

## Canadian exports increase despite the drop in energy products

### HIGHLIGHTS

- United States: 2015 starts with more good news on employment.
- United States: Decline in the ISM manufacturing index, but the non-manufacturing index heads back up.
- Automobile sales dipped in the United States in January.
- The U.S. balance of trade deteriorated at the end of 2014.
- Canada: An increase in non-energy exports counterbalanced the decline in oil.

### A LOOK AHEAD

- United States: Lower gasoline prices will lead to another slump in nominal retail sales.
- Canada: Housing starts could lose more ground.
- Canada: Manufacturing sales should rally.

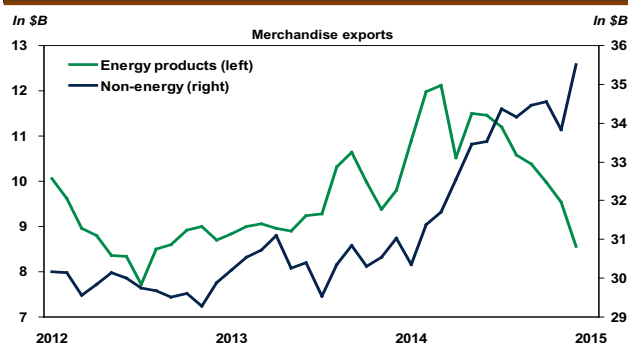
### FINANCIAL MARKETS

- North American stock markets take reassurance from the rally in oil prices.
- Strong job creation in the United States propels bond yields upwards.
- The Canadian dollar climbs back above US\$0.80.

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Graph of the week – Non-energy exports rebounded in December in Canada



Sources: Statistics Canada 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

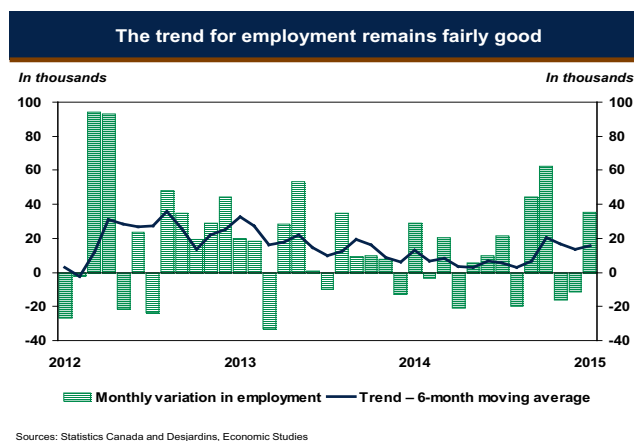
- The establishment survey shows 257,000 net hires in January, following up on an increase of 329,000 jobs in December (revised from 252,000) and 423,000 in November (revised from 353,000). Construction created 39,000 jobs. In manufacturing, the number of workers rose by 22,000. There were 209,000 positions created in private sector services. An annual change to previous data was also released with January's results. The revisions improved the employment gains recorded in 2014, taking them from 2,952,000 to 3,116,000. The jobless rate ticked up from 5.6% to 5.7%.
- The average hourly wage went up 0.5% in January after ticking down 0.2% in December. The annual change in the average hourly wage went from 1.9% (revised from 1.7%) to 2.2%, its highest point since August.
- The ISM manufacturing index made its third straight pull-back in January. The index fell from 55.1 to 53.5 (its lowest point in a year). Its most recent peak was 57.9, in October. Apart from inventories and imports, all the components were down, including a 4.9-point drop in new orders. Meanwhile, the ISM non-manufacturing index ticked up from 56.5 to 56.7, and its current production component climbed by 2.9 points.
- The U.S. trade balance deteriorated more than expected in December. The deficit expanded from US\$39.8B to US\$46.6B. Despite the lower oil prices, nominal imports rose by 2.2%, while exports slipped by 0.8%. The United States seem to have taken advantage of the lower price of a barrel of oil to import more of them, since real oil imports surged by 17.2%, reaching their highest level since May 2013. The deterioration in the trade balance is greater than the Bureau of Economic Analysis had estimated in its initial version of fourth quarter real GDP. Thus, the already negative contribution to growth from foreign trade will probably be amplified, which could lead to a downwards revision of the 2.6% increase in real GDP.
- Auto sales fell by 1.5% in January after a similar drop of 1.7% in December. These two pullbacks in a row come on the heels of a 4.5% increase in November. Consequently, the number for January, i.e. 16,557,000 units (annualized), is still above the average that was achieved in 2014. We also note that the number of passenger vehicles fell last month, while that of light trucks (including sport utility vehicles and minivans) climbed by 3.8%.

**Francis Généreux**  
Senior Economist

### CANADA

- After declining for two straight months, the labour market rebounded in January, creating 35,400 jobs. The unemployment rate went from 6.7% to 6.6%. However, it is disappointing to see that most of the jobs created in January were in part time (+47,200) and self-employment (+41,100). This could point to a more precarious labour market. These figures are highly volatile from month to month, especially for part-time work, and caution is advisable before jumping to conclusions.
- The international merchandise trade balance went from -\$0.34B in November to -\$0.65B in December, eroding much less than expected. Exports increased 1.5%, while imports grew 2.3%. As expected, plummeting crude oil prices had a major impact on the value of Canadian energy product exports, which were down 10.3% in December. However, non-energy exports performed quite well in December, gaining 4.9%, including significant increases in nearly all key sectors. This is calming worries that have recently arisen about the vitality of the manufacturing sector.
- The industrial product price index was down by 1.6% in December, in line with our expectations. This decline is mainly attributable to the 11.5% slump in prices of energy products. The raw materials price index fell by 7.6% during the month.

**Benoit P. Durocher**  
Senior Economist



# FINANCIAL MARKETS

## The European Central Bank sends a warning to Greece

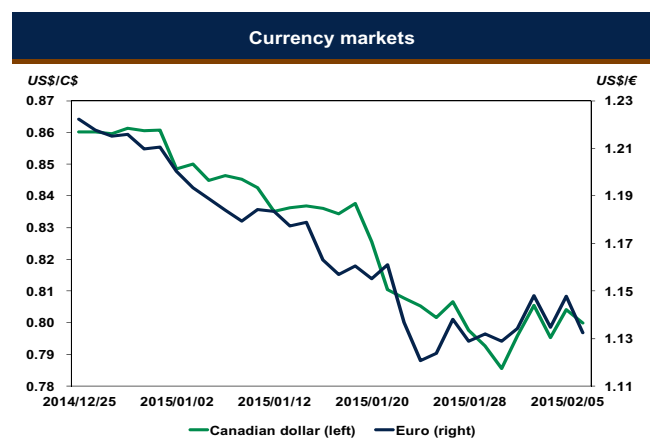
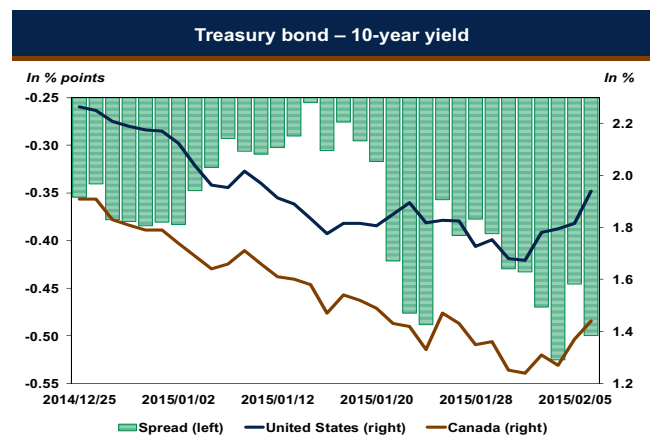
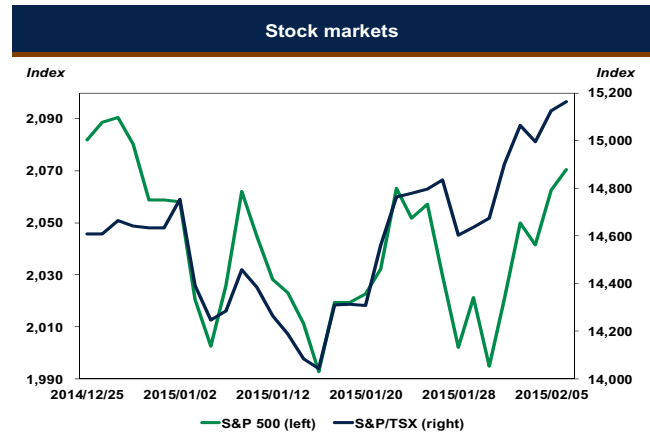
North American stock markets started off the month of February on the right foot, as the rally in oil prices alleviated some concerns about the energy sector. Things went awry on Wednesday, however: data revealing that oil inventories had reached their highest level in nearly 80 years drove the price of a barrel of oil below US\$50, pulling down U.S. energy stocks in its wake. As for the S&P/TSX, it fell by 0.45% during that session. The decision by the European Central Bank to declare Greek government bonds ineligible as collateral instruments also contributed to the slump in the indexes. However, they managed to turn the corner on Thursday, thanks to another gain in oil prices. Healthy job creation data in the United States consolidated that trend on Friday.

The U.S. 10-year bond yield rose from 1.67% on Monday to reach 1.80% on Wednesday, before tumbling back down on Thursday morning, largely as a result of disappointing data on international trade in the United States. Nonetheless, the 10-year yield managed to pick up at the end of the session, exceeding 1.90% on Friday morning, in reaction to job creation numbers that beat consensus expectations. Some encouraging export data released in Canada on Thursday helped to slow the downward trend in the spreads between Canadian and U.S. yields. However, on Friday, significantly healthier job numbers in the United States, compared with Canada, drove the spreads down again.

European currencies were enjoying the benefit of nice surprises in economic indicators, but the ECB's decision on Greek bonds halted the appreciation of the euro, which had been oscillating between US\$1.13 and US\$1.15 during the week. The pound sterling, not being penalized by the ECB's decision, fared better. At the time of writing, it was trading below US\$1.53, for a weekly gain of around US\$0.02. The release of strong job numbers in the United States gave a new boost to the U.S. dollar on Friday, thereby limiting the ascent of the European currencies. The Canadian dollar held its own better against the greenback on Friday; the rally in oil prices and strong job creation in Canada in January helped to send the loonie back above US\$0.80.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



# A LOOK AHEAD



## UNITED STATES

### Thursday Feb. 12 - 8:30

|                 |              |
|-----------------|--------------|
| <b>January</b>  | m/m          |
| Consensus       | -0.4%        |
| Desjardins      | -0.6%        |
| <b>December</b> | <b>-0.9%</b> |

**Retail sales (January)** – Retail sales were very disappointing in December, pulling back by 0.9%. A decline was indeed expected, given the effects of falling gasoline prices on gas station receipts. But the consensus was expecting a more modest drop of 0.2% and, in particular, a gain in sales excluding automobiles and gasoline. Instead, they dwindled by 0.3%. We are expecting another contraction in retail sales in January and, once again, the main cause is falling gasoline prices. They plummeted by more than 13% during the first month of 2015 and should lead to a slump of nearly 9% in gas station receipts. We also expect a modest decline in automobile sales; new car sales dipped by 1.4% in January. Fortunately, the solid performance by consumer confidence and employment, and the positive effect of lower energy costs on households’ wallets, point towards a rally in sales excluding automobiles and gasoline in January. However, that month’s colder weather (compared with December) and the storm that hit part of the East coast at the end of the month could well offset a portion of that positive effect. Therefore, a relatively modest gain of 0.4% is expected. For total retail sales, a contraction of 0.6% is predicted.

### Friday Feb. 13 - 10:00

|                 |             |
|-----------------|-------------|
| <b>February</b> | 98.2        |
| Consensus       | 97.5        |
| Desjardins      | 97.5        |
| <b>January</b>  | <b>98.1</b> |

**University of Michigan consumer confidence index (February – preliminary)** – Consumer confidence has been on a tear in the past few months, and in January the University of Michigan consumer confidence index reached its highest point since January 2004, when confidence was overstimulated by the arrest of Saddam Hussein in Iraq. Beyond 2004, we must look back to December 2000, before the 2001 recession, to find such a high level of confidence. For February, however, we are expecting a slight dip. The weekly confidence indexes have been basically stagnating throughout January. The same holds true for the stock market, which has not been showing any clear direction in the past few weeks. Finally, after months of continuous decline, gasoline prices have started to edge up again since the end of January. They are still very low, however, and should continue to help confidence remain high, but the marginal effect will no longer be as strong. Job creation remains strong, however, which will help confidence. We are therefore calling for the University of Michigan index to tick down from 98.1 to 97.5.



## CANADA

### Monday Feb. 9 - 8:15

|                 |                |
|-----------------|----------------|
| <b>January</b>  | ann. rate      |
| Consensus       | 178,000        |
| Desjardins      | 176,500        |
| <b>December</b> | <b>180,600</b> |

**Housing starts (January)** – The volume of housing starts is likely to keep losing ground in January. For one thing, Alberta and Saskatchewan should still be affected by the deleterious effects of falling oil prices. The latest news from the housing market in those provinces is fairly negative. Meanwhile, the number of housing starts in Ontario reached quite a high level in December due to sustained activity in multiple-unit projects in urban centres. Under these conditions, a pullback is also likely for that province in January.

### Friday Feb. 13 - 8:30

|                 |              |
|-----------------|--------------|
| <b>December</b> | m/m          |
| Consensus       | 0.8%         |
| Desjardins      | 1.0%         |
| <b>November</b> | <b>-1.4%</b> |

**Manufacturing sales (December)** – The value of non-commodity merchandise exports was up by 4.7% in December. Moreover, significant increases were observed in industrial machinery and equipment, electronic and electrical equipment and parts, and automotive products. This leads us to believe that manufacturing sales rebounded in December after two consecutive monthly declines. As for the purchasing managers’ confidence indexes, some deterioration was indeed recorded in January, but the December numbers were still quite good.

**OVERSEAS**


**Euro zone: Real GDP (Q4)** – Growth is still relatively limp in the euro zone, but the lower energy prices should nevertheless have a stimulating effect. During the summer, the euro zone’s real GDP advanced by 0.2%—modest growth, but still higher than the 0.1% recorded in the spring. A similar gain, or a slightly stronger one, is expected for the fall. For 2014 as a whole, an increase of 0.8% is predicted. France, Germany and Italy will also release their quarterly results next Friday.

**Friday Feb. 13 - 5:00**

|                |             |
|----------------|-------------|
| <b>Q4 2014</b> | q/q         |
| Consensus      | 0.2%        |
| <b>Q3 2014</b> | <b>0.2%</b> |

# ECONOMIC INDICATORS


## Week of February 9 to 13, 2015

| Day                  | Hour  | Indicator   | Period   | Consensus |  | Previous data |
|----------------------|-------|---|----------|-----------|---|---------------|
| <b>UNITED STATES</b> |       |   |          |           |   |               |
| <b>MONDAY 9</b>      |       |   |          |           |   |               |
|                      | ---   | ---   |          |           |   |               |
| <b>TUESDAY 10</b>    |       |   |          |           |   |               |
|                      | 8:20  | Speech of the Richmond Fed President, J. Lacker   |          |           |   |               |
|                      | 10:00 | Wholesale inventories (m/m)                       | Dec.     | 0.1%      | 0.1%  | 0.8%          |
| <b>WEDNESDAY 11</b>  |       |   |          |           |   |               |
|                      | 8:00  | Speech of the Dallas Fed President, R. Fisher     |          |           |   |               |
|                      | 14:00 | Federal budget (US\$B)                            | Jan.     | -3.0      | n/a   | -10.3         |
| <b>THURSDAY 12</b>   |       |   |          |           |   |               |
|                      | 8:30  | Initial unemployment claims                       | Feb. 2-6 | 285,000   | 285,000   | 278,000       |
|                      | 8:30  | Retail sales                                      |          |           |   |               |
|                      |       | Total (m/m)                                       | Jan.     | -0.4%     | -0.6%   | -0.9%         |
|                      |       | Excluding automobiles (m/m)                       | Jan.     | -0.4%     | -0.6%   | -1.0%         |
|                      | 10:00 | Business inventories (m/m)                        | Dec.     | 0.2%      | 0.1%  | 0.2%          |
| <b>FRIDAY 13</b>     |       |   |          |           |   |               |
|                      | 8:30  | Export prices (m/m)                               | Jan.     | n/a       | -1.5%   | -1.2%         |
|                      | 8:30  | Import prices (m/m)                               | Jan.     | -3.3%     | -3.0%   | -2.5%         |
|                      | 10:00 | Michigan's consumer sentiment index – preliminary | Feb.     | 98.2      | 97.5  | 98.1          |
|                      | 13:30 | Speech of the Dallas Fed President, R. Fisher     |          |           |   |               |




## CANADA

|                     |       |   |      |  |         |         |
|---------------------|-------|---|------|--|---------|---------|
| <b>MONDAY 9</b>     |       |   |      |  |         |         |
|                     | 8:15  | Housing starts (ann. rate)                                      | Jan. |  | 176,500 | 180,600 |
| <b>TUESDAY 10</b>   |       |   |      |  |         |         |
|                     | 12:50 | Speech of the Bank of Canada Senior Deputy Governor, C. Wilkins |      |  |         |         |
| <b>WEDNESDAY 11</b> |       |   |      |  |         |         |
|                     | ---   | ---   |      |  |         |         |
| <b>THURSDAY 12</b>  |       |   |      |  |         |         |
|                     | 8:30  | New housing price index (m/m)                                   | Dec. |  | 0.1%    | 0.1%    |
| <b>FRIDAY 13</b>    |       |   |      |  |         |         |
|                     | 8:30  | Manufacturing sales (m/m)                                       | Dec. |  | 1.0%    | -1.4%   |

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 February 9 to 13, 2015

| 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)                           | Jan.   | 48.90     |       | 49.61         |        |
| <b>SUNDAY 8</b>  |       |   |        |           |       |               |        |
| Japan  | 18:50 | Trade balance (¥B)                              | Dec.   | -472.0    |       | -636.8        |        |
| Japan  | 18:50 | Current account (¥B)                            | Dec.   | 940.8     |       | 914.5         |        |
| <b>MONDAY 9</b>  |       |   |        |           |       |               |        |
| Japan  | 0:00  | Consumer confidence                             | Jan.   | 39.3      |       | 38.8          |        |
| Germany  | 2:00  | Trade balance (€B)                              | Dec.   | 16.0      |       | 17.9          |        |
| Germany  | 2:00  | Current account (€B)                            | Dec.   | 20.8      |       | 18.6          |        |
| Japan  | 18:50 | Tertiary industry activity index                | Dec.   | 0.0%      |       | 0.2%          |        |
| China  | 20:30 | Consumer price index                            | Jan.   |           | 1.0%  |               | 1.5%   |
| China  | 20:30 | Producer price index                            | Jan.   |           | -3.7% |               | -3.3%  |
| <b>TUESDAY 10</b>  |       |   |        |           |       |               |        |
| France   | 2:45  | Industrial production                           | Dec.   | 0.4%      | -1.1% | -0.3%         | -2.6%  |
| Italy  | 4:00  | Industrial production                           | Dec.   | 0.0%      | -0.7% | 0.3%          | -1.8%  |
| United Kingdom   | 4:30  | Industrial production                           | Dec.   | -0.1%     | 0.5%  | -0.1%         | 1.1%   |
| <b>WEDNESDAY 11</b>  |       |   |        |           |       |               |        |
| France   | 2:45  | Current account (€B)                            | Dec.   | n/a       |       | 0.2           |        |
| Japan  | 18:50 | Machinery orders                                | Dec.   | 2.3%      | 5.8%  | 1.3%          | -14.6% |
| <b>THURSDAY 12</b>   |       |   |        |           |       |               |        |
| Germany  | 2:00  | Consumer price index – final                    | Jan.   | -1.0%     | -0.3% | -1.0%         | -0.3%  |
| Sweden   | 3:30  | Bank of Sweden meeting                          | Feb.   | 0.00%     |       | 0.00%         |        |
| Euro zone  | 5:00  | Industrial production                           | Dec.   | 0.2%      | 0.3%  | 0.2%          | -0.4%  |
| United Kingdom   | 5:30  | Release of the Bank of England Inflation Report |        |           |       |               |        |
| <b>FRIDAY 13</b>   |       |   |        |           |       |               |        |
| France   | 1:30  | Real GDP – preliminary                          | Q4     | 0.1%      | 0.3%  | 0.3%          | 0.4%   |
| Germany  | 2:00  | Real GDP – preliminary                          | Q4     | 0.3%      | 1.0%  | 0.1%          | 1.2%   |
| France   | 2:45  | Non-farm payrolls – preliminary                 | Q4     | -0.2%     |       | -0.3%         |        |
| France   | 2:45  | Wages – final                                   | Q4     | 0.2%      |       | 0.2%          |        |
| Italy  | 4:00  | Real GDP – preliminary                          | Q4     | -0.1%     | -0.5% | -0.1%         | -0.5%  |
| United Kingdom   | 4:30  | Construction                                    | Dec.   | 2.7%      | 5.5%  | -2.0%         | 3.6%   |
| Euro zone  | 5:00  | Trade balance (€B)                              | Dec.   | 19.0      |       | 20.0          |        |
| Euro zone  | 5:00  | Real GDP  | Q4     | 0.2%      | 0.8%  | 0.2%          | 0.8%   |

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 | 2014                 | 2013   | 2012   | 2011   |
| Gross domestic product (2009 \$B)        | 2014 Q4     | 16,312 | 2.6           | 2.5    | 2.4                  | 2.2    | 2.3    | 1.6    |
| Consumption (2009 \$B)                   | 2014 Q4     | 11,115 | 4.3           | 2.8    | 2.5                  | 2.4    | 1.8    | 2.3    |
| Government spending (2009 \$B)           | 2014 Q4     | 2,896  | -2.2          | 0.7    | -0.2                 | -2.0   | -1.4   | -3.0   |
| Residential investment (2009 \$B)        | 2014 Q4     | 504.6  | 4.1           | 2.6    | 1.6                  | 11.9   | 13.5   | 0.5    |
| Non-residential investment (2009 \$B)    | 2014 Q4     | 2,155  | 1.9           | 5.5    | 6.1                  | 3.0    | 7.2    | 7.7    |
| Business inventory change (2009 \$B) (1) | 2014 Q4     | 113.1  | ---           | ---    | 78.8                 | 63.6   | 57.1   | 37.6   |
| Exports (2009 \$B)                       | 2014 Q4     | 2,118  | 2.8           | 2.0    | 3.1                  | 3.0    | 3.3    | 6.9    |
| Imports (2009 \$B)                       | 2014 Q4     | 2,590  | 8.9           | 5.3    | 3.9                  | 1.1    | 2.3    | 5.5    |
| Final domestic demand (2009 \$B)         | 2014 Q4     | 16,650 | 2.8           | 2.8    | 2.4                  | 1.9    | 2.1    | 1.7    |
| GDP deflator (2009 = 100)                | 2014 Q4     | 108.6  | -0.0          | 1.2    | 1.5                  | 1.5    | 1.8    | 2.1    |
| Labor productivity (2009 = 100)          | 2014 Q4*    | 106.6  | -1.8          | 0.0    | 0.8                  | 0.9    | 1.0    | 0.1    |
| Unit labor cost (2009 = 100)             | 2014 Q4*    | 104.2  | 2.7           | 1.9    | 1.5                  | 0.3    | 1.7    | 2.1    |
| Employment cost index (Dec. 2005 = 100)  | 2014 Q4     | 122.9  | 2.3           | 2.3    | 2.2                  | 1.9    | 1.8    | 2.0    |
| Current account balance (\$B) (1)        | 2014 Q3     | -100.3 | ---           | ---    | -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)                   | Dec.       | 121.1   | 0.5           | 1.5       | 3.3       | 6.4     |
| ISM manufacturing index (1)                      | Jan.*      | 53.5    | 55.1          | 57.9      | 56.4      | 51.8    |
| ISM non-manufacturing index (1)                  | Jan.*      | 56.7    | 56.5          | 56.9      | 57.9      | 54.3    |
| Cons. confidence Conf. Board (1985 = 100) (1)    | Jan.       | 102.9   | 93.1          | 94.1      | 90.3      | 79.4    |
| Cons. confidence Michigan (1966 = 100) (1)       | Jan.       | 98.1    | 93.6          | 86.9      | 81.8      | 81.2    |
| Personal consumption expenditure (2009 \$B)      | Dec.*      | 11,132  | -0.1          | 0.9       | 1.8       | 2.8     |
| Disposable personal income (2009 \$B)            | Dec.*      | 12,130  | 0.5           | 1.3       | 1.7       | 3.7     |
| Consumer credit (\$B)                            | Nov.       | 3,298   | 0.4           | 1.4       | 3.2       | 7.0     |
| Retail sales (\$M)                               | Dec.       | 442,931 | -0.9          | -0.2      | 0.6       | 3.2     |
| Excluding automobiles (\$M)                      | Dec.       | 351,856 | -1.0          | -0.7      | -0.1      | 1.9     |
| Industrial production (2007 = 100)               | Dec.       | 106.5   | -0.1          | 1.2       | 2.3       | 4.9     |
| Production capacity utilization rate (%) (1)     | Dec.       | 79.7    | 80.0          | 79.5      | 79.2      | 78.5    |
| New machinery orders (\$M)                       | Dec.*      | 471,454 | -3.4          | -5.7      | -6.7      | -3.6    |
| New durable good orders (\$M)                    | Dec.       | 230,618 | -3.3          | -5.2      | -5.8      | 0.4     |
| Business inventories (\$B)                       | Nov.       | 1,764   | 0.2           | 0.7       | 1.6       | 4.4     |
| Housing starts (K) (1)                           | Dec.       | 1,089   | 1,043         | 1,028     | 909.0     | 1,034   |
| Building permits (K) (1)                         | Dec.       | 1,058   | 1,052         | 1,031     | 973.0     | 1,022   |
| New home sales (K) (1)                           | Dec.       | 481.0   | 431.0         | 456.0     | 409.0     | 442.0   |
| Existing home sales (K) (1)                      | Dec.       | 5,040   | 4,920         | 5,180     | 5,030     | 4,870   |
| Construction spending (\$B)                      | Dec.*      | 982.1   | 0.4           | 1.6       | 2.6       | 2.2     |
| Commercial surplus (\$M) (1)                     | Dec.*      | -46,557 | -39,751       | -43,243   | -41,386   | -37,393 |
| Nonfarm employment (K) (2)                       | Jan.*      | 140,849 | 257.0         | 1,009     | 1,693     | 3,207   |
| Unemployment rate (%) (1)                        | Jan.*      | 5.7     | 5.6           | 5.7       | 6.2       | 6.6     |
| Consumer price (1982-1984 = 100)                 | Dec.       | 236.1   | -0.4          | -0.6      | -0.6      | 0.7     |
| Excluding food and energy                        | Dec.       | 239.3   | 0.0           | 0.3       | 0.5       | 1.6     |
| Personal cons. expenditure deflator (2009 = 100) | Dec.*      | 108.7   | -0.2          | -0.4      | -0.3      | 0.7     |
| Excluding food and energy                        | Dec.*      | 108.1   | 0.0           | 0.2       | 0.5       | 1.3     |
| Producer price (1982 = 100)                      | Dec.       | 196.7   | -1.3          | -2.2      | -2.8      | -0.7    |
| Excluding food and energy                        | Dec.       | 190.0   | 0.3           | 0.4       | 0.7       | 1.8     |
| Export prices (2000 = 100)                       | Dec.       | 128.1   | -1.2          | -2.9      | -3.7      | -3.2    |
| Import prices (2000 = 100)                       | Dec.       | 130.2   | -2.5          | -5.6      | -7.3      | -5.5    |

\* 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.



## 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 Q3     | 107.4     | 0.4           | 3.2    | 1.1                  | 0.0     | 1.4     | 1.8     |
| Unit labour cost (2007 = 100)                | 2014 Q3     | 113.6     | 1.0           | 1.0    | 1.3                  | 3.0     | 2.1     | -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 Q3     | 83.4      | ---           | ---    | 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)     | Nov.       | 1,647,922 | -0.2          | 0.6       | 0.9       | 1.9     |
| Industrial production (2007 \$M)      | Nov.       | 356,964   | -1.2          | 0.6       | 0.1       | 2.1     |
| Manufacturing sales (\$M)             | Nov.       | 51,526    | -1.4          | -0.5      | -0.5      | 2.6     |
| Housing starts (K) (1)                | Dec.       | 180.3     | 192.9         | 197.0     | 197.1     | 187.5   |
| Building permits (\$M)                | Dec.*      | 7,107     | 7.7           | -5.0      | -13.3     | 10.4    |
| Retail sales (\$M)                    | Nov.       | 43,025    | 0.4           | 1.2       | 2.2       | 4.8     |
| Excluding automobiles (\$M)           | Nov.       | 32,607    | 0.7           | 0.8       | 1.6       | 3.6     |
| Wholesale trade sales (\$M)           | Nov.       | 54,035    | -0.3          | 1.6       | 2.6       | 6.7     |
| Commercial surplus (\$M) (1)          | Dec.*      | -648.5    | -335.4        | 240.5     | 1,797     | -656    |
| Exports (\$M)                         | Dec.*      | 44,055    | 1.5           | -1.8      | -2.1      | 7.9     |
| Imports (\$M)                         | Dec.*      | 44,704    | 2.3           | 0.2       | 3.5       | 7.7     |
| Employment (K) (2)                    | Jan.*      | 17,887    | 35.4          | 2.6       | 15.7      | 10.6    |
| Unemployment rate (%) (1)             | Jan.*      | 6.6       | 6.7           | 6.6       | 7.0       | 7.0     |
| Average weekly earnings (\$)          | Nov.       | 940.6     | 0.1           | 0.2       | 0.6       | 2.2     |
| Number of salaried employees (K) (2)  | Nov.       | 15,603    | -33.0         | -3.2      | 9.7       | 10.0    |
| Consumer price (2002 = 100)           | Dec.       | 124.5     | -0.7          | -1.0      | -1.1      | 1.5     |
| Excluding food and energy             | Dec.       | 119.3     | -0.4          | -0.3      | 0.2       | 1.9     |
| Excluding 8 volatile items            | Dec.       | 123.7     | -0.3          | -0.2      | 0.4       | 2.2     |
| Industrial product price (2002 = 100) | Dec.*      | 108.5     | -1.6          | -2.6      | -3.0      | -0.5    |
| Raw materials price (2002 = 100)      | Dec.*      | 98.1      | -7.6          | -16.5     | -21.3     | -13.0   |
| Money supply M1+ (\$M)                | Dec.       | 754,090   | 0.5           | 1.8       | 4.3       | 6.8     |

\* New statistic in comparison with last week.

(1) Statistic shows the level of the month of the column; (2) Statistic shows the variation since the reference month.

## Major financial indicators

|                                      | Previous data (%) |         |          |           |           |         | Last 52 weeks (%) |         |        |
|--------------------------------------|-------------------|---------|----------|-----------|-----------|---------|-------------------|---------|--------|
|                                      | Feb. 6            | Jan. 30 | -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             | 0.02              | 0.02    | 0.02     | 0.03      | 0.03      | 0.08    | 0.07              | 0.03    | 0.01   |
| Treasury bonds – 2 years             | 0.63              | 0.45    | 0.58     | 0.50      | 0.44      | 0.30    | 0.70              | 0.46    | 0.30   |
| – 5 years                            | 1.46              | 1.18    | 1.44     | 1.59      | 1.61      | 1.46    | 1.84              | 1.60    | 1.18   |
| – 10 years                           | 1.94              | 1.68    | 1.97     | 2.31      | 2.41      | 2.68    | 2.81              | 2.43    | 1.67   |
| – 30 years                           | 2.52              | 2.26    | 2.56     | 3.05      | 3.22      | 3.67    | 3.73              | 3.20    | 2.25   |
| S&P 500 index                        | 2,070             | 1,995   | 2,045    | 2,032     | 1,932     | 1,797   | 2,091             | 1,955   | 1,800  |
| DJIA index                           | 17,912            | 17,165  | 17,737   | 17,574    | 16,554    | 15,794  | 18,054            | 16,935  | 15,802 |
| Gold price (US\$/ounce)              | 1,231             | 1,273   | 1,219    | 1,165     | 1,311     | 1,263   | 1,376             | 1,267   | 1,146  |
| CRB index                            | 225.06            | 218.84  | 225.57   | 270.66    | 292.43    | 289.78  | 312.93            | 282.02  | 212.64 |
| WTI oil (US\$/barrel)                | 52.34             | 47.79   | 48.35    | 78.71     | 97.61     | 99.98   | 107.30            | 88.09   | 44.08  |
| <b>Canada</b>                        |                   |         |          |           |           |         |                   |         |        |
| Overnight – target                   | 0.75              | 0.75    | 1.00     | 1.00      | 1.00      | 1.00    | 1.00              | 0.99    | 0.75   |
| Treasury bill – 3 months             | 0.54              | 0.58    | 0.92     | 0.90      | 0.95      | 0.88    | 0.96              | 0.89    | 0.54   |
| Treasury bonds – 2 years             | 0.48              | 0.39    | 0.95     | 1.02      | 1.06      | 0.98    | 1.17              | 1.02    | 0.39   |
| – 5 years                            | 0.77              | 0.61    | 1.21     | 1.52      | 1.42      | 1.60    | 1.79              | 1.50    | 0.59   |
| – 10 years                           | 1.44              | 1.25    | 1.66     | 2.03      | 2.07      | 2.41    | 2.55              | 2.13    | 1.24   |
| – 30 years                           | 2.03              | 1.83    | 2.22     | 2.59      | 2.63      | 3.01    | 3.07              | 2.67    | 1.83   |
| Spread with the U.S. rate (% points) |                   |         |          |           |           |         |                   |         |        |
| Overnight – target                   | 0.50              | 0.50    | 0.75     | 0.75      | 0.75      | 0.75    | 0.75              | 0.74    | 0.50   |
| Treasury bill – 3 months             | 0.52              | 0.56    | 0.90     | 0.87      | 0.92      | 0.80    | 0.93              | 0.86    | 0.52   |
| Treasury bonds – 2 years             | -0.15             | -0.06   | 0.37     | 0.52      | 0.62      | 0.68    | 0.73              | 0.56    | -0.15  |
| – 5 years                            | -0.69             | -0.57   | -0.23    | -0.07     | -0.19     | 0.14    | 0.17              | -0.10   | -0.69  |
| – 10 years                           | -0.50             | -0.43   | -0.31    | -0.28     | -0.34     | -0.27   | -0.17             | -0.30   | -0.53  |
| – 30 years                           | -0.50             | -0.43   | -0.34    | -0.46     | -0.59     | -0.66   | -0.29             | -0.53   | -0.70  |
| S&P/TSX index                        | 15,163            | 14,673  | 14,385   | 14,691    | 15,196    | 13,787  | 15,658            | 14,730  | 13,705 |
| Exchange rate (C\$/US\$)             | 1.2503            | 1.2732  | 1.1868   | 1.1328    | 1.0974    | 1.1033  | 1.2732            | 1.1155  | 0.7998 |
| Exchange rate (C\$/€)                | 1.4160            | 1.4372  | 1.4053   | 1.4108    | 1.4717    | 1.5043  | 1.5545            | 1.4561  | 0.9057 |
| <b>Overseas</b>                      |                   |         |          |           |           |         |                   |         |        |
| ECB – Refinancing rate               | 0.05              | 0.05    | 0.05     | 0.05      | 0.15      | 0.25    | 0.25              | 0.14    | 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            | 0.38              | 0.27    | 0.48     | 0.83      | 1.05      | 1.66    | 1.72              | 1.09    | 0.27   |
| U.K.: Bonds – 10 years               | 1.65              | 1.36    | 1.60     | 2.21      | 2.57      | 2.71    | 2.88              | 2.39    | 1.36   |
| Euro: Exchange rate (US\$/€)         | 1.1324            | 1.1289  | 1.1842   | 1.2455    | 1.3411    | 1.3635  | 1.3934            | 1.3074  | 1.1208 |
| U.K.: Exchange rate (US\$/£)         | 1.5251            | 1.5069  | 1.5161   | 1.5874    | 1.6774    | 1.6412  | 1.7166            | 1.6343  | 1.4990 |

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.