

## The European Central Bank opens the door to new monetary easing

### HIGHLIGHTS

- United States: Housing starts rise sharply in September.
- The Bank of Canada leaves its key rates unchanged.
- Canada: The total annual inflation rate slips from 1.3% to 1.0%.
- Canada: Retail sales rise while wholesaler sales decline.

### A LOOK AHEAD

- The Federal Reserve is expected to maintain the status quo.
- U.S. real GDP should post slower growth in Q3, after surging 3.9% in Q2.
- United States: Aviation should once again weigh down new durable goods orders.
- Canada: Real GDP by industry should keep climbing.

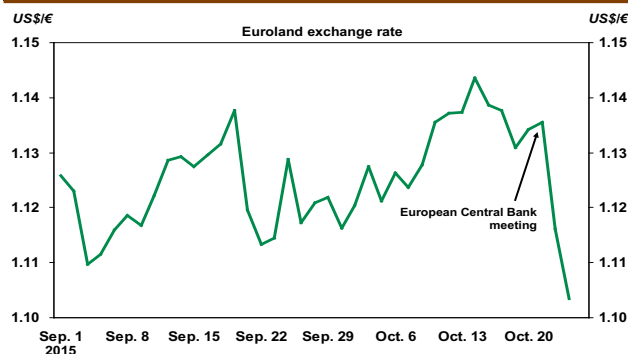
### FINANCIAL MARKETS

- Stock markets welcome the announcements made by central banks in Europe and China.
- Speculation on China's reserves push up U.S. yields.
- The euro drops to US\$1.10 on the interventionist bias adopted by the European Central Bank.

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Graph of the week – The euro tumbles after the European Central Bank meeting



Sources: Bloomberg, Datastream 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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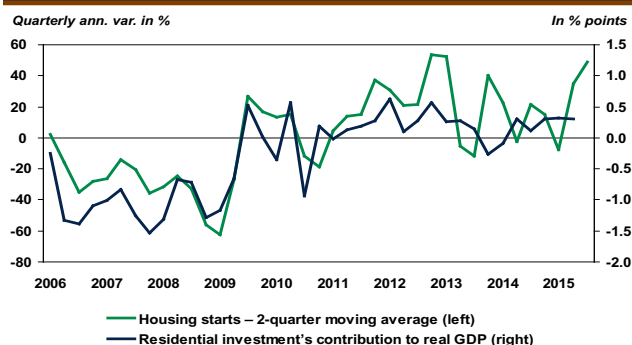
## KEY STATISTICS OF THE WEEK

### UNITED STATES

- After two months of declines, housing starts were up 6.5% in September. The annualized level went from 1,132,000 in August to 1,206,000 last month, edging closer to the recent peak of 1,211,000 posted in June—the highest level since October 2007. Housing start gains stem primarily from multi-unit housing, which shot up 17.0% compared to the modest growth of 0.3% for single-family homes. The West and Northeast United States recorded the sharpest increases. Building permits fell by 5.0%, to 1,103,000 units, the lowest level since March.
- After declining by 5.0% in August, existing home sales recovered some lost ground with a 4.7% increase in September—pushing resales from 5,300,000 units to 5,550,000 units. Growth stems exclusively from single-family homes (+5.3%), while sales of condominiums remained steady. Sales rose across all regions. Sales of existing homes are up 8.8% for the last year.
- The leading indicator fell by 0.2% in September after two months of steady readings, marking the first decline since February. This was due primarily to a drop in the number of hours worked, the decline in the ISM index, a contraction in building permits and stock market declines. For the first time since the summer of 2012, the change in the leading indicator over three months is in negative territory. The annual change posted growth of 3.4%, the weakest since 2013.

**Francis Généreux**  
Senior Economist

**United States – Residential construction should contribute to real GDP growth in the third quarter**



Sources: U.S. Census Bureau, Bureau of Economic Analysis and Desjardins, Economic Studies

### CANADA

- The Bank of Canada (BoC) left its target for the overnight rate at 0.50% in its decision last Wednesday. This status quo is no surprise, since all forecasters were anticipating that decision. As was also expected, the BoC raised its Q3-2015 growth forecast for the Canadian economy in light of the latest data on real GDP by industry. This brings the projection from an annualized quarterly rate of 1.5%, to 2.5%. However, the monetary authorities have lowered their growth forecasts for the fourth quarter of 2015, and for the year 2016 as a whole. In the end, the BoC is predicting real GDP growth of 1.1% in 2015 and 2.0% in 2016. This adjustment brings the BoC scenario into line with the latest consensus forecast. As such, the numerous risks surrounding the economic outlook and the existence of excess production capacity until at least 2017 argue in favour of an extended status quo for the country's key interest rates. Under these circumstances, our forecast of an initial hike in the target for the overnight rate no sooner than the beginning of 2017 remains appropriate.
- The total consumer price index (CPI) slipped 0.2% in September. The total annual inflation rate went from 1.3% to 1.0%. The BoC's core index (CPIX), which excludes eight volatile components (including gas), advanced 0.2% in September. Its annual change remained at 2.1%. Gas price fluctuations therefore continue to give rise to much volatility in the total CPI. Under these conditions, it is important to look at the CPIX to have a better idea of the trend in prices. The annual change in core inflation is very stable and has been holding steady between 2.1% and 2.4% for 14 months.
- Retail sales were up 0.5% in August, due to the positive contribution made by new automobiles. This is a surprising result, since the preliminary data suggested that the automobile sector had experienced some difficulties during the month. Excluding new automobile sales, retail trade showed almost no change, while the drop in gas prices had a strong impact on the value of gas station sales.
- Wholesaler sales declined 0.1% in August, in line with expectations. The automobile sector, for one, fell sharply during the month.

**Benoit P. Durocher**  
Senior Economist

# FINANCIAL MARKETS

## Central banks rekindle risk appetite

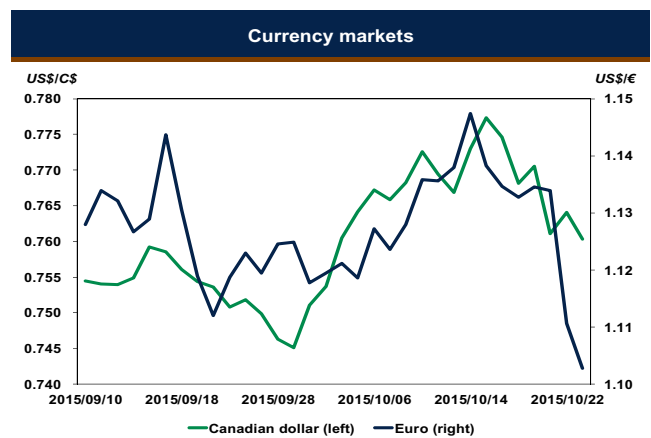
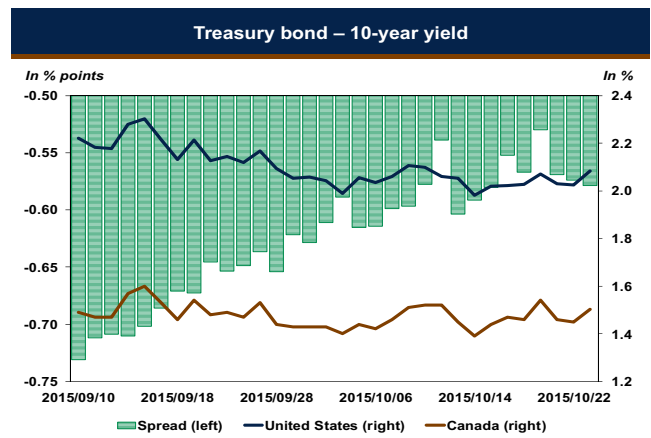
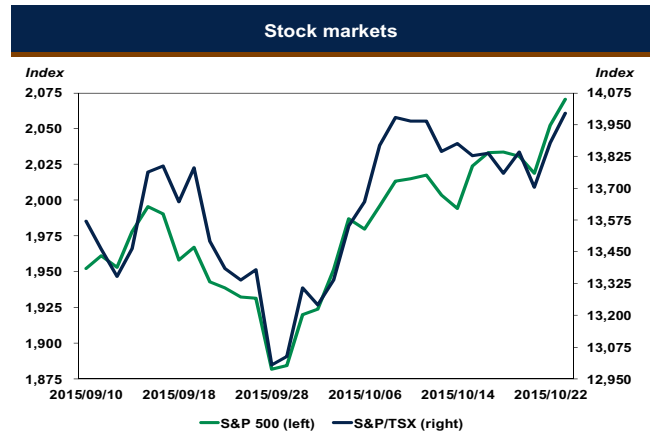
Central banks made global stock markets react this week. On Thursday, the European Central Bank (ECB) signalled in several ways that it could announce new easing measures in December. On Friday, China's central bank announced cuts to its deposit rate and required reserve rate. The German and French stock markets respectively advanced 6.7% and 4.6% for the week. The S&P 500 was headed for a 2% gain after a slow start. Canada's stock market was more volatile during the week, posting a 0.6% gain on Tuesday, partly in response to the election of a majority federal government before declining the following day, after the Bank of Canada (BoC) downgraded its forecasts. The S&P/TSX was in step with the global rebound on Thursday, but its gains were clipped by the drop in oil prices on Friday.

The U.S. 10-year yield spent most of the time shifting between 2.01% and 2.06% this week, but reached almost 2.09% on Friday on speculation surrounding further liquidation of U.S. bonds held by the People's Bank of China. Yields in Europe reacted sharply to the statements made by ECB President Mario Draghi. The German 10-year yield even briefly slipped below 0.50% on Thursday, for the first time since the end of May. In Canada, spreads between Canadian and U.S. 10-year yields widened the day after the federal election, but the BoC's prudent stance and the upside pressures on U.S. yields reversed the trend.

The DXY U.S. dollar index rebounded this week, reflecting the drop in the euro, which reached US\$1.10. Europe's currency suffered from the very dovish stance adopted by the ECB on Thursday. The greenback continued its ascent on Friday, on the announcements from China. The pound was far more stable, in line with the good results for retail sales published in the United Kingdom. Canada's currency was mostly on a downward path this week, slipping below US\$0.76. Wednesday's session was the most difficult for the loonie this week, as the BoC released its new forecasts.

**Jimmy Jean**  
Senior Economist

**Hendrix Vachon**  
Senior Economist



# A LOOK AHEAD



## UNITED STATES

### Monday Oct. 26 - 10:00

<b>September</b>	ann. rate
Consensus	550,000
Desjardins	520,000
<b>August</b>	<b>552,000</b>

**New home sales (September)** – After tumbling 9.2% in June, sales of new single-family homes climbed 12.0% in July and 5.7% in August. After such strong jumps, a decline in new home sales is no surprise. While building permits were relatively stable in September, the level still suggests weaker sales. However, the strong showings in the homebuilder confidence index and mortgage applications in view of a purchase signal that sales will not plummet. We expect sales of new single-family homes to reach 520,000 units.

### Tuesday Oct. 27 - 8:30

<b>September</b>	m/m
Consensus	-1.3%
Desjardins	-2.7%
<b>August</b>	<b>-2.0%</b>

**New durable goods orders (September)** – The transportation sector once again drove down new orders for durable goods in August. This will again be the case in September despite the fact that automobile orders probably ticked up. Civil aviation should take the biggest bite, with orders at Boeing down sharply. Transportation-related orders are expected to contract 8%. Excluding transportation, we expect orders to be flat, in line with the recent weakness of the ISM manufacturing index. All told, a 2.7% decline in new durable goods orders is expected.

### Tuesday Oct. 27 - 9:00

<b>August</b>	y/y
Consensus	5.11%
Desjardins	5.20%
<b>July</b>	<b>4.96%</b>

**S&P/Case-Shiller index of existing home prices (July)** – Existing home prices dipped 0.2% in May, June and July. That said, these declines are viewed more as a seasonal adjustment issue rather than the start of a genuine downtrend. In fact, we expect a slight uptick of 0.1% in prices for August. This would push up the annual change in the S&P/Case-Shiller index from 5.0% to 5.2%.

### Tuesday Oct. 27 - 10:00

<b>October</b>	
Consensus	102.8
Desjardins	101.0
<b>September</b>	<b>103.0</b>

**Conference Board consumer confidence index (October)** – Against all expectations, the Conference Board confidence index reached, in September, its highest level since January. The reading, now as it was then, was surely supported by weak gas prices. Even if gas prices remain weak, the confidence index might catch its breath in October. We expect the Conference Board confidence index to slip from 103.0 to 101.0, a figure that is still relatively high.

### Wednesday Oct. 28 - 14:00

<b>October</b>	
Consensus	0.25%
Desjardins	0.25%
<b>September 17</b>	<b>0.25%</b>

**Meeting of the Federal Reserve (October)** – While not overly tilted to one side, expectations for a rate increase in September were fairly high. Instead, Federal Reserve (Fed) leaders opted for the status quo. At that time, their decision seemed mostly driven by concerns about the global economy. Most of these concerns have partially eased, and the financial markets especially seem a bit calmer. However, since September, a few clouds over the U.S. economy could have the Fed worried, namely subdued job creation, the drop in the ISM manufacturing index and the low level of inflation. As a result, Janet Yellen and her colleagues will almost certainly opt to maintain the status quo at the meeting on October 28. The official remarks still call for a rate increase by the end of the year, but a few governors now seem ready to extend the status quo.

### Thursday Oct. 29 - 8:30

<b>Q3 2015 - 1<sup>st</sup> est.</b>	ann. rate
Consensus	1.6%
Desjardins	2.2%
<b>Q2 2015 - 3<sup>rd</sup> est.</b>	<b>3.9%</b>

**Real GDP (Q3 – advance estimate)** – After weak annualized growth of 0.6% in the first quarter, real GDP clearly rebounded in the spring with a 3.9% gain. However, we expect a new drop in pace for the third quarter. Domestic demand should remain strong, with good advances in consumption and construction. That said, two factors should trim growth: inventory change and net exports. All told, we expect the increase in real GDP to reach “only” 2.2%. The release on Wednesday morning of the preliminary data for merchandise trade in September could mean a change in this forecast.


**CANADA**

**Industrial product price index (September)** – Once expressed in Canadian dollars, commodity prices increased 4.1% in September, putting an end to two consecutive months of major declines. This increase is primarily due to the energy sector and metals and minerals. This could pave the way for an increase in the raw materials price index for the month. The industrial product price index should thus start rising again after retreating 0.3% in August.

**Real GDP by industry (August)** – Some economic data were disappointing in August. Merchandise exports expressed in real terms declined 1.4%, paving the way for a slight drop in the volume of manufacturing and wholesale sales. That said, positive signs were also seen during the month. Wholesaler and manufacturer inventories grew and the number of hours worked in Canada's economy advanced 0.8% in August, fuelled by major increases on the services side. Under these conditions, real GDP by industry could show new growth in August.


**OVERSEAS**

**Euro zone: Economic indicators (October)** – Several Euroland confidence indexes for October will be published on Thursday. Most of them had shown recent, even surprising, improvements in September, given that other indicators, such as the PMI indexes, pointed to slower growth. The flash estimate of October's annual change in the consumer price index will come out on Friday. Inflation was at -0.1% in September. The unemployment rate for September will also be released on Friday. The IFO indexes, which measure corporate confidence in Germany, will be out on Monday.

**Japan: Economic indicators (September)** – Several indicators on economic activity in Japan in September will be published in the next few days: retail sales (Tuesday), industrial production (Wednesday), unemployment and inflation (Thursday) and housing starts (Friday). The results of these indicators will help determine if Japan's real GDP recovered last summer from the contraction it suffered in the spring. In addition, the Bank of Japan is holding a monetary policy meeting this week.

**United Kingdom: Real GDP (Q3)** – Thanks to solid consumption and investment growth, Britain's real GDP accelerated in the second quarter, posting a 0.7% gain (non-annualized). It thus returned to faster growth after rising by only 1.6% last winter. Some indexes, however, suggest that non-annualized growth in Q3 2015 was closer to 0.5%.

**Thursday Oct. 29 - 8:30**  
**September** m/m  
 Consensus -0.1%  
 Desjardins 0.4%  
**August** -0.3%

**Friday Oct. 30 - 8:30**  
**August** m/m  
 Consensus 0.1%  
 Desjardins 0.1%  
**July** 0.3%


**During the week**  
**October**

**During the week**  
**September**

**Tuesday Oct. 27 - 5:30**  
**Q3 2015** q/q  
 Consensus 0.6%  
**Q2 2015** 0.7%


# ECONOMIC INDICATORS

## Week of October 26 to 30, 2015

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 26</b>	10:00	New home sales (ann. rate)	Sep.	550,000	520,000	552,000
<b>TUESDAY 27</b>	8:30	Durable goods orders (m/m)	Sep.	-1.3%	-2.7%	-2.0%
	9:00	S&P/Case-Shiller home price index (y/y)	Aug.	5.11%	5.20%	4.96%
	10:00	Consumer confidence	Oct.	102.8	101.0	103.0
<b>WEDNESDAY 28</b>	14:00	Federal Reserve meeting	Oct.	0.25%	0.25%	0.25%
<b>THURSDAY 29</b>	8:30	Initial unemployment claims	Oct. 19-23	263,000	263,000	259,000
	8:30	Real GDP (ann. rate)	Q3f	1.6%	2.2%	3.9%
	9:10	Speech of the Atlanta Fed President, D. Lockhart				
	10:00	Pending home sales (m/m)	Sep.	1.0%	n/a	-1.4%
<b>FRIDAY 30</b>	8:30	Employment cost index (q/q)	Q3	0.6%	0.5%	0.2%
	8:30	Personal income (m/m)	Sep.	0.2%	0.2%	0.3%
	8:30	Personal consumption expenditures (m/m)	Sep.	0.2%	0.2%	0.4%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	Sep.	-0.1%	-0.1%	0.0%
		Excluding food and energy (m/m)	Sep.	0.2%	0.2%	0.1%
		Total (y/y)	Sep.	0.2%	0.2%	0.3%
		Excluding food and energy (y/y)	Sep.	1.4%	1.4%	1.3%
	9:45	Chicago PMI index	Oct.	49.5	49.0	48.7
	10:00	Speech of the San Francisco Fed President, J. Williams				
	10:00	Michigan's consumer sentiment index – final	Oct.	92.5	92.1	92.1


## CANADA

<b>MONDAY 26</b>	---	---				
<b>TUESDAY 27</b>	11:45	Speech of a Bank of Canada Deputy Governor, T. Lane				
<b>WEDNESDAY 28</b>	---	---				
<b>THURSDAY 29</b>	8:30	Industrial product price index (m/m)	Sep.	-0.1%	0.4%	-0.3%
	8:30	Raw materials price index (m/m)	Sep.	1.5%	2.5%	-6.6%
	8:30	Average weekly earnings (y/y)	Aug.	n/a	2.0%	1.6%
	8:30	Number of salaried employees (m/m)	Aug.	n/a	0.0%	0.2%
<b>FRIDAY 30</b>	8:30	Real GDP by industry (m/m)	Aug.	0.1%	0.1%	0.,3%

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 October 26 to 30, 2015

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 <b>OVERSEAS</b>								
<b>DURING THE WEEK</b>								
Germany	---	Retail sales	Sep.	0.4%	4.1%	-0.4%	2.5%	
<b>MONDAY 26</b>								
Germany	5:00	IFO survey – Business climate	Oct.	107.8		108.5		
Germany	5:00	IFO survey – Current situation	Oct.	113.5		114.0		
Germany	5:00	IFO survey – Expectations	Oct.	102.4		103.3		
<b>TUESDAY 27</b>								
Euro zone	5:00	Money supply M3	Sep.	5.0%		4.8%		
United Kingdom	5:30	Index of services	Aug.	0.2%		0.2%		
United Kingdom	5:30	Real GDP – preliminary	Q3	0.6%	2.4%	0.7%	2.4%	
Japan	19:50	Retail sales	Sep.	1.1%	0.4%	0.0%	0.8%	
<b>WEDNESDAY 28</b>								
Japan	1:00	Small business confidence	Oct.	49.2		49.0		
Germany	3:00	Consumer confidence	Nov.	9.4		9.6		
France	3:45	Consumer confidence	Oct.	97		97		
Sweden	4:30	Bank of Sweden meeting	Oct.	-0.35%		-0.35%		
Italy	5:00	Consumer confidence	Oct.	112.1		112.7		
Italy	5:00	Business confidence	Oct.	103.7		104.2		
Italy	5:00	Economic confidence	Oct.	n/a		106.2		
New Zealand	16:00	Reserve Bank of New Zealand meeting	Oct.	2.75%		2.75%		
Japan	19:50	Industrial production – preliminary	Sep.	-0.5%	-2.6%	-1.2%	-0.4%	
<b>THURSDAY 29</b>								
Japan	---	Bank of Japan meeting						
United Kingdom	3:00	Nationwide house prices	Oct.	0.5%	3.8%	0.5%	3.8%	
Euro zone	6:00	Business climate	Oct.	0.31		0.34		
Euro zone	6:00	Industrial confidence	Oct.	-2.7		-2.2		
Euro zone	6:00	Services confidence	Oct.	12.0		12.4		
Euro zone	6:00	Economic confidence	Oct.	105.1		105.6		
Brazil	6:30	Minutes of the Bank of Brazil meeting						
Germany	9:00	Consumer price index – preliminary	Oct.	-0.1%	0.2%	-0.2%	0.0%	
Mexico	15:00	Bank of Mexico meeting	Oct.	3.00%		3.00%		
Japan	19:30	Workers' household spending	Sep.		1.2%		2.9%	
Japan	19:30	Consumer price index	Sep.		0.0%		0.2%	
Japan	19:30	Consumer price index – Tokyo	Oct.		-0.2%		-0.1%	
Japan	19:30	Unemployment rate	Sep.	3.4%		3.4%		
United Kingdom	20:05	Consumer confidence	Oct.	4		3		
<b>FRIDAY 30</b>								
Japan	0:00	Vehicle production	Sep.		n/a		-4.7%	
Japan	1:00	Housing starts	Sep.		6.4%		8.8%	
France	3:45	Personal consumption expenditures	Sep.	0.2%	2.6%	0.0%	1.6%	
France	3:45	Producer price index	Sep.	n/a	n/a	-0.9%	-2.1%	
Italy	5:00	Unemployment rate – preliminary	Sep.	11.9%		11.9%		
Euro zone	6:00	Consumer price index – estimate	Oct.		0.0%		-0.1%	
Euro zone	6:00	Unemployment rate	Sep.	11.0%		11.0%		
Italy	7:00	Producer price index	Sep.	n/a	n/a	-0.7%	-3.6%	
<b>SATURDAY 31</b>								
China	21:00	PMI manufacturing index	Oct.	n/a		49.8		
China	21:00	PMI non-manufacturing index	Oct.	n/a		53.4		

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	16,334	3.9	2.7	2.4	1.5	2.2	1.6
Consumption (2009 \$B)	2015 Q2	11,179	3.6	3.3	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	524.0	9.4	8.2	1.8	9.5	13.5	0.5
Non-residential investment (2009 \$B)	2015 Q2	2,211	4.1	3.8	6.2	3.0	9.0	7.7
Business inventory change (2009 \$B) (1)	2015 Q2	113.5	---	---	68.0	61.4	54.7	37.6
Exports (2009 \$B)	2015 Q2	2,118	5.1	1.5	3.4	2.8	3.4	6.9
Imports (2009 \$B)	2015 Q2	2,652	3.0	4.8	3.8	1.0	2.2	5.5
Final domestic demand (2009 \$B)	2015 Q2	16,747	3.7	3.0	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 Q2	-109.7	---	---	-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)	Sept.*	123.3	-0.2	-0.2	1.5	3.4
ISM manufacturing index (1)	Sept.	50.2	51.1	53.5	51.5	56.1
ISM non-manufacturing index (1)	Sept.	56.9	59.0	56.0	56.5	58.1
Cons. confidence Conf. Board (1985 = 100) (1)	Sept.	103.0	101.3	99.8	101.4	89.0
Cons. confidence Michigan (1966 = 100) (1)	Oct.	92.1	87.2	93.1	95.9	86.9
Personal consumption expenditure (2009 \$B)	Aug.	11,287	0.4	0.8	1.9	3.2
Disposable personal income (2009 \$B)	Aug.	12,259	0.3	0.9	1.1	3.2
Consumer credit (\$B)	Aug.	3,470	0.5	1.8	3.8	6.8
Retail sales (\$M)	Sept.	447,686	0.1	0.9	2.1	2.4
Excluding automobiles (\$M)	Sept.	353,002	-0.3	0.2	1.4	0.8
Industrial production (2007 = 100)	Sept.	107.1	-0.2	0.4	-0.1	0.4
Production capacity utilization rate (%) (1)	Sept.	77.5	77.8	77.5	78.2	78.5
New machinery orders (\$M)	Aug.	472,989	-1.7	0.7	1.1	-6.5
New durable good orders (\$M)	Aug.	235,523	-2.3	3.6	4.6	-2.6
Business inventories (\$B)	Aug.	1,811	0.0	0.7	1.5	2.4
Housing starts (K) (1)	Sept.*	1,206	1,132	1,211	954.0	1,026
Building permits (K) (1)	Sept.*	1,103	1,161	1,337	1,038	1,053
New home sales (K) (1)	Aug.	552.0	522.0	513.0	545.0	454.0
Existing home sales (K) (1)	Sept.*	5,550	5,300	5,480	5,210	5,100
Construction spending (\$B)	Aug.	1,086	0.7	1.7	9.3	13.7
Commercial surplus (\$M) (1)	Aug.	-48,330	-41,807	-42,535	-38,537	-41,275
Nonfarm employment (K) (2)	Sept.	142,371	142.0	501.0	1,193	2,752
Unemployment rate (%) (1)	Sept.	5.1	5.1	5.3	5.5	5.9
Consumer price (1982-1984 = 100)	Sept.	237.6	-0.2	-0.1	0.8	-0.0
Excluding food and energy	Sept.	243.2	0.2	0.4	1.0	1.9
Personal cons. expenditure deflator (2009 = 100)	Aug.	109.8	0.0	0.3	0.9	0.3
Excluding food and energy	Aug.	109.6	0.1	0.3	0.8	1.3
Producer price (2009 = 100)	Sept.	193.1	-1.3	-1.9	-0.1	-4.1
Excluding food and energy	Sept.	193.2	0.2	0.2	0.8	2.1
Export prices (2000 = 100)	Sept.	122.2	-0.7	-2.5	-2.9	-7.4
Import prices (2000 = 100)	Sept.	123.2	-0.1	-2.7	-1.7	-10.7

\* 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.



## 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)	July	1,655,646	0.3	0.6	0.2	0.8
Industrial production (2007 \$M)	July	355,458	1.2	1.5	-1.6	-1.0
Manufacturing sales (\$M)	Aug.	52,108	-0.2	3.2	5.3	0.6
Housing starts (K) (1)	Sept.	231.6	214.9	202.4	190.5	197.0
Building permits (\$M)	Aug.	7,548	-3.7	11.9	22.7	15.1
Retail sales (\$M)	Aug.*	43,622	0.5	1.6	3.4	2.8
Excluding automobiles (\$M)	Aug.*	32,586	0.0	0.6	1.6	0.8
Wholesale trade sales (\$M)	Aug.*	55,277	-0.1	1.1	3.2	3.8
Commercial surplus (\$M) (1)	Aug.	-2,534	-817.5	-3,122	-1,975	409.7
Exports (\$M)	Aug.	43,952	-3.6	4.4	3.2	-1.6
Imports (\$M)	Aug.	46,486	0.2	2.8	4.3	5.0
Employment (K) (2)	Sept.	17,978	12.1	10.2	10.6	13.4
Unemployment rate (%) (1)	Sept.	7.1	7.0	6.8	6.8	6.9
Average weekly earnings (\$)	July	956.6	0.2	0.3	0.9	1.6
Number of salaried employees (K) (2)	July	15,784	38.2	20.8	13.3	14.2
Consumer price (2002 = 100)	Sept.*	127.1	-0.2	-0.1	0.6	1.0
Excluding food and energy	Sept.*	121.9	0.3	0.5	0.7	1.8
Excluding 8 volatile items	Sept.*	126.6	0.2	0.5	1.0	2.1
Industrial product price (2002 = 100)	Aug.	111.3	-0.3	1.0	0.8	-0.4
Raw materials price (2002 = 100)	Aug.	90.4	-6.6	-12.1	-5.7	-24.7
Money supply M1+ (\$M)	Aug.	799,562	1.0	3.1	5.0	8.8

\* New statistic in comparison with last week.

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

## Major financial indicators

	Previous data (%)						Last 52 weeks (%)		
	Oct. 23	Oct. 16	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
<b>United States</b>									
Federal funds – target	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Treasury bill – 3 months	0.00	0.01	-0.01	0.04	0.03	0.01	0.12	0.03	-0.02
Treasury bonds – 2 years	0.63	0.64	0.64	0.68	0.51	0.39	0.78	0.60	0.39
– 5 years	1.41	1.35	1.45	1.62	1.32	1.50	1.79	1.52	1.18
– 10 years	2.08	2.02	2.17	2.27	1.92	2.27	2.48	2.14	1.67
– 30 years	2.90	2.86	2.96	2.97	2.62	3.05	3.25	2.83	2.25
S&P 500 index	2,071	2,033	1,931	2,080	2,118	1,965	2,131	2,056	1,868
DJIA index	17,606	17,216	16,315	17,569	18,080	16,805	18,312	17,590	15,666
Gold price (US\$/ounce)	1,164	1,182	1,144	1,084	1,178	1,231	1,302	1,180	1,084
CRB index	193.88	199.45	195.71	205.04	224.05	270.22	274.90	221.84	185.28
WTI oil (US\$/barrel)	44.69	47.30	45.55	47.98	55.98	81.27	82.25	53.91	38.22
<b>Canada</b>									
Overnight – target	0.50	0.50	0.50	0.50	0.75	1.00	1.00	0.74	0.50
Treasury bill – 3 months	0.40	0.40	0.43	0.43	0.66	0.88	0.92	0.61	0.36
Treasury bonds – 2 years	0.53	0.54	0.54	0.43	0.63	1.00	1.07	0.64	0.32
– 5 years	0.84	0.84	0.86	0.79	0.88	1.50	1.57	0.97	0.58
– 10 years	1.50	1.47	1.53	1.49	1.44	2.02	2.09	1.60	1.24
– 30 years	2.30	2.27	2.27	2.15	2.05	2.56	2.64	2.24	1.83
Spread with the U.S. rate (% points)									
Overnight – target	0.25	0.25	0.25	0.25	0.50	0.75	0.75	0.49	0.25
Treasury bill – 3 months	0.40	0.39	0.44	0.39	0.63	0.87	0.90	0.59	0.28
Treasury bonds – 2 years	-0.10	-0.10	-0.10	-0.25	0.12	0.61	0.62	0.03	-0.33
– 5 years	-0.57	-0.51	-0.59	-0.83	-0.44	0.00	0.02	-0.55	-0.99
– 10 years	-0.58	-0.55	-0.64	-0.78	-0.48	-0.25	-0.25	-0.54	-0.81
– 30 years	-0.60	-0.59	-0.69	-0.82	-0.57	-0.49	-0.29	-0.60	-0.88
S&P/TSX index	13,995	13,838	13,379	14,186	15,408	14,544	15,451	14,565	13,005
Exchange rate (C\$/US\$)	1.3153	1.2911	1.3337	1.3049	1.2180	1.1232	1.3422	1.2387	0.7603
Exchange rate (C\$/€)	1.4503	1.4649	1.4930	1.4332	1.3244	1.4231	1.5441	1.4089	0.8384
<b>Overseas</b>									
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	0.51	0.55	0.65	0.66	0.16	0.85	0.99	0.56	0.08
U.K.: Bonds – 10 years	1.85	1.80	1.84	1.95	1.68	2.23	2.29	1.86	1.36
Euro: Exchange rate (US\$/€)	1.1027	1.1347	1.1195	1.0984	1.0874	1.2671	1.2735	1.1394	1.0495
U.K.: Exchange rate (US\$/£)	1.5352	1.5436	1.5182	1.5514	1.5189	1.6091	1.6131	1.5402	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.