

The growth of the Canadian economy remained above 2% at the end of 2014

HIGHLIGHTS

- Hiring maintains a lively pace in the United States.
- United States: The manufacturing ISM retreated again in February, while the non-manufacturing index ticked up.
- The Bank of Canada kept the target for the overnight rate at 0.75%.
- Canada's real GDP grew 2.4% in the fourth quarter.
- Canada: The merchandise trade balance deteriorated in January.

A LOOK AHEAD

- Retail sales probably edged up in the United States in February.
- Canada: Employment should only change slightly in February.
- Canada: The industrial capacity utilization rate will rise again in the fourth quarter.
- Canada: Housing starts should be almost flat.

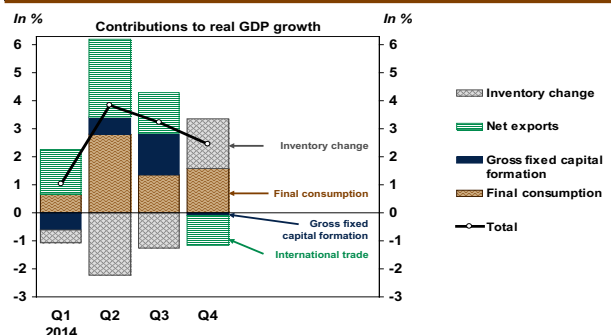
FINANCIAL MARKETS

- The stock markets do not rejoice at the good news on jobs.
- The Bank of Canada intimates its easing cycle may already be over.
- The euro hits a low not seen since 2003 at less than US\$1.09.

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Graph of the week – Consumption and inventories contributed to fourth quarter growth in Canada



Sources: Statistics Canada and Desjardins, Economic Studies

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KEY STATISTICS OF THE WEEK

UNITED STATES

- The establishment survey shows that there were 295,000 net hirings in February, after gains of 239,000 jobs in January and 329,000 in December. The private sector added 288,000 jobs. The construction sector created 29,000 jobs. In manufacturing, the number of workers grew by 8,000. However, 8,000 jobs were lost in the natural resources sector. There were 259,000 new jobs in the private service sector. After an encouraging uptick of 0.5% in January, the growth in average hourly wages was just 0.1% in February. Thus its annual change drops from 2.2% to 2.0%, its average of the past three years. The jobless rate dipped from 5.7% to 5.5%, its lowest point since May 2008.
- The ISM manufacturing index fell in February, going from 53.5 to 52.9. Five of the ten components contracted. The main declines come from current production (-2.8 points) and employment (-2.7 points). The manufacturing ISM did not drop as much as could have been feared from watching several regional manufacturing indicators erode in the last few weeks.
- As forecast, the non-manufacturing ISM edged up in February. The index went from 56.7 to 56.9. The uptick occurred despite the fairly big declines in current production (-2.1 points) and new orders (-2.8 points). All other components improved, particularly the employment component (+4.8 points).
- Real consumption ticked up 0.3% in January. The consumption of goods showed relatively modest growth, with both durable and non-durable goods up by 0.2%. Consumption of services jumped, rising 0.4% on the demand for heating. Real disposable income increased 0.9%.
- Following December's sharp erosion, the U.S. trade balance improved more than expected in January. The deficit went from US\$45.6B to US\$41.7B. The 2.9% retreat in nominal exports was more than offset by the 3.9% tumble taken by imports. These decreases mainly stem from the drop in oil prices. In real terms, exports fell 1.6% while imports retreated 1.6%. The labour dispute at West Coast ports was one factor in the total decline by trade.
- Auto sales retreated for a third straight month in February. The 2.3% monthly pullback took annualized sales from 16,560,000 to 16,160,000, the lowest point since April 2014.

Francis Généreux
Senior Economist

CANADA

- It was a close call, and considerable uncertainty was hanging over the Bank of Canada's (BoC) decision. Forecasters were wavering between a second cut in key interest rates, and the status quo. In the end, the monetary authorities decided to keep the target for the overnight rate at 0.75%. This shows that the BoC is confident that the current monetary conditions will be enough to enable the Canadian economy to meet the challenges that lie ahead. Therefore, the target for the overnight rate will probably remain at 0.75% until next year. On the other hand, we cannot rule out the possibility that another rate cut might be ordered in the months to come if the Canadian economy were to decelerate more than expected, or if oil prices were to start heading down again.
- Real GDP rose 2.4% (quarterly annualized) in the fourth quarter of 2014. This result is the same as our forecast, and slightly beat the consensus forecast. At first glance, a 2.4% gain looks to be very satisfactory, especially following increases of 3.8% in the second quarter and of 3.2% in the third quarter. The details of the fourth quarter, however, raise some concerns. On one hand, there is no doubt that the drop in non-residential investment reflects the difficulties in the energy sector due to the major drop in oil prices. On the other hand, international trade, which is supposed to be one of the cornerstones of the country's growth, lost ground.
- The value of merchandise exports fell 2.8% in January on a 14.7% drop in energy products. Excluding the energy sector, the value of exports was almost steady. At first glance, that may seem disappointing, but it has to be interpreted in light of the previous month's big 4.9% increase. The monthly change in imports was almost zero, to the point that the trade balance deteriorated over the month, going from -\$1.2B to -\$2.5B.
- Labour productivity fell 0.1% in Q4 of 2014, with the rise in business production being offset by an advance in total hours worked. Despite this, unit labour costs (ULC) were flat thanks to a slight drop in workers' wages. Factoring in the loonie's depreciation, Canadian ULC expressed in U.S. dollars retreated 4.1%. ULC increased 0.7% in the United States for the quarter, making Canadian businesses more competitive.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

Strong job creation in the United States accelerates the rise in yields

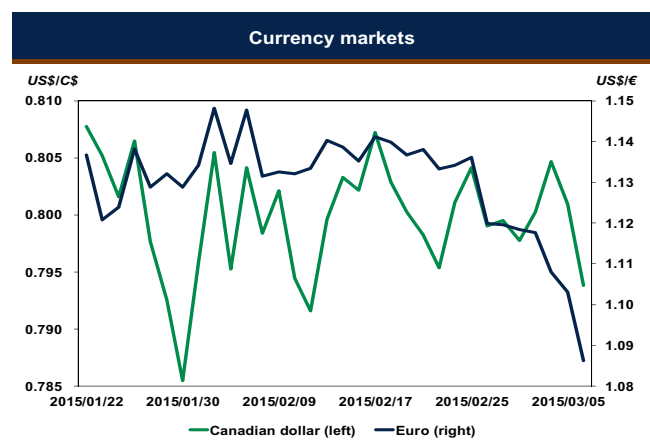
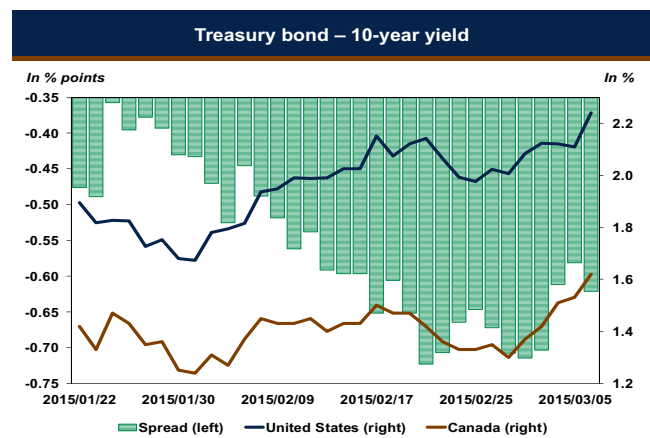
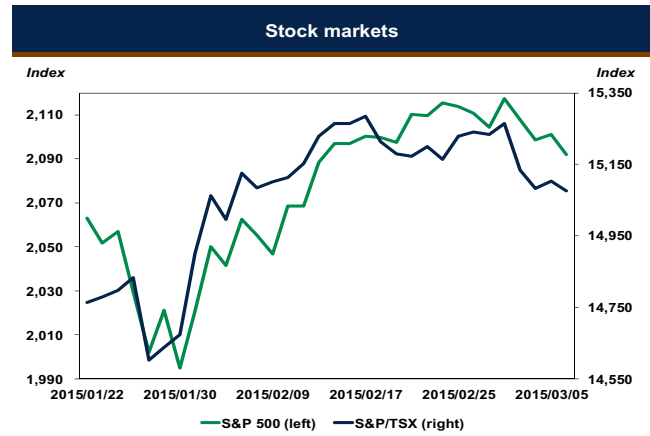
The stock markets had a slightly tougher week as investors decided to take their profits following February’s good performance by the indexes. The S&P 500 retreated 0.45% on Tuesday, primarily under the influence of a disappointing auto sales report; it continued to trend down on Wednesday. On Friday, job creation came in much higher than expected but some investors read this as a sign of earlier monetary firming in the United States, and the indexes started the session down. For its part, the Canadian stock market maintained a downtrend, despite some stability in oil prices. Materials and financial companies were the hardest hit.

From Monday to Thursday, U.S. bond yields moved upward despite the release of several rather disappointing economic statistics in the United States. Yields jumped on Friday on the nice surprise delivered by February job creation. At the time of writing, the 10-year yield was above 2.20%, a level not crossed since the start of the year. In Canada, the Bank of Canada (BoC) kept its key rates unchanged on Wednesday, and its statement was short on signs of further easing. Short-term yields jumped on the news and the curve flattened. Canada–U.S. yield spreads also rose, especially for 5-year yields.

The good data on jobs from the United States pushed the U.S. dollar up against all of the other major currencies. Earlier in the week, the greenback also capitalized on the euro’s slide, with the European Central Bank having started its sovereign bond purchases. The euro was below US\$1.09 on Friday, a low not seen since 2003. The pound and other European currencies accompanied the euro on its slide. Britain’s currency was trading at close to US\$1.51 at the time of writing. The Canadian dollar edged up on Wednesday on the BoC’s decision, a reaction that was much smaller than seen with bond yields. The strong greenback hit the loonie on Friday, and it fell back below US\$0.80.

Jimmy Jean
Senior Economist

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A LOOK AHEAD



UNITED STATES

Thursday March 12 - 8:30

February	m/m
Consensus	0.4%
Desjardins	0.2%
January	-0.8%

Retail sales (February) – Retail sales ran into some trouble in December and January. In both cases, the advance in retail sales was sapped by the direct impact of the drop in gas prices on the value of service station sales. Moreover, auto sales decreased and sales excluding these two components were disappointing. Auto sales should make another negative contribution to total sales in February, as the number of new vehicles sold posted a third straight contraction, this time -2.3%. However, we should see the first positive contribution from gas sales since May 2014. Prices at the pump rose an average of 5.2% last month, after plummeting a total of 43.6% since June. Excluding these two components, we are not expecting strong growth, as seen in January; sales should tick up just 0.2%. Numerous regions experienced harsh weather, which should offset the positive impacts of the drop in gas prices on other types of spending, solid employment growth and the rise in the confidence indexes. We expect total sales to increase 0.2%. Excluding automobiles, the gain should be 0.4%.

Friday March 13 - 10:00

March	
Consensus	95.5
Desjardins	97.0
February	95.4

University of Michigan consumer confidence index (March – preliminary) – After trending up for several months and, in particular, the major gains made in December and January, consumer confidence edged back in February. However, the University of Michigan index’s final version showed less deterioration (-2.7 points) than the preliminary version (-4.5 points). This often suggests improvement at the end of the month, which could continue the following month. The University of Michigan index is expected to tick up in March, even though gas prices kept rising (although they remain very low). The stock market is higher than it was in mid-February and the job market continues to make rapid gains. The Bloomberg confidence index also shows an advance in the first week of March. The University of Michigan index should hit 97.0, which remains lower than January’s 98.1.



CANADA

Monday March 9 - 8:15

February	ann. rate
Consensus	176,500
Desjardins	187,000
January	187,300

Housing starts (February) – Housing starts dropped to a fairly low point in December then, in January, climbed back toward the trend seen in recent months. Under these circumstances, housing starts could be relatively stable in February. The multi-unit sector could edge back, as it remains a little high when compared to its trend. On the other hand, slight gains can be expected in the single-family housing sector and in rural housing.

Thursday March 12 - 8:30

Q4 2014	
Consensus	83.7%
Desjardins	84.0%
Q3 2014	83.4%

Industrial capacity utilization rate (Q4) – Industrial production advanced 2.6% (annualized) in the fourth quarter. The oil and gas extraction and utilities sectors made particular strides during the period. Their capacity utilization rates should therefore jump, which would drive the utilization rate up for the country’s industrial capacity.

Labour force survey (February) – After declining for two straight months, the labour market rebounded in January, creating 35,400 jobs. However, the gain did not have a very solid foundation, as the professional and scientific services sector alone added 22,400 jobs. In that sector, therefore, the risk of a pullback is fairly high. Moreover, in recent months, the trend for employment is already satisfactory when compared with the country’s economic growth, which argues for nearly zero employment growth in February. The unemployment rate could stay at 6.6%.



OVERSEAS

Euro zone: Industrial production (January) – Factoring December’s stagnation, Euroland’s industrial production has not contracted since August. This is the first time no downturn has been recorded in four straight months since the end of 2010. January’s 0.6% gain in German industrial output, which follows on a revised gain of 1.0% for December, provides good support for further monthly growth in Euroland’s production. However, the PMI and industrial confidence indexes suggest that manufacturing activity remains shaky in the euro zone.

Friday March 13 - 8:30


February	
Consensus	-5,000
Desjardins	2,000
January	35,400

Thursday March 12 - 6:00

January	m/m
Consensus	0.2%
December	0.0%

ECONOMIC INDICATORS


Week of March 9 to 13, 2015

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 9						
	13:05	Speech of the Minneapolis Fed President, N. Kocherlakota				
	14:25	Speech of the Cleveland Fed President, L. Mester				
TUESDAY 10						
	10:00	Wholesale inventories (m/m)	Jan.	-0.1%	-0.4%	0.1%
WEDNESDAY 11						
	14:00	Federal budget (US\$B)	Feb.	-186.0	n/a	-193.5
THURSDAY 12						
	8:30	Initial unemployment claims	Feb. 2-6	305,000	280,000	320,000
	8:30	Export prices (m/m)	Feb.	n/a	0.3%	-2.0%
	8:30	Import prices (m/m)	Feb.	0.2%	1.0%	-2.8%
	8:30	Retail sales				
		Total (m/m)	Feb.	0.4%	0.2%	-0.8%
		Excluding automobiles (m/m)	Feb.	0.5%	0.4%	-0.9%
	10:00	Business inventories (m/m)	Jan.	0.1%	-0.1%	0.1%
FRIDAY 13						
	8:30	Producer price index				
		Total (m/m)	Feb.	0.3%	0.4%	-0.8%
		Excluding food and energy (m/m)	Feb.	0.1%	0.2%	-0.1%
	10:00	Michigan's consumer sentiment index – preliminary	March	95.5	97.0	95.4




CANADA

MONDAY 9						
	8:15	Housing starts (ann. rate)	Feb.	176,500	187,000	187,300
TUESDAY 10						
	---	---				
WEDNESDAY 11						
	---	---				
THURSDAY 12						
	8:30	National balance sheet	Q4			
	8:30	New housing price index (m/m)	Jan.	0.1%	0.1%	0.1%
	8:30	Industrial capacity utilization rate	Q4	83.7%	84.0%	83.4%
FRIDAY 13						
	8:30	Net change in employment	Feb.	-5,000	2,000	35,400
	8:30	Unemployment rate	Feb.	6.7%	6.6%	6.6%

NOTE: Desjardins, Economic Studies are involved every week in the Bloomberg survey for Canada and the United States. Approximately 15 economists are consulted for the Canadian survey and a hundred or so for the United States. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. Following the quarter, the abbreviations f, s and t correspond to first estimate, second estimate and third estimate respectively. (SA): Seasonally adjusted, (NSA): Non seasonally adjusted. The times shown are Daylight Saving Time (GMT - 4 hours).  Forecast of Desjardins, Economic Studies of the Desjardins Group.

ECONOMIC INDICATORS

Week of March 9 to 13, 2015

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
DURING THE WEEK								
China	---	Trade balance (US\$B)	Feb.	6.00		60.03		
SUNDAY 8								
Japan	19:50	Trade balance (¥B)	Jan.	-936.0		-395.6		
Japan	19:50	Current account (¥B)	Jan.	1,179.6		976.6		
Japan	19:50	Real GDP – final	Q4	0.5%		0.6%		
MONDAY 9								
Germany	3:00	Trade balance (€B)	Jan.	19.5		19.1		
Germany	3:00	Current account (€B)	Jan.	16.5		25.3		
China	21:30	Consumer price index	Feb.		1.0%		0.8%	
China	21:30	Producer price index	Feb.		-4.3%		-4.3%	
TUESDAY 10								
France	3:45	Industrial production	Jan.	-0.3%	0.4%	1.5%	-0.1%	
Italy	5:00	Industrial production	Jan.	0.2%	0.1%	0.4%	0.1%	
Japan	19:50	Machinery orders	Jan.	-4.0%	-1.0%	8.3%	11.4%	
WEDNESDAY 11								
China	1:30	Industrial production	Feb.		7.7%		8.3%	
China	1:30	Retail sales	Feb.		11.6%		12.0%	
France	2:30	Non-farm payrolls – final	Q4	0.0%		0.0%		
France	3:45	Current account (€B)	Jan.	n/a		-1.9		
United Kingdom	5:30	Industrial production	Jan.	0.2%	1.3%	-0.2%	0.5%	
New Zealand	16:00	Reserve Bank of New Zealand meeting	March	3.50%		3.50%		
Japan	19:50	Tertiary industry activity index	Jan.	0.5%		-0.3%		
THURSDAY 12								
Japan	1:00	Consumer confidence	Feb.	39.8		39.1		
Germany	3:00	Consumer price index – final	Feb.	0.9%	0.1%	0.9%	0.1%	
France	3:45	Consumer price index	Feb.	0.6%	-0.4%	-1.0%	-0.4%	
United Kingdom	5:30	Trade balance (£M)	Jan.	-2,300		-2,895		
United Kingdom	5:30	Construction	Jan.	1.3%	2.1%	0.4%	5.5%	
Euro zone	6:00	Industrial production	Jan.	0.2%	0.1%	0.0%	-0.2%	
Brazil	7:30	Minutes of the Bank of Brazil meeting						
South Korea	---	Bank of Korea meeting	March	2.00%		2.00%		
FRIDAY 13								
Japan	0:30	Industrial production – final	Jan.	n/a	n/a	4.0%	-2.6%	

NOTE: In contrast to the situation in Canada and the United States, disclosure of overseas economic figures is much more approximate. The day of publication is therefore shown for information purposes only. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. (SA): Seasonally adjusted, (NSA): Non seasonally adjusted. The times shown are Daylight Saving Time (GMT - 4 hours).

United States: Quarterly economic indicators

	Ref. quart.	Level	Variation (%)		Annual variation (%)			
			Quart. ann.	1 year	2014	2013	2012	2011
Gross domestic product (2009 \$B)	2014 Q4	16,294	2.2	2.4	2.4	2.2	2.3	1.6
Consumption (2009 \$B)	2014 Q4	11,114	4.2	2.8	2.5	2.4	1.8	2.3
Government spending (2009 \$B)	2014 Q4	2,899	-1.8	0.9	-0.2	-2.0	-1.4	-3.0
Residential investment (2009 \$B)	2014 Q4	503.7	3.3	2.4	1.6	11.9	13.5	0.5
Non-residential investment (2009 \$B)	2014 Q4	2,170	4.8	6.2	6.3	3.0	7.2	7.7
Business inventory change (2009 \$B) (1)	2014 Q4	88.4	---	---	72.7	63.6	57.1	37.6
Exports (2009 \$B)	2014 Q4	2,121	3.2	2.1	3.1	3.0	3.3	6.9
Imports (2009 \$B)	2014 Q4	2,597	10.1	5.5	4.0	1.1	2.3	5.5
Final domestic demand (2009 \$B)	2014 Q4	16,665	3.2	2.8	2.4	1.9	2.1	1.7
GDP deflator (2009 = 100)	2014 Q4	108.7	0.1	1.2	1.5	1.5	1.8	2.1
Labor productivity (2009 = 100)	2014 Q4	106.4	-2.2	-0.1	0.7	0.9	1.0	0.2
Unit labor cost (2009 = 100)	2014 Q4	104.9	4.1	2.6	1.7	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)	Jan.	121.1	0.2	1.0	2.3	6.5
ISM manufacturing index (1)	Feb.*	52.9	53.5	57.6	58.1	54.3
ISM non-manufacturing index (1)	Feb.*	56.9	56.7	58.8	58.6	52.5
Cons. confidence Conf. Board (1985 = 100) (1)	Feb.	96.4	103.8	91.0	93.4	78.3
Cons. confidence Michigan (1966 = 100) (1)	Feb.	95.4	98.1	88.8	82.5	81.6
Personal consumption expenditure (2009 \$B)	Jan.*	11,164	0.3	0.8	2.0	3.4
Disposable personal income (2009 \$B)	Jan.*	12,246	0.9	1.9	2.6	4.2
Consumer credit (\$B)	Dec.	3,312	0.4	1.3	3.0	6.9
Retail sales (\$M)	Jan.	439,771	-0.8	-1.2	-0.4	3.3
Excluding automobiles (\$M)	Jan.	349,441	-0.9	-1.6	-1.0	1.7
Industrial production (2007 = 100)	Jan.	106.2	0.2	1.0	1.6	4.8
Production capacity utilization rate (%) (1)	Jan.	79.4	79.4	79.1	79.3	78.1
New machinery orders (\$M)	Jan.*	470,005	-0.2	-5.3	-15.8	-2.3
New durable good orders (\$M)	Jan.	236,305	2.8	-3.1	-21.2	5.5
Business inventories (\$B)	Dec.	1,764	0.1	0.4	1.2	3.9
Housing starts (K) (1)	Jan.	1,065	1,087	1,092	1,098	897.0
Building permits (K) (1)	Jan.	1,060	1,060	1,102	1,037	974.0
New home sales (K) (1)	Jan.	481.0	482.0	469.0	399.0	457.0
Existing home sales (K) (1)	Jan.	4,820	5,070	5,160	5,070	4,670
Construction spending (\$B)	Jan.*	971.4	-1.1	-0.9	1.2	1.8
Commercial surplus (\$M) (1)	Jan.*	-41,752	-45,601	-41,898	-40,655	-38,841
Nonfarm employment (K) (2)	Feb.*	141,126	295.0	863.0	1,757	3,296
Unemployment rate (%) (1)	Feb.*	5.5	5.7	5.8	6.1	6.7
Consumer price (1982-1984 = 100)	Jan.	234.7	-0.7	-1.3	-1.2	-0.2
Excluding food and energy	Jan.	239.9	0.2	0.3	0.7	1.6
Personal cons. expenditure deflator (2009 = 100)	Jan.*	108.3	-0.5	-0.8	-0.8	0.2
Excluding food and energy	Jan.*	108.2	0.1	0.1	0.4	1.3
Producer price (1982 = 100)	Jan.	192.7	-2.1	-4.0	-4.5	-3.3
Excluding food and energy	Jan.	190.3	0.2	0.5	0.8	1.5
Export prices (2000 = 100)	Jan.	125.6	-2.0	-3.9	-5.6	-5.4
Import prices (2000 = 100)	Jan.	127.2	-2.8	-6.5	-9.2	-8.0

* 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	2014	2013	2012	2011
Gross domestic product (2007 \$M)	2014 Q4*	1,767,784	2.4	2.6	2.5	2.0	1.9	3.0
Household consumption (2007 \$M)	2014 Q4*	982,885	2.0	2.6	2.8	2.5	1.9	2.2
Government consumption (2007 \$M)	2014 Q4*	350,813	2.1	0.7	0.3	0.4	1.2	0.8
Residential investment (2007 \$M)	2014 Q4*	117,965	1.5	5.2	2.8	-0.4	5.7	1.7
Non-residential investment (2007 \$M)	2014 Q4*	194,449	-2.3	0.5	0.1	2.6	9.0	12.7
Business inventory change (2007 \$M) (1)	2014 Q4*	8,017	---	---	7,433	12,368	7,437	10,911
Exports (2007 \$M)	2014 Q4*	560,663	-1.6	6.5	5.4	2.0	2.6	4.6
Imports (2007 \$M)	2014 Q4*	579,017	1.7	2.6	1.7	1.3	3.7	5.7
Final domestic demand (2007 \$M)	2014 Q4*	1,766,335	1.5	2.0	1.6	1.5	2.5	2.5
GDP deflator (2007 = 100)	2014 Q4*	112.7	-2.4	1.2	1.8	1.3	1.6	3.4
Labour productivity (2007 = 100)	2014 Q4*	107.2	-0.3	1.8	2.5	1.1	0.0	1.4
Unit labour cost (2007 = 100)	2014 Q4*	113.6	0.0	0.6	0.9	1.3	3.0	2.1
Current account balance (\$M) (1)	2014 Q4*	-13,917	---	---	-43,499	-56,255	-59,911	-47,195
Production capacity utilization rate (%) (1)	2014 Q3	83.4	---	---	81.2	81.5	80.6	78.5
Disposable personal income (\$M)	2014 Q4*	1,127,836	1.9	3.0	3.4	3.8	4.2	4.5
Corporate net operating surplus (2007 \$M)	2014 Q4*	277,016	-11.3	6.7	9.0	-0.6	-4.2	15.4

* 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)	Dec.*	1,655,573	0.3	0.5	1.0	2.8
Industrial production (2007 \$M)	Dec.*	361,175	0.8	0.3	0.3	4.3
Manufacturing sales (\$M)	Dec.	52,391	1.7	-0.9	0.1	5.2
Housing starts (K) (1)	Jan.	187.3	179.6	181.6	203.3	176.9
Building permits (\$M)	Jan.*	6,129	-12.9	-17.8	-31.5	-13.6
Retail sales (\$M)	Dec.	42,081	-2.0	-1.9	-1.2	4.0
Excluding automobiles (\$M)	Dec.	31,798	-2.3	-1.6	-2.4	2.0
Wholesale trade sales (\$M)	Dec.	55,432	2.5	2.5	4.3	11.2
Commercial surplus (\$M) (1)	Jan.*	-2,451	-1,218	-692.7	2,086	-221.1
Exports (\$M)	Jan.*	42,611	-2.8	-4.1	-6.5	3.4
Imports (\$M)	Jan.*	45,063	0.0	-0.1	3.6	8.8
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 (\$)	Dec.	943.5	0.7	0.4	0.7	2.0
Number of salaried employees (K) (2)	Dec.	15,639	21.8	4.2	12.7	12.9
Consumer price (2002 = 100)	Jan.	124.3	-0.2	-1.3	-1.1	1.0
Excluding food and energy	Jan.	119.5	0.2	-0.6	0.5	1.9
Excluding 8 volatile items	Jan.	124.0	0.2	-0.3	0.7	2.2
Industrial product price (2002 = 100)	Jan.*	108.2	-0.4	-2.3	-3.0	-2.2
Raw materials price (2002 = 100)	Jan.*	90.5	-7.7	-19.7	-26.4	-21.8
Money supply M1+ (\$M)	Jan.	752,730	0.1	0.6	3.4	5.8

* 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 (%)		
	March 6	Feb. 27	-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	0.01	0.02	0.02	0.02	0.03	0.06	0.06	0.03	0.01
Treasury bonds – 2 years	0.72	0.58	0.63	0.64	0.51	0.37	0.72	0.49	0.31
– 5 years	1.69	1.50	1.46	1.68	1.69	1.64	1.84	1.61	1.18
– 10 years	2.24	2.01	1.94	2.31	2.46	2.79	2.81	2.38	1.67
– 30 years	2.85	2.59	2.52	2.96	3.24	3.72	3.73	3.12	2.25
S&P 500 index	2,092	2,105	2,055	2,075	2,008	1,878	2,117	1,974	1,816
DJIA index	18,004	18,133	17,824	17,959	17,137	16,453	18,289	17,080	16,027
Gold price (US\$/ounce)	1,176	1,217	1,234	1,195	1,267	1,336	1,376	1,258	1,146
CRB index	264.37	224.08	224.85	252.33	288.02	307.19	312.93	276.39	212.64
WTI oil (US\$/barrel)	50.03	49.84	51.66	65.89	93.32	102.52	107.30	84.14	44.08
Canada									
Overnight – target	0.75	0.75	0.75	1.00	1.00	1.00	1.00	0.97	0.75
Treasury bill – 3 months	0.60	0.58	0.54	0.89	0.93	0.82	0.96	0.87	0.47
Treasury bonds – 2 years	0.64	0.47	0.50	1.05	1.11	1.05	1.17	0.98	0.39
– 5 years	1.02	0.73	0.78	1.49	1.59	1.72	1.79	1.44	0.59
– 10 years	1.62	1.30	1.45	1.96	2.12	2.52	2.55	2.05	1.24
– 30 years	2.23	1.92	2.03	2.48	2.67	3.04	3.04	2.60	1.83
Spread with the U.S. rate (% points)									
Overnight – target	0.50	0.50	0.50	0.75	0.75	0.75	0.75	0.72	0.50
Treasury bill – 3 months	0.59	0.56	0.52	0.87	0.90	0.76	0.93	0.84	0.45
Treasury bonds – 2 years	-0.08	-0.11	-0.13	0.41	0.60	0.68	0.73	0.50	-0.23
– 5 years	-0.67	-0.77	-0.68	-0.19	-0.10	0.08	0.11	-0.17	-0.82
– 10 years	-0.62	-0.71	-0.49	-0.35	-0.34	-0.27	-0.17	-0.33	-0.72
– 30 years	-0.62	-0.67	-0.49	-0.48	-0.57	-0.68	-0.29	-0.53	-0.71
S&P/TSX index	15,076	15,234	15,084	14,474	15,570	14,299	15,658	14,810	13,705
Exchange rate (C\$/US\$)	1.2598	1.2508	1.2526	1.1439	1.0881	1.1083	1.2732	1.1267	0.7938
Exchange rate (C\$/€)	1.3684	1.4003	1.4173	1.4053	1.4091	1.5381	1.5545	1.4479	0.8623
Overseas									
ECB – Refinancing rate	0.05	0.05	0.05	0.05	0.15	0.25	0.25	0.13	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	0.39	0.32	0.37	0.78	0.93	1.65	1.65	0.99	0.27
U.K.: Bonds – 10 years	1.96	1.78	1.64	2.02	2.47	2.79	2.88	2.32	1.36
Euro: Exchange rate (US\$/€)	1.0863	1.1196	1.1316	1.2286	1.2951	1.3878	1.3934	1.2885	1.0863
U.K.: Exchange rate (US\$/£)	1.5068	1.5435	1.5246	1.5584	1.6327	1.6713	1.7166	1.6242	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.