a relatively high 57.1. An increase is forecast for November, although harsh weather in some regions may have slowed growth for retailers and construction. The non-manufacturing ISM should go to 58.0, which is below its third quarter average.

Friday Dec. 5 - 8:30

November	
Consensus	225,000
Desjardins	201,000
October	214,000

Job creation according to the establishment survey (November) – October’s employment growth was a bit weaker than anticipated. However, we do not expect hires to pick up in November. Jobless claims were slightly higher during the month, and the employment components of the Conference Board consumer confidence index were also less positive. The employment components of the ISM indexes will give us additional information before the figures from the establishment survey are released on Friday. We expect nearly 200,000 jobs to be added. The jobless rate should stay at 5.8%.

Friday Dec. 5 - 8:30

October	US\$B
Consensus	-41.2
Desjardins	-42.3
September	-43.0

Trade balance (October) – After several months of relative stability, the trade balance deteriorated in September. The foreign trade deficit went from \$40.0B to \$43.0B, due to a drop by exports. The U.S. dollar’s recent appreciation and a better performance by imports than exports in the ISM indexes suggests that real import growth will be stronger than real export growth. However, price effects (more contraction on the import side) should mean that the nominal trade balance will still improve. A trade deficit of \$42.3B is expected.

Friday Dec. 5 - 8:30

October	US\$B
Consensus	16.5
Desjardins	18.0
September	15.9

Consumer credit (October) – After several months of monthly growth around US\$20B, the pace for consumer credit moderated somewhat in August and September, with gains closer to US\$15B. Consumer loans are expected to accelerate in October, according to the weekly data on banking credit, which would be in line with the better performance by retail sales that month. However, lower gas prices and stagnating auto sales should moderate this gain. We expect monthly growth of US\$18B.


CANADA

Bank of Canada meeting (December) – In all likelihood, Canada’s monetary authorities will once again keep the target for the overnight rate at 1.00%. All the same, it will be interesting to get a good look at the statement accompanying this decision to see if the Bank of Canada is concerned by the higher total annual inflation rate, it hit 2.4% in October, by the upward revisions to the country’s economic growth for the previous quarters and by the U.S. economy’s solid performance. That being said, it is quite likely that the monetary authorities will continue to emphasize the uncertainties surrounding the economic outlook.

Labour productivity (Q3) – Business sector output rose 0.7% in the third quarter, growth that is fairly similar to that of total hours worked in the private sector during this time. Under these conditions, there should be practically no change to labour productivity in the third quarter. Unit labour costs could still rise over this period.

Labour Force Survey (November) – The labour market benefited from the creation of 43,100 jobs in October, after gaining 74,100 in September. This 117,200-job rise, in just two months, seems far too steep. In comparison, only 83,500 jobs were created in the first eight months of the year. This means that employment probably dropped in November, especially since employment figures are particularly volatile. The unemployment rate could therefore recoup some of the ground lost in October and climb back to 6.8%.

International merchandise trade (October) – Expressed in Canadian dollars and seasonally adjusted, the raw materials price index pulled back 1.6% in October. Energy prices dropped 3.5%, while the other commodity prices went up 0.9%. This suggests that the value of energy product exports will slide considerably over the month. What’s more, U.S. industrial production dropped 0.1% in October, including a sizable contraction by the automotive industry; this should have consequences north of the border. All in all, Canadian exports are therefore expected to fall in October, while imports could increase slightly due to a rise in consumer spending. The trade balance should therefore deteriorate for the month.


OVERSEAS

United Kingdom: Bank of England meeting (December) – The Bank of England (BoE) will not announce any changes to its monetary policy at its December meeting. Given inflation’s recent weakness and the euro zone’s economic difficulties, Governor Carney clearly signalled that he was contemplating later firming for Britain’s monetary policy. The BoE will therefore likely wait until Q3 2015 before raising its key rate, just after the Federal Reserve. However, the economic outlook for the United Kingdom remains favourable and the BoE does not seem to have a lot of leeway, especially since wages seem to be starting to pick up speed. Among the indicators to be released, keep an eye out for November’s PMI indexes.

Wednesday Dec. 3 - 10:00

December	
Consensus	1.00%
Desjardins	1.00%
October 22	1.00%

Friday Dec. 5 - 8:30

Q3 2014	q/q
Consensus	-0.3%
Desjardins	0.0%
Q2 2014	1.8%

Friday Dec. 5 - 8:30

November	
Consensus	5,000
Desjardins	-18,000
October	43,100

Friday Dec. 5 - 8:30

October	\$B
Consensus	0.1
Desjardins	0.1
September	0.7

Thursday Dec. 4 - 7:00

December	
Consensus	0.50%
Desjardins	0.50%
November 6	0.50%

Thursday Dec. 4 - 7:45**December**

Consensus 0.05%


Desjardins 0.05%


November 6 0.05%

Euro zone: European Central Bank meeting (December) – The European Central Bank (ECB) may very well announce further unconventional measures on December 4. President Draghi upped the ante during his speech on November 21, saying “we will do what we must to raise inflation and inflation expectations as fast as possible.” Ongoing, very low inflation and the struggle to purchase enough financial assets through the programs already in place would justify additional action. The ECB’s decision could be strongly influenced by the new outlook for inflation. Among the indicators to be released this week for the euro zone, October’s retail sales figures will be out on Wednesday; they had dropped a steep 1.3% in September. On Friday, we will get the details on the components of Euroland’s third-quarter real GDP growth.

ECONOMIC INDICATORS


Week of December 1 to 5, 2014

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 1	10:00	ISM manufacturing index	Nov.	57.9	59.0	59.0
	12:15	Speech of the New York Fed President, W. Dudley				
	13:00	Speech of the Dallas Fed President, R. Fisher				
TUESDAY 2	---	Total vehicle sales (ann. rate)	Nov.	16,550,000	16,400,000	16,350,000
	10:00	Construction spending (m/m)	Oct.	0.6%	0.4%	-0.4%
WEDNESDAY 3	8:30	Nonfarm productivity – final (ann. rate)	Q3	2.2%	2.5%	2.0%
	8:30	Unit labor costs – final (ann. rate)	Q3	0.2%	-0.2%	0.3%
	10:00	ISM non-manufacturing index	Nov.	57.5	58.0	57.1
	12:30	Speech of the Philadelphia Fed President, C. Plosser				
	14:00	Speech of a Federal Reserve Governor, L. Brainard				
	14:00	Release of the Beige Book				
THURSDAY 4	8:30	Initial unemployment claims	Nov. 24-28	295,000	299,000	313,000
	12:30	Speech of a Federal Reserve Governor, L. Brainard				
FRIDAY 5	8:30	Trade balance – Goods and services (US\$B)	Oct.	-41.2	-42.3	-43.0
	8:30	Change in nonfarm payrolls	Nov.	225,000	201,000	214,000
	8:30	Weekly worked hours	Nov.	34.6	34.6	34.6
	8:30	Average weekly earnings (m/m)	Nov.	0.2%	0.2%	0.1%
	8:30	Unemployment rate	Nov.	5.8%	5.8%	5.8%
	8:45	Speech of the Cleveland Fed President, L. Mester				
	10:00	Factory orders (m/m)	Oct.	0.0%	0.1%	-0.6%
	14:45	Speech of the Dallas Fed President, R. Fisher				
15:00	Consumer credit (US\$B)	Oct.	16.5	18.0	15.9	
CANADA						
MONDAY 1	---	---				
TUESDAY 2	---	---				
WEDNESDAY 3	8:15	International reserves (\$B)	Nov.	n/a	n/a	73.9
	10:00	Bank of Canada meeting	Dec.	1.00%	1.00%	1.00%
THURSDAY 4	10:00	PMI-Ivey index	Nov.	52.8	52.5	51.2
FRIDAY 5	8:30	International trade (\$B)	Oct.	0,1	0.1	0.7
	8:30	Net change in employment	Nov.	5,000	-18,000	43,100
	8:30	Unemployment rate	Nov.	6.6%	6.8%	6.5%
	8:30	Labour productivity (q/q)	Q3	-0.3%	0.0%	1.8%
	8:30	Unit labour costs (q/q)	Q3	n/a	0.5%	0.3%

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 December 1 to 5, 2014

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
SUNDAY 30								
China	20:00	PMI manufacturing index	Nov.	50.5		50.8		
Japan	20:35	PMI manufacturing index – final	Nov.	n/a		52.1		
MONDAY 1								
Japan	0:00	Vehicle sales	Nov.	n/a		-9.1%		
Italy	3:45	PMI manufacturing index	Nov.	49.4		49.0		
France	3:50	PMI manufacturing index – final	Nov.	47.6		47.6		
Germany	3:55	PMI manufacturing index – final	Nov.	50.0		50.0		
Euro zone	4:00	PMI manufacturing index – final	Nov.	50.4		50.4		
Italy	4:00	Real GDP – final	Q3	-0.1%	-0.4%	-0.1%	-0.4%	
United Kingdom	4:30	PMI manufacturing index	Nov.	53.0		53.2		
Australia	22:30	Reserve Bank of Australia meeting	Dec.	2.50%		2.50%		
TUESDAY 2								
India	0:30	Reserve Bank of India meeting	Dec.	8.00%		8.00%		
United Kingdom	4:30	PMI construction index	Nov.	61.0		61.4		
Euro zone	5:00	Producer price index	Oct.	-0.3%	-1.3%	0.2%	-1.4%	
China	20:00	PMI non-manufacturing index	Nov.	n/a		53.8		
Japan	20:35	PMI composite index	Nov.	n/a		49.5		
Japan	20:35	Indice PMI services	Nov.	n/a		48.7		
WEDNESDAY 3								
Brazil	---	Bank of Brazil meeting	Dec.	11.50%		11.25%		
Italy	3:45	PMI composite index	Nov.	49.6		50.4		
Italy	3:45	PMI services index	Nov.	50.2		50.8		
France	3:50	PMI composite index – final	Nov.	48.4		48.4		
France	3:50	PMI services index – final	Nov.	48.8		48.8		
Germany	3:55	PMI composite index – final	Nov.	52.1		52.1		
Germany	3:55	PMI services index – final	Nov.	52.1		52.1		
Euro zone	4:00	PMI composite index – final	Nov.	51.4		51.4		
Euro zone	4:00	PMI services index – final	Nov.	51.3		51.3		
United Kingdom	4:30	PMI composite index	Nov.	56.3		55.8		
United Kingdom	4:30	PMI services index	Nov.	56.5		56.2		
Euro zone	5:00	Retail sales	Oct.	0.5%	1.6%	-1.3%	0.6%	
THURSDAY 4								
France	1:30	ILO unemployment rate	Q3	10.3%		10.2%		
Germany	3:30	PMI construction index	Nov.	n/a		51.5		
Euro zone	4:10	PMI retail index	Nov.	n/a		47.0		
Germany	4:10	PMI retail index	Nov.	n/a		50.2		
France	4:10	PMI retail index	Nov.	n/a		46.0		
Italy	4:10	PMI retail index	Nov.	n/a		43.1		
United Kingdom	7:00	Minutes of the Bank of England meeting	Dec.	0.50%		0.50%		
Euro zone	7:45	European Central Bank meeting	Dec.	0.05%		0.05%		
FRIDAY 5								
Japan	0:00	Leading indicator – preliminary	Oct.	104.1		105.6		
Japan	0:00	Coincident indicator – preliminary	Oct.	110.0		109.8		
Allemagne	2:00	Factory orders	Oct.	0.5%	0.0%	0.8%	-1.0%	
Zone euro	5:00	Real GDP – preliminary	Q3	0.2%	0.8%	0.2%	0.8%	
Mexique	10:00	Bank of Mexico meeting	Dec.	3.00%		3.00%		

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	16,164	3.9	2.4	2.2	2.3	1.6	2.5
Consumption (2009 \$B)	2014 Q3	10,972	2.2	2.4	2.4	1.8	2.3	1.9
Government spending (2009 \$B)	2014 Q3	2,910	4.2	0.3	-2.0	-1.4	-3.0	0.1
Residential investment (2009 \$B)	2014 Q3	498.9	2.7	-0.8	11.9	13.5	0.5	-2.5
Non-residential investment (2009 \$B)	2014 Q3	2,136	7.1	7.2	3.0	7.2	7.7	2.5
Business inventory change (2009 \$B) (1)	2014 Q3	79.1	---	---	63.6	57.1	37.6	58.2
Exports (2009 \$B)	2014 Q3	2,106	4.9	3.8	3.0	3.3	6.9	11.9
Imports (2009 \$B)	2014 Q3	2,537	-0.7	3.4	1.1	2.3	5.5	12.7
Final domestic demand (2009 \$B)	2014 Q3	16,497	3.2	2.5	1.9	2.1	1.7	1.5
GDP deflator (2009 = 100)	2014 Q3	108.6	1.4	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)	Nov.*	88.7	94.1	93.4	82.2	72.0
Cons. confidence Michigan (1966 = 100) (1)	Nov.	88.8	86.9	82.5	81.9	75.1
Personal consumption expenditure (2009 \$B)	Oct.*	11,009	0.2	0.7	1.0	2.2
Disposable personal income (2009 \$B)	Oct.*	12,002	0.1	0.5	1.0	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)	Oct.*	243,806	0.4	-18.7	1.4	5.5
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.	1,092	1,031	1,057	1,059	1,067
New home sales (K) (1)	Oct.*	458.0	455.0	399.0	413.0	450.0
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)	Oct.*	109.2	0.1	0.1	0.6	1.4
Excluding food and energy	Oct.*	108.1	0.2	0.4	0.8	1.6
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 Q3*	1,754,476	2.8	2.6	2.0	1.9	3.0	3.4
Household consumption (2007 \$M)	2014 Q3*	978,496	2.8	2.8	2.5	1.9	2.2	3.5
Government consumption (2007 \$M)	2014 Q3*	348,758	-0.1	0.1	0.4	1.2	0.8	2.7
Residential investment (2007 \$M)	2014 Q3*	117,323	12.5	4.1	-0.4	5.7	1.7	8.7
Non-residential investment (2007 \$M)	2014 Q3*	193,178	0.5	-0.5	2.6	9.0	12.7	14.5
Business inventory change (2007 \$M) (1)	2014 Q3*	647.0	---	---	12,368	7,437	10,911	-452.0
Exports (2007 \$M)	2014 Q3*	560,579	6.9	7.4	2.0	2.6	4.6	6.9
Imports (2007 \$M)	2014 Q3*	576,202	4.0	2.5	1.3	3.7	5.7	13.6
Final domestic demand (2007 \$M)	2014 Q3*	1,758,934	2.8	1.8	1.5	2.5	2.5	5.0
GDP deflator (2007 = 100)	2014 Q3*	113.5	1.8	2.0	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 Q3*	-8,401	---	---	-56,255	-59,911	-47,195	-58,419
Production capacity utilization rate (%) (1)	2014 Q2	82.7	---	---	81.2	81.5	80.6	78.5
Disposable personal income (\$M)	2014 Q3*	1,125,660	4.3	4.0	3.8	4.2	4.5	3.7
Corporate net operating surplus (2007 \$M)	2014 Q3*	286,104	11.6	10.3	-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)	Sept.*	1,644,253	0.4	0.4	1.5	2.3
Industrial production (2007 \$M)	Sept.*	359,201	1.5	0.0	1.4	3.9
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)	Sept.*	42,847	0.8	0.6	4.0	4.5
Excluding automobiles (\$M)	Sept.*	32,339	0.0	-0.7	2.0	3.4
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 (\$)	Sept.*	941.9	0.3	0.5	1.6	3.4
Number of salaried employees (K) (2)	Sept.*	15,612	-0.6	16.3	21.1	12.0
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)	Oct.*	110.8	-0.5	-0.6	-1.3	2.5
Raw materials price (2002 = 100)	Oct.*	112.6	-4.3	-8.4	-9.0	-2.3
Money supply M1+ (\$M)	Oct.*	748,798	1.1	3.3	4.4	8.1

* 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. 28	Nov. 21	-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	0.00
Treasury bill – 3 months	0.01	0.01	0.01	0.03	0.04	0.06	0.08	0.04	0.01
Treasury bonds – 2 years	0.50	0.51	0.47	0.47	0.33	0.27	0.57	0.42	0.28
– 5 years	1.52	1.61	1.61	1.62	1.50	1.35	1.84	1.62	1.31
– 10 years	2.20	2.32	2.33	2.35	2.46	2.76	3.01	2.59	2.09
– 30 years	2.91	3.02	3.06	3.08	3.31	3.83	3.95	3.43	2.88
S&P 500 index	2,072	2,064	2,018	2,003	1,924	1,806	2,073	1,910	1,742
DJIA index	17,881	17,810	17,391	17,098	16,717	16,086	17,881	16,638	15,373
Gold price (US\$/ounce)	1,182	1,205	1,166	1,288	1,245	1,253	1,376	1,268	1,146
CRB index	259.04	269.11	271.96	292.75	305.48	274.88	312.93	291.43	259.04
WTI oil (US\$/barrel)	68.80	76.52	80.53	97.86	102.75	92.78	107.30	96.44	68.80
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	0.91	0.90	0.88	0.93	0.93	0.94	0.96	0.91	0.81
Treasury bonds – 2 years	1.01	1.07	1.02	1.11	1.05	1.10	1.17	1.07	0.91
– 5 years	1.41	1.51	1.54	1.52	1.53	1.73	1.96	1.62	1.38
– 10 years	1.88	2.01	2.05	2.00	2.25	2.56	2.79	2.31	1.88
– 30 years	2.44	2.55	2.59	2.56	2.78	3.15	3.28	2.84	2.44
Spread with the U.S. rate (% points)									
Overnight – target	0.75	0.75	0.75	0.75	0.75	0.75	1.00	0.75	0.75
Treasury bill – 3 months	0.90	0.89	0.87	0.90	0.89	0.88	0.93	0.87	0.76
Treasury bonds – 2 years	0.51	0.56	0.55	0.64	0.72	0.83	0.82	0.65	0.46
– 5 years	-0.12	-0.10	-0.07	-0.10	0.03	0.38	0.35	-0.00	-0.24
– 10 years	-0.32	-0.31	-0.28	-0.35	-0.21	-0.20	-0.17	-0.28	-0.40
– 30 years	-0.47	-0.47	-0.47	-0.52	-0.53	-0.68	-0.41	-0.58	-0.72
S&P/TSX index	14,818	15,111	14,613	15,626	14,604	13,395	15,658	14,552	13,114
Exchange rate (C\$/US\$)	1.1413	1.1231	1.1267	1.0879	1.0843	1.0616	1.1424	1.0957	0.8762
Exchange rate (C\$/€)	1.4211	1.3915	1.4111	1.4286	1.4780	1.4427	1.5545	1.4686	1.0912
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	0.70	0.77	0.80	0.89	1.36	1.69	1.95	1.33	0.70
U.K.: Bonds – 10 years	1.93	2.05	2.24	2.37	2.57	2.77	3.07	2.62	1.93
Euro: Exchange rate (US\$/€)	1.2454	1.2391	1.2525	1.3133	1.3631	1.3591	1.3934	1.3408	1.2375
U.K.: Exchange rate (US\$/£)	1.5657	1.5656	1.5998	1.6599	1.6752	1.6368	1.7166	1.6543	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.