

Markets are disappointed by the European Central Bank's announcements

HIGHLIGHTS

- United States: Another strong jobs report gives the green light to the Federal Reserve.
- United States: The ISM manufacturing index slips below 50!
- Canada: Real GDP rebounded in Q3, gaining 2.3%.
- Canada: Real GDP by industry retreated 0.5% in September.
- The Bank of Canada kept its key interest rates steady.
- Canada: The labour market shed 35,700 jobs in November.

A LOOK AHEAD

- U.S. retail sales are forecast to tick up again.
- Canada: Housing starts could stay around 200,000 units.
- Canada: The utilization rate should rise in the third quarter.

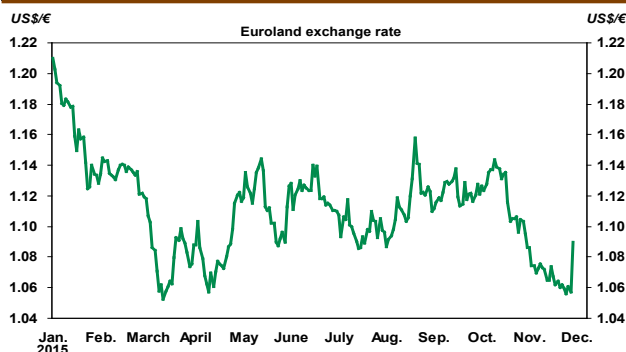
FINANCIAL MARKETS

- Strong job creation allows the S&P 500 to curb its losses.
- Bond yields soar in Europe.
- The euro surges as the markets were expecting more aggressive action from the European Central Bank.

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 – The euro jumped after the European Central Bank meeting



Sources: 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

- The establishment survey indicates that there were 211,000 net hires in November following a strong 298,000 gain in October (revised from 271,000) and an increase of 145,000 in September (revised from 137,000). The private sector created 197,000 jobs and the public sector had 14,000 hires. The construction sector created 46,000 jobs in November, the best showing since January 2014. Manufacturing lost 1,000 jobs, and there were 11,000 layoffs in the natural resources sector. The private services sector created 163,000 jobs, fairly lower than the 274,000 recorded in October. The jobless rate is steady at 5.0%.
- The U.S. trade balance eroded in October, in line with the preliminary data published at the end of November. The trade balance went from -US\$42.5B to -US\$43.9B, which is still less than the deficit was in August. Nominal exports fell 1.4%, while imports shrank 0.6%.
- The ISM manufacturing index declined in November, from 50.1 to 48.6. Five of the ten sub-indexes contracted. The main declines stem from new orders (-4.0 points), current production (-3.7 points) and inventories (-3.5 points). The component tied to prices paid also fell by 3.5 points, to 35.5. Among the sub-indexes that recorded gains, employment (+3.7 points) stands out. At 48.6, the ISM manufacturing index is at its lowest level since June 2009, at the tail end of the recession.
- The ISM non-manufacturing index also fell in November, but remains high. It retreated 3.2 points, taking it the index from 59.1 to 55.9. Six of the ten components pulled back, including employment (-4.2 points), new orders (-4.5 points), current production (-4.8 points) and exports (-5.0 points). At 55.9, it is the lowest it has been since May.
- Motor vehicle sales edged down in November. On an annualized basis, they went from 18,119,000 units to 18,055,000, their first decline since June.
- Construction spending went up 1.0% in October. In the private sector, it increased 1.0% in housing and 0.6% in the non-residential sector.

Francis Généreux
Senior Economist

CANADA

- Real GDP increased 2.3% (annualized) in the third quarter, marking a return to positive territory after two slight dips in the first half of 2015. Domestic demand hardly moved in the third quarter. The increase in household consumption and residential investment was offset by a decrease in non-residential investment as well as public administration consumption and investment. International trade was a strong contributor to third-quarter real GDP growth, with exports gaining 9.4% and imports shrinking 2.9%. The change in inventories slowed during the quarter.
- Real GDP by industry slipped 0.5% in September, a showing sharply below expectations. The 5.1% contraction that mining extraction as well as oil and natural gas extraction experienced during the month is behind much of the weakness in production. It must be said that the profitability of the energy sector has deteriorated sharply with falling oil prices, seemingly impacting its production level. In addition, temporary difficulties (including forest fires) worsened production's decrease in September. With the 0.5% slide in real GDP by industry in September, the carryover for the fourth quarter is negative. Even if production growth returns to positive territory in October, the fourth quarter could end with a gain under 1.0%.
- The Bank of Canada kept the target for the overnight rate at 0.50%. The continued status quo on Canadian monetary policy is no surprise; all 33 forecasters consulted by Bloomberg expected such a decision. It must be said that the recent changes in the economic situation are fairly consistent with expectations.
- The labour market lost 35,700 jobs in November. The public administrations sector shed 32,500 jobs due to a return to normal conditions after the hiring blitz of temporary workers in October for the federal elections. The services sector overall showed a loss of 82,000 jobs, the largest drop ever recorded since this data started to be collected in 1976.
- The international merchandise trade balance worsened in October, going from -\$2.3B to -\$2.8B. Exports fell 1.8%, with most industry sectors losing ground. Imports pulled back 0.8%.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

Sharp market reaction to the European Central Bank announcement

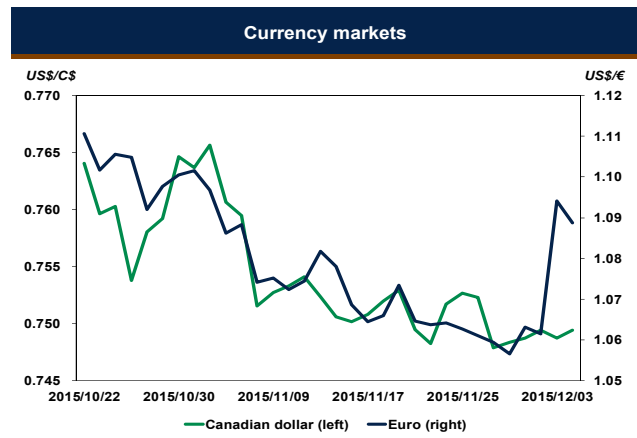
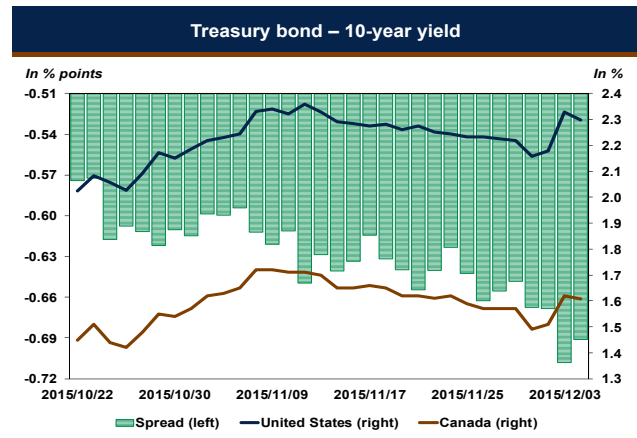
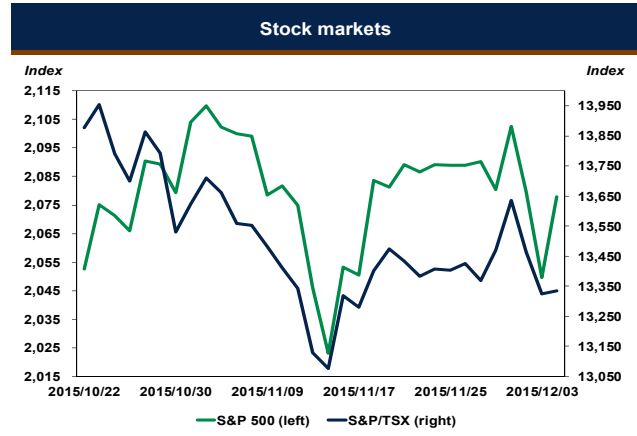
The S&P 500 started the week off on a fairly cautious note, then managed to reach 2,100 points on Wednesday morning, boosted by a good performance by the U.S. ADP employment indicator. After that, the mass shooting in California cooled the enthusiasm, and less aggressive measures than expected by the European Central Bank (ECB), hit confidence in global stock markets. Strong U.S. job creation allowed the S&P 500 to rebound on Friday. The S&P/TSX was not as fortunate, as the Canadian numbers on employment and international trade were disappointing.

In bond markets, many investors had taken positions anticipating that the ECB would pick up the pace on its monthly securities purchases, but that did not happen. In response, the German 10-year yield jumped 19 basis points on Thursday, settling above 0.70%, its highest point since September 18. The U.S. 10-year yield followed the trend, increasing 13 basis points during that session. At home, on Tuesday, the Bank of Canada issued a more balanced statement than some investors anticipated, making short-term yields move up. However, the poor statistics released on Friday in Canada had the reverse effect.

The euro was the week's most active currency. It rose about three cents on Thursday when the ECB announced more limited easing measures than anticipated. At the time of writing, the common currency was oscillating just below US\$1.09. The euro's movement reflected negatively on the U.S. DXY exchange rate index. The other currencies were more stable over the week. The pound temporarily dipped below US\$1.50 in the middle of the week, then climbed back toward US\$1.51. Japan's exchange rate held around ¥1.23/US\$. The movement in oil prices and weak employment numbers had little impact on the loonie, which essentially held slightly below US\$0.75 over the week.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Monday Dec. 7 - 15:30

October	US\$B
Consensus	18.3
Desjardins	20.5
September	28.9

Consumer credit (October) – Growth by consumer credit was very lively in September, gaining a monthly US\$28.9B. Outside of some methodological blips, this is the biggest advance the indicator has posted. It occurred on a strong US\$6.7B contribution from renewable loans (credit cards and credit lines) and, in particular, a US\$22B jump in term loans. Motor vehicle sales were strong, which no doubt had a hand in this performance. Based on the weekly data on bank credit, credit should slow in October. It could go to US\$20.5B.

Friday Dec. 11 - 8:30

November	m/m
Consensus	0.3%
Desjardins	0.1%
October	0.1%

Retail sales (November) – Retail sales posted weaker than anticipated growth in October, gaining just 0.1% for a second straight month. In fact, they have only posted two months of growth better than 0.1% since April. Clearly, low gas prices are still pulling down the value of sales. That will again be the case in November, as prices at the pump fell 4.6% last month. However, motor vehicle sales are forecast to make a positive contribution following October's 0.5% decline. Excluding motor vehicles and gas, sales should accelerate a little, gaining 0.4% on the heels of October's 0.3% uptick. Total sales should make another 0.1% gain.

Friday Dec. 11 - 10:00

December	
Consensus	92.0
Desjardins	91.5
November	91.3

University of Michigan consumer confidence index (December – preliminary) – According to the University of Michigan index, consumer confidence improved in November. The increase was smaller (+1.3 points) in the final version than it was in the preliminary version, which showed a 3.1 point gain. We expect little change in this confidence index in December. On one hand, gas prices have kept falling in recent weeks, which should be positive. The job market is another factor that should buoy the mood of consumers. However, the stock market has run into some difficulties since the start of the month. Also, the Bloomberg weekly confidence index has declined further in the last few weeks. Lastly, the Paris attacks and the recent violent events in Colorado and California could worry U.S. consumers. We therefore expect the University of Michigan index to only reach 91.5.



CANADA

Tuesday Dec. 8 - 8:30

November	ann. rate
Consensus	200,000
Desjardins	200,000
October	198,100

Housing starts (November) – Housing starts corrected sharply in October, dropping from 231,300 to 198,100 units. A decline in the multi-unit housing sector in urban areas was behind the major pullback. Starts on multi-unit housing now seem in line with the trend of the last few months. Under these conditions, total housing starts could stay around 200,000 units in November.

Thursday Dec. 10 - 8:30

Q3 2015	
Consensus	82.1%
Desjardins	82.1%
Q2 2015	81.3%

Industrial capacity utilization rate (Q3) – After retreating for two straight quarters, industrial output rebounded in the third quarter, gaining an annualized 5.8%. Also, investment in non-residential structures and machinery and equipment fell again during the period, curbing growth by production capacity. Combined, the two impacts should drive the industrial capacity utilization rate up in the third quarter.



OVERSEAS

China: Economic indicators (November) – Several Chinese economic indicators for November will come out in the next few days. The trade balance will be released on Monday or Tuesday. The surplus should remain high, but both exports and imports should post further big drops on a year-over-year basis. The consumer and producer price indexes will be released Tuesday night. Retail sales and industrial production will be published early Saturday morning.

United Kingdom: Bank of England meeting (December) – No changes are expected in British monetary policy on Thursday. The pace of economic growth edged back in the third quarter, but the job market remains lively. Weak inflation means the Bank of England can be patient, especially as additional monetary easing measures have just been announced across the Channel. Among the economic indicators to be published this week in the United Kingdom are October's industrial production, which will be out Tuesday. It went down in September. October's trade balance will be released Friday.


During the week

Thursday Dec. 10 - 7:00

December	
Consensus	0.50%
Desjardins	0.50%
November 5	0.50%

ECONOMIC INDICATORS

Week of December 7 to 11, 2015

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 7						
	12:30	Speech of the St. Louis Fed President, J. Bullard	Dec.			
	15:00	Consumer credit (US\$B)	Oct.	18.3	20.5	28.9
TUESDAY 8						
	---	---				
WEDNESDAY 9						
	10:00	Wholesale inventories (m/m)	Oct.	0.1%	0.0%	0.5%
THURSDAY 10						
	8:30	Initial unemployment claims	Nov. 30 - Dec 4	266,000	269,000	269,000
	8:30	Export prices (m/m)	Nov.	n/a	-0.6%	-0.2%
	8:30	Import prices (m/m)	Nov.	-0.8%	-0.8%	-0.5%
	14:00	Federal budget (US\$B)	Nov.	-68.0	n/a	-56.8
FRIDAY 11						
	8:30	Producer price index				
		Total (m/m)	Nov.	0.0%	-0.1%	-0.4%
		Excluding food and energy (m/m)	Nov.	0.1%	0.0%	-0.3%
	8:30	Retail sales				
		Total (m/m)	Nov.	0.3%	0.1%	0.1%
		Excluding automobiles (m/m)	Nov.	0.3%	0.1%	0.2%
	10:00	Michigan's consumer sentiment index – preliminary	Dec.	92.0	91.5	91.3
	10:00	Business inventories (m/m)	Oct.	0.1%	0.1%	0.3%



CANADA

MONDAY 7

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TUESDAY 8

8:15	Housing starts (ann. rate)	Nov.	200,000	200,000	198,100
8:30	Building permits (m/m)	Oct.	3.0%	2.0%	-6.7%

WEDNESDAY 9


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THURSDAY 10

8:30	New housing price index (m/m)	Oct.	0.1%	0.1%	0.1%
8:30	Industrial capacity utilization rate	Q3	82.1%	82.1%	81.3%


FRIDAY 11

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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 Eastern Standard Time (GMT - 5 hours).  Forecast of Desjardins, Economic Studies of the Desjardins Group.

ECONOMIC INDICATORS

Week of December 7 to 11, 2015

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
DURING THE WEEK								
China	---	Trade balance (US\$B)	Nov.	64.2		61.6		
MONDAY 7								
Japan	0:00	Leading indicator – preliminary	Oct.	102.9		101.6		
Japan	0:00	Coincident indicator – preliminary	Oct.	114.1		112.3		
Germany	2:00	Industrial production	Oct.	0.8%	0.7%	-1.1%	0.2%	
Japan	18:50	Trade balance (¥B)	Oct.	200.0		82.3		
Japan	18:50	Current account (¥B)	Oct.	1 535.0		776.2		
Japan	18:50	Real GDP – final	Q3	0.1%		-0.2%		
TUESDAY 8								
France	2:45	Trade balance (€M)	Oct.	n/a		-3,384		
United Kingdom	4:30	Industrial production	Oct.	0.1%	1.2%	-0.2%	1.1%	
Euro zone	5:00	Real GDP – preliminary	Q3	0.3%	1.6%	0.3%	1.6%	
Japan	18:50	Machinery orders	Oct.	-1.6%	0.4%	7.5%	1.7%	
China	20:30	Consumer price index	Nov.		1.4%		1.3%	
China	20:30	Producer price index	Nov.		-5.9%		-5.9%	
WEDNESDAY 9								
Germany	2:00	Trade balance (€B)	Oct.	21.7		22.9		
Germany	2:00	Current account (€B)	Oct.	23.7		25.1		
New Zealand	15:00	Reserve Bank of New Zealand meeting	Dec.	2.50%		2.75%		
THURSDAY 10								
South Korea	---	Bank of Korea meeting	Dec.	1.50%		1.50%		
France	1:30	Non-farm payrolls – final	Q3	n/a		0.1%		
France	2:45	Consumer price index	Nov.	0.0%	0.2%	0.1%	0.1%	
France	2:45	Industrial production	Oct.	-0.1%	2.5%	0.1%	1.8%	
Suisse	3:30	Swiss National Bank meeting	Dec.	-0.25%		-0.25%		
United Kingdom	4:30	Trade balance (£M)	Oct.	-1,800		-1,353		
United Kingdom	7:00	Bank of England meeting	Dec.	0.50%		0.50%		
FRIDAY 11								
Germany	2:00	Consumer price index – final	Nov.	0.1%	0.4%	0.1%	0.4%	
France	2:45	Current account (€B)	Oct.	n/a		0.5		
Italy	4:00	Industrial production	Oct.	0.3%	1.9%	0.2%	1.7%	
United Kingdom	4:30	Construction	Oct.	1.0%	-1.1%	-0.2%	-1.6%	
SATURDAY 12								
China	0:30	Industrial production	Nov.		5.7%		5.6%	
China	0:30	Retail sales	Nov.		11.1%		11.0%	

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 Eastern Standard Time (GMT - 5 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 Q3	16,418	2.1	2.2	2.4	1.5	2.2	1.6
Consumption (2009 \$B)	2015 Q3	11,263	3.0	3.2	2.7	1.7	1.5	2.3
Government spending (2009 \$B)	2015 Q3	2,869	1.7	0.7	-0.6	-2.9	-1.9	-3.0
Residential investment (2009 \$B)	2015 Q3	533.3	7.3	9.2	1.8	9.5	13.5	0.5
Non-residential investment (2009 \$B)	2015 Q3	2,224	2.4	2.2	6.2	3.0	9.0	7.7
Business inventory change (2009 \$B) (1)	2015 Q3	90.2	---	---	68.0	61.4	54.7	37.6
Exports (2009 \$B)	2015 Q3	2,122	0.9	1.2	3.4	2.8	3.4	6.9
Imports (2009 \$B)	2015 Q3	2,666	2.1	5.6	3.8	1.0	2.2	5.5
Final domestic demand (2009 \$B)	2015 Q3	16,865	2.9	2.8	2.5	1.2	1.9	1.7
GDP deflator (2009 = 100)	2015 Q3	110.0	1.3	0.9	1.6	1.6	1.8	2.1
Labor productivity (2009 = 100)	2015 Q3	106.5	2.2	0.6	0.7	-0.0	0.9	0.2
Unit labor cost (2009 = 100)	2015 Q3	108.2	1.8	3.0	2.0	1.1	1.7	2.1
Employment cost index (Dec. 2005 = 100)	2015 Q3	124.5	2.3	1.9	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)	Oct.	124.1	0.6	0.5	1.6	3.5
ISM manufacturing index (1)	Nov.*	48.6	50.1	51.1	52.8	57.6
ISM non-manufacturing index (1)	Nov.*	55.9	59.1	59.0	55.7	58.8
Cons. confidence Conf. Board (1985 = 100) (1)	Nov.	90.4	99.1	101.3	94.6	91.0
Cons. confidence Michigan (1966 = 100) (1)	Nov.	91.3	90.0	91.9	90.7	88.8
Personal consumption expenditure (2009 \$B)	Oct.	11,293	0.1	0.5	1.4	2.7
Disposable personal income (2009 \$B)	Oct.	12,394	0.4	1.0	1.9	3.9
Consumer credit (\$B)	Sept.	3,499	0.8	1.9	4.0	7.1
Retail sales (\$M)	Oct.	447,255	0.1	0.0	1.9	1.7
Excluding automobiles (\$M)	Oct.	353,392	0.2	-0.3	1.7	0.5
Industrial production (2007 = 100)	Oct.	107.2	-0.2	-0.3	0.1	0.3
Production capacity utilization rate (%) (1)	Oct.	77.5	77.7	78.0	78.0	78.5
New machinery orders (\$M)	Oct.*	473,873	1.5	-1.5	-0.2	-4.5
New durable good orders (\$M)	Oct.	238,779	2.9	-0.9	2.7	0.4
Business inventories (\$B)	Sept.	1,818	0.3	0.4	1.8	2.5
Housing starts (K) (1)	Oct.	1,060	1,191	1,152	1,190	1,079
Building permits (K) (1)	Oct.	1,161	1,105	1,130	1,140	1,120
New home sales (K) (1)	Oct.	495.0	447.0	500.0	508.0	472.0
Existing home sales (K) (1)	Oct.	5,360	5,550	5,580	5,090	5,160
Construction spending (\$B)	Oct.*	1,107	1.0	2.5	6.0	13.0
Commercial surplus (\$M) (1)	Oct.*	-43,891	-42,457	-42,433	-43,368	-42,753
Nonfarm employment (K) (2)	Nov.*	142,900	211.0	654.0	1,275	2,637
Unemployment rate (%) (1)	Nov.*	5.0	5.0	5.1	5.5	5.8
Consumer price (1982-1984 = 100)	Oct.	238.0	0.2	-0.0	0.9	0.1
Excluding food and energy	Oct.	243.7	0.2	0.5	0.9	1.9
Personal cons. expenditure deflator (2009 = 100)	Oct.	109.7	0.1	-0.0	0.6	0.2
Excluding food and energy	Oct.	109.8	0.0	0.3	0.6	1.3
Producer price (2009 = 100)	Oct.	109.5	-0.4	-0.9	0.0	-1.7
Excluding food and energy	Oct.	108.8	-0.3	-0.3	0.1	0.1
Export prices (2000 = 100)	Oct.	122.0	-0.2	-2.2	-2.5	-6.7
Import prices (2000 = 100)	Oct.	121.7	-0.5	-3.0	-2.7	-10.5

* 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.

Canada: Quarterly economic indicators

	Ref. quart.	Level	Variation (%)		Annual variation (%)			
			Quart. ann.	1 year	2014	2013	2012	2011
Gross domestic product (2007 \$M)	2015 Q3*	1,773,166	2.3	1.2	2.5	2.2	1.7	3.1
Household consumption (2007 \$M)	2015 Q3*	1,001,582	1.8	1.7	2.6	2.4	1.9	2.2
Government consumption (2007 \$M)	2015 Q3*	342,624	-1.6	0.9	0.3	0.3	0.7	1.3
Residential investment (2007 \$M)	2015 Q3*	121,219	2.5	2.1	2.5	-0.4	5.6	1.6
Non-residential investment (2007 \$M)	2015 Q3*	177,295	-5.8	-8.9	0.0	2.5	8.6	12.8
Business inventory change (2007 \$M) (1)	2015 Q3*	740.0	---	---	9,869	15,476	6,159	11,159
Exports (2007 \$M)	2015 Q3*	579,018	9.4	2.4	5.3	2.8	2.6	4.8
Imports (2007 \$M)	2015 Q3*	572,669	-2.9	-1.1	1.8	1.5	3.6	5.6
Final domestic demand (2007 \$M)	2015 Q3*	1,759,789	-0.0	0.2	1.6	1.3	2.4	2.6
GDP deflator (2007 = 100)	2015 Q3*	112.6	0.4	-0.8	1.7	1.6	1.3	3.2
Labour productivity (2007 = 100)	2015 Q3*	106.2	0.6	-0.7	2.5	1.3	-0.4	1.8
Unit labour cost (2007 = 100)	2015 Q3*	114.6	-2.0	0.6	1.1	1.7	3.2	1.7
Current account balance (\$M) (1)	2015 Q3*	-16,212	---	---	-44,894	-59,665	-65,680	-49,081
Production capacity utilization rate (%) (1)	2015 Q2	81.3	---	---	82.8	81.2	81.5	80.6
Disposable personal income (\$M)	2015 Q3*	1,121,196	3.4	3.3	3.0	4.8	4.1	3.7
Corporate net operating surplus (2007 \$M)	2015 Q3*	225,448	-6.7	-19.2	7.0	0.8	-5.3	17.0

* 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)	Sept.*	1,642,749	-0.5	-0.0	0.1	0.0
Industrial production (2007 \$M)	Sept.*	345,083	-2.1	-0.3	-1.7	-3.6
Manufacturing sales (\$M)	Sept.	51,081	-1.5	-0.3	0.6	-2.9
Housing starts (K) (1)	Oct.	198.1	231.3	191.8	178.3	180.7
Building permits (\$M)	Sept.	7,055	-6.7	-9.4	1.0	-6.0
Retail sales (\$M)	Sept.	43,309	-0.5	0.4	1.7	1.2
Excluding automobiles (\$M)	Sept.	32,346	-0.5	-0.6	0.1	0.1
Wholesale trade sales (\$M)	Sept.	55,241	-0.1	-0.2	2.0	1.4
Commercial surplus (\$M) (1)	Oct.*	-2,761	-2,323	-436.4	-2,645	-530.2
Exports (\$M)	Oct.*	42,980	-1.8	-6.2	1.2	-3.5
Imports (\$M)	Oct.*	45,740	-0.8	-1.1	1.4	1.5
Employment (K) (2)	Nov.*	17,987	-35.7	6.9	5.5	10.3
Unemployment rate (%) (1)	Nov.*	7.1	7.0	7.0	6.8	6.7
Average weekly earnings (\$)	Sept.	955.1	1.0	0.1	0.1	1.7
Number of salaried employees (K) (2)	Sept.	15,739	30.7	-2.2	7.5	8.2
Consumer price (2002 = 100)	Oct.	127.2	0.1	-0.1	0.8	1.0
Excluding food and energy	Oct.	122.2	0.2	0.7	1.0	1.7
Excluding 8 volatile items	Oct.	127.0	0.3	0.8	1.2	2.1
Industrial product price (2002 = 100)	Oct.	110.3	-0.5	-1.2	0.5	-0.4
Raw materials price (2002 = 100)	Oct.	92.9	0.4	-4.1	-5.6	-17.5
Money supply M1+ (\$M)	Oct.	809,702	0.2	2.2	4.8	8.2

* 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 (%)		
	Dec. 4	Nov. 27	-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	0.20	0.17	0.08	0.02	0.03	0.02	0.22	0.04	-0.02
Treasury bonds – 2 years	0.93	0.90	0.88	0.67	0.70	0.64	0.95	0.64	0.44
– 5 years	1.72	1.66	1.74	1.47	1.74	1.68	1.79	1.52	1.18
– 10 years	2.30	2.23	2.33	2.13	2.40	2.31	2.48	2.13	1.67
– 30 years	3.05	3.00	3.09	2.89	3.11	2.96	3.25	2.83	2.25
S&P 500 index	2,078	2,090	2,099	1,921	2,093	2,075	2,131	2,061	1,868
DJIA index	17,745	17,798	17,910	16,102	17,849	17,959	18,312	17,604	15,666
Gold price (US\$/ounce)	1,086	1,058	1,088	1,121	1,170	1,195	1,302	1,169	1,056
CRB index	183.59	183.24	191.03	196.70	222.53	252.33	251.06	212.84	180.85
WTI oil (US\$/barrel)	40.36	40.57	44.32	46.02	59.11	65.89	63.74	50.14	38.22
Canada									
Overnight – target	0.50	0.50	0.50	0.50	0.75	1.00	1.00	0.68	0.50
Treasury bill – 3 months	0.48	0.49	0.43	0.38	0.63	0.89	0.92	0.56	0.36
Treasury bonds – 2 years	0.64	0.63	0.68	0.44	0.64	1.05	1.06	0.59	0.32
– 5 years	0.94	0.91	1.03	0.75	1.04	1.49	1.45	0.90	0.58
– 10 years	1.61	1.57	1.72	1.44	1.83	1.96	1.91	1.55	1.24
– 30 years	2.33	2.29	2.42	2.20	2.39	2.48	2.48	2.21	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	0.43	0.25
Treasury bill – 3 months	0.28	0.32	0.35	0.36	0.60	0.87	0.90	0.52	0.27
Treasury bonds – 2 years	-0.30	-0.27	-0.20	-0.23	-0.06	0.41	0.42	-0.05	-0.33
– 5 years	-0.77	-0.75	-0.71	-0.72	-0.70	-0.19	-0.17	-0.62	-0.99
– 10 years	-0.69	-0.66	-0.61	-0.69	-0.57	-0.35	-0.26	-0.58	-0.81
– 30 years	-0.72	-0.71	-0.67	-0.69	-0.72	-0.48	-0.29	-0.62	-0.88
S&P/TSX index	13,334	13,368	13,553	13,478	14,957	14,474	15,451	14,420	13,005
Exchange rate (C\$/US\$)	1.3344	1.3372	1.3307	1.3284	1.2440	1.1439	1.3422	1.2611	0.7494
Exchange rate (C\$/€)	1.4526	1.4164	1.4293	1.4808	1.3824	1.4053	1.5441	1.4108	0.8159
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	0.69	0.45	0.70	0.66	0.85	0.78	0.99	0.53	0.08
U.K.: Bonds – 10 years	1.93	1.81	2.04	1.83	2.08	2.02	2.19	1.83	1.36
Euro: Exchange rate (US\$/€)	1.0887	1.0593	1.0741	1.1147	1.1113	1.2286	1.2512	1.1198	1.0495
U.K.: Exchange rate (US\$/£)	1.5105	1.5038	1.5050	1.5171	1.5272	1.5584	1.5884	1.5332	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.