

## U.S. indicators show some improvement

### HIGHLIGHTS

- United States: Retail sales firm up.
- U.S. consumer confidence improves in June.
- Canada: Household debt is still a concern.
- Canada: The industrial capacity utilization rate declined at the beginning of 2015.
- Canada: Housing starts headed up in May.

### A LOOK AHEAD

- U.S. housing starts should stay close to the healthy levels reached in April.
- Production is likely to still be sluggish in the United States in May.
- United States: Gasoline prices will drive the monthly change in the consumer price index up sharply.
- Canada: The total annual inflation rate will remain below the low end of the target range.
- Canada: Manufacturing sales will probably decline in April.
- Canada: Retail and wholesale sales could keep climbing.

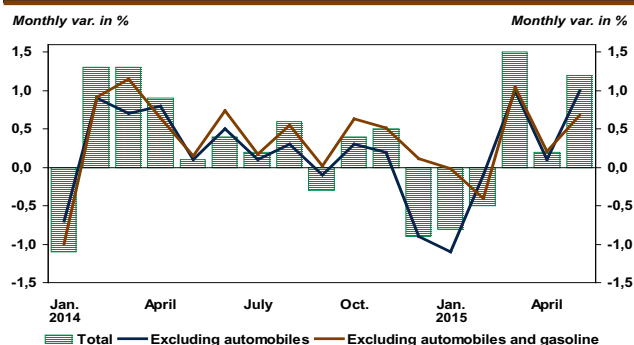
### FINANCIAL MARKETS

- The Greek issue is still doing damage to stocks in Europe.
- The U.S. 10-year bond yield nears 2.50%.
- The Canadian dollar climbs to nearly US\$0.82 (C\$1.22/US\$).

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Graph of the week – Retail sales firm up



Sources: U.S. Census Bureau 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

- Retail sales jumped by 1.2% in May after a modest gain of 0.2% in April (revised from 0.0%). Automobile sales sputtered up by 2.0% after 0.7% growth in April. If we exclude automobiles, sales were up by 1.0%. Automobiles aside, nearly all categories of retailers reported increases in sales. The best growth came from renovation centres, clothing boutiques and nonstore retailers. Gas stations saw the value of their sales surge by 3.7% due to higher gasoline prices. Excluding cars and gasoline, sales rose by 0.7% after edging up by 0.2% in April. The solid performance by retail sales in May and the upwards revision of the April data suggest that real consumption of goods should rebound in the second quarter as a whole.
- The preliminary version of the University of Michigan's household confidence index for June is up. The index rose from a final version of 90.7 for May (its lowest point since November 2014), to 94.6. That is still below the level reached in April (95.6) and quite a ways from the recent peak of last January (98.1). The increase stems more from the current conditions component (+6.0 points) than from consumer expectations (+2.6 points).
- The price indexes were a bit more robust than expected in May, mainly thanks to higher energy prices, i.e. oil. The imported goods price index jumped by 1.3%, its sharpest growth since March 2012. That increase stems entirely from higher oil prices; if we exclude that commodity, the change in prices is nil. Export prices were up by 0.6%, the sharpest increase in one year. Meanwhile, the producer price index rose by 0.5%, the largest monthly change since September 2012. Excluding food and energy, that increase is just 0.1%.

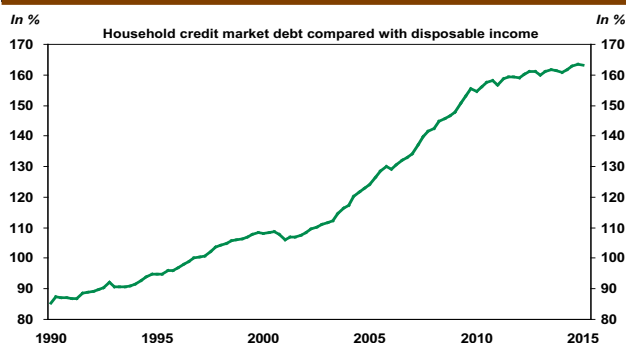
**Francis Généreux**  
Senior Economist

### CANADA

- Even though households have exhibited a little more caution in the first quarter of 2015, shown through nearly zero growth in consumer credit, mortgage loans continued to rise due to a hot real estate market. As such, household credit market debt increased 0.7% in the first quarter of 2015. That said, household income also grew significantly in the first quarter. Disposable income was up 1.5% in the winter. Under these circumstances, the key indicator of household debt levels, the ratio of debt contracted in the market compared with their disposable income, improved slightly in the first quarter of 2015, going from 163.59% to 163.25%.
- The industrial capacity utilization rate slipped 0.8 percent in the first quarter of 2015, going from 83.5% to 82.7%. The rate is still slightly above its historical average. However, this changes from one sector to the next. Manufacturing is still posting a utilization rate close to 2 percentage points above its historical average. With improving U.S. demand and climbing exports, many manufacturers could decide to invest in the coming quarters to grow their production capacity and position themselves to adequately respond to rising demand.
- The number of housing starts soared from 183,300 units in April to 201,700 units in May. The bulk of that increase comes from the multiple-unit sector in urban areas: multiple-unit starts reached 126,367 units in May, their highest level since September 2012. Naturally, this opens the door to a bit of a correction in June.

**Benoit P. Durocher**  
Senior Economist

**Canada – The household debt ratio continues to be near its historical high**



Sources: Statistics Canada and Desjardins, Economic Studies

# FINANCIAL MARKETS

## Bond markets continue to face turbulence

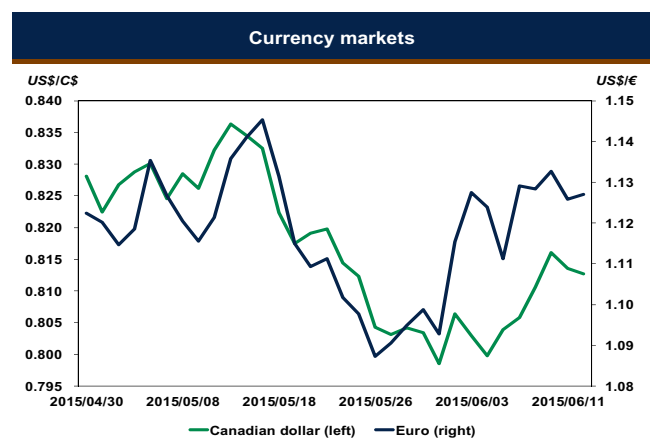
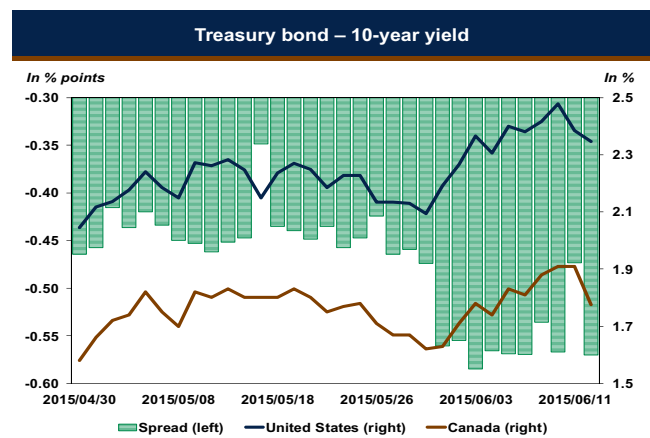
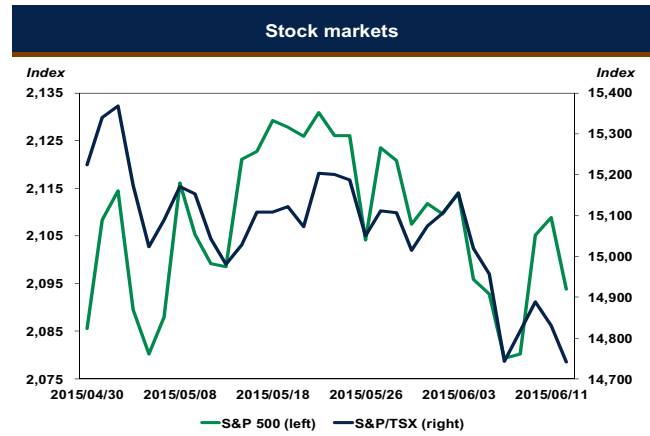
Another turbulent week for the European stock markets, as the absence of significant progress on the Greek issue put investors in a foul mood. In Asia, Chinese stocks once again stood apart from the crowd with a weekly gain of 2.9% in the Shanghai index, which has skyrocketed by nearly 60% since January. In the United States, the S&P 500 suffered a few setbacks at the beginning of the week, but started to pick up on Wednesday. On Thursday, encouraging data on U.S. retail sales helped to consolidate that trend, but the effect was merely temporary; stock markets were showing a slight pullback on Friday morning. The S&P/TSX had a more troubled time during the week: energy, materials and telecommunications stocks posted sharp declines.

In bond markets, volatility is still the order of the day. U.S. yields fell on Monday and Tuesday, wiping out a portion of the gain that occurred after the previous week's release of healthy job numbers. But yields shot back subsequently; at one point on Thursday, the 10-year yield was closing in on 2.50%. But later that day, strong demand at an auction of U.S. 30-year bonds caused another reversal, pushing the 10-year yield below 2.40%. The movements in Canada were generally similar. The cautious tone adopted by Stephen Poloz during a press conference on Thursday put some downwards pressure on short-term yields, however.

The U.S. dollar lost ground at the beginning of the week, influenced by rumours that President Obama felt that the currency was too strong. Even though the rumours were quickly dispelled, the effect on the exchange rate was not reversed. As a result, the euro climbed back to around US\$1.13. The release of several solid numbers in Germany on Monday gave an extra shot in the arm to the common currency. The pound sterling surged to nearly US\$1.55 on Wednesday thanks to signs of accelerating economic growth, and stayed close to that level thereafter. The Canadian dollar benefited from positive housing market numbers, and even more from oil prices climbing to over US\$61 per barrel. The loonie reached nearly US\$0.82 (C\$1.22/US\$) by mid-week, before dipping slightly.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



# A LOOK AHEAD



## UNITED STATES

### Monday June 15 - 9:15

|              |              |
|--------------|--------------|
| <b>May</b>   | m/m          |
| Consensus    | 0.2%         |
| Desjardins   | 0.1%         |
| <b>April</b> | <b>-0.3%</b> |

**Industrial production (May)** – Industrial production posted its fifth straight monthly downturn in April. The manufacturing sector was flat, but once again, overall production was dragged down by the mining sector and by energy suppliers. Both of these sectors are expected to hold growth back again in May. The continuing pullback in drilling suggests that the mining sector will decline by around 1%. As for energy, temperature deviations from normal values do not point towards any big rally. In manufacturing, the situation is likely to be fairly mixed. The ISM manufacturing index rose in May, but the current production component fell (although it now stands at a decent level, 54.5). Hours worked suggest that the automobile sector will tread water, after two sharp increases in March and April. Excluding cars, manufacturing should post growth of 0.3%, which would be the best reading since November 2014. We expect a 0.1% increase in industrial production and a gain of 0.3% in manufacturing. The industrial capacity utilization rate should hold steady at 78.2%. The June reading of the New York Fed’s Empire manufacturing index will also be released on Monday, while that of the Philadelphia Fed will be announced on Thursday.

### Tuesday June 16 - 8:30

|              |                  |
|--------------|------------------|
| <b>May</b>   | ann. rate        |
| Consensus    | 1,100,000        |
| Desjardins   | 1,135,000        |
| <b>April</b> | <b>1,135,000</b> |

**Housing starts (May)** – In April, housing starts enjoyed their strongest monthly growth, in terms of percentage, since February 1991. This escalation of 20.2% swept them to their highest level since November 2007. We might expect a pullback after such a steep increase, but this boom actually counterbalanced the unusual weakness that was observed in the previous months, due to harsh weather conditions, among other things. Therefore, the number of building permits issued in April, revised to 1,140,000 units, suggests that housing starts should remain fairly stable in May. Moreover, the job situation in the construction sector improved once again last month. We therefore expect housing starts to hold steady at an annualized volume of 1,135,000 units. Meanwhile, building permits should decline by 1,090,000 units. The NAHB homebuilders’ confidence index will be released on Monday.

### Wednesday June 17 - 14:00

|                 |              |
|-----------------|--------------|
| <b>June</b>     |              |
| Consensus       | 0.25%        |
| Desjardins      | 0.25%        |
| <b>April 29</b> | <b>0.25%</b> |

**Federal Reserve meeting (June)** – A few months ago, many financial market analysts were calling for an initial key interest rate hike as early as June. The problems that plagued the U.S. economy during the winter, and the uncertainties that persisted in the early spring, quickly reduced the probability of such a decision. At this point, it is widely accepted that Federal Reserve (Fed) officials will decide to keep interest rates where they are during the meeting that will end on Wednesday. The press release reporting that decision will likely discuss the economic disappointments of the beginning of the year, and expectations of rebounds in the subsequent quarters. Consequently, the door should still be open to raising interest rates later this year. The Fed may express disappointment with the weakness of core inflation as calculated by the personal consumption expenditures deflator. In addition to a press conference by Fed Chair Janet Yellen, Wednesday’s meeting will bring the release of new forecasts by Fed officials covering economic growth, inflation, unemployment and future trends in key interest rates.

**Consumer price index (May)** – A slump in gasoline prices once again generated weak (0.1%) growth in the consumer price index (CPI) in April. But if we exclude food and energy, the CPI saw its sharpest increase (0.3%) since the beginning of 2013. In May, energy should have the reverse effect, given that the national average of gasoline prices at the pump surged by 8.8% during a month when prices normally do not vary much (little seasonal adjustment). Consequently, the monthly increase in the all-items CPI should reach 0.5%, which would be the highest reading in over two years. The monthly growth in the core CPI should be 0.2%. Total inflation should return to positive territory, from -0.2% to +0.1%, while core inflation will remain at 1.8%.

**Leading indicator (May)** – The leading indicator rose by 0.7% in April. This is the strongest monthly growth since July 2014 and is mainly due to growth in building permits. May's gain should be more modest. Building permits will probably show a slight pullback when they are released on Tuesday. The contribution from consumer confidence indexes will likely be smaller. On the other hand, stronger contributions are foreseeable from jobless claims and the interest rate spread. All told, the leading indicator should edge up by 0.3%.



**Manufacturing sales (April)** – After two months of collapse, the value of manufacturing sales rallied in March with a gain of 2.9%. Unfortunately, the slump in manufacturing sales could resume with a vengeance in April, since the value of merchandise exports excluding commodities fell by 2.0% during the month. However, exports of automotive products ticked up by 0.9% in April. This should mitigate the expected decline in manufacturing sales, given the heavy weight that this industry carries in the manufacturing sector.

**Wholesale trade (April)** – The value of wholesale sales is likely to suffer a bit from the weakness of exports, excluding commodities. That said, retail sales were up in March and another gain is expected in April, which will be beneficial for wholesale trade. All in all, a slight increase in wholesale sales is expected in April.

**Retail sales (April)** – Based on preliminary data, the number of new automotive vehicles sold climbed significantly in April. Since automobile prices (once seasonally adjusted) have been holding quite steady, this means that the value of car dealers' sales has increased. As for gasoline, the seasonally adjusted change in prices was also practically nil in April, suggesting that the value of gas station sales will be virtually unchanged. If we take into account the slight upwards trend in the other components, the stage is set for further growth of around 0.8% in the total value of retail sales in April.

**Consumer price index (May)** – On average, gasoline prices surged by 5.0% in May, based on weekly surveys of prices at the pump. This should lead to a monthly increase of around 0.2% in the total consumer price index (CPI). To this, we must add a seasonal price increase of around 0.26%, although a portion of this is already factored into the higher gasoline prices. Therefore, a monthly increase of 0.5% in the total CPI is expected in May, which assumes slight growth in the seasonally adjusted version, as has been the case in recent months. Despite that growth, the total annual inflation rate will probably remain at 0.8%. The core inflation rate could slip from 2.3% to 2.1%.

**Thursday June 18 - 8:30**

|              |             |
|--------------|-------------|
| <b>May</b>   | m/m         |
| Consensus    | 0.5%        |
| Desjardins   | 0.5%        |
| <b>April</b> | <b>0.1%</b> |

**Thursday June 18 - 10:00**

|              |             |
|--------------|-------------|
| <b>May</b>   | m/m         |
| Consensus    | 0.4%        |
| Desjardins   | 0.3%        |
| <b>April</b> | <b>0.7%</b> |

**Monday June 15 - 8:30**

|              |             |
|--------------|-------------|
| <b>April</b> | m/m         |
| Consensus    | -0.5%       |
| Desjardins   | -0.8%       |
| <b>March</b> | <b>2.9%</b> |

**Wednesday June 17 - 8:30**

|              |             |
|--------------|-------------|
| <b>April</b> | m/m         |
| Consensus    | 0.3%        |
| Desjardins   | 0.2%        |
| <b>March</b> | <b>0.8%</b> |

**Friday June 19 - 8:30**

|              |             |
|--------------|-------------|
| <b>April</b> | m/m         |
| Consensus    | 0.5%        |
| Desjardins   | 0.8%        |
| <b>March</b> | <b>0.7%</b> |

**Friday June 19 - 8:30**

|              |              |
|--------------|--------------|
| <b>May</b>   | m/m          |
| Consensus    | 0.5%         |
| Desjardins   | 0.5%         |
| <b>April</b> | <b>-0.1%</b> |



## OVERSEAS

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Monday June 15 - 5:00




|              |             |
|--------------|-------------|
| <b>April</b> | €B          |
| Consensus    | 19.0        |
| <b>March</b> | <b>19.7</b> |


**Euro zone: Balance of trade (April)** – The euro zone’s trade balance improved substantially throughout 2014. However, even though the euro is still very weak, the gains appear to have come to a halt in recent months. The recent peak of the trade balance, i.e. €22.63B, was reached in December 2014 and net real exports made a negative contribution to the euro zone’s real GDP growth in the first quarter. Another boost in the trade balance could help the euro zone economy keep accelerating.



# ECONOMIC INDICATORS


## Week of June 15 to 19, 2015

| Day   | Hour  | Indicator                                      | Period    | Consensus |  | Previous data |
|---|-------|--|-----------|-----------|---|---------------|
|  <b>UNITED STATES</b> |       |  |           |           |   |               |
| <b>MONDAY 15</b>  | 8:30  | Empire manufacturing index                     | June      | 6.0       | 7.5   | 3.1           |
|   | 9:15  | Industrial production (m/m)                    | May       | 0.2%      | 0.1%  | -0.3%         |
|   | 9:15  | Production capacity utilization rates          | May       | 78.3%     | 78.2%   | 78.2%         |
|   | 10:00 | NAHB housing market index                      | June      | 56        | n/a   | 54            |
|   | 16:00 | Net foreign security purchases (US\$B)         | April     | n/a       | n/a   | 17.6          |
| <b>TUESDAY 16</b>   | 8:30  | Housing starts (ann. rate)                     | May       | 1,100,000 | 1,135,000   | 1,135,000     |
|   | 8:30  | Building permits (ann. rate)                   | May       | 1,100,000 | 1,090,000   | 1,140,000     |
| <b>WEDNESDAY 17</b>   | 14:00 | Federal Reserve meeting                        | June      | 0.25%     | 0.25%   | 0.25%         |
| <b>THURSDAY 18</b>  | 8:30  | Initial unemployment claims                    | June 8-12 | 275,000   | 277,000   | 279,000       |
|   | 8:30  | Current account (US\$B)                        | Q1        | -116.7    | -130.0  | -113.5        |
|   | 8:30  | Consumer price index                           |           |           |   |               |
|   |       | Total (m/m)                                    | May       | 0.5%      | 0.5%  | 0.1%          |
|   |       | Excluding food and energy (m/m)                | May       | 0.2%      | 0.2%  | 0.3%          |
|   |       | Total (y/y)                                    | May       | 0.0%      | 0.1%  | -0.2%         |
|   |       | Excluding food and energy (y/y)                | May       | 1.8%      | 1.8%  | 1.8%          |
|   | 10:00 | Philadelphia Fed index                         | June      | 8.0       | 7.5   | 6.7           |
|   | 10:00 | Leading indicator (m/m)                        | May       | 0.4%      | 0.3%  | 0.7%          |
| <b>FRIDAY 19</b>  | ---   | ---  |           |           |   |               |
|  <b>CANADA</b>      |       |  |           |           |   |               |
| <b>MONDAY 15</b>  | 8:30  | Manufacturing sales (m/m)                      | April     | -0.5%     | -0.8%   | 2.9%          |
|   | 9:00  | Existing home sales                            | May       |           |   |               |
| <b>TUESDAY 16</b>   | 8:30  | International transactions in securities (\$B) | April     | n/a       | 25.00   | 22.47         |
| <b>WEDNESDAY 17</b>   | 8:30  | Wholesale sales (m/m)                          | April     | 0.3%      | 0.2%  | 0.8%          |
|   | 8:30  | Wholesale inventories (m/m)                    | April     | n/a       | 0.3%  | 1.0%          |
| <b>THURSDAY 18</b>  | ---   | ---  |           |           |   |               |
| <b>FRIDAY 19</b>  | 8:30  | Consumer price index                           |           |           |   |               |
|   |       | Total (m/m)                                    | May       | 0.5%      | 0.5%  | -0.1%         |
|   |       | Excluding 8 most volatile (m/m)                | May       | 0.3%      | 0.3%  | 0.1%          |
|   |       | Total (y/y)                                    | May       | 0.8%      | 0.8%  | 0.8%          |
|   |       | Excluding 8 most volatile (y/y)                | May       | 2.1%      | 2.1%  | 2.3%          |
|   | 8:30  | Retail sales                                   |           |           |   |               |
|   |       | Total (m/m)                                    | April     | 0.5%      | 0.8%  | 0.7%          |
|   |       | Excluding automobiles (m/m)                    | April     | 0.2%      | 0.3%  | 0.5%          |

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 June 15 to 19, 2015

| Country  | Hour  | Indicator   | Period | Consensus |       | Previous data |       |  |
|--|-------|---|--------|-----------|-------|---------------|-------|--|
|  |       |   |        | m/m (q/q) | y/y   | m/m (q/q)     | y/y   |  |
|  <b>OVERSEAS</b> |       |   |        |           |       |               |       |  |
| <b>MONDAY 15</b>   |       |   |        |           |       |               |       |  |
| Euro zone  | 5:00  | Trade balance (€B)                                    | April  | 19.0      |       | 19.7          |       |  |
| Australia  | 21:30 | Minutes of the Reserve Bank of Australia June meeting |        |           |       |               |       |  |
| <b>TUESDAY 16</b>  |       |   |        |           |       |               |       |  |
| Germany  | 2:00  | Consumer price index – final                          | May    | 0.1%      | 0.7%  | 0.1%          | 0.7%  |  |
| United Kingdom   | 4:30  | Consumer price index                                  | May    | 0.2%      | 0.1%  | 0.2%          | -0.1% |  |
| United Kingdom   | 4:30  | Producer price index                                  | May    | 0.1%      | -1.6% | 0.1%          | -1.7% |  |
| Euro zone  | 5:00  | Net change in employment                              | Q1     | n/a       | n/a   | 0.1%          | 0.9%  |  |
| Germany  | 5:00  | ZEW survey – Current situation                        | June   | 63.0      |       | 65.7          |       |  |
| Germany  | 5:00  | ZEW survey – Expectations                             | June   | 37.3      |       | 41.9          |       |  |
| Japan  | 19:50 | Trade balance (¥B)                                    | May    | -166.8    |       | -208.7        |       |  |
| <b>WEDNESDAY 17</b>  |       |   |        |           |       |               |       |  |
| Italy  | 4:00  | Trade balance (€M)                                    | April  | n/a       |       | 4,060         |       |  |
| United Kingdom   | 4:30  | Minutes of the Bank of England meeting                |        |           |       |               |       |  |
| United Kingdom   | 4:30  | ILO unemployment rate                                 | April  | 5.5%      |       | 5.5%          |       |  |
| Euro zone  | 5:00  | Construction  | April  | n/a       | n/a   | 0.8%          | -2.7% |  |
| Euro zone  | 5:00  | Consumer price index – final                          | May    | 0.2%      | 0.3%  | 0.2%          | 0.3%  |  |
| <b>THURSDAY 18</b>   |       |   |        |           |       |               |       |  |
| Switzerland  | 3:30  | Swiss National Bank meeting                           | June   | -0.75%    |       | -0.75%        |       |  |
| Norway   | 4:00  | Bank of Norway meeting                                | June   | 1.00%     |       | 1.25%         |       |  |
| United Kingdom   | 4:30  | Retail sales  | May    | -0.2%     | 4.3%  | 1.2%          | 4.7%  |  |
| Euro zone  | 5:00  | Labour costs  | Q1     | n/a       |       | 1.1%          |       |  |
| Mexico   | 10:00 | Minutes of the Bank of Mexico meeting                 |        |           |       |               |       |  |
| <b>FRIDAY 19</b>   |       |   |        |           |       |               |       |  |
| Japan  | ---   | Bank of Japan meeting                                 | June   |           |       |               |       |  |
| Japan  | 0:30  | All industry activity index                           | April  | 0.3%      |       | -1.3%         |       |  |
| Japan  | 1:00  | Leading indicator – final                             | April  | n/a       |       | 107.2         |       |  |
| Japan  | 1:00  | Coincident indicator – final                          | April  | n/a       |       | 111.1         |       |  |
| Germany  | 2:00  | Producer price index                                  | May    | 0.2%      | 1.1%  | 0.1%          | -1.5% |  |
| France   | 2:45  | Wages – final   | Q1     | n/a       |       | 0.5%          |       |  |
| Euro zone  | 4:00  | Current account (€B)                                  | April  | n/a       |       | 18.6          |       |  |
| Italy  | 5:00  | Current account (€M)                                  | April  | n/a       |       | 1,969         |       |  |

**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     | 16,264 | -0.7          | 2.7    | 2.4                  | 2.2    | 2.3    | 1.6    |
| Consumption (2009 \$B)                   | 2015 Q1     | 11,170 | 1.8           | 3.0    | 2.5                  | 2.4    | 1.8    | 2.3    |
| Government spending (2009 \$B)           | 2015 Q1     | 2,890  | -1.1          | 0.7    | -0.2                 | -2.0   | -1.4   | -3.0   |
| Residential investment (2009 \$B)        | 2015 Q1     | 510.4  | 4.9           | 5.2    | 1.6                  | 11.9   | 13.5   | 0.5    |
| Non-residential investment (2009 \$B)    | 2015 Q1     | 2,154  | -2.8          | 5.0    | 6.3                  | 3.0    | 7.2    | 7.7    |
| Business inventory change (2009 \$B) (1) | 2015 Q1     | 95.0   | ---           | ---    | 70.6                 | 63.6   | 57.1   | 37.6   |
| Exports (2009 \$B)                       | 2015 Q1     | 2,086  | -7.6          | 2.9    | 3.2                  | 3.0    | 3.3    | 6.9    |
| Imports (2009 \$B)                       | 2015 Q1     | 2,634  | 5.6           | 6.5    | 4.0                  | 1.1    | 2.3    | 5.5    |
| Final domestic demand (2009 \$B)         | 2015 Q1     | 16,704 | 0.8           | 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     | 105.6  | -3.1          | 0.3    | 0.7                  | 0.9    | 1.0    | 0.2    |
| Unit labor cost (2009 = 100)             | 2015 Q1     | 107.0  | 6.7           | 1.8    | 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)                   | April      | 122.3   | 0.7           | 0.9       | 2.0       | 5.6     |
| ISM manufacturing index (1)                      | May        | 52.8    | 51.5          | 52.9      | 57.6      | 55.6    |
| ISM non-manufacturing index (1)                  | May        | 55.7    | 57.8          | 56.9      | 58.8      | 56.1    |
| Cons. confidence Conf. Board (1985 = 100) (1)    | May        | 95.4    | 94.3          | 98.8      | 91.0      | 82.2    |
| Cons. confidence Michigan (1966 = 100) (1)       | June*      | 94.6    | 90.7          | 93.0      | 93.6      | 82.5    |
| Personal consumption expenditure (2009 \$B)      | April      | 11,191  | -0.0          | 0.3       | 1.0       | 2.7     |
| Disposable personal income (2009 \$B)            | April      | 12,291  | 0.3           | 0.4       | 2.2       | 3.5     |
| Consumer credit (\$B)                            | April*     | 3,384   | 0.6           | 1.7       | 3.1       | 6.6     |
| Retail sales (\$M)                               | May*       | 444,926 | 1.2           | 3.0       | 0.8       | 2.7     |
| Excluding automobiles (\$M)                      | May*       | 351,902 | 1.0           | 2.2       | 0.1       | 1.3     |
| Industrial production (2007 = 100)               | April      | 105.2   | -0.3          | -0.6      | 0.0       | 1.9     |
| Production capacity utilization rate (%) (1)     | April      | 78.2    | 78.6          | 79.2      | 79.2      | 79.0    |
| New machinery orders (\$M)                       | April      | 476,690 | -0.4          | 0.8       | -4.0      | -6.4    |
| New durable good orders (\$M)                    | April      | 234,387 | -1.0          | 0.4       | -1.4      | -2.8    |
| Business inventories (\$B)                       | April*     | 1,793   | 0.4           | 0.8       | 0.8       | 2.6     |
| Housing starts (K) (1)                           | April      | 1,135   | 944.0         | 1,080     | 1,079     | 1,039   |
| Building permits (K) (1)                         | April      | 1,140   | 1,038         | 1,059     | 1,120     | 1,074   |
| New home sales (K) (1)                           | April      | 517.0   | 484.0         | 521.0     | 472.0     | 410.0   |
| Existing home sales (K) (1)                      | April      | 5,040   | 5,210         | 4,820     | 5,160     | 4,750   |
| Construction spending (\$B)                      | April      | 1,006   | 2.2           | 3.4       | 2.6       | 4.8     |
| Commercial surplus (\$M) (1)                     | April      | -40,879 | -50,566       | -42,447   | -42,753   | -44,271 |
| Nonfarm employment (K) (2)                       | May        | 141,679 | 280.0         | 620.0     | 1,416     | 3,058   |
| Unemployment rate (%) (1)                        | May        | 5.5     | 5.4           | 5.5       | 5.8       | 6.3     |
| Consumer price (1982-1984 = 100)                 | April      | 236.0   | 0.1           | 0.6       | -0.7      | -0.1    |
| Excluding food and energy                        | April      | 241.4   | 0.3           | 0.6       | 1.0       | 1.8     |
| Personal cons. expenditure deflator (2009 = 100) | April      | 108.6   | 0.0           | 0.4       | -0.5      | 0.1     |
| Excluding food and energy                        | April      | 108.6   | 0.1           | 0.4       | 0.5       | 1.2     |
| Producer price (2009 = 100)                      | May*       | 195.2   | 1.5           | 1.4       | -2.0      | -2.9    |
| Excluding food and energy                        | May*       | 192.1   | 0.3           | 0.8       | 1.3       | 2.0     |
| Export prices (2000 = 100)                       | May*       | 125.8   | 0.6           | -0.1      | -2.9      | -5.9    |
| Import prices (2000 = 100)                       | May*       | 126.6   | 1.3           | 0.9       | -5.2      | -9.6    |

\* New statistic in comparison with last week.

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

## Canada: Quarterly economic indicators

|  | Ref. quart. | Level     | Variation (%) |        | Annual variation (%) |         |         |         |
|--|-------------|-----------|---------------|--------|----------------------|---------|---------|---------|
|  |             |           | Quart. ann.   | 1 year | 2014                 | 2013    | 2012    | 2011    |
| Gross domestic product (2007 \$M)            | 2015 Q1     | 1,762,406 | -0.6          | 2.1    | 2.4                  | 2.0     | 1.9     | 3.0     |
| Household consumption (2007 \$M)             | 2015 Q1     | 983,715   | 0.4           | 2.4    | 2.7                  | 2.5     | 1.9     | 2.2     |
| Government consumption (2007 \$M)            | 2015 Q1     | 348,859   | -0.8          | 0.4    | 0.2                  | 0.4     | 1.2     | 0.8     |
| Residential investment (2007 \$M)            | 2015 Q1     | 118,617   | 4.0           | 6.5    | 2.7                  | -0.4    | 5.7     | 1.7     |
| Non-residential investment (2007 \$M)        | 2015 Q1     | 186,816   | -15.5         | -3.3   | 0.2                  | 2.6     | 9.0     | 12.7    |
| Business inventory change (2007 \$M) (1)     | 2015 Q1     | 11,460    | ---           | ---    | 7,530                | 12,368  | 7,437   | 10,911  |
| Exports (2007 \$M)                           | 2015 Q1     | 558,737   | -1.1          | 6.0    | 5.4                  | 2.0     | 2.6     | 4.6     |
| Imports (2007 \$M)                           | 2015 Q1     | 577,337   | -1.5          | 3.5    | 1.8                  | 1.3     | 3.7     | 5.7     |
| Final domestic demand (2007 \$M)             | 2015 Q1     | 1,756,795 | -1.6          | 1.3    | 1.6                  | 1.5     | 2.5     | 2.5     |
| GDP deflator (2007 = 100)                    | 2015 Q1     | 112.2     | -2.1          | -0.6   | 1.8                  | 1.3     | 1.6     | 3.4     |
| Labour productivity (2007 = 100)             | 2015 Q1     | 107.6     | -0.5          | 2.5    | 2.7                  | 1.1     | 0.0     | 1.4     |
| Unit labour cost (2007 = 100)                | 2015 Q1     | 115.1     | 5.0           | 1.4    | 1.0                  | 1.3     | 3.0     | 2.1     |
| Current account balance (\$M) (1)            | 2015 Q1     | -17,466   | ---           | ---    | -41,480              | -56,255 | -59,911 | -47,195 |
| Production capacity utilization rate (%) (1) | 2015 Q1*    | 82.7      | ---           | ---    | 82.9                 | 81.2    | 81.5    | 80.6    |
| Disposable personal income (\$M)             | 2015 Q1     | 1,146,308 | 6.2           | 3.6    | 3.4                  | 3.8     | 4.2     | 4.5     |
| Corporate net operating surplus (2007 \$M)   | 2015 Q1     | 242,924   | -39.7         | -10.8  | 8.8                  | -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)     | March      | 1,647,931 | -0.2          | -0.5      | -0.0      | 1.5     |
| Industrial production (2007 \$M)      | March      | 353,941   | -1.2          | -2.2      | -2.0      | -0.6    |
| Manufacturing sales (\$M)             | March      | 51,015    | 2.9           | -2.5      | -3.5      | 0.3     |
| Housing starts (K) (1)                | May*       | 201.7     | 183.3         | 151.4     | 191.5     | 196.4   |
| Building permits (\$M)                | April*     | 7,799     | 11.6          | 26.4      | 4.5       | 26.0    |
| Retail sales (\$M)                    | March      | 42,466    | 0.7           | 0.8       | -0.8      | 3.1     |
| Excluding automobiles (\$M)           | March      | 32,223    | 0.5           | 0.8       | -0.3      | 1.7     |
| Wholesale trade sales (\$M)           | March      | 53,944    | 0.8           | -3.5      | -1.0      | 5.6     |
| Commercial surplus (\$M) (1)          | April      | -2,974    | -3,853        | -1,848    | -680.8    | 126.8   |
| Exports (\$M)                         | April      | 41,912    | -0.7          | -2.8      | -5.9      | -3.1    |
| Imports (\$M)                         | April      | 44,886    | -2.5          | -0.2      | -0.7      | 4.1     |
| Employment (K) (2)                    | May        | 17,954    | 58.9          | 22.6      | 15.2      | 16.0    |
| Unemployment rate (%) (1)             | May        | 6.8       | 6.8           | 6.8       | 6.7       | 7.0     |
| Average weekly earnings (\$)          | March      | 954.1     | 0.3           | 1.1       | 1.5       | 2.8     |
| Number of salaried employees (K) (2)  | March      | 15,671    | -19.5         | 3.9       | 5.0       | 13.5    |
| Consumer price (2002 = 100)           | April      | 126.2     | -0.1          | 1.5       | 0.2       | 0.8     |
| Excluding food and energy             | April      | 121.0     | 0.0           | 1.3       | 0.7       | 1.9     |
| Excluding 8 volatile items            | April      | 125.5     | 0.1           | 1.2       | 0.9       | 2.3     |
| Industrial product price (2002 = 100) | April      | 109.6     | -0.9          | 1.1       | -1.0      | -2.4    |
| Raw materials price (2002 = 100)      | April      | 97.9      | 3.8           | 8.3       | -13.1     | -20.9   |
| Money supply M1+ (\$M)                | April      | 772,276   | 0.4           | 2.6       | 3.2       | 7.6     |

\* New statistic in comparison with last week.

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

## Major financial indicators

|                                      | Previous data (%) |        |          |           |           |         | Last 52 weeks (%) |         |        |
|--------------------------------------|-------------------|--------|----------|-----------|-----------|---------|-------------------|---------|--------|
|                                      | June 12           | June 5 | -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             | 0.01              | 0.03   | 0.02     | 0.03      | 0.02      | 0.04    | 0.05              | 0.02    | 0.01   |
| Treasury bonds – 2 years             | 0.71              | 0.70   | 0.54     | 0.65      | 0.55      | 0.45    | 0.72              | 0.54    | 0.31   |
| – 5 years                            | 1.70              | 1.74   | 1.46     | 1.58      | 1.53      | 1.69    | 1.84              | 1.56    | 1.18   |
| – 10 years                           | 2.35              | 2.40   | 2.15     | 2.11      | 2.10      | 2.60    | 2.65              | 2.23    | 1.67   |
| – 30 years                           | 3.06              | 3.11   | 2.94     | 2.69      | 2.76      | 3.41    | 3.48              | 2.93    | 2.25   |
| S&P 500 index                        | 2,094             | 2,093  | 2,123    | 2,053     | 2,002     | 1,936   | 2,131             | 2,031   | 1,862  |
| DJIA index                           | 17,881            | 17,849 | 18,273   | 17,749    | 17,281    | 16,776  | 18,312            | 17,483  | 16,117 |
| Gold price (US\$/ounce)              | 1,182             | 1,170  | 1,222    | 1,154     | 1,223     | 1,274   | 1,338             | 1,229   | 1,146  |
| CRB index                            | 223.99            | 222.53 | 231.46   | 210.70    | 243.75    | 309.98  | 312.93            | 253.47  | 209.00 |
| WTI oil (US\$/barrel)                | 59.95             | 59.11  | 59.73    | 44.88     | 57.81     | 106.84  | 107.30            | 71.47   | 43.39  |
| <b>Canada</b>                        |                   |        |          |           |           |         |                   |         |        |
| Overnight – target                   | 0.75              | 0.75   | 0.75     | 0.75      | 1.00      | 1.00    | 1.00              | 0.90    | 0.75   |
| Treasury bill – 3 months             | 0.63              | 0.63   | 0.64     | 0.54      | 0.88      | 0.94    | 0.96              | 0.79    | 0.47   |
| Treasury bonds – 2 years             | 0.64              | 0.64   | 0.67     | 0.55      | 0.96      | 1.09    | 1.17              | 0.86    | 0.39   |
| – 5 years                            | 0.99              | 1.04   | 1.07     | 0.86      | 1.31      | 1.58    | 1.73              | 1.24    | 0.59   |
| – 10 years                           | 1.78              | 1.83   | 1.80     | 1.47      | 1.76      | 2.31    | 2.33              | 1.83    | 1.24   |
| – 30 years                           | 2.37              | 2.39   | 2.42     | 2.11      | 2.30      | 2.83    | 2.87              | 2.40    | 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              | 0.65    | 0.50   |
| Treasury bill – 3 months             | 0.62              | 0.60   | 0.62     | 0.51      | 0.86      | 0.90    | 0.93              | 0.77    | 0.45   |
| Treasury bonds – 2 years             | -0.07             | -0.06  | 0.13     | -0.10     | 0.41      | 0.64    | 0.69              | 0.32    | -0.23  |
| – 5 years                            | -0.71             | -0.70  | -0.39    | -0.72     | -0.22     | -0.11   | 0.07              | -0.32   | -0.82  |
| – 10 years                           | -0.57             | -0.57  | -0.35    | -0.64     | -0.34     | -0.29   | -0.17             | -0.41   | -0.72  |
| – 30 years                           | -0.69             | -0.72  | -0.52    | -0.58     | -0.46     | -0.58   | -0.29             | -0.53   | -0.74  |
| S&P/TSX index                        | 14,742            | 14,957 | 15,108   | 14,732    | 13,731    | 15,002  | 15,658            | 14,961  | 13,705 |
| Exchange rate (C\$/US\$)             | 1.2305            | 1.2440 | 1.2013   | 1.2784    | 1.1583    | 1.0856  | 1.2789            | 1.1645  | 0.8127 |
| Exchange rate (C\$/€)                | 1.3866            | 1.3824 | 1.3757   | 1.3416    | 1.4434    | 1.4701  | 1.4733            | 1.4064  | 0.9159 |
| <b>Overseas</b>                      |                   |        |          |           |           |         |                   |         |        |
| ECB – Refinancing rate               | 0.05              | 0.05   | 0.05     | 0.05      | 0.05      | 0.15    | 0.15              | 0.07    | 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            | 0.84              | 0.85   | 0.64     | 0.26      | 0.63      | 1.37    | 1.40              | 0.70    | 0.08   |
| U.K.: Bonds – 10 years               | 1.97              | 2.08   | 1.90     | 1.72      | 1.80      | 2.75    | 2.88              | 2.08    | 1.36   |
| Euro: Exchange rate (US\$/€)         | 1.1270            | 1.1113 | 1.1453   | 1.0495    | 1.2462    | 1.3543  | 1.3692            | 1.2132  | 1.0495 |
| U.K.: Exchange rate (US\$/£)         | 1.5571            | 1.5272 | 1.5723   | 1.4744    | 1.5721    | 1.6965  | 1.7166            | 1.5812  | 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.