

Market confidence wanes

HIGHLIGHTS

- United States: Housing starts edged up, but building permits tumbled.
- U.S. existing home sales hit their highest point since 2007.
- Weak rise by U.S. consumer prices in July.
- United States: Contradictory signals from the regional manufacturing indexes.
- Canada: The total annual inflation rate edged up in July.
- Canada: Retail and wholesale sales advanced in June.

A LOOK AHEAD

- U.S. real GDP should be revised upwards for the second quarter.
- United States: Solid consumption growth is anticipated for July.

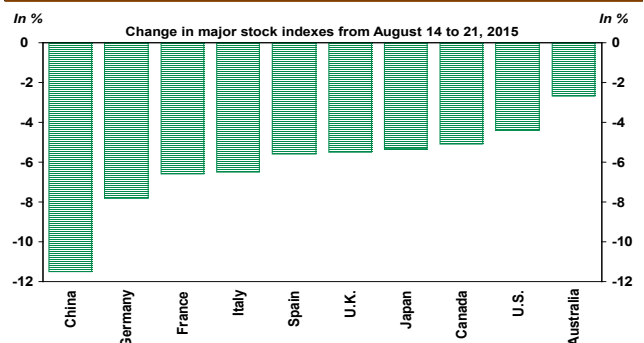
FINANCIAL MARKETS

- Worldwide stock market losses.
- Risk aversion takes bond yields down.
- The U.S. dollar retreats with the markets unconvinced that the Federal Reserve will raise its key rates in September.

CONTENTS

Key statistics of the week.....	2
United States and Canada	
Financial markets.....	3
A look ahead	4
United States, Canada and Overseas	
Economic indicators of the week	6
Tables	
Economic indicators – United States	8
Economic indicators – Canada	9
Major financial indicators	10

Graph of the week – Painful week for worldwide stock markets



Sources: Bloomberg and Desjardins, Economic Studies

François Dupuis
Vice-President and Chief Economist

Mathieu D'Anjou
Senior Economist

Benoît P. Durocher
Senior Economist

Francis Généreux
Senior Economist

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist

514-281-2336 or 1 866 866-7000, ext. 2336
E-mail: desjardins.economics@desjardins.com

KEY STATISTICS OF THE WEEK

UNITED STATES

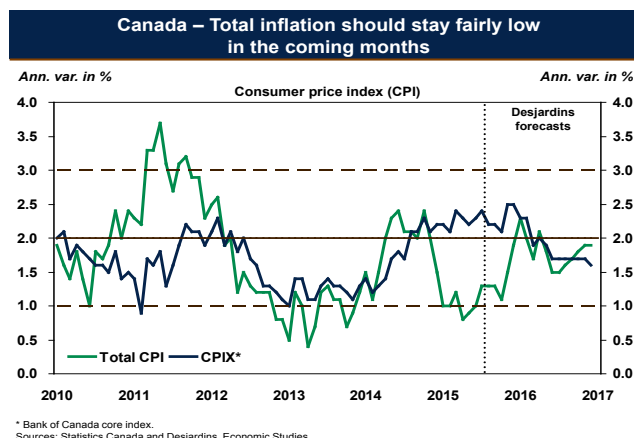
- Following June's 12.3% surge, housing starts advanced by a meagre 0.2% in July. On an annualized basis, they went from 1,204,000 to 1,206,000, which is still the highest point since October 2007. Some major fluctuations lurk behind this lull, however: starts on single-family dwellings jumped 12.8%, while starts on multi-unit housing plunged 17.1%. The regional disparities are also big. For their part, building permits were hurt by the end of a tax credit in the New York area. They tumbled 16.3%, and were down 60.2% in the Northeastern United States.
- Existing home sales posted a third straight increase in July, this time gaining 2.0% on the heels of June's 3.0% rise. Resales are therefore up from 5,480,000 to 5,590,000 units, their highest point since March 2007. The rise mainly stems from single-family dwellings (+2.7%); condo sales dipped 3.1%. The gains also come from the Southern and Western United States.
- The consumer price index (CPI) continued to lose steam in July, posting a monthly increase of just 0.1% after June's 0.3% rise and May's 0.4% advance. Energy prices edged up 0.1%, while the upswing by gas prices was offset by the drop in prices for fuel oil, natural gas and electricity. Food prices rose 0.2%. The core index, which excludes food and energy, also advanced 0.1% after gaining 0.2% in June; goods prices fell, particularly for motor vehicles, but housing costs rose 0.4%. The annual change in the total CPI remains very small, going from 0.1% to 0.2%. Core inflation is flat at 1.8%.
- The New York Fed Empire index posted a stunning tumble in August, dropping from +3.86 to -14.92, its lowest point since April 2009. The new orders, deliveries and inventories components also plunged into negative territory. The Philadelphia Fed regional manufacturing index was much more stable, however, even rising from 5.7 to 8.3.
- The leading indicator ticked down 0.2% in July, its first pull-back since February. The drop mainly comes from building permits, which took 0.5 basis points from growth.

Francis Généreux
Senior Economist

CANADA

- The total consumer price index (CPI) rose 0.1% in July. The total annual inflation rate went from 1.0% to 1.3%. Core inflation (CPIX), which excludes eight volatile components, was unchanged in July. Its annual change still rose to 2.4%, from 2.3%. The monthly advance in total CPI and CPIX was a little weaker than expected, but this gap is mainly due to slightly higher-than-normal seasonal price reductions for this time of year. As such, seasonally adjusted total CPI posted a 0.2% increase in July. Nevertheless, the result is slightly below the average of the past six months, attesting to somewhat weaker inflation pressure.
- Retail sales rose 0.6% in June, in line with our expectations. However, much of the increase stems from a rise by prices. In real terms, retail sales were nearly flat. Retail sales should therefore not be expected to contribute significantly to growth in real GDP by industry in June.
- Wholesale sales rose 1.3% in June; this is still fairly disappointing given the high expectations generated by the jump in exports. What's more, June's rebound barely wipes out May's decline. In real terms, sales went up 1.1%, while inventories rose 1.0%. Wholesaling should therefore make a positive contribution to economic growth for June.

Benoit P. Durocher
Senior Economist



FINANCIAL MARKETS

China the focus of concern

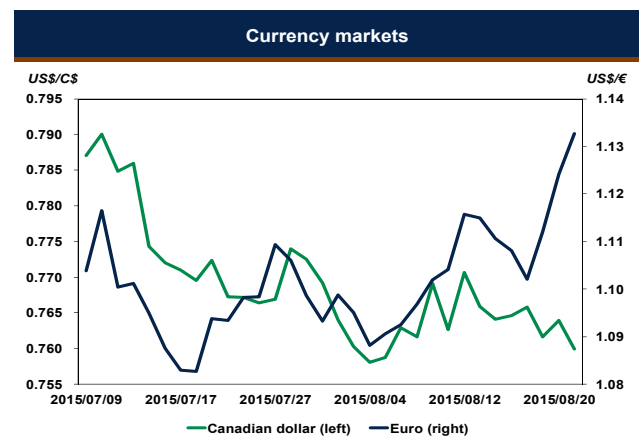
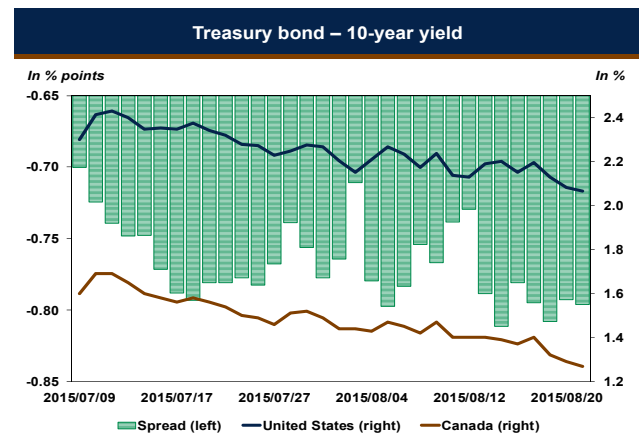
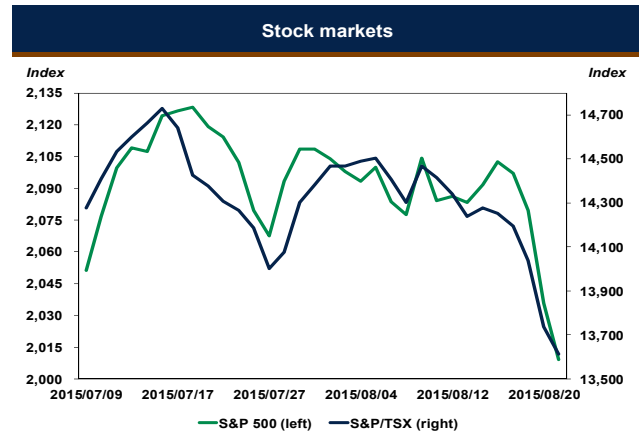
Fears over China battered markets. Chinese authorities showed less inclination to support the equity market. However, they had to aggressively inject liquidity into the financial system in order to offset capital outflows. Moreover, one Chinese manufacturing index fell to its lowest level since 2009. The Shanghai Stock Exchange posted a weekly decline of 11.5%. The European markets also flagged. The Euro Stoxx index tumbled 5.3% over the week. Parliaments of creditor nations approved the Greek bailout one by one, but Greece’s prime minister was forced to dissolve the government and announce an election. The gloomy global climate had an impact on North American stock markets. Among other things, an eighth consecutive weekly slide by oil prices hurt the S&P/TSX.

An upswing in risk aversion took the U.S. 10-year yield close to its lowest level since the end of April. The minutes of the July Federal Reserve (Fed) meeting indicated that feelings remain mixed about the merits of raising key rates in the absence of convincing signals about inflation. Investors have pushed back their expectations for the first rate hike toward the end of the year. Good Canadian numbers on wholesale and retail sales had no impact on Canada–United States rate spreads, given the very fragile global context.

The dollar weakened again as the remarks reported in the Fed minutes did not convince investors that monetary firming was imminent in the United States. The ongoing stock market correction in China is also intensifying pressure on the greenback; this could prompt the Fed to be cautious in the near term. The euro capitalized on the situation, rising close to US\$1.13, while the Japanese exchange rate returned closer to ¥123/US\$. The Canadian dollar did not benefit from the greenback’s weakness, with the drop in oil prices still playing against it. Essentially, the loonie held at around US\$0.76 (C\$1.316/US\$).

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday August 25 - 9:00

June	y/y
Consensus	5.10%
Desjardins	5.30%
May	4.94%

S&P/Case-Shiller index of existing home prices (June) – After rising fairly steeply for seven months, existing home prices started to slide last spring, edging down 0.03% in April and 0.2% in May. However, they are expected to start growing again in June; a monthly uptick of 0.2% is anticipated; this would take the S&P/Case-Shiller index's annual change from 4.9% to 5.3%.

Tuesday August 25 - 10:00

July	ann. rate
Consensus	512,000
Desjardins	485,000
June	482,000

New home sales (July) – New home sales posted two consecutive pullbacks, in May and June. They are down by a total of 7.8%, but sales remain well above the average for 2014. However, we do not expect them to rebound as of July. Building permits for single-family homes retreated 1.8% that month, while mortgage applications in view of a purchase were essentially flat from June. We can therefore expect single-family home sales to remain relatively stable. The spike in housing starts (+12.8%), solid performance by sales of existing single-family homes, and the favourable level of the homebuilder confidence index suggest that an improvement is not far off.

Tuesday August 25 - 10:00

August	
Consensus	93.0
Desjardins	92.0
July	90.9

Conference Board consumer confidence index (August) – The Conference Board confidence index has been fairly volatile for the last few months. It rose 5.2 points in June, only to tumble 8.9 points in July. It should keep seesawing in August, which is expected to show an improvement. The University of Michigan index is relatively stable, rather encouraging as this index did not go down as much in July. The latest results for the confidence indicators compiled by Bloomberg are showing modest gains. In tandem with the relapse by oil prices, gas prices are generally down in most parts of the United States (except the Midwest). On the other hand, the U.S. stock market is running into new trouble. Overall, a very modest rise is anticipated, from 90.9 to 92.0.

Wednesday August 26 - 8:30

July	m/m
Consensus	-0.5%
Desjardins	1.6%
June	3.4%

New durable goods orders (July) – New durable goods orders jumped in June thanks, once again, to the aviation sector, which gained 56%. Orders recorded at Boeing do not point to a serious pullback by aircraft orders and, thanks to the anticipated jump in motor vehicle orders, the transportation sector should even make a positive contribution to total growth. Excluding transportation, we are anticipating a gain of 0.5%, similar to June's 0.6% and consistent with the current levels for the ISM manufacturing index. All in all, new durable goods orders are expected to advance 1.6%.

Thursday August 27 - 8:30

Q2 2015 - 2nd est.	ann. rate
Consensus	3.2%
Desjardins	3.2%
Q2 2015 - 1st est.	2.3%

Real GDP (Q2 – preliminary estimate) – Real GDP growth came in slightly below expectations when the advance estimate of the national accounts was published. This performance—2.3%—is expected to be revised substantially, however, taking it close to or even past the 3% mark. The upside adjustment should mainly come from construction, consumption and, in particular, stronger growth by business inventories.

Friday August 28 - 8:30

July	m/m
Consensus	0.4%
Desjardins	0.4%
June	0.2%

Consumer spending (July) – Consumption was relatively stable and even disappointing in June. A better performance is anticipated for July (along with an upside revision for June). Last month's solid performance by retail sales, the strong 3.0% rise by auto sales, and the 0.7% gain by spending on food services should all help consumer spending advance. In real terms, the gain should be 0.3%. To that, we have to add the rise by the consumption expenditure deflator, which should be 0.1%. Nominal consumption should therefore go up 0.4%. Nominal personal income should also rise 0.4%.


CANADA

Industrial product price index (July) – Commodity prices plunged on the international markets in July, especially energy. However, the loonie also depreciated substantially during the period, lessening the drop in commodity prices once expressed in Canadian dollars. The raw material price index should however retreat in July, paving the way for a drop by the industrial product price index.


OVERSEAS

Euro zone: Confidence indicators (August) – Several Euroland confidence indicators for August will be out on Friday. The flash version of the August consumer confidence index is showing modest improvement. For business, August's PMI indexes were relatively stable. The German IFO indexes will be released on Tuesday.


Friday August 28 - 8:30

July	m/m
Consensus	n/a
Desjardins	-0.1%
June	0.5%

Friday August 28 - 5:00


ECONOMIC INDICATORS

Week of August 24 to 28, 2015

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 24	15:55	Speech of the Atlanta Fed President, D. Lockhart				
TUESDAY 25	9:00	S&P/Case-Shiller home price index (y/y)	June	5.10%	5.30%	4.94%
	10:00	New home sales (ann. rate)	July	512,000	485,000	482,000
	10:00	Consumer confidence	August	93.0	92.0	90.9
WEDNESDAY 26	8:30	Durable goods orders (m/m)	July	-0.5%	1.6%	3.4%
	10:00	Speech of the New York Fed President, W. Dudley				
THURSDAY 27	8:30	Initial unemployment claims	Aug. 17-21	275,000	274,000	277,000
	8:30	Real GDP (ann. rate)	Q2s	3.2%	3.2%	2.3%
	10:00	Pending home sales (m/m)	July	1.5%	n/a	-1.8%
FRIDAY 28	8:30	Personal income (m/m)	July	0.4%	0.4%	0.4%
	8:30	Personal consumption expenditures (m/m)	July	0.4%	0.4%	0.2%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	July	0.1%	0.1%	0.2%
		Excluding food and energy (m/m)	July	0.1%	0.1%	0.1%
		Total (y/y)	July	0.3%	0.3%	0.3%
		Excluding food and energy (y/y)	July	1.3%	1.3%	1.3%
10:00	Michigan's consumer sentiment index – final	August	93.1	92.9	92.9	
SATURDAY 29	12:25	Speech of the Federal Reserve Vice Chair, S. Fisher				


CANADA

MONDAY 24	---	---				
TUESDAY 25	12:40	Speech of a Bank of Canada Deputy Governor, L. Schembri				
WEDNESDAY 26	---	---				
THURSDAY 27	8:30	Average weekly earnings (y/y)	June	n/a	1.2%	1.4%
	8:30	Number of salaried employees (m/m)	June	n/a	0.1%	0.1%
	8:30	Quarterly financial statistics for enterprises				
FRIDAY 28	8:30	Industrial product price index (m/m)	July	n/a	-0.1%	0.5%
	8:30	Raw materials price index (m/m)	July	n/a	-4.5%	0.0%

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 August 24 to 28, 2015

Country	Hour	Indicator	Period	Consensus		Previous data	
				m/m (q/q)	y/y	m/m (q/q)	y/y
 OVERSEAS							
MONDAY 24							
Japan	1:00	Leading indicator – final	June	n/a		107.2	
Japan	1:00	Coincident indicator – final	June	n/a		112.0	
TUESDAY 25							
Germany	4:00	IFO survey – Business climate	August	107.6		108.0	
Germany	4:00	IFO survey – Current situation	August	113.9		113.9	
Germany	4:00	IFO survey – Expectations	August	102.0		102.4	
WEDNESDAY 26							
Japan	1:00	Small business confidence	August	n/a		49.3	
THURSDAY 27							
United Kingdom	---	Nationwide house prices	August	0.4%	3.1%	0.4%	3.5%
France	2:45	Business confidence	August	100		99	
France	2:45	Production outlook	August	n/a		1	
Euro zone	4:00	Money supply M3	July		4.9%		5.0%
United Kingdom	19:05	Consumer confidence	August	4		4	
Japan	19:30	Workers' household spending	July		0.5%		-2.0%
Japan	19:30	Consumer price index	July		0.2%		0.4%
Japan	19:30	Consumer price index – Tokyo	August		0.1%		0.2%
Japan	19:30	Unemployment rate	July	3.4%		3.4%	
Japan	19:50	Retail sales	July	0.6%	1.1%	-0.6%	1.0%
FRIDAY 28							
France	2:45	Producer price index	July	n/a	n/a	-0.2%	-1.9%
Italy	4:00	Consumer confidence	August	107.0		106.5	
Italy	4:00	Business confidence	August	103.6		103.6	
Italy	4:00	Economic confidence	August	n/a		104.3	
United Kingdom	4:30	Index of services	June	0.4%		0.3%	
United Kingdom	4:30	Real GDP – preliminary	Q2	0.7%	2.6%	0.7%	2.6%
Euro zone	5:00	Business climate	August	0.34		0.39	
Euro zone	5:00	Consumer confidence – final	August	n/a		-6.8	
Euro zone	5:00	Industrial confidence	August	-3.2		-2.9	
Euro zone	5:00	Services confidence	August	8.8		8.9	
Euro zone	5:00	Economic confidence	August	103.8		104.0	
Germany	8:00	Consumer price index – preliminary	August	-0.1%	0.1%	0.2%	0.2%

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 Q2	16,270	2.3	2.3	2.4	1.5	2.2	1.6
Consumption (2009 \$B)	2015 Q2	11,162	2.9	3.1	2.7	1.7	1.5	2.3
Government spending (2009 \$B)	2015 Q2	2,844	0.8	0.3	-0.6	-2.9	-1.9	-3.0
Residential investment (2009 \$B)	2015 Q2	520.7	6.6	7.5	1.8	9.5	13.5	0.5
Non-residential investment (2009 \$B)	2015 Q2	2,185	-0.6	2.6	6.2	3.0	9.0	7.7
Business inventory change (2009 \$B) (1)	2015 Q2	110.0	---	---	68.0	61.4	54.7	37.6
Exports (2009 \$B)	2015 Q2	2,119	5.3	1.5	3.4	2.8	3.4	6.9
Imports (2009 \$B)	2015 Q2	2,655	3.5	4.9	3.8	1.0	2.2	5.5
Final domestic demand (2009 \$B)	2015 Q2	16,689	2.2	2.7	2.5	1.2	1.9	1.7
GDP deflator (2009 = 100)	2015 Q2	109.7	2.0	1.0	1.6	1.6	1.8	2.1
Labor productivity (2009 = 100)	2015 Q2	105.4	1.3	0.3	0.7	-0.0	0.9	0.2
Unit labor cost (2009 = 100)	2015 Q2	107.3	0.5	2.1	2.0	1.1	1.7	2.1
Employment cost index (Dec. 2005 = 100)	2015 Q2	123.8	0.6	2.0	2.0	2.0	1.8	2.0
Current account balance (\$B) (1)	2015 Q1	-113.3	---	---	-389.5	-376.8	-449.7	-460.4

* 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)	July*	123.3	-0.2	0.9	1.7	4.1
ISM manufacturing index (1)	July	52.7	53.5	51.5	53.5	56.4
ISM non-manufacturing index (1)	July	60.3	56.0	57.8	56.7	57.9
Cons. confidence Conf. Board (1985 = 100) (1)	July	90.9	99.8	94.3	103.8	90.3
Cons. confidence Michigan (1966 = 100) (1)	Aug.	92.9	93.1	90.7	95.4	82.5
Personal consumption expenditure (2009 \$B)	June	11,176	-0.0	0.6	1.0	2.9
Disposable personal income (2009 \$B)	June	12,177	0.2	0.7	0.9	3.0
Consumer credit (\$B)	June	3,422	0.6	1.7	3.2	6.5
Retail sales (\$M)	July	446,477	0.6	1.8	2.8	2.4
Excluding automobiles (\$M)	July	353,724	0.4	1.8	2.6	1.3
Industrial production (2007 = 100)	July	107.5	0.6	0.4	-0.1	1.3
Production capacity utilization rate (%) (1)	July	78.0	77.7	78.0	78.7	78.3
New machinery orders (\$M)	June	478,499	1.8	-0.0	0.8	-6.2
New durable good orders (\$M)	June	234,938	3.4	-0.7	3.6	-3.0
Business inventories (\$B)	June	1,812	0.8	1.5	1.7	3.0
Housing starts (K) (1)	July*	1,206	1,204	1,190.0	1,080	1,095.0
Building permits (K) (1)	July*	1,119	1,337	1,140	1,059	1,041
New home sales (K) (1)	June	482.0	517.0	485.0	495.0	408.0
Existing home sales (K) (1)	July*	5,590	5,480	5,090	4,820	5,070
Construction spending (\$B)	June	1,065	0.1	5.8	7.6	12.0
Commercial surplus (\$M) (1)	June	-43,839	-40,940	-50,566	-45,549	-42,371
Nonfarm employment (K) (2)	July	142,071	215.0	706.0	1,278	2,915
Unemployment rate (%) (1)	July	5.3	5.3	5.4	5.7	6.2
Consumer price (1982-1984 = 100)	July*	238.1	0.1	0.9	1.5	0.2
Excluding food and energy	July*	242.5	0.1	0.5	1.1	1.8
Personal cons. expenditure deflator (2009 = 100)	June	109.7	0.2	0.6	0.5	0.3
Excluding food and energy	June	109.4	0.1	0.4	0.8	1.3
Producer price (2009 = 100)	July	196.7	-0.1	2.2	2.0	-2.5
Excluding food and energy	July	193.0	0.1	0.7	1.2	2.2
Export prices (2000 = 100)	July	125.0	-0.2	-0.1	-0.9	-6.1
Import prices (2000 = 100)	July	125.5	-0.9	0.3	-0.4	-10.4

* 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)	May	1,643,015	-0.2	-0.4	-0.5	0.5
Industrial production (2007 \$M)	May	344,563	-1.2	-3.6	-4.2	-4.0
Manufacturing sales (\$M)	June	50,757	1.2	-0.7	-3.0	-3.1
Housing starts (K) (1)	July	193.0	202.3	178.4	183.7	203.3
Building permits (\$M)	June	7,739	14.8	10.8	10.0	-3.8
Retail sales (\$M)	June*	43,185	0.6	1.4	2.5	1.4
Excluding automobiles (\$M)	June*	32,666	0.8	1.0	2.2	-0.0
Wholesale trade sales (\$M)	June*	55,324	1.3	2.1	-1.0	3.6
Commercial surplus (\$M) (1)	June	-476	-3,375	-3,435	-970.6	1,846.1
Exports (\$M)	June	44,609	6.3	4.9	1.4	-1.0
Imports (\$M)	June	45,085	-0.6	-1.9	0.3	4.4
Employment (K) (2)	July	17,954	6.6	19.7	11.2	13.4
Unemployment rate (%) (1)	July	6.8	6.8	6.8	6.6	7.0
Average weekly earnings (\$)	May	948.2	-0.6	-0.3	1.1	1.4
Number of salaried employees (K) (2)	May	15,738	16.5	15.9	16.7	14.6
Consumer price (2002 = 100)	July*	127.3	0.1	0.9	2.4	1.3
Excluding food and energy	July	121.3	0.0	0.2	1.5	2.0
Excluding 8 volatile items	July	126.0	0.0	0.4	1.6	2.4
Industrial product price (2002 = 100)	June	110.8	0.5	0.1	2.0	-0.9
Raw materials price (2002 = 100)	June	102.8	0.0	8.6	4.8	-17.5
Money supply M1+ (\$M)	June	777,835	0.4	1.1	3.3	7.4

* 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

	Aug. 21	Previous data (%)					Last 52 weeks (%)		
		Aug. 14	-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	0.02	0.09	0.04	0.02	0.02	0.03	0.12	0.03	0.01
Treasury bonds – 2 years	0.65	0.73	0.68	0.62	0.63	0.49	0.73	0.58	0.31
– 5 years	1.46	1.60	1.62	1.58	1.60	1.66	1.84	1.55	1.18
– 10 years	2.07	2.20	2.27	2.23	2.14	2.40	2.63	2.19	1.67
– 30 years	2.75	2.84	2.97	3.00	2.73	3.16	3.36	2.87	2.25
S&P 500 index	2,009	2,092	2,080	2,126	2,110	1,988	2,131	2,056	1,862
DJIA index	16,737	17,477	17,569	18,232	18,140	17,001	18,312	17,645	16,117
Gold price (US\$/ounce)	1,155	1,115	1,084	1,206	1,207	1,278	1,302	1,197	1,084
CRB index	191.58	197.97	205.04	225.56	224.76	288.67	292.75	236.51	191.58
WTI oil (US\$/barrel)	40.44	42.45	47.98	58.88	49.95	93.61	97.86	61.69	40.44
Canada									
Overnight – target	0.50	0.50	0.50	0.75	0.75	1.00	1.00	0.83	0.50
Treasury bill – 3 months	0.38	0.39	0.43	0.63	0.47	0.94	0.94	0.70	0.38
Treasury bonds – 2 years	0.34	0.41	0.43	0.68	0.40	1.09	1.17	0.74	0.34
– 5 years	0.62	0.73	0.79	1.05	0.79	1.55	1.73	1.10	0.59
– 10 years	1.27	1.39	1.49	1.77	1.42	2.08	2.28	1.71	1.24
– 30 years	2.01	2.09	2.15	2.36	2.07	2.63	2.79	2.30	1.83
Spread with the U.S. rate (% points)									
Overnight – target	0.25	0.25	0.25	0.50	0.50	0.75	0.75	0.58	0.25
Treasury bill – 3 months	0.36	0.30	0.39	0.61	0.45	0.91	0.91	0.67	0.28
Treasury bonds – 2 years	-0.31	-0.32	-0.25	0.06	-0.23	0.60	0.65	0.16	-0.33
– 5 years	-0.84	-0.87	-0.83	-0.53	-0.81	-0.11	0.07	-0.45	-0.99
– 10 years	-0.80	-0.81	-0.78	-0.46	-0.72	-0.32	-0.17	-0.48	-0.81
– 30 years	-0.74	-0.75	-0.82	-0.64	-0.66	-0.53	-0.29	-0.57	-0.88
S&P/TSX index	13,613	14,278	14,186	15,201	15,172	15,536	15,658	14,812	13,613
Exchange rate (C\$/US\$)	1.3160	1.3088	1.3049	1.2279	1.2528	1.0947	1.3191	1.2023	0.7599
Exchange rate (C\$/€)	1.4905	1.4536	1.4332	1.3528	1.4257	1.4498	1.4715	1.3980	0.8607
Overseas									
ECB – Refinancing rate	0.05	0.05	0.05	0.05	0.05	0.15	0.15	0.05	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	0.59	0.66	0.66	0.60	0.37	0.99	1.04	0.61	0.08
U.K.: Bonds – 10 years	1.70	2.00	1.95	1.92	1.79	2.54	2.59	1.95	1.36
Euro: Exchange rate (US\$/€)	1.1327	1.1107	1.0984	1.1018	1.1381	1.3244	1.3193	1.1667	1.0495
U.K.: Exchange rate (US\$/£)	1.5676	1.5646	1.5514	1.5490	1.5401	1.6571	1.6608	1.5555	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.