

Federal Reserve: the suspense remains

HIGHLIGHTS

- United States: The University of Michigan consumer confidence index deteriorates.
- The Bank of Canada leaves its key rates unchanged.
- Canada: Household debt increases again.
- Canada: The number of housing starts is up sharply in August.

A LOOK AHEAD

- United States: Should we expect the first key rate increase by the Federal Reserve since 2006?
- U.S. retail sales are expected to post a slight advance.
- United States: Industrial production and housing starts are likely to show a pullback in August.
- Canada: The rebound in manufacturing sales should continue.
- Canada: The total annual inflation rate could hold steady at 1.3%.

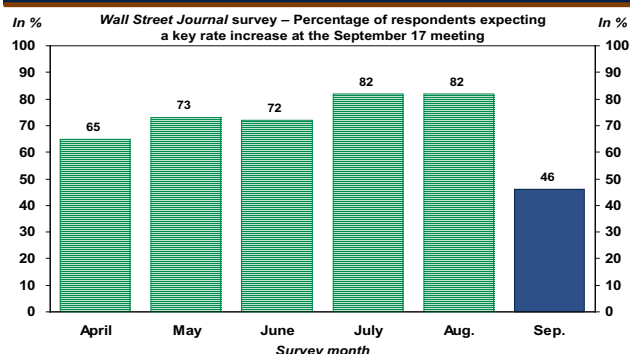
FINANCIAL MARKETS

- Stock markets responded favourably to stimulus rumours in Asia, but the effect has waned.
- The Bank of Canada's neutral tone lifts short-term yields.
- The currency market readies itself for more status quo from the Federal Reserve.

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.....	7
Tables	
Economic indicators – United States.....	9
Economic indicators – Canada.....	10
Major financial indicators.....	11

Graph of the week – No clear consensus on the direction the Federal Reserve will take this week



Sources: Wall Street Journal 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

- Consumer credit rose US\$19.1B in July, a slower advance than the US\$27.02B gain in June. The modestly slower pace stems from revolving loans (credit cards and lines of credit) where the increase shifted from US\$7.4B to US\$4.3B, as well as term loans (from US\$19.5B to US\$14.8B) in almost equal measure.
- For the third consecutive month, the University of Michigan consumer confidence index showed deterioration, according to September's preliminary version. The index shifted from 91.9, based on the final version in August, to only 85.7—the lowest level since September 2014. Declining stock markets and concerns about the global economy, especially China's, appeared to weigh heavily on many households. This is reflected most notably in the 7-point drop in the component tied to consumer expectations. The decline was not quite as sharp for current conditions, at -4.8 points, perhaps due to falling gas prices.
- Price indexes tied to foreign trade weakened in August, mostly as a direct result of new price declines for energy and oil. The index for imported goods declined by 1.8% and export prices fell by 1.4%—the sharpest drop since January 2015, in both cases. The producer price index stagnated in August, after a 0.2% uptick in July. Excluding energy and food, a 0.1% increase was recorded.
- Data on gross job flows in July provide a fairly upbeat snapshot of the U.S. job market. Of particular note, the number of job opening accelerated to a historic high—5.8 million—an increase of 430,000 openings in a single month.

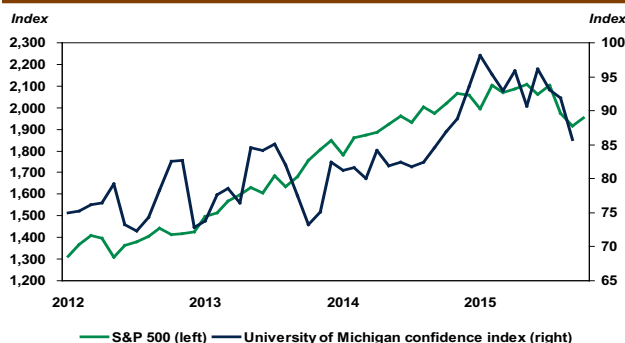
Francis Généreux
Senior Economist

CANADA

- After lowering key rates last July, the Bank of Canada has returned to the status quo Wednesday by holding the target for the overnight rate at 0.50%. It must be said that recent economic indicators suggest that the technical recession in the first half of 2015 will be short, and that a return to positive territory is likely as of the third quarter of 2015.
- Household debt (mortgage credit, consumer credit and other loans) was up 1.8% in the second quarter due to a generalized rise in all components. Disposable income grew less than credit; the ratio of household credit market debt to disposable income ticked up again from 163.01% to 164.63%.
- While most forecasters expected a decrease, the number of housing starts was up sharply in August, from 193,253 to 216,924 units (annualized). Almost 100% of this increase comes from Ontario (+43,516 units for the month), whose results were inflated by strong growth in multi-unit housing. Declines were recorded in the eight other provinces instead, while Prince Edward Island posted a gain of 139 units.
- The industrial capacity utilization rate slipped from 82.6% in the first quarter to 81.3% in the second quarter of 2015. The steep pullback in industrial output, especially in the energy, mining, construction and manufacturing industries, explains this decline, which also means that the utilization rate has just slipped below its historical average, after remaining above this level since spring 2014.

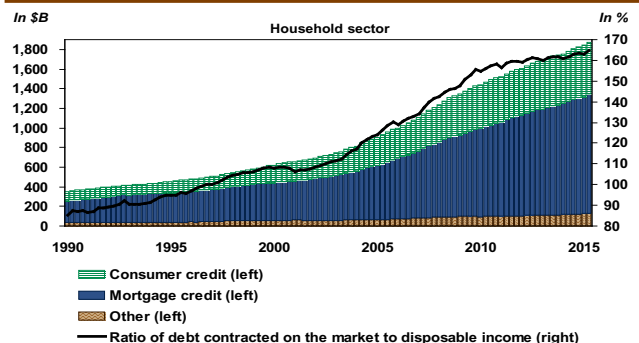
Benoit P. Durocher
Senior Economist

United States – The stock market drop appears to be weighing on U.S. households



Sources: Datastream, University of Michigan and Desjardins, Economic Studies

Canada – Household debt continues to climb



Sources: Statistics Canada and Desjardins, Economic Studies

FINANCIAL MARKETS

The Bank of Canada keeps some powder dry

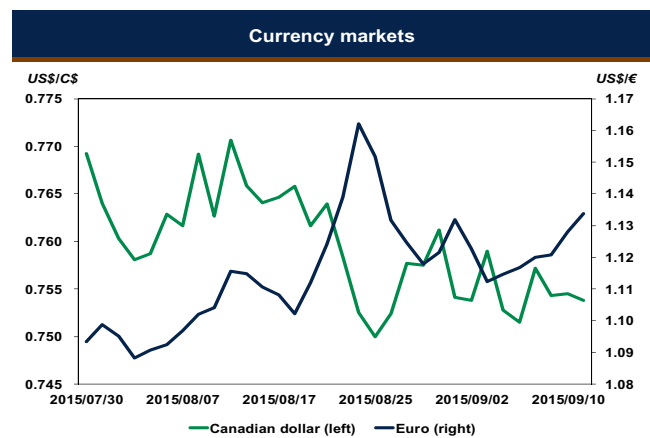
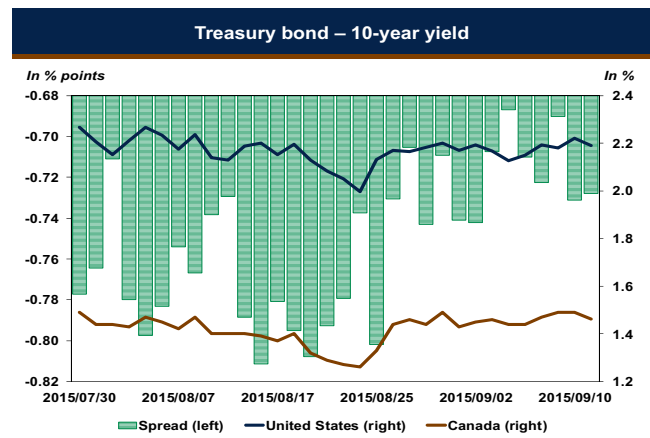
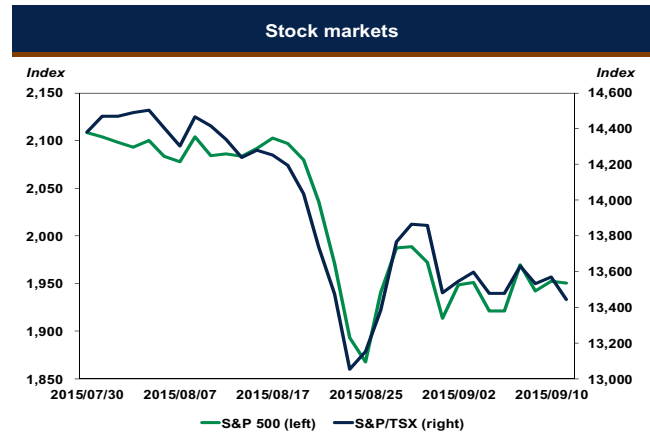
U.S. stock markets behaved well after the Labour Day weekend, gaining 2.5% on Tuesday. This was part of a global trend marked by renewed optimism amid signals for increased interventionism in Asia. Japan’s Minister of Economy called for the announcement of a new fiscal stimulus program as early as this fall, while China’s Ministry of Finance promised to implement more forceful measures to support growth. After giving up a portion of Tuesday’s gains on Wednesday, stock markets traded sideways before sliding once again on Friday. The S&P/TSX was fairly stable on Wednesday and Thursday, but plummeted on Friday, as did most stock markets around the world.

Renewed optimism pushed U.S. bond yields higher early in the week—for all maturities. The 10-year yield reached 2.25% by mid-day on Wednesday, before falling under 2.20%, in line with stock market declines. It then hovered around this level, as newly published economic data provided few additional clues as to the direction the Federal Reserve (Fed) might take next Thursday. The decision of the Bank of Canada (BoC) to keep its rates unchanged helped push 2-year and 5-year yields up slightly. The BoC presented a fairly neutral statement that did not point to further rate cuts, as some investors appeared to be expecting.

The U.S. dollar declined slightly this week, as the currency market more or less positioned itself for a Fed status quo next week. The euro took advantage of the situation to shift closer to US\$1.13. Across the Channel, the pound made stronger advances. Supported by the sentiment of a more sustained recovery in the United Kingdom, the pound traded at more than US\$1.54 on Friday, with a gain of just over two cents. The yen moved in the opposite direction in response to more subdued demand for safe havens than in previous weeks. The loonie remained fairly stable, at close to US\$0.75 (C\$1.33/US\$).

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday Sep. 15 - 8:30

August	m/m
Consensus	0.3%
Desjardins	0.3%
July	0.6%

Retail sales (August) – Retail sales turned in a fairly good performance in July, thanks in large part to the automobile sector, which should make another positive contribution to sales growth in August. The impact, however, will be offset by a decline in gas station sales triggered by falling gas prices in August. Excluding automobiles and gas, sales growth should remain relatively moderate following the 0.4% gain in July, in line with the signals sent by chain store sales. Data from the ISM non-manufacturing and consumer confidence indexes are somewhat blurred. Sales excluding gas and automobiles should tick up 0.5% whereas total sales should post a 0.3% increase.

Tuesday Sep. 15 - 9:15

August	m/m
Consensus	-0.2%
Desjardins	-0.3%
July	0.6%

Industrial production (August) – Industrial production in July posted its strongest monthly growth since November 2014. This gain was mostly supported by the extraordinary 10.3% jump in output in the automobile industry, with the rest of the manufacturing sector posting a slight 0.1% gain. Manufacturing is expected to retreat somewhat in August. Vehicle production should therefore decline, closing in on the level reached last spring. The weakness of the ISM manufacturing index in August and the loss of 17,000 manufacturing jobs in the same month do not suggest that the rest of the sector will be able to offset this negative impact. A decline of 0.3% in manufacturing output is therefore expected. The new slide in oil prices and drilling in August point to a decline of approximately 1% in the mining sector. As for energy, temperature deviations from normal values do not point toward any major rebound. All in all, we expect industrial output to post a 0.3% decline. The industrial capacity utilization rate should fall to 77.6%. The September results of the New York Fed Empire's manufacturing index will also be released on Tuesday, while the data for the Philadelphia Fed index will be published on Thursday.

Wednesday Sep. 16 - 8:30

August	m/m
Consensus	-0.1%
Desjardins	-0.1%
July	0.1%

Consumer price index (August) – With a scant uptick of 0.1%, the consumer price index (CPI) remained relatively steady in July. We should expect a monthly drop for August. Gas prices started sliding again last month and the national average of prices at the pump showed a drop of 5.4%. Seasonal adjustments will somewhat temper the effect of this decline, since gas prices tend to fall during the month of August. Energy prices should still post a monthly decline of about 2%. Excluding energy and food, the CPI should post another 0.1% uptick. The monthly change in the total CPI should be -0.1%—the first decline since January. Total inflation should remain close to 0.2%, while core inflation could edge up from 1.8% to 1.9%.

Thursday Sep. 17 - 8:30

August	ann. rate
Consensus	1,166,000
Desjardins	1,140,000
July	1,206,000

Housing starts (August) – Housing starts saw modest growth of 0.2% in July, a tepid gain that still allowed housing starts to consolidate to a relatively high level compared with recent trends, given the 12.3% jump in housing starts in June. As such, on an annualized basis, housing starts reached 1,206,000 in July—the highest level since October 2007. We expect housing starts to post a fairly steep decline in August however, since a large portion of the previous gains stemmed from the expiry of a tax credit in the New York area. In fact, building permits had reacted to this situation in July, with a decline of 15.5%. Moreover, the job data in August do not point to any new improvements in housing starts—they should instead fall by 5.5% to 1,140,000 units. The NAHB homebuilders' confidence index will be released on Wednesday.

Meeting of the Federal Reserve (September) – The leaders of the Federal Reserve (Fed) have hinted for some time now that the next key rate increase will take place before the end of 2015. The time horizon at first pointed to the Fed’s meeting in June, but weak growth early in the year deferred this decision to a later date. The solid performance by real GDP last spring suggests that the U.S. economy could weather an initial round of monetary firming. However, the extensive volatility in financial markets and sharp drops in stock markets in August have muddled the outlooks. Even the recent comments by the Fed’s leaders on the subject leave room for doubt. Forecasters are also deeply divided, with some believing the Fed will make a move next Thursday while others are calling for a new status quo. The fact that this meeting will be followed by a press conference and the release of forecasts by the members of the monetary committee could argue in favour of an immediate increase. Janet Yellen will have the opportunity to explain the reasons behind this decision while reiterating that upcoming changes in key rates will be very gradual. Moreover, seeing the slow but steady recovery in the financial markets—particularly the stock markets—is encouraging, even though key rate increases by the Fed are likely. A first increase in key rates since June 2006 should be ordered at the meeting set to end on September 17. That said, we will not be surprised if Fed Chair Janet Yellen and her colleagues decide to wait a while before making this move.

Leading indicator (August) – Impacted by the temporary drop in building permits, the leading indicator fell 0.2% in July—a first decline since February. We are not expecting a sharp recovery but a modest increase in August instead. Building permits should make a positive contribution to the leading indicator this time, but the effect will be offset by bites taken by a spike in jobless claims, the drop in the ISM index and the declines in the stock markets. All told, the leading indicator should edge up by 0.1%.


CANADA

Manufacturing sales (July) – Once we exclude commodities, the value of merchandise exports rose by 4.8% in July, on the heels of a 5.6% gain in June. Exports of automobile products jumped by 9.9% in July while exports of aviation product soared by 19.2%. Given the relative importance of both of these industries in the manufacturing sector, we can expect sales to post another solid performance for the month.

Consumer price index (August) – The average gas price declined by about 4% in August; this should contribute to reducing the total consumer price index (CPI) by 0.2% for the month. As for seasonal effects, August usually ushers in a 0.1% price decline, attributable in large part to the arrival of the new harvest in groceries. Additionally, seasonal fluctuations were also a factor in the price declines for gas in August. If we also take into account the slight uptrend observed in recent months in most of the other components, August could very well end with an almost flat monthly change in the total CPI. The total annual inflation rate could hold steady at 1.3%. For the Bank of Canada’s core index (CPIX), the drop in gas prices will not have an impact on its monthly change and the seasonal effects are indeed different. A 0.3% increase is expected in August and the annual change for the CPIX could slip from 2.4% to 2.2%.

Thursday Sep. 17 - 14:00

September	
Consensus	0.50%
Desjardins	0.50%
July 29	0.25%

Friday Sep. 18 - 10:00

August	m/m
Consensus	0.2%
Desjardins	0.1%
July	-0.2%

Wednesday Sep. 16 - 8:30

July	m/m
Consensus	n/a
Desjardins	1.8%
June	1.2%

Friday Sep. 18 - 8:30

August	m/m
Consensus	n/a
Desjardins	0.0%
July	0.1%



OVERSEAS


Monday Sep. 14 - 5:00

July	m/m
Consensus	0.3%
June	-0.4%

Euro zone: Industrial production (July) – After accelerating at the end of 2014 and in early 2015, Eurozone's production has fallen short in some areas. The 0.4% drop recorded in June represented the third decline in four months. The results for July are looking somewhat rosier however, with industrial output in Germany rebounding by 0.7%, after a 0.9% pullback in June. This, however, will be offset by the 0.8% decline in France's output. The consensus forecast is calling for a modest monthly gain for the euro zone as a whole. The trade balance for July will be released the following day.


ECONOMIC INDICATORS

Week of September 14 to 18, 2015

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 14	---	---				
TUESDAY 15	8:30	Empire manufacturing index	Sept.	0.0	5.0	-14.9
	8:30	Retail sales				
		Total (m/m)	Aug.	0.3%	0.3%	0.6%
		Excluding automobiles (m/m)	Aug.	0.2%	0.2%	0.4%
	9:15	Industrial production (m/m)	Aug.	-0.2%	-0.3%	0.6%
	9:15	Production capacity utilization rates	Aug.	77.7%	77.6%	78.0%
	10:00	Business inventories (m/m)	July	0.1%	0.1%	0.8%
WEDNESDAY 16	8:30	Consumer price index				
		Total (m/m)	Aug.	-0.1%	-0.1%	0.1%
		Excluding food and energy (m/m)	Aug.	0.1%	0.1%	0.1%
		Total (y/y)	Aug.	0.2%	0.2%	0.2%
		Excluding food and energy (y/y)	Aug.	1.9%	1.9%	1.8%
	10:00	NAHB housing market index	Sept.	61	n/a	61
	16:00	Net foreign security purchases (US\$B)	July	n/a	n/a	103.1
THURSDAY 17	8:30	Initial unemployment claims	Sept. 7-11	280,000	275,000	275,000
	8:30	Current account (US\$B)	Q2	-111.0	-112.0	-113.3
	8:30	Housing starts (ann. rate)	Aug.	1,166,000	1,140,000	1,206,000
	8:30	Building permits (ann. rate)	Aug.	1,158,000	1,160,000	1,130,000
	10:00	Philadelphia Fed index	Sept.	5.9	8.0	8.3
	14:00	Federal Reserve meeting	Sept.	0.50%	0.50%	0.25%
FRIDAY 18	10:00	Leading indicator (m/m)	Aug.	0.2%	0.1%	-0.2%
SATURDAY 19	13:30	Speech of the San Francisco Fed President, J. Williams				
	15:30	Speech of the St. Louis Fed President, J. Bullard				



CANADA

MONDAY 14	---	---				
TUESDAY 15	9:00	Existing home sales	Aug.			
WEDNESDAY 16	8:30	International transactions in securities (\$B)	July	n/a	5.00	8.51
	8:30	Manufacturing sales (m/m)	July	n/a	1.8%	1.2%
THURSDAY 17	---	---				
FRIDAY 18	8:30	Consumer price index				
		Total (m/m)	Aug.	n/a	0.0%	0.1%
		Excluding 8 most volatile (m/m)	Aug.	n/a	0.3%	0.0%
		Total (y/y)	Aug.	n/a	1.3%	1.3%
		Excluding 8 most volatile (y/y)	Aug.	n/a	2.2%	2.4%

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 September 14 to 18, 2015

Country	Hour	Indicator	Period	Consensus		Previous data	
				m/m (q/q)	y/y	m/m (q/q)	y/y
 OVERSEAS							
SUNDAY 13							
China	1:30	Industrial production	Aug.		6.5%		6.0%
China	1:30	Retail sales	Aug.		10.6%		10.5%
MONDAY 14							
Japan	---	Bank of Japan meeting					
Japan	0:30	Tertiary industry activity index	July	0.2%		0.3%	
Euro zone	5:00	Industrial production	July	0.3%	0.7%	-0.4%	1.2%
Australia	21:30	Minutes of the Reserve Bank of Australia September meeting					
TUESDAY 15							
France	2:45	Consumer price index	Aug.	0.3%	0.1%	-0.4%	0.2%
United Kingdom	4:30	Consumer price index	Aug.	0.2%	0.0%	-0.2%	0.1%
United Kingdom	4:30	Producer price index	Aug.	-0.2%	-1.7%	-0.1%	-1.6%
Euro zone	5:00	Trade balance (€B)	July	21.4		21.9	
Euro zone	5:00	Net change in employment	Sept.	n/a	n/a	0.1%	0.8%
Germany	5:00	ZEW survey – Current situation	Sept.	64.0		65.7	
Germany	5:00	ZEW survey – Expectations	Sept.	18.3		25.0	
WEDNESDAY 16							
Japan	1:00	Release of the Bank of Japan's Monthly Economic Report for September					
United Kingdom	4:30	ILO unemployment rate	July	5.6%		5.6%	
Euro zone	5:00	Labour costs	Q2		n/a		2.2%
Euro zone	5:00	Consumer price index – final	Aug.	0.0%	0.2%	-0.6%	0.2%
Japan	19:50	Merchandise trade balance (¥B)	Aug.	-370.0		-368.8	
THURSDAY 17							
Italy	4:00	Trade balance (€M)	July	n/a		2,809	
United Kingdom	4:30	Retail sales	Aug.	0.1%	3.8%	0.4%	4.3%
Euro zone	5:00	Construction	July	n/a	n/a	-1.9%	-2.3%
Switzerland	17:00	Swiss National Bank meeting	Sept.	-0.25%		-0.25%	
FRIDAY 18							
France	2:45	Wages – final	Q2	n/a		0.3%	
Euro zone	4:00	Current account (€B)	July	n/a		25.4	
Italy	4:30	Current account (€M)	July	n/a		3,528	

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	105.9	3.3	0.7	0.7	-0.0	0.9	0.2
Unit labor cost (2009 = 100)	2015 Q2	106.8	-1.4	1.7	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)	Aug.	51.1	52.7	52.8	52.9	58.1
ISM non-manufacturing index (1)	Aug.	59.0	60.3	55.7	56.9	58.6
Cons. confidence Conf. Board (1985 = 100) (1)	Aug.	101.5	91.0	94.6	98.8	93.4
Cons. confidence Michigan (1966 = 100) (1)	Sept.*	85.7	91.9	96.1	93.0	84.6
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)	July*	3,453	0.6	1.9	3.8	6.8
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)	July	482,016	0.4	1.5	1.9	-14.7
New durable good orders (\$M)	July	241,700	2.2	3.9	3.6	-19.4
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)	July	1,083	0.7	3.7	9.4	13.7
Commercial surplus (\$M) (1)	July	-41,863	-45,205	-42,258	-43,588	-41,411
Nonfarm employment (K) (2)	Aug.	142,288	173.0	663.0	1,229	2,919
Unemployment rate (%) (1)	Aug.	5.1	5.3	5.5	5.5	6.1
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)	Aug.*	195.7	-0.5	0.3	1.4	-2.9
Excluding food and energy	Aug.*	192.9	-0.1	0.4	0.8	2.1
Export prices (2000 = 100)	Aug.*	123.1	-1.4	-2.1	-2.2	-7.0
Import prices (2000 = 100)	Aug.*	123.1	-1.8	-2.7	-1.9	-11.4

* 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 Q2	1,759,190	-0.5	1.0	2.4	2.0	1.9	3.0
Household consumption (2007 \$M)	2015 Q2	989,747	2.3	1.9	2.7	2.5	1.9	2.2
Government consumption (2007 \$M)	2015 Q2	350,393	1.2	0.3	0.2	0.4	1.2	0.8
Residential investment (2007 \$M)	2015 Q2	118,873	1.3	4.1	2.7	-0.4	5.7	1.7
Non-residential investment (2007 \$M)	2015 Q2	179,758	-12.0	-7.3	0.2	2.6	9.0	12.7
Business inventory change (2007 \$M) (1)	2015 Q2	7,110	---	---	7,530	12,368	7,437	10,911
Exports (2007 \$M)	2015 Q2	558,854	0.4	1.3	5.4	2.0	2.6	4.6
Imports (2007 \$M)	2015 Q2	575,275	-1.5	0.7	1.8	1.3	3.7	5.7
Final domestic demand (2007 \$M)	2015 Q2	1,756,157	0.0	0.6	1.6	1.5	2.5	2.5
GDP deflator (2007 = 100)	2015 Q2	112.7	1.4	-0.3	1.8	1.3	1.6	3.4
Labour productivity (2007 = 100)	2015 Q2	106.6	-2.3	-0.4	2.7	1.1	0.0	1.4
Unit labour cost (2007 = 100)	2015 Q2	115.7	1.7	1.9	1.0	1.3	3.0	2.1
Current account balance (\$M) (1)	2015 Q2	-17,398	---	---	-41,480	-56,255	-59,911	-47,195
Production capacity utilization rate (%) (1)	2015 Q2*	81.3	---	---	82.8	81.2	81.5	80.6
Disposable personal income (\$M)	2015 Q2	1,147,656	-0.5	3.1	3.4	3.8	4.2	4.5
Corporate net operating surplus (2007 \$M)	2015 Q2	246,676	0.9	-11.4	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)	June	1,650,057	0.5	0.2	-0.4	0.6
Industrial production (2007 \$M)	June	350,850	1.4	-0.8	-3.0	-2.7
Manufacturing sales (\$M)	June	50,757	1.2	-0.7	-3.0	-3.1
Housing starts (K) (1)	Aug.*	216.9	193.3	198.0	151.4	196.0
Building permits (\$M)	July*	7,744	-0.6	-1.2	25.6	-13.4
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)	July	-592.6	-811.0	-2,932	-1,813	2,052
Exports (\$M)	July	45,459	2.3	7.4	5.6	-0.2
Imports (\$M)	July	46,052	1.7	1.8	2.7	5.8
Employment (K) (2)	Aug.	17,966	12.0	4.1	13.3	16.1
Unemployment rate (%) (1)	Aug.	7.0	6.8	6.8	6.8	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	791,654	1.6	2.5	5.1	8.7

* 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 (%)		
	Sep. 11	Sep. 4	-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	0.03	0.02	0.09	0.02	0.03	0.02	0.12	0.03	0.01
Treasury bonds – 2 years	0.71	0.67	0.73	0.71	0.65	0.56	0.73	0.59	0.31
– 5 years	1.51	1.47	1.60	1.73	1.58	1.82	1.84	1.54	1.18
– 10 years	2.19	2.13	2.20	2.38	2.11	2.61	2.63	2.17	1.67
– 30 years	2.95	2.89	2.84	3.10	2.69	3.35	3.36	2.86	2.25
S&P 500 index	1,950	1,921	2,092	2,094	2,053	1,986	2,131	2,053	1,862
DJIA index	16,396	16,102	17,477	17,899	17,749	16,988	18,312	17,597	15,666
Gold price (US\$/ounce)	1,105	1,121	1,115	1,182	1,154	1,230	1,302	1,189	1,084
CRB index	196.11	196.70	197.97	223.53	210.70	281.90	284.39	231.12	185.28
WTI oil (US\$/barrel)	45.02	46.02	42.45	59.96	44.88	92.18	95.55	58.80	38.22
Canada									
Overnight – target	0.50	0.50	0.50	0.75	0.75	1.00	1.00	0.80	0.50
Treasury bill – 3 months	0.38	0.38	0.39	0.62	0.54	0.93	0.93	0.67	0.36
Treasury bonds – 2 years	0.45	0.44	0.41	0.65	0.55	1.16	1.17	0.70	0.32
– 5 years	0.77	0.75	0.73	1.01	0.86	1.70	1.73	1.05	0.58
– 10 years	1.46	1.44	1.39	1.81	1.47	2.24	2.28	1.67	1.24
– 30 years	2.23	2.20	2.09	2.39	2.11	2.76	2.79	2.28	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	0.55	0.25
Treasury bill – 3 months	0.35	0.36	0.30	0.60	0.51	0.91	0.91	0.64	0.28
Treasury bonds – 2 years	-0.26	-0.23	-0.32	-0.06	-0.10	0.60	0.65	0.11	-0.33
– 5 years	-0.75	-0.72	-0.87	-0.72	-0.72	-0.12	0.07	-0.49	-0.99
– 10 years	-0.73	-0.69	-0.81	-0.57	-0.64	-0.37	-0.17	-0.50	-0.81
– 30 years	-0.72	-0.69	-0.75	-0.71	-0.58	-0.59	-0.29	-0.58	-0.88
S&P/TSX index	13,444	13,478	14,278	14,741	14,732	15,532	15,511	14,693	13,053
Exchange rate (C\$/US\$)	1.3266	1.3284	1.3088	1.2322	1.2784	1.1094	1.3334	1.2156	0.7538
Exchange rate (C\$/€)	1.5038	1.4808	1.4536	1.3886	1.3416	1.4383	1.5441	1.4018	0.8547
Overseas									
ECB – Refinancing rate	0.05	0.05	0.05	0.05	0.05	0.05	0.05	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	0.65	0.66	0.66	0.85	0.26	1.04	1.04	0.60	0.08
U.K.: Bonds – 10 years	1.83	1.83	2.00	1.99	1.72	2.55	2.59	1.92	1.36
Euro: Exchange rate (US\$/€)	1.1338	1.1147	1.1107	1.1270	1.0495	1.2965	1.2960	1.1564	1.0495
U.K.: Exchange rate (US\$/£)	1.5425	1.5171	1.5646	1.5560	1.4744	1.6269	1.6402	1.5498	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.