

Markets kicked off the week in turmoil

HIGHLIGHTS

- U.S. real GDP is revised sharply upwards.
- United States: Consumer confidence rebounds according to the Conference Board survey.
- Canada: Corporate operating profits rebounded last spring.

A LOOK AHEAD

- U.S. hiring is expected to accelerate slightly in August.
- United States: The ISM indexes are forecast to tick down.
- Canada: Real GDP by industry is expected to rise in June, but not enough to take the whole second quarter into positive territory.
- Canada: Modest job losses are expected for August.
- Canada: The merchandise trade balance could be practically stable.

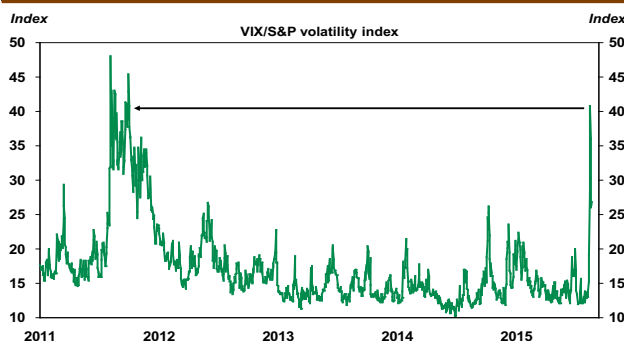
FINANCIAL MARKETS

- Extreme stock market volatility early in the week.
- Fast recovery by bond yields.
- The Canadian dollar hit an 11-year low at US\$0.7490 (C\$1.3354/US\$).

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Graph of the week – Stock market volatility rose to its highest level in nearly four years



Sources: Chicago Board of Trade and Desjardins, Economic Studies

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KEY STATISTICS OF THE WEEK

UNITED STATES

- The second estimate of national accounts for the second quarter has resulted in a definite upwards revision of the annualized change in real GDP, from an initial estimate of 2.3% to 3.7%. This means that the rally after last winter's slow growth of 0.6% was far more pronounced than previously thought.
- Real consumption rose 0.2% in July after June's stagnation. Much of the rise comes from durable goods consumption, which advanced 1.3%. Consumption of non-durable goods and services only increased 0.1%. Disposable income increased 0.4%, the biggest monthly increase in 2015. The annual change in the consumption expenditure deflator is still low at 0.1%, while the core deflator, which excludes food and energy, slowed from 1.3% to 1.2%.
- Sales of new single-family dwellings increased 5.4% in July, taking sales from June's 481,000 units to 507,000. This is still below May's 521,000, or the recent high of 545,000 achieved in February.
- New durable goods orders gained 2.0% in July, following June's 4.1% increase and a 2.3% slide in May. As in the previous month, the transportation sector gave orders a big boost in July. However, the increase did not come from aviation, but rather from motor vehicles, where orders climbed 4.0%. Excluding transportation, orders rose 0.6%. New capital goods orders excluding aviation and defence rose 2.2% on the heels of June's 1.4% gain.
- Consumer confidence improved sharply in August according to the Conference Board survey, completely wiping out July's tumble. The index went from 99.8 in June to 91.0 in July, then 101.5 in August, which is its highest point since January. The index's rise comes from the consumer current situation component, which went up 11.1 points, and the expectations component, which jumped 10.2 points.
- The S&P/Case-Shiller index of existing home prices in the 20 largest cities dropped 0.1% for the second straight time in June. The movement by home prices has therefore changed substantially, as the average for monthly gains was 1.0% in Q1 2015. However, these fluctuations could stem from poor capture of seasonal impacts. The index's annual change is much more stable, staying at around 5%.

Francis Généreux
Senior Economist

CANADA

- After retreating sharply for two quarters, Canadian corporate operating profits rebounded last spring, posting a quarterly increase of 12.9%. The rise is due to the weaker Canadian dollar's impact on the revenue of export businesses, improved U.S. demand, an upswing by energy prices and a major contribution from the financial services sector, which benefited from a substantial drop in the value of life insurance companies' actuarial liabilities. Although the second quarter's results are encouraging, everything suggests this is a temporary spike, and that operating profits will fall again in the third quarter. For one thing, energy prices started to slide again this summer. For another, bond yields have retreated substantially since June. This means there is a possibility that the fluctuation in the value of life insurance companies' actuarial liabilities could reverse. Despite operating profits' highs and lows, the fact remains that, in most industries, profit margins remain high. This means conditions are favourable for an increase in non-residential investment in non-energy sectors.
- As expected, the drop in energy prices took the raw materials price index down sharply in July. The decrease in energy and petroleum product prices also passed through to the industrial product price index. However, several other components posted substantial price increases, including motor and recreation vehicles (+2.5%) and machinery and equipment (+4.1%). The Canadian dollar's depreciation certainly played a role in the increases.

Benoit P. Durocher
Senior Economist

Canada – Canadian corporate operating profits rebounded in Q2



Sources: Statistics Canada and Desjardins, Economic Studies

FINANCIAL MARKETS

The stock markets recover after a black Monday

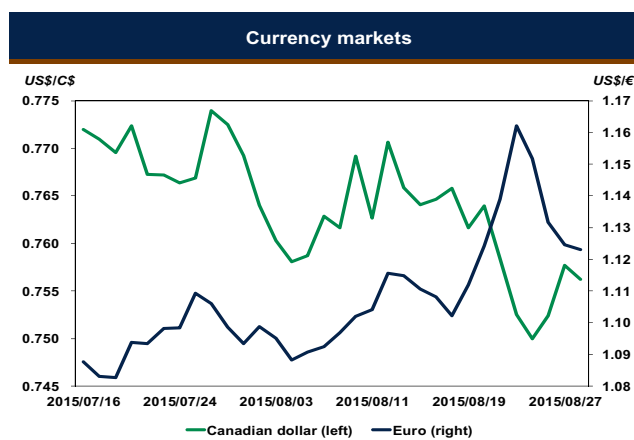
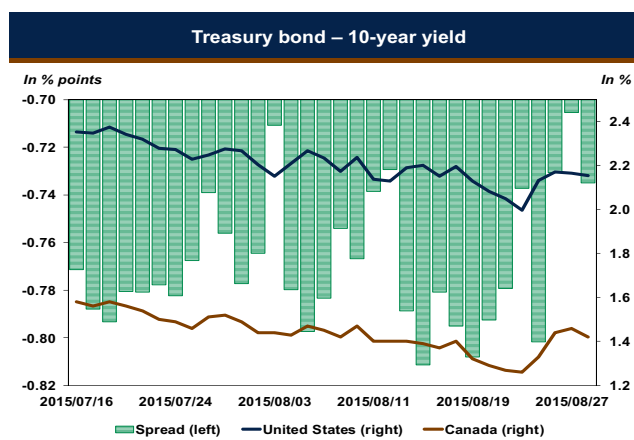
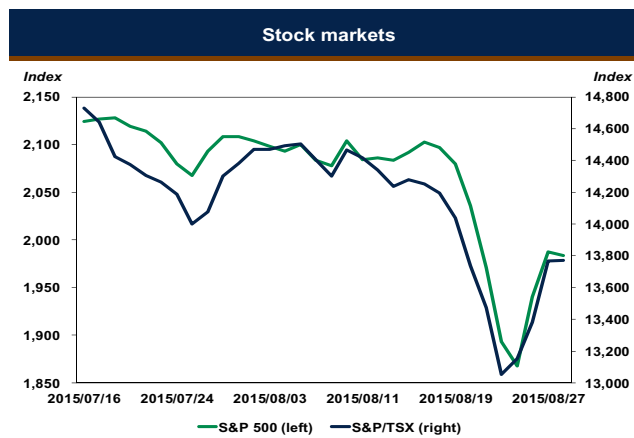
Monday's major plunge of 8.5% by the Shanghai index took the global stock markets into a downward spiral. The U.S. NASDAQ index was especially hard hit early in the session, falling 8.8%. Everyone then calmed down and the indexes ended the day on less dramatic declines. In response to the new support measures ordered in China, a recovery started as of Tuesday morning, but fears came back to haunt the U.S. indexes at the end of the session. Wednesday's opening started off on the same note as the previous day, but this time the S&P 500 held up. On Thursday, oil posted the biggest one-day increase in its price per barrel in three years, giving the S&P/TSX some momentum. In general, Canada's stock market did better during the week, galvanized by such things as the solid results announced by the banks.

The U.S. 10-year bond yield slid to 1.90% in the wake of Monday's events, but then quickly started to climb. The trend was briefly interrupted on Wednesday after a senior Federal Reserve (Fed) official issued some doubts about a key rate hike in September. However, the good numbers on U.S. growth put bond yields back on their upward trajectory on Thursday. With no noteworthy data in Canada, Canadian yields behaved much like U.S. yields.

The U.S. dollar moved down further on Monday, still penalized by a feeling that the Fed would wait longer before raising its interest rates. The trend reversed during the week, helped by the stock market rebound and good figures on U.S. growth. On Monday, the euro capitalized on the greenback's weakness to hit US\$1.17, its highest point since January. It then quickly dropped back below US\$1.13. The pound did not rise much on Monday and then dropped substantially, going back below US\$1.54. Hurt by weak oil prices, the Canadian dollar hit an 11-year low at US\$0.7490 early in the week. Thursday's rebound by crude helped the loonie to climb close to US\$0.76, but the impact was already fading on Friday morning.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday Sep. 1 - 10:00

August

Consensus	52.8
Desjardins	52.0
July	52.7

ISM manufacturing index (August) – After rising for two months, the manufacturing ISM ticked down in July, dropping from 53.7 to 52.7. We could see another decline in August based on the regional manufacturing indexes released to date. The most negative signal comes from the plunge by the New York Fed Empire index, which dropped 18.78 points to go into negative territory. The Philadelphia Fed index moderated the risks of a slide by ticking up. The relapse by oil prices and U.S. dollar's constant strength are factors that are currently reining in manufacturing sector growth. We expect the ISM index to go to 52.0.

Thursday Sep. 3 - 8:30

July	US\$B
Consensus	-44.55
Desjardins	-42.60
June	-43.84

Trade balance (July) – The trade balance eroded in June, going from -US\$40.9B to -US\$43.8B. Nominal exports dropped 0.1%, while imports advanced 1.2% after declining for two months. We still expect the trade balance to improve slightly in July. For one thing, price movements are good, with a much bigger drop in imports (-0.9%) than in exports (-0.2%). Also, the recent monthly fluctuations in real exports leave some room for a temporary spike. All in all, the trade deficit should be about US\$42.6B. The main risk is the effect of the dollar, which could keep sapping net exports.

Thursday Sep. 3 - 10:00

August

Consensus	58.3
Desjardins	58.8
July	60.3

ISM non-manufacturing index (August) – In July, the non-manufacturing ISM hit its highest point since August 2005. It gained 4.3 points in a single month, the biggest gain since February 2008. Most of the index's components, particularly new orders, had a hand in the rise. However, after this performance, it would be normal for the ISM index to catch its breath, especially as the oil sector probably saw new trouble in August following the relapse by oil prices. July's decline by building permits is another negative signal. We expect the non-manufacturing index to pull back 1.5 points to 58.8.

Friday Sep. 4 - 8:30

August

Consensus	220,000
Desjardins	235,000
July	215,000

Job creation according to the establishment survey (July) – 215,000 jobs were created in the United States in July, a slightly slower pace than in the two previous months. We should see a slightly stronger gain in August. The initial jobless claims constant weakness suggests a good performance, as does the improvement to employment data in the Conference Board consumer confidence index. The release of the ISM indexes for August next week will help hone the forecasts. For now, we expect 235,000 new jobs to be created for August. If the labour force increases even a little, the jobless rate should decline from 5.3% to 5.2%. It will also be interesting to get a look at the movement by wages.



CANADA

Monday August 31 - 8:30

Q2 2015

Consensus	\$B
Desjardins	-17.0
Q1 2015	-17.5

Current account (Q2) – After declining for several months, merchandise exports rebounded substantially in June. For the second quarter as a whole, they are up 0.7%. For merchandise imports, the second quarter ended with an increase of 0.2%, with the result that the balance of trade in goods improved slightly during the period. This will foster a decline in the current account deficit.

Real GDP by industry (June) – June’s upswing by merchandise exports impacted several of the country’s industries positively. For example, manufacturing sales advanced 1.2% that month, while sales by wholesalers rose 1.3%. Moreover, the number of hours worked in the Canadian economy increased 0.6% in June, suggesting that output is up. All in all, June could see a 0.4% increase in real GDP by industry, ending five straight months of decline.

Real GDP (Q2) – Real GDP by industry has pulled back five straight times since the start of 2015. April and May ended with respective declines of 0.1% and 0.2%. Although we expect real GDP by industry to get back into positive territory in June by gaining 0.4%, this will not be enough to fully offset the negative impact of the previous declines. Under these conditions, our estimates suggest that real GDP could drop 0.8% (quarterly annualized) for the second quarter. Among other things, another big drop in non-residential investment should hurt economic growth.

International merchandise trade (July) – Seasonally adjusted and expressed in Canadian dollars, commodity prices fell 3.7% in July due to the 8.3% drop in energy prices. We can therefore expect the value of energy product exports to decline for the month. On the other hand, U.S. data suggest a substantial rise by auto production. This should be good for this industry’s exports, and should lessen July’s drop by total exports. As for imports, the problems with non-residential investment should once again be felt. All in all, the international merchandise trade balance could erode slightly in July.

Labour productivity (Q2) – The data on Canada’s production in the second quarter will not be out until next Tuesday. According to our estimates, we can expect a downtick of about 0.2%. With respect to hours worked in the private sectors, Statistics Canada data point to a rise of 0.6% for the quarter. Together, these two variations indicate a drop of about 0.8% for the second quarter’s labour productivity. Consequently, unit labour costs are expected to rise.

Labour Force Survey (August) – The results for Canadian production were negative for the first five months of 2015; this should result in a drop in business demand for workers. The trend for the change in employment should therefore continue to erode. For this to happen, the labour market will have to lose jobs in August. Our forecast therefore calls for a loss of about 5,000 jobs over the month. The unemployment rate should stay at 6.8%.



OVERSEAS

Euro zone: European Central Bank meeting (September) – The European Central Bank (ECB) will hold a monetary policy meeting on Thursday. In the minutes for July’s meeting, the ECB had noted the importance of pursuing the easing previously announced, and of being ready to do more if required. While the uncertainty surrounding Greece largely dissipated with the implementation of a third assistance plan, the ECB should not drop its guard and will likely maintain a cautious stance. Firstly, the euro zone’s economic growth slowed in the second quarter. Then, although low oil prices could provide stimulus for growth, they will also have a downside impact on inflation. Lastly, the concern over global economic growth has notched up with the recent developments in China and heightened volatility in the stock markets. Among the indicators that are coming out next week, Monday will bring us the first estimate of August’s inflation. July’s unemployment rate will be released Tuesday, and the retail sales for that month will come out on Thursday. Friday will bring the second estimate for the second quarter’s real GDP, including the details on demand components.

Tuesday Sep. 1 - 8:30

June	m/m
Consensus	0.2%
Desjardins	0.4%
May	-0.2%

Tuesday Sep. 1 - 8:30

Q2 2015	ann. rate
Consensus	-0.9%
Desjardins	-0.8%
Q1 2015	-0.6%

Thursday Sep. 3 - 8:30

July	\$B
Consensus	-1.30
Desjardins	-0.74
June	-0.48

Friday Sep. 4 - 8:30

Q2 2015	q/q
Consensus	-0.7%
Desjardins	-0.8%
Q1 2015	-0.1%

Friday Sep. 4 - 8:30


August	
Consensus	-2,000
Desjardins	-5,000
July	6,600


Thursday Sep. 3 - 7:45

September	
Consensus	0.05%
Desjardins	0.05%
July 16	0.05%

ECONOMIC INDICATORS


Week of August 31 to September 4, 2015

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 31						
	9:45	Chicago PMI index	August	54.7	54.0	54.7
TUESDAY 1						
	---	Total vehicle sales (ann. rate)	August	17,300,000	17,300,000	17,460,000
	10:00	Construction spending (m/m)	July	0.8%	0.3%	0.1%
	10:00	ISM manufacturing index	August	52.8	52.0	52.7
	13:10	Speech of the Boston Fed President, E. Rosengren				
WEDNESDAY 2						
	8:30	Nonfarm productivity – final (ann. rate)	Q2	2.5%	3.3%	1.3%
	8:30	Unit labor costs – final (ann. rate)	Q2	-0.7%	1.5%	0.5%
	10:00	Factory orders (m/m)	July	0.7%	0.7%	1.8%
	14:00	Release of the Beige Book				
THURSDAY 3						
	8:30	Initial unemployment claims	August 24-28	273,000	274,000	271,000
	8:30	Trade balance – Goods and services (US\$B)	July	-44.55	-42.60	-43.84
	10:00	ISM non-manufacturing index	August	58.3	58.8	60.3
FRIDAY 4						
	8:10	Speech of the Richmond Fed President, J. Lacker				
	8:30	Change in nonfarm payrolls	August	220,000	235,000	215,000
	8:30	Unemployment rate	August	5.2%	5.2%	5.3%
	8:30	Weekly worked hours	August	34.5	34.6	34.6
	8:30	Average weekly earnings (m/m)	August	0.2%	0.2%	0.2%
CANADA						
MONDAY 31						
	8:30	Current account balance (\$B)	Q2	-17.0	-17.0	-17.5
TUESDAY 1						
	8:30	Real GDP by industry (m/m)	June	0.2%	0.4%	-0.2%
	8:30	Real GDP (ann. rate)	Q2	-0.9%	-0.8%	-0.6%
WEDNESDAY 2						
	---	---				
THURSDAY 3						
	8:15	International reserves (\$B)	August	n/a	77.2	77.0
	8:30	International trade (\$B)	July	-1.30	-0.74	-0.48
FRIDAY 4						
	8:30	Net change in employment	August	-2,000	-5,000	6,600
	8:30	Unemployment rate	August	6.8%	6.8%	6.8%
	8:30	Labour productivity (q/q)	Q2	-0.7%	-0.8%	-0.1%
	8:30	Unit labour costs (q/q)	Q2	n/a	1.3%	1.2%
	10:00	PMI-Ivey index	August	n/a	51.5	52.9

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 31 to September 4, 2015

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
SUNDAY 30								
Japan	19:50	Industrial production – preliminary	July	0.1%	2.3%	1.1%	2.3%	
MONDAY 31								
Japan	0:00	Vehicle production	July		n/a		-5.3%	
Japan	1:00	Housing starts	July		11.0%		16.3%	
Germany	2:00	Retail sales	July	1.1%	1.7%	-2.3%	5.1%	
Italy	4:00	Retail sales	June	n/a	n/a	-0.1%	0.3%	
Euro zone	5:00	Consumer price index – estimate	August		0.1%		0.2%	
China	21:00	PMI manufacturing index	August	49.7		50.0		
China	21:00	PMI non-manufacturing index	August	n/a		53.9		
TUESDAY 1								
Australia	0:30	Reserve Bank of Australia meeting	Sept.	2.00%		2.00%		
Japan	1:00	Vehicle sales	August		n/a		-1.3%	
Italy	3:45	PMI manufacturing index	August	55.0		55.3		
France	3:50	PMI manufacturing index – final	August	48.6		48.6		
Germany	3:55	PMI manufacturing index – final	August	53.2		53.2		
Euro zone	4:00	PMI manufacturing index – final	August	52.4		52.4		
Italy	4:00	Unemployment rate – preliminary	July	12.7%		12.7%		
United Kingdom	4:30	PMI manufacturing index	August	52.0		51.9		
Euro zone	5:00	Unemployment rate	July	11.1%		11.1%		
Italy	5:00	Real GDP – final	Q2	0.2%	0.5%	0.2%	0.5%	
WEDNESDAY 2								
Brazil	---	Bank of Brazil meeting	Sept.	14.25%		14.25%		
United Kingdom	4:30	PMI construction index	August	57.5		57.1		
Euro zone	5:00	Producer price index	July	-0.1%	2.1%	-0.1%	-2.2%	
THURSDAY 3								
France	1:30	ILO unemployment rate	Q2	10.3%		10.3%		
Italy	3:45	PMI composite index	August	53.1		53.5		
Italy	3:45	PMI services index	August	52.8		52.0		
France	3:50	PMI composite index – final	August	51.3		51.3		
France	3:50	PMI services index – final	August	51.8		51.8		
Germany	3:55	PMI composite index – final	August	54.0		54.0		
Germany	3:55	PMI services index – final	August	53.6		53.6		
Euro zone	4:00	PMI composite index – final	August	54.1		54.1		
Euro zone	4:00	PMI services index – final	August	54.3		54.3		
United Kingdom	4:30	PMI composite index	August	n/a		56.6		
United Kingdom	4:30	PMI services index	August	57.7		57.4		
Euro zone	5:00	Retail sales	July	0.5%	2.0%	-0.6%	1.2%	
Euro zone	7:45	European Central Bank meeting	Sept.	0.05%		0.05%		
FRIDAY 4								
Germany	2:00	Factory orders	July	-0.6%	0.4%	2.0%	7.2%	
France	2:45	Consumer confidence	August	94		93		
Germany	3:30	PMI construction index	August	n/a		50.6		
Euro zone	4:10	PMI retail index	August	n/a		54.2		
Germany	4:10	PMI retail index	August	n/a		57.7		
France	4:10	PMI retail index	August	n/a		52.9		
Italy	4:10	PMI retail index	August	n/a		50.7		
Euro zone	5:00	Real GDP – preliminary	Q2	0.3%	1.2%	0.3%	1.2%	

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	16,324	3.7	2.7	2.4	1.5	2.2	1.6
Consumption (2009 \$B)	2015 Q2	11,166	3.1	3.1	2.7	1.7	1.5	2.3
Government spending (2009 \$B)	2015 Q2	2,857	2.6	0.7	-0.6	-2.9	-1.9	-3.0
Residential investment (2009 \$B)	2015 Q2	522.1	7.8	7.8	1.8	9.5	13.5	0.5
Non-residential investment (2009 \$B)	2015 Q2	2,206	3.2	3.6	6.2	3.0	9.0	7.7
Business inventory change (2009 \$B) (1)	2015 Q2	121.1	---	---	68.0	61.4	54.7	37.6
Exports (2009 \$B)	2015 Q2	2,118	5.2	1.5	3.4	2.8	3.4	6.9
Imports (2009 \$B)	2015 Q2	2,651	2.8	4.8	3.8	1.0	2.2	5.5
Final domestic demand (2009 \$B)	2015 Q2	16,728	3.2	2.9	2.5	1.2	1.9	1.7
GDP deflator (2009 = 100)	2015 Q2	109.7	2.1	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)	Aug.*	101.5	91.0	94.6	98.8	93.4
Cons. confidence Michigan (1966 = 100) (1)	Aug.	91.9	93.1	90.7	95.4	82.5
Personal consumption expenditure (2009 \$B)	July*	11,212	0.2	0.8	1.3	3.2
Disposable personal income (2009 \$B)	July*	12,217	0.4	0.6	0.9	3.3
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)	July*	241,108	2.0	3.7	3.3	-19.6
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	1,080	1,095
Building permits (K) (1)	July	1,130	1,337	1,140	1,059	1,041
New home sales (K) (1)	July*	507.0	481.0	508.0	521.0	403.0
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)	July*	109.8	0.1	0.6	1.1	0.3
Excluding food and energy	July*	109.5	0.1	0.3	0.8	1.2
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	-476.0	-3,375	-3,435	-970.6	1,846
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 (\$)	June*	954.6	0.8	0.1	1.2	1.9
Number of salaried employees (K) (2)	June*	15,734	-11.7	13.3	12.4	12.9
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)	July*	111.6	0.7	1.7	3.0	0.1
Raw materials price (2002 = 100)	July*	96.9	-5.9	-1.6	7.2	-21.2
Money supply M1+ (\$M)	July*	790,059	1.6	2.3	4.9	8.5

* 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.

Major financial indicators

	Previous data (%)						Last 52 weeks (%)		
	Aug. 28	Aug. 21	-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	0.05	0.03	0.08	0.01	0.02	0.03	0.12	0.03	0.01
Treasury bonds – 2 years	0.69	0.62	0.66	0.57	0.58	0.47	0.73	0.58	0.31
– 5 years	1.48	1.44	1.54	1.47	1.50	1.62	1.84	1.55	1.18
– 10 years	2.16	2.05	2.20	2.09	2.01	2.35	2.63	2.18	1.67
– 30 years	2.89	2.74	2.93	2.85	2.59	3.08	3.36	2.87	2.25
S&P 500 index	1,984	1,971	2,104	2,107	2,105	2,003	2,131	2,055	1,862
DJIA index	16,609	16,460	17,690	18,011	18,133	17,098	18,312	17,627	15,666
Gold price (US\$/ounce)	1,135	1,158	1,094	1,190	1,217	1,288	1,302	1,194	1,084
CRB index	195.46	191.34	202.57	223.18	224.08	292.75	292.75	234.56	185.28
WTI oil (US\$/barrel)	44.38	40.45	47.11	60.25	49.84	97.86	97.86	60.62	38.22
Canada									
Overnight – target	0.50	0.50	0.50	0.75	0.75	1.00	1.00	0.82	0.50
Treasury bill – 3 months	0.36	0.38	0.40	0.62	0.58	0.93	0.94	0.69	0.36
Treasury bonds – 2 years	0.41	0.33	0.41	0.57	0.47	1.11	1.17	0.73	0.32
– 5 years	0.72	0.61	0.77	0.89	0.73	1.52	1.73	1.09	0.58
– 10 years	1.42	1.27	1.44	1.62	1.30	2.00	2.28	1.70	1.24
– 30 years	2.17	2.01	2.13	2.21	1.92	2.56	2.79	2.29	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	0.57	0.25
Treasury bill – 3 months	0.31	0.35	0.32	0.61	0.56	0.90	0.91	0.66	0.28
Treasury bonds – 2 years	-0.28	-0.29	-0.25	-0.00	-0.11	0.64	0.65	0.15	-0.33
– 5 years	-0.76	-0.83	-0.77	-0.58	-0.77	-0.10	0.07	-0.46	-0.99
– 10 years	-0.74	-0.78	-0.76	-0.47	-0.71	-0.35	-0.17	-0.49	-0.81
– 30 years	-0.72	-0.73	-0.80	-0.64	-0.67	-0.52	-0.29	-0.57	-0.88
S&P/TSX index	13,770	13,474	14,468	15,014	15,234	15,626	15,658	14,770	13,053
Exchange rate (C\$/US\$)	1.3224	1.3186	1.3089	1.2448	1.2508	1.0879	1.3334	1.2068	0.7562
Exchange rate (C\$/€)	1.4854	1.5018	1.4382	1.3677	1.4003	1.4286	1.5441	1.3995	0.8493
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	0.72	0.57	0.61	0.49	0.32	0.89	1.04	0.61	0.08
U.K.: Bonds – 10 years	1.93	1.83	1.88	1.80	1.78	2.37	2.59	1.94	1.36
Euro: Exchange rate (US\$/€)	1.1231	1.1390	1.0988	1.0988	1.1196	1.3133	1.3151	1.1633	1.0495
U.K.: Exchange rate (US\$/£)	1.5353	1.5697	1.5624	1.5291	1.5435	1.6599	1.6608	1.5535	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.