

## The trade balance bodes ill for U.S. real GDP growth

### HIGHLIGHTS

- A welcome upswing in U.S. hirings.
- U.S. trade balance erodes sharply: GDP growth could be negative.
- Canada: 19,700 jobs lost in April.
- Canada: The trade balance deteriorated in March.

### A LOOK AHEAD

- United States: Retail sales excluding motor vehicles are forecast to tick up for April.
- U.S. industrial output probably declined again in April.
- Canada: Manufacturing sales should rebound in March.

### FINANCIAL MARKETS

- The outcome of the Alberta election influences the Canadian stock market.
- Bonds end the week on a high note.
- The pound sterling soars after the Conservatives succeed in winning a majority of seats in the United Kingdom.

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**Graph of the week – The deterioration in the U.S. trade balance could lead to a downward revision of real GDP**



Sources: Bureau of Economic Analysis and Desjardins, Economic Studies

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NOTE TO READERS: The letters **K**, **M** and **B** are used in texts and tables to refer to thousands, millions and billions respectively.

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## KEY STATISTICS OF THE WEEK

### UNITED STATES

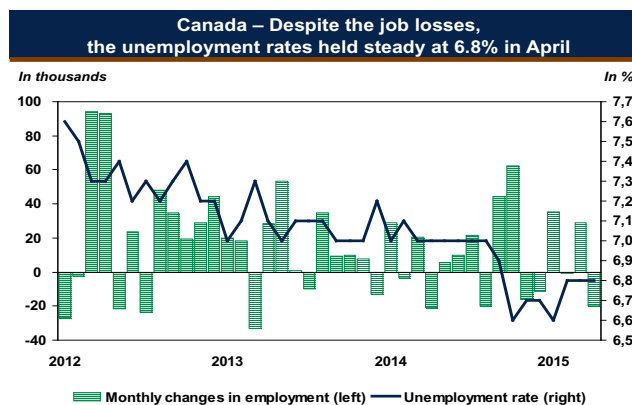
- The establishment survey shows that there were 223,000 net hires in April after a small gain of just 85,000 jobs in March (revised from 126,000). The construction sector created 45,000 jobs, the sharpest growth since January 2014. Only 1,000 jobs were created in manufacturing despite 6,000 hirings in the automobile sector. In the natural resources sector, 15,000 jobs were lost. The private sector reported the creation of 182,000 service jobs, an improvement over March but below the average of 2014. The number of workers in the professional services sector surged by 62,000, the best result so far this year. The health and education sector created 61,000 jobs. The monthly growth in the average hourly wage was just 0.1% in April, but the annual variation rose from 2.1% to 2.2%, matching what was seen in January. The unemployment rate dipped from 5.5% to 5.4%.
- While the manufacturing index stood still, the non-manufacturing ISM rose 1.3 points in April, going from 56.5 to 57.8. This is its highest level since November 2014. Current activity rose 4.1 points, while new orders were up 1.4 points.
- Consumer credit increased US\$20.5B in March, its biggest one-month rise since July 2014. The rise primarily comes from term loans (+US\$16.2B). Renewable loans (credit cards and lines of credit) increased US\$4.4B after contracting for two straight months.
- The U.S. trade balance worsened substantially in March, going from -US\$35.9B to -US\$51.4B. This is the biggest monthly trade deficit since October 2008. Imports jumped 7.7%, while exports only advanced 0.9%. The end of the labour dispute that afflicted West Coast ports until the end of February is probably the main source of the extraordinary surge in imports. The deficit is larger than the Bureau of Economic Analysis had projected in its first estimate of the national accounts. The trade balance should therefore make an even more negative contribution than the 1.25-point bite out of the real GDP growth estimated for the first quarter. All else being equal, the real GDP growth of just 0.2% could drop into negative territory.

**Francis Généreux**  
Senior Economist

### CANADA

- According to the *Labour Force Survey*, the Canadian labour market shed 19,700 jobs in April. Note that March posted a gain of 28,700 jobs. The unemployment rate is steady at 6.8%. The results of the *Labour Force Survey* have most definitely been yo-yoing for the last five months, with gains one month and losses the next. To see beyond this volatility, it is useful to analyze the results using a 6-month moving average, which has gone from 18,900 in February to just 2,600 in April. Despite recent difficulties in the Canadian economy, this level appears quite weak.
- Housing starts went from 189,500 units in March to 181,800 units in April. As expected, much of the decline comes from multi-unit housing in urban areas, with the level getting closer to its trend.
- The international trade balance fell from -\$2.2B in February (initially estimated at -\$1.0B) to -\$3.0B in March. This deterioration is explained by imports increasing more rapidly (+2.2%) than exports (+0.4%). The release of March data for international merchandise trade will also give a more precise picture of the evolution of international trade for the overall first quarter. In total, the volume of exports slipped 0.2% (quarterly annualized) in winter 2015. The volume of imports fell 0.9% during the period, slightly improving the trade balance from \$484M in 2007 dollars to \$696M in 2007 dollars.

**Benoit P. Durocher**  
Senior Economist



Sources: Statistics Canada and Desjardins, Economic Studies

# FINANCIAL MARKETS

## The bond slump comes to an end

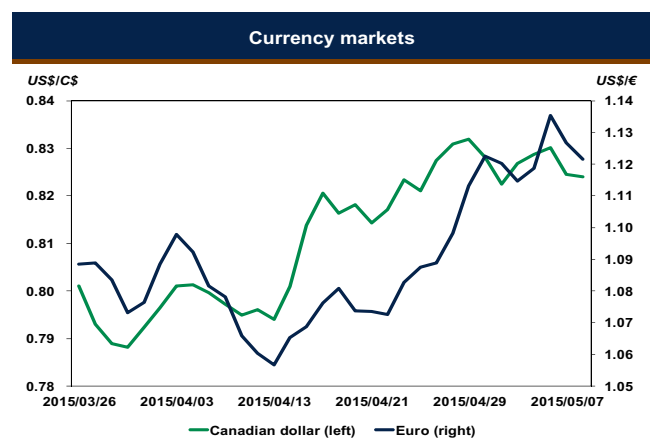
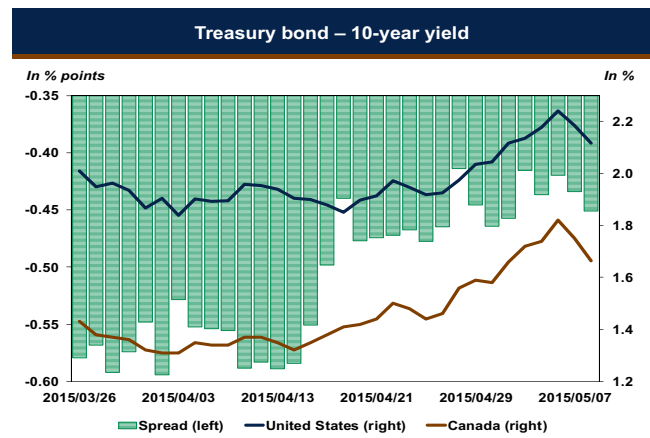
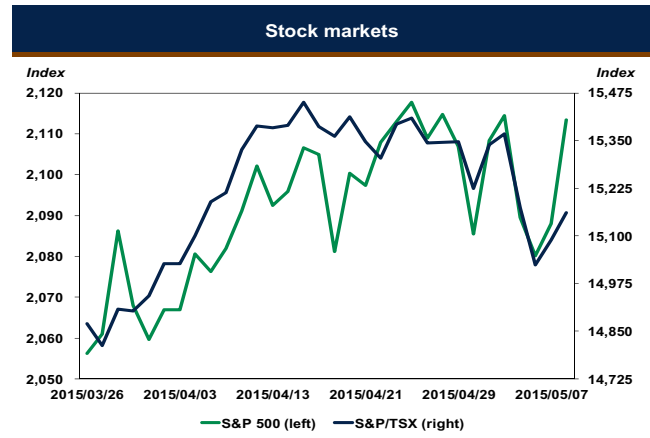
Mixed economic data in the United States did damage to the stock markets this week. On Tuesday, the March trade balance numbers caused disappointment, suggesting the possibility of a downward revision to growth, which was already very sluggish. This downwards trend continued on Wednesday, but the stock markets managed to stabilize on Thursday. On Friday, the day after the elections in the United Kingdom, the global indexes surged, and the S&P 500 was swept up in the momentum in defiance of the poor employment data in the United States. In Canada, the S&P/TSX failed to benefit from the brief move of oil prices above US\$60. Instead, the Canadian stock market fell sharply at mid-week; the election of a majority New Democratic government in Alberta raised doubts about the business environment for oil producers.

The downward spiral of bond values around the world continued for part of the week, with U.S. yields recording sharp increases up until Wednesday. But a reversal ensued on Thursday, and the downward revision of job creation data for March allowed the rebound to continue on Friday. Sharply lower yields were observed for the 2-year and 5-year terms, among others. Canadian yields rose during the first half of the week, but April's decline in Canadian employment helped consolidate the downward yield trend on Friday.

On Tuesday, the U.S. dollar suffered the effects of disappointing trade balance data. The depreciation continued on Wednesday in reaction to the U.S. job numbers reported by ADP. Encouraging data in Europe helped the euro move close to US\$1.14 at mid-week before it fell back to around US\$1.12. As for the pound sterling, it shot up, propelled by the election of a majority Conservative government. Surveys had been pointing towards a minority government, and the Conservatives were not assured of holding onto power due to the possibility of political alliances. The British currency reached US\$1.55 on Friday morning. Meanwhile, the Canadian dollar basically followed the movement of oil prices and temporarily closed up on US\$0.84 on Wednesday.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



## A LOOK AHEAD



### UNITED STATES

#### Wednesday May 13 - 8:30

<b>April</b>	m/m
Consensus	0.2%
Desjardins	0.0%
<b>March</b>	<b>0.9%</b>

**Retail sales (April)** – After several disappointing months, retail sales jumped 0.9% in March, primarily buoyed by the 2.7% rise in auto sales. Sales excluding motor vehicles and gas were also up 0.5%, the strongest 1-month growth since November. Even though the warmer weather is finally back, the results are not expected to be as good for April. The number of new motor vehicles sold retreated last month, dropping 3.4%, while chain store sales suggest that sales excluding autos and gas will be fairly tepid. The contradictory data from the consumer confidence indexes does not point to a surge either. Total retail sales should therefore post zero growth. Excluding motor vehicles and gas, growth should be just 0.3%.

#### Friday May 15 - 9:15

<b>April</b>	m/m
Consensus	0.0%
Desjardins	-0.3%
<b>March</b>	<b>-0.6%</b>

**Industrial production (April)** – Industrial output fell 0.6% in March, dragged down by a 5.9% tumble in energy production. The mining sector declined by 0.7%, hit by the drop in investment in the oil sector. Manufacturing output rose in March for the first time since November, ticking up just 0.1%. In April, mining and energy production likely continued making negative contributions to the monthly change in industrial output. Hours worked are showing fairly good growth for the auto sector, but they are less stellar in the rest of manufacturing. For its part, the manufacturing ISM shows a substantial rise in its current production component for the first time since October 2014. We expect manufacturing production to edge up 0.1%, while total industrial output should decline. The industrial capacity utilization rate should drop from 78.4% to 78.0%. The New York Fed's Empire manufacturing index also comes out on Friday. It dropped into negative territory in April; heading back into positive territory would augur well for manufacturing's performance this month.

#### Friday May 15 - 10:00

<b>May</b>	
Consensus	96.3
Desjardins	94.5
<b>April</b>	<b>95.9</b>

**University of Michigan consumer confidence index (May – preliminary)** – The mood of U.S. consumers has been hard to read lately. In April, the University of Michigan index showed a solid rise (going from 93.0 to 95.9) but, at the same time, the Conference Board index contracted substantially, dropping from 101.4 to 95.2. The first signs for May are no clearer. On one hand, jobless claims have been very low since the start of the month, one factor that could boost confidence. The return of warmer weather is also a good sign. On the other hand, gas prices have gone up in recent weeks; they are up about US\$20 a gallon since mid-April, going over US\$2.50 for the first time since December. The stock market has not been on a clearly positive trend for the last several weeks either. Lastly, the other confidence indexes (Bloomberg, Gallup) have tended to erode this month. We therefore expect the University of Michigan confidence index to fall, perhaps to 94.5, which is still higher than it was in March.

 **CANADA**

**Manufacturing sales (March)** – The value of exports excluding commodities advanced 2.4% in March. Among others, the auto sector went up 11.7% after February’s 14.7% tumble. On its own, the auto sector could generate an increase of about 1.25% for March’s manufacturing sales. If we also factor in the 0.6% increase in exports of other industrial products and rise in gas prices that will affect the value of refinery sales, all of the elements are in place for manufacturing sales to show substantial growth in March.

 **OVERSEAS**

**United Kingdom: Bank of England meeting (May)** – Exceptionally, because of the general election in the United Kingdom on Thursday, May 7, the Bank of England (BoE) meeting announcement was deferred to Monday. However, we cannot expect anything new. Low inflation means there will be no move to raise or lower rates, as leaders expect inflation to return to its medium-range target. It will still be interesting to see how the BoE’s projections have changed in the upcoming *Inflation Report*, to be released May 13.

**Euro zone: Real GDP (Q1)** – Euroland’s economy is improving. Overall, growth remains modest, but there does seem to be some improvement. Last fall’s non-annualized 0.3% gain was the strongest since the spring of 2013. Slightly faster growth is anticipated for the first quarter of 2015. The preliminary data for Spain even show a rise of 0.9% there. What remains to be seen is whether the results will come in below projections, as happened with China, the United States and the United Kingdom.

**Friday May 15 - 8:30**

<b>March</b>	m/m
Consensus	1.0%
Desjardins	2.3%
<b>February</b>	<b>-1.7%</b>

**Monday May 11 - 7:00**


<b>May</b>	
Consensus	0.50%
Desjardins	0.50%
<b>April 9</b>	<b>0.50%</b>


**Wednesday May 13 - 5:00**

<b>Q1 2015</b>	q/q
Consensus	0.4%
<b>Q4 2014</b>	<b>0.3%</b>

# ECONOMIC INDICATORS


## Week of May 11 to 15, 2015

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 11</b>						
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<b>TUESDAY 12</b>						
	14:00	Federal budget (US\$B)	April	138.0	155.0	106.9
<b>WEDNESDAY 13</b>						
	8:30	Retail sales				
		Total (m/m)	April	0.2%	0.0%	0.9%
		Excluding automobiles (m/m)	April	0.5%	0.3%	0.4%
	8:30	Export prices (m/m)	April	n/a	0.0%	0.1%
	8:30	Import prices (m/m)	April	0.3%	0.3%	-0.3%
	10:00	Business inventories (m/m)	March	0.2%	0.3%	0.3%
<b>THURSDAY 14</b>						
	8:30	Initial unemployment claims	May 4-8	270,000	275,000	265,000
	8:30	Producer price index				
		Total (m/m)	April	0.1%	0.1%	0.2%
		Excluding food and energy (m/m)	April	0.1%	0.1%	0.2%
<b>FRIDAY 15</b>						
	8:30	Empire manufacturing index	May	4.30	5.00	-1.19
	9:15	Industrial production (m/m)	April	0.0%	-0.3%	-0.6%
	9:15	Production capacity utilization rates	April	78.3%	78.0%	78.4%
	10:00	Michigan's consumer sentiment index – preliminary	May	96.3	94.5	95.9
	16:00	Net foreign security purchases (US\$B)	March	n/a	n/a	9.8
<b>CANADA</b>						
<b>MONDAY 11</b>						
	---	---				
<b>TUESDAY 12</b>						
	---	---				
<b>WEDNESDAY 13</b>						
	---	---				
<b>THURSDAY 14</b>						
	8:30	New housing price index (m/m)	March	0.1%	0.1%	0.2%
	10:30	Release of the <i>Bank of Canada Review</i>				
	15:45	Speech of a Bank of Canada Deputy Governor, L. Patterson				
<b>FRIDAY 15</b>						
	8:30	International transactions in securities (\$B)	March	n/a	6.00	9.27
	8:30	Manufacturing sales (m/m)	March	1.0%	2.3%	-1.7%
	9:00	Existing home sales	April			

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 May 11 to 15, 2015

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 <h2>OVERSEAS</h2>								
<b>DURING THE WEEK</b>								
South Korea	---	Bank of Korea meeting	May	1.75%		1.75%		
<b>MONDAY 11</b>								
United Kingdom	7:00	Bank of England meeting	May	0.50%		0.50%		
<b>TUESDAY 12</b>								
Japan	1:00	Leading indicator – preliminary	March	105.5		104.8		
Japan	1:00	Coincident indicator – preliminary	March	109.7		110.7		
United Kingdom	4:30	Industrial production	March	0.0%	0.1%	0.1%	0.1%	
Japan	19:50	Trade balance (¥B)	March	527.5		-143.1		
Japan	19:50	Current account (¥B)	March	1,358.0		603.5		
<b>WEDNESDAY 13</b>								
France	1:30	Real GDP – preliminary	Q1	0.4%	0.7%	0.1%	0.2%	
China	1:30	Industrial production	April		6.0%		5.6%	
China	1:30	Retail sales	April		10.4%		10.2%	
Germany	2:00	Consumer price index – final	April	-0.1%	0.4%	-0.1%	0.4%	
Germany	2:00	Real GDP – preliminary	Q1	0.5%	1.2%	0.7%	1.4%	
France	2:45	Current account (€B)	March	n/a		-1.8		
France	2:45	Non-farm payrolls – preliminary	Q1	0.0%		0.0%		
France	2:45	Consumer price index	Avril	0.1%	0.1%	0.7%	-0.1%	
France	2:45	Wages – preliminary	Q1	n/a		0.1%		
Italy	4:00	Real GDP – preliminary	Q1	0.2%	-0.2%	0.0%	-0.5%	
United Kingdom	4:30	ILO unemployment rate	March	5.5%		5.6%		
Euro zone	5:00	Real GDP – preliminary	Q1	0.4%	1.0%	0.3%	0.9%	
Euro zone	5:00	Industrial production	March	0.0%	1.9%	1.1%	1.6%	
United Kingdom	5:30	Release of the Bank of England Inflation Report						
<b>THURSDAY 14</b>								
---	---	---						
<b>FRIDAY 15</b>								
Japan	1:00	Consumer confidence	April	41.8		41.7		
United Kingdom	4:30	Construction	March	4.0%	1.0%	-0.9%	-1.3%	

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)	2015 Q1	16,305	0.2	3.0	2.4	2.2	2.3	1.6
Consumption (2009 \$B)	2015 Q1	11,173	1.9	3.0	2.5	2.4	1.8	2.3
Government spending (2009 \$B)	2015 Q1	2,892	-0.8	0.8	-0.2	-2.0	-1.4	-3.0
Residential investment (2009 \$B)	2015 Q1	505.9	1.3	4.2	1.6	11.9	13.5	0.5
Non-residential investment (2009 \$B)	2015 Q1	2,151	-3.4	4.9	6.3	3.0	7.2	7.7
Business inventory change (2009 \$B) (1)	2015 Q1	110.3	---	---	70.6	63.6	57.1	37.6
Exports (2009 \$B)	2015 Q1	2,088	-7.2	3.0	3.2	3.0	3.3	6.9
Imports (2009 \$B)	2015 Q1	2,610	1.8	5.5	4.0	1.1	2.3	5.5
Final domestic demand (2009 \$B)	2015 Q1	16,701	0.7	2.9	2.5	1.9	2.1	1.7
GDP deflator (2009 = 100)	2015 Q1	108.7	-0.1	0.9	1.5	1.5	1.8	2.1
Labor productivity (2009 = 100)	2015 Q1*	105.9	-1.9	0.6	0.7	0.9	1.0	0.2
Unit labor cost (2009 = 100)	2015 Q1*	106.2	5.0	1.1	1.8	0.3	1.7	2.1
Employment cost index (Dec. 2005 = 100)	2015 Q1	123.6	2.6	2.6	2.0	2.0	1.8	2.0
Current account balance (\$B) (1)	2014 Q4	-113.5	---	---	-410.6	-400.3	-460.8	-459.3

\* 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 (2010 = 100)	March	121.4	0.2	0.4	1.8	5.2
ISM manufacturing index (1)	April	51.5	51.5	53.5	57.9	55.3
ISM non-manufacturing index (1)	April*	57.8	56.5	56.7	56.9	55.3
Cons. confidence Conf. Board (1985 = 100) (1)	April	95.2	101.4	103.8	94.1	81.7
Cons. confidence Michigan (1966 = 100) (1)	April	95.9	93.0	98.1	86.9	84.1
Personal consumption expenditure (2009 \$B)	March	11,193	0.3	0.4	1.4	2.7
Disposable personal income (2009 \$B)	March	12,258	-0.2	1.0	2.2	3.3
Consumer credit (\$B)	March*	3,363	0.6	1.4	2.9	6.9
Retail sales (\$M)	March	435,873	0.9	-0.4	-0.3	1.3
Excluding automobiles (\$M)	March	345,925	0.4	-0.8	-1.1	0.2
Industrial production (2007 = 100)	March	105.2	-0.6	-0.9	0.0	2.0
Production capacity utilization rate (%) (1)	March	78.4	79.0	79.5	79.4	79.1
New machinery orders (\$M)	March*	476,490	2.1	1.2	-4.7	-4.0
New durable good orders (\$M)	March	241,228	4.4	5.0	-0.8	1.2
Business inventories (\$B)	Feb.	1,790	0.3	0.3	0.9	3.3
Housing starts (K) (1)	March	926.0	908.0	1,081	1,028	950.0
Building permits (K) (1)	March	1,042	1,102	1,060	1,039	1,010
New home sales (K) (1)	March	481.0	543.0	496.0	456.0	403.0
Existing home sales (K) (1)	March	5,190	4,890	5,070	5,100	4,700
Construction spending (\$B)	March	966.6	-0.6	-1.8	0.0	2.0
Commercial surplus (\$M) (1)	March*	-51,367	-35,892	-45,601	-43,368	-42,784
Nonfarm employment (K) (2)	April*	141,367	223.0	574.0	1,527	2,982
Unemployment rate (%) (1)	April*	5.4	5.5	5.7	5.7	6.2
Consumer price (1982-1984 = 100)	March	235.7	0.2	-0.2	-0.8	-0.0
Excluding food and energy	March	240.8	0.2	0.6	0.9	1.8
Personal cons. expenditure deflator (2009 = 100)	March	108.6	0.2	-0.1	-0.5	0.3
Excluding food and energy	March	108.5	0.1	0.3	0.5	1.3
Producer price (2009 = 100)	March	193.5	0.5	-1.7	-3.9	-3.3
Excluding food and energy	March	191.5	0.5	0.8	1.2	2.0
Export prices (2000 = 100)	March	125.9	0.1	-1.9	-4.5	-6.7
Import prices (2000 = 100)	March	125.8	-0.3	-3.3	-8.8	-10.5

\* 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	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 Q4	83.6	---	---	82.8	81.2	81.5	80.6
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)	Feb.	1,653,690	0.0	0.2	0.8	2.1
Industrial production (2007 \$M)	Feb.	360,326	-0.4	0.2	1.1	1.6
Manufacturing sales (\$M)	Feb.	50,036	-1.7	-2.6	-3.4	-1.5
Housing starts (K) (1)	April*	181.8	189.5	183.0	180.7	195.7
Building permits (\$M)	March*	6,867	11.6	-2.4	-8.5	13.0
Retail sales (\$M)	Feb.	42,245	1.7	-1.5	-0.4	2.5
Excluding automobiles (\$M)	Feb.	32,120	2.0	-1.4	-0.6	1.4
Wholesale trade sales (\$M)	Feb.	53,620	-0.4	-0.7	0.9	5.5
Commercial surplus (\$M) (1)	March*	-3,019.3	-2,215	-1,228	146.5	1,249
Exports (\$M)	March*	42,497	0.4	-3.3	-5.2	-3.1
Imports (\$M)	March*	45,516	2.2	0.7	1.9	6.8
Employment (K) (2)	April*	17,895	-19.7	2.7	2.6	11.6
Unemployment rate (%) (1)	April*	6.8	6.8	6.6	6.6	7.0
Average weekly earnings (\$)	Feb.	951.4	0.3	1.4	1.3	2.7
Number of salaried employees (K) (2)	Feb.	15,709	4.5	23.7	12.9	17.7
Consumer price (2002 = 100)	March	126.3	0.7	1.4	0.4	1.2
Excluding food and energy	March	121.0	0.6	1.4	1.1	2.0
Excluding 8 volatile items	March	125.4	0.6	1.4	1.1	2.4
Industrial product price (2002 = 100)	March	110.6	0.3	1.8	-0.7	-1.8
Raw materials price (2002 = 100)	March	94.8	-0.9	-3.4	-19.3	-23.3
Money supply M1+ (\$M)	March	768,635	1.0	2.2	3.7	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 (%)		
	May 8	May 1	-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	0.00	0.01	0.02	0.02	0.03	0.03	0.05	0.03	0.00
Treasury bonds – 2 years	0.57	0.60	0.56	0.63	0.50	0.38	0.72	0.52	0.31
– 5 years	1.47	1.50	1.40	1.46	1.59	1.62	1.84	1.56	1.18
– 10 years	2.12	2.12	1.95	1.94	2.31	2.60	2.65	2.26	1.67
– 30 years	2.86	2.82	2.58	2.52	3.05	3.45	3.48	2.97	2.25
S&P 500 index	2,113	2,108	2,102	2,055	2,032	1,878	2,118	2,012	1,862
DJIA index	18,183	18,024	18,058	17,824	17,574	16,583	18,289	17,348	16,117
Gold price (US\$/ounce)	1,186	1,173	1,207	1,234	1,165	1,288	1,338	1,237	1,146
CRB index	226.87	227.95	217.12	224.85	270.66	304.57	312.93	261.22	209.00
WTI oil (US\$/barrel)	58.39	59.10	51.63	51.66	78.71	100.03	107.30	75.70	43.39
<b>Canada</b>									
Overnight – target	0.75	0.75	0.75	0.75	1.00	1.00	1.00	0.93	0.75
Treasury bill – 3 months	0.67	0.66	0.59	0.54	0.90	0.92	0.96	0.82	0.47
Treasury bonds – 2 years	0.65	0.71	0.53	0.50	1.02	1.06	1.17	0.90	0.39
– 5 years	1.00	1.05	0.79	0.78	1.52	1.63	1.73	1.29	0.59
– 10 years	1.67	1.66	1.37	1.45	2.03	2.36	2.40	1.88	1.24
– 30 years	2.28	2.24	2.04	2.03	2.59	2.90	2.93	2.44	1.83
Spread with the U.S. rate (% points)									
Overnight – target	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.68	0.50
Treasury bill – 3 months	0.67	0.65	0.57	0.52	0.87	0.89	0.93	0.79	0.45
Treasury bonds – 2 years	0.08	0.11	-0.03	-0.13	0.52	0.68	0.73	0.38	-0.23
– 5 years	-0.47	-0.45	-0.61	-0.68	-0.07	0.01	0.07	-0.27	-0.82
– 10 years	-0.45	-0.46	-0.58	-0.49	-0.28	-0.24	-0.17	-0.38	-0.72
– 30 years	-0.59	-0.58	-0.54	-0.49	-0.46	-0.55	-0.29	-0.52	-0.71
S&P/TSX index	15,160	15,340	15,388	15,084	14,691	14,534	15,658	14,931	13,705
Exchange rate (C\$/US\$)	1.2136	1.2159	1.2562	1.2526	1.1328	1.0896	1.2789	1.1511	0.8240
Exchange rate (C\$/€)	1.3608	1.3620	1.3321	1.4173	1.4108	1.4992	1.4989	1.4174	0.9242
<b>Overseas</b>									
ECB – Refinancing rate	0.05	0.05	0.05	0.05	0.05	0.25	0.25	0.09	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	0.54	0.36	0.16	0.37	0.83	1.46	1.46	0.76	0.08
U.K.: Bonds – 10 years	1.87	1.85	1.62	1.64	2.21	2.69	2.88	2.14	1.36
Euro: Exchange rate (US\$/€)	1.1216	1.1202	1.0604	1.1316	1.2455	1.3760	1.3757	1.2370	1.0495
U.K.: Exchange rate (US\$/£)	1.5428	1.5141	1.4632	1.5246	1.5874	1.6851	1.7166	1.5939	1.4632

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.