

## A mixed bag for the Canadian economy's December results

### HIGHLIGHTS

- United States: Residential construction disappoints, but manufacturing does better.
- Core inflation faster than expected in the United States.
- Canada: Manufacturing and wholesale sales shot up in December.
- Canada: Retail sales fell in December.
- Canada: The total annual inflation rate went from 1.6% to 2.0%.

### A LOOK AHEAD

- A downward revision of last fall's U.S. real GDP growth is expected.
- United States: After strong jumps in December, home sales should suffer a pullback.
- United States: A rebound in new durable goods orders is expected.
- Canada: Corporate earnings should continue to suffer from falling commodities prices.

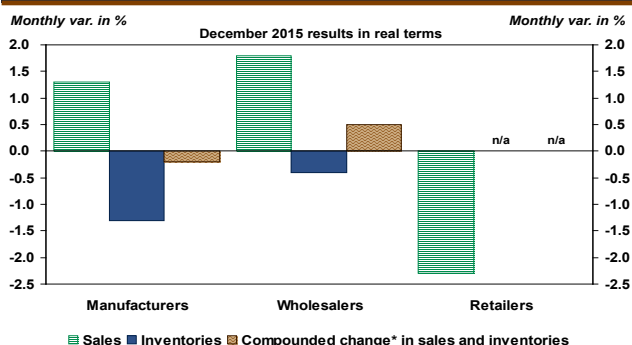
### FINANCIAL MARKETS

- Fears ease somewhat for stock exchanges.
- Despite many better-than-expected statistics, Canadian yields remain flat.
- U.S. dollar rebounds slightly after struggling for a few weeks.

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**Graph of the week – Canadian sales were up for manufacturers and wholesalers, but down for retailers**



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## KEY STATISTICS OF THE WEEK

### UNITED STATES

- Housing starts were down from an annualized level of 1,143,000 units in December to 1,099,000 in January. This 3.8% decline follows a 2.8% fall. This decrease stems from both single-family homes (-3.9%) and multi-unit housing (-2.5%). Building permits slipped 0.2% to 1,202,000 from 1,204,000 units.
- Industrial output increased 0.9% in January following December's 0.7% decrease. Manufacturing output rose 0.5% following two straight 0.2% decreases. Mining activity was stable and energy production jumped 5.4%. The industrial capacity utilization rate climbed from 76.4% to 77.1%.
- The Philadelphia Fed's manufacturing index once again improved in February, although it is still in negative territory. It went from -3.5 to -2.8. However, most of the index's components, such as current production and new orders, worsened. The New York Fed's Empire index also improved, but remains very negative at -16.64.
- After edging down 0.1% in December, the consumer price index (CPI) stagnated in January. Energy prices contributed to this lack of growth, with a pullback of 2.8%. Food prices stayed flat, after dropping for two straight months. The core CPI, which excludes food and energy, edged up 0.3% after four consecutive 0.2% upticks. Assisted by relatively strong growth from motor vehicles and clothing, prices for goods increased for the first time since April 2015. Due to base effects, total annual CPI growth doubled from 0.7% to 1.4%. Core inflation rose from 2.1% to 2.2%.
- The leading indicator dropped 0.2% in January after a pullback of 0.3% in December. This new drop is mainly due to negative contributions from the stock market and jobless claims. The annual change in the leading indicator dropped to 2.2%, its lowest level since May 2013.

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### CANADA

- The total consumer price index (CPI) rose 0.2% in January. The total annual inflation rate has gone from 1.6% to 2.0%. January saw a stronger-than-expected advance in consumer prices. The tumble in gas prices no doubt hampered total CPI growth, but the sharp rise in fresh fruit and vegetables, as well as in motor vehicles, particularly offset the impact. This clearly illustrates the effect a depreciating Canadian dollar has on the price of certain imported goods. Under these conditions, total inflation and core inflation converged on the Bank of Canada's median target (2%) in January.
- Retail sales fell 2.2% in December. While not much of a surprise, the sharp decline in retail sales is disappointing. Black Friday sales in November led to early holiday shopping, and the current seasonal adjustment process struggles to accurately gauge the increasing popularity of this phenomenon. Along the same lines, there is also a question of whether gift card purchases contributed to slowing sales growth in December. Remember, transactions are not actually accounted for until the gift card is exchanged for a good or service. In addition, certain purchases were postponed due to particularly mild temperatures and the lack of snow in several parts of the country.
- Manufacturing sales rose 1.2% in December, a gain identical to November's. In real terms, Canadian manufacturers' sales were up 1.3% in December. The volume of sales rose a total of 2.4% in the last two months of the year. We can therefore hope that lively U.S. demand and the loonie's depreciation are starting to pay off. However, the slump that started in mid-2014 had prompted many manufacturers to increase their inventories. Under these conditions, it is normal for acceleration in manufacturing sales to initially lead to a reduction in inventory. That's what happened in December, when the volume of sales increased through an equivalent reduction in inventories.
- Wholesale sales sharply exceeded expectations in December, rising 2.0%. In real terms, sales are up 1.8%. Somewhat like for manufacturing, this increase in wholesale sales volume was accompanied by a decrease in inventory, thereby reducing the benefits for economic growth.

**Benoit P. Durocher**  
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# FINANCIAL MARKETS

## Fears eased in markets this week

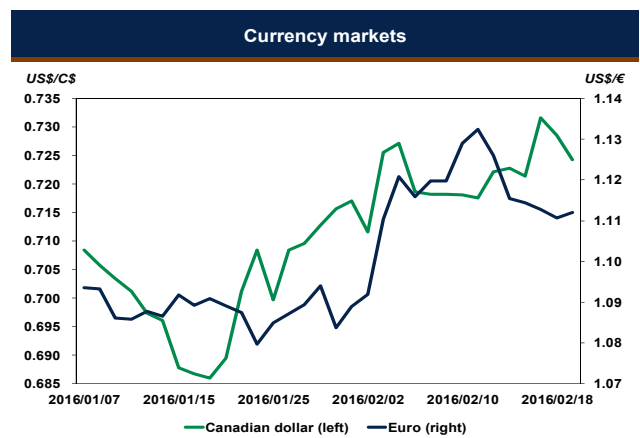
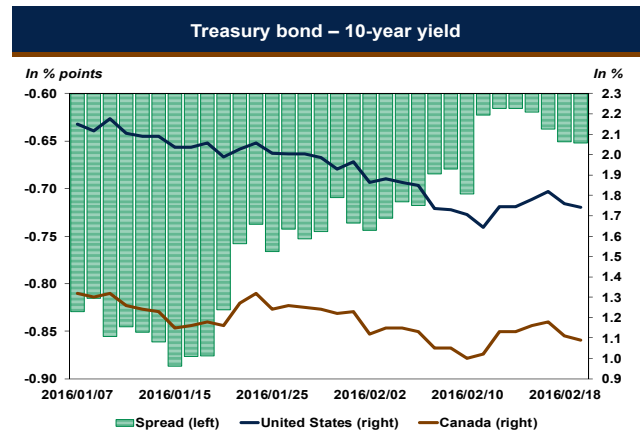
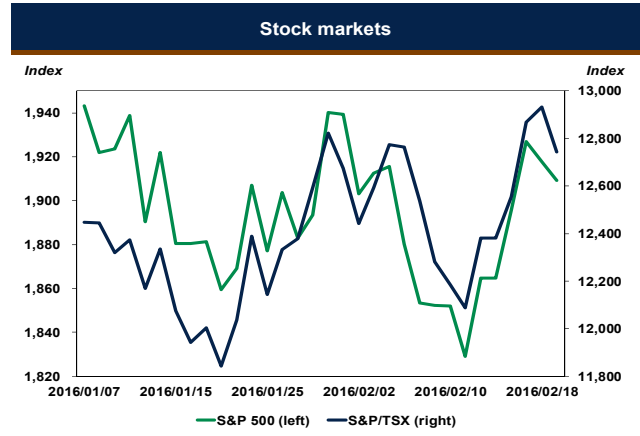
The U.S. stock market performed well on its return from Monday’s statutory holiday. The S&P 500 was up 1.7% for each of Tuesday and Wednesday’s sessions. In Europe, the Euro Stoxx 600 was heading for a weekly increase of close to 4% on Friday morning. Fears on the health of European banks have abated slightly. Yet, the S&P 500 still lost ground on Thursday, limiting its series of gains to three sessions. Despite oil’s roller coaster ride, the S&P/TSX did well, as the recovery in the materials sector helped overshadow the difficulties in the energy sector.

Volatility made an appearance in bond markets. Starting the week at 1.78%, the U.S. 10-year yield ignored the Federal Reserve’s concerns over tightening financial conditions. It even neared 1.85% at the end of Wednesday’s session before losing 8 basis points on Thursday. The Organisation for Economic Co-operation and Development (OECD) downgraded its global growth forecast, and some preoccupying results for U.S. manufacturing activity were released. In Canada, even though several economic indicators surprise positively, investors continued to price in a high probability that key rates will decrease in 2016. Canadian yields hovered without a clear direction.

The U.S. dollar appreciated against several currencies this week. The bulk of gains occurred on Monday, in a continuation of the rebound that started last Friday. The euro fell below US\$1.12 on Monday, and kept a slight downward trend for the rest of the week, settling at around US\$1.11. The pound was more resistant on Monday, but depreciated Tuesday due to a greater-than-expected drop in inflation. The yuan was also revalued during the week. The U.S. dollar’s depreciation in recent weeks seems to have provided the necessary leeway for this adjustment. The loonie appreciated to over US\$0.73, thanks to a rebound in oil prices. Similar to oil prices, the loonie was not able to hold on to its gains.

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# A LOOK AHEAD



## UNITED STATES

### Tuesday Feb. 23 - 9:00

<b>December</b>	y/y
Consensus	5.70%
Desjardins	5.81%
<b>November</b>	<b>5.83%</b>

**S&P/Case-Shiller index of existing home prices (December)** – Prices for existing homes have been picking up the pace these past few months, with a 0.9% increase in November, the sharpest rise since March 2015. December's figures are expected to be somewhat lower. The S&P/Case-Shiller index could therefore rise 0.8%, translating into a 5.8% annual change.

### Tuesday Feb. 23 - 10:00

<b>February</b>	
Consensus	97.5
Desjardins	97.0
<b>January</b>	<b>98.1</b>

**Conference Board consumer confidence index (February)** – The Conference Board index caught analysts off guard in January. Amid mounting stock market losses and uncertainty, the index bucked the trend of its counterparts by climbing from 96.3 to 98.1. However, a slight decline is expected in February. Although gas prices continued to fall and the stock market is slowly making a comeback, it would be surprising to see three consecutive increases. A more likely scenario for the Conference Board index would be a drop to 97.0.

### Tuesday Feb. 23 - 10:00

<b>January</b>	ann. rate
Consensus	5,350,000
Desjardins	5,200,000
<b>December</b>	<b>5,460,000</b>

**Existing home sales (January)** – After two disappointing months, sales of existing homes surged 14.7% in December, the biggest increase since this indicator was introduced in the mid-1970s. However, such an increase is usually followed by a decline, and pending home resales do in fact suggest lower levels. As well, mortgage applications for home purchases in January were down slightly. Existing home sales are projected to decrease from 5,460,000 to 5,200,000 units.

### Wednesday Feb. 24 - 10:00

<b>January</b>	ann. rate
Consensus	520,000
Desjardins	520,000
<b>December</b>	<b>544,000</b>

**New home sales (January)** – Sales of new single-family homes also jumped in December, posting a 10.8% monthly gain and an annualized volume of 544,000 units—the highest level since February 2015. However, a slowdown is expected in January since the number of permits issued for single-family homes slipped 1.6% last month. Sales should be around 520,000 units.

### Thursday Feb. 25 - 8:30

<b>January</b>	m/m
Consensus	2.6%
Desjardins	5.2%
<b>December</b>	<b>-5.0%</b>

**New durable goods orders (January)** – New durable goods orders fell 5.0% in December, the sharpest decrease since August 2014. A number of reasons explain the downturn, beginning with another contraction in aircraft orders. However, this industry should make a positive contribution to new orders in January. Although Boeing's orders are down, they are high for January, meaning that seasonal adjustments should result in a sharp increase in civil aircraft orders. After dropping to their lowest level in a year, orders for military aircraft are also expected to pick up. The auto industry, another reason for the downturn in December, should rebound if last month's strong production figures are any indication. Lastly, the comeback by the "new orders" component of the ISM manufacturing index, which climbed back over 50 for the first time since summer 2015, should push orders excluding transportation up 0.3%. All in all, new durable goods orders are expected to grow a solid 5.2%.

### Friday Feb. 26 - 8:30

<b>Q4 2015 - 2<sup>nd</sup> est.</b>	ann. rate
Consensus	0.5%
Desjardins	0.5%
<b>Q4 2015 - 1<sup>st</sup> est.</b>	<b>0.7%</b>

**Real GDP (Q4 – second estimate)** – According to the first version of the national accounts, real GDP growth in the fourth quarter of 2015 was slightly below expectations. However, the second estimate could show an even lower result. Contribution from construction and inventories are expected to be revised downwards, bringing annualized real GDP growth to about 0.5%.

**Consumer spending (January)** – Real consumer spending grew just 0.1% in December. Better results are expected for the first month of 2016. Growth in auto sales and a decent performance by other retail sales point to an increase in consumption of goods. As well, industrial production figures indicate a surge in energy production; this should be reflected in households' service consumption. However, lower restaurant sales in January could offset some of this effect. Real consumption is therefore expected to grow 0.3%. The consumer expenditure deflator probably only rose 0.1% in January; as such, nominal consumption should grow 0.4%. For the first time since November 2011, and thanks to base effects, the deflator's annual change should climb over 1%. Nominal personal income is expected to grow 0.3%.


**CANADA**


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**Corporate financial statistics (Q4)** – Next Thursday, Statistics Canada will publish corporate earnings for the fourth quarter of 2015. Since commodity prices fell again during the period, Canadian businesses can be expected to report lower profits once more. This could be the fourth consecutive month of net operating losses for the oil and natural gas extraction and support activities sector. It goes without saying that deteriorating corporate profitability will have an impact on non-residential investment in the country.


**OVERSEAS**


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**Euro zone: Confidence indexes (February)** – After improving in 2015, the confidence indexes appear to have levelled off at the end of fall, followed by a broad-based decline in January. It will be interesting to see on February 26 whether the negative trend will continue. The PMI indexes also dipped recently and on Monday we will find out how they performed in February. Lastly, the German IFO index of corporate confidence will be published on Tuesday.

**Friday Feb. 26 - 8:30**

<b>January</b>	m/m
Consensus	0.3%
Desjardins	0.4%
<b>December</b>	<b>0.0%</b>


**Thursday Feb. 25 - 8:30**

<b>Q4 2015</b>	q/q
Consensus	n/a
Desjardins	n/a
<b>Q3 2015</b>	<b>-5.4%</b>

**Friday Feb. 26 - 5:00**

# ECONOMIC INDICATORS


## Week of February 22 to 26, 2016

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 22</b>	---	---				
<b>TUESDAY 23</b>						
	8:30	Speech of the Federal Reserve Vice Chairman, S. Fischer				
	9:00	S&P/Case-Shiller home price index (y/y)	Dec.	5.70%	5.81%	5.83%
	10:00	Consumer confidence	Feb.	97.5	97.0	98.1
	10:00	Existing home sales (ann. rate)	Jan.	5,350,000	5,200,000	5,460,000
<b>WEDNESDAY 24</b>						
	10:00	New home sales (ann. rate)	Jan.	520,000	520,000	544,000
	13:15	Speech of the Dallas Fed President, R. Kaplan				
	19:00	Speech of the St. Louis Fed President, J. Bullard				
<b>THURSDAY 25</b>						
	8:30	Initial unemployment claims	Feb. 15-19	270,000	270,000	262,000
	8:30	Durable goods orders (m/m)	Jan.	2.6%	5.2%	-5.0%
	12:00	Speech of the San Francisco Fed President, J. Williams				
<b>FRIDAY 26</b>						
	8:30	Real GDP – Second estimate (ann. rate)	Q4	0.5%	0.5%	0.7%
	10:00	Personal income (m/m)	Jan.	0.4%	0.3%	0.3%
	10:00	Personal consumption expenditures (m/m)	Jan.	0.3%	0.4%	0.0%
	10:00	Personal consumption expenditures deflator				
		Total (m/m)	Jan.	0.0%	0.1%	-0.1%
		Excluding food and energy (m/m)	Jan.	0.1%	0.2%	0.0%
		Total (y/y)	Jan.	1.0%	1.1%	0.6%
		Excluding food and energy (y/y)	Jan.	1.5%	1.6%	1.4%
	10:00	Michigan's consumer sentiment index – final	Feb.	91.0	90.7	90.7
	10:15	Speech of a Federal Reserve Governor, J. Powell				
	13:30	Speech of a Federal Reserve Governor, L. Brainard				




## CANADA

<b>MONDAY 22</b>	---	---				
<b>TUESDAY 23</b>	---	---				
<b>WEDNESDAY 24</b>						
	12:35	Speech of a Bank of Canada Deputy Governor, L. Schembri				
<b>THURSDAY 25</b>						
	8:30	Average weekly earnings (y/y)	Dec.	n/a	0.7%	1.4%
	8:30	Number of salaried employees (m/m)	Dec.	n/a	-0.2%	-0.2%
	8:30	Quarterly financial statistics for enterprises	Q4			
<b>FRIDAY 26</b>	---	---				

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 February 22 to 26, 2016

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 <b>OVERSEAS</b>								
<b>MONDAY 22</b>								
France	3:00	PMI composite index – preliminary	Feb.	50.3		50.2		
France	3:00	PMI manufacturing index – preliminary	Feb.	49.9		50.0		
France	3:00	PMI services index – preliminary	Feb.	50.3		50.3		
Germany	3:30	PMI composite index – preliminary	Feb.	54.1		54.5		
Germany	3:30	PMI manufacturing index – preliminary	Feb.	51.9		52.3		
Germany	3:30	PMI services index – preliminary	Feb.	54.7		55.0		
Euro zone	4:00	PMI composite index – preliminary	Feb.	53.3		53.6		
Euro zone	4:00	PMI manufacturing index – preliminary	Feb.	52.0		52.3		
Euro zone	4:00	PMI services index – preliminary	Feb.	53.4		53.6		
<b>TUESDAY 23</b>								
Germany	2:00	Real GDP – final	Q4	0.3%	1.3%	0.3%	1.3%	
France	2:45	Business confidence	Feb.	102		102		
France	2:45	Production outlook	Feb.	n/a		2		
Germany	4:00	IFO survey – Business climate	Feb.	106.8		107.3		
Germany	4:00	IFO survey – Current situation	Feb.	112.0		112.5		
Germany	4:00	IFO survey – Expectations	Feb.	101.6		102.4		
<b>WEDNESDAY 24</b>								
Japan	0:00	Small business confidence	Feb.	47.1		47.2		
Japan	0:00	Leading indicator – final	Dec.	n/a		102.0		
Japan	0:00	Coincident indicator – final	Dec.	n/a		111.2		
France	2:45	Consumer confidence	Feb.	97		97		
Italy	4:00	Factory orders	Dec.	n/a	n/a	1.6%	12.1%	
<b>THURSDAY 25</b>								
Germany	2:00	Consumer confidence	March	9.3		9.4		
Euro zone	4:00	Money supply M3	Jan.		4.7%		4.7%	
Italy	4:00	Consumer confidence	Feb.	118.0		118.9		
Italy	4:00	Business confidence	Feb.	102.7		103.2		
Italy	4:00	Economic confidence	Feb.	n/a		101.5		
United Kingdom	4:30	Index of services	Dec.	0.3%		0.2%		
United Kingdom	4:30	Real GDP – preliminary	Q4	0.5%	1.9%	0.5%	1.9%	
Euro zone	5:00	Consumer price index – final	Jan.	-1.4%	0.4%	0.0%	0.4%	
Italy	5:00	Retail sales	Dec.	0.1%	n/a	0.3%	-0.1%	
Japan	18:30	Consumer price index	Jan.		0.0%		0.2%	
Japan	18:30	Consumer price index – Tokyo	Feb.		-0.3%		-0.3%	
United Kingdom	19:05	Consumer confidence	Feb.	3		4		
<b>FRIDAY 26</b>								
France	2:45	Personal consumption expenditures	Jan.	0.6%	0.3%	0.7%	0.3%	
France	2:45	Consumer price index – preliminary	Feb.	0.4%	0.0%	-1.0%	0.2%	
France	2:45	Producer price index	Jan.	n/a	n/a	-1.2%	-2.8%	
France	2:45	Real GDP – preliminary	Q4	0.2%	1.3%	0.2%	1.3%	
Euro zone	5:00	Business climate	Feb.	0.28		0.29		
Euro zone	5:00	Consumer confidence – final	Feb.	n/a		-8.8		
Euro zone	5:00	Industrial confidence	Feb.	-3.5		-3.2		
Euro zone	5:00	Services confidence	Feb.	11.4		11.6		
Euro zone	5:00	Economic confidence	Feb.	104.4		105.0		
Germany	8:00	Consumer price index – preliminary	Feb.	0.5%	0.1%	-0.8%	0.5%	

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	2015	2014	2013	2012
Gross domestic product (2009 \$B)	2015 Q4	16,442	0.7	1.8	2.4	2.4	1.5	2.2
Consumption (2009 \$B)	2015 Q4	11,323	2.2	2.6	3.1	2.7	1.7	1.5
Government spending (2009 \$B)	2015 Q4	2,875	0.7	1.3	0.8	-0.6	-2.9	-1.9
Residential investment (2009 \$B)	2015 Q4	545.0	8.2	9.0	8.8	1.8	9.5	13.5
Non-residential investment (2009 \$B)	2015 Q4	2,215	-1.8	1.6	2.9	6.2	3.0	9.0
Business inventory change (2009 \$B) (1)	2015 Q4	68.6	---	---	95.1	68.0	61.4	54.7
Exports (2009 \$B)	2015 Q4	2,108	-2.5	-0.8	1.1	3.4	2.8	3.4
Imports (2009 \$B)	2015 Q4	2,674	1.1	3.4	5.0	3.8	1.0	2.2
Final domestic demand (2009 \$B)	2015 Q4	16,935	1.6	2.5	2.8	2.5	1.2	1.9
GDP deflator (2009 = 100)	2015 Q4	110.3	0.8	1.1	1.0	1.6	1.6	1.8
Labor productivity (2009 = 100)	2015 Q4	105.7	-3.0	0.3	0.6	0.7	-0.0	0.9
Unit labor cost (2009 = 100)	2015 Q4	109.5	4.5	2.8	2.4	2.0	1.1	1.7
Employment cost index (Dec. 2005 = 100)	2015 Q4	125.2	2.3	2.0	2.1	2.0	2.0	1.8
Current account balance (\$B) (1)	2015 Q3	-124.1	---	---	-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)	Jan.*	123.2	-0.2	0.0	0.3	2.2
ISM manufacturing index (1)	Jan.	48.2	48.0	49.4	51.9	53.9
ISM non-manufacturing index (1)	Jan.	53.5	55.8	58.3	59.6	56.9
Cons. confidence Conf. Board (1985 = 100) (1)	Jan.	98.1	96.3	99.1	91.0	103.8
Cons. confidence Michigan (1966 = 100) (1)	Feb.	90.7	92.0	91.3	91.9	95.4
Personal consumption expenditure (2009 \$B)	Dec.	11,345	0.1	0.5	1.2	2.6
Disposable personal income (2009 \$B)	Dec.	12,444	0.4	0.8	1.8	3.1
Consumer credit (\$B)	Dec.	3,547	0.6	1.4	3.3	6.9
Retail sales (\$M)	Jan.	449,904	0.2	0.7	0.6	3.4
Excluding automobiles (\$M)	Jan.	354,159	0.1	0.4	-0.1	2.5
Industrial production (2007 = 100)	Jan.*	106.8	0.9	-0.5	-0.6	-0.7
Production capacity utilization rate (%) (1)	Jan.*	77.1	76.4	77.7	78.0	78.7
New machinery orders (\$M)	Dec.	456,492	-2.9	-2.3	-4.9	-3.9
New durable good orders (\$M)	Dec.	225,589	-5.0	-2.8	-4.7	-0.5
Business inventories (\$B)	Dec.	1,813	0.1	-0.1	0.2	1.7
Housing starts (K) (1)	Jan.*	1,099	1,143	1,071	1,152	1,080
Building permits (K) (1)	Jan.*	1,202	1,204	1,161	1,130	1,059
New home sales (K) (1)	Dec.	544.0	491.0	457.0	469.0	495.0
Existing home sales (K) (1)	Dec.	5,460	4,760	5,550	5,480	5,070
Construction spending (\$B)	Dec.	1,117	0.1	-0.7	0.3	8.2
Commercial surplus (\$M) (1)	Dec.	-43,357	-42,226	-42,484	-46,287	-45,549
Nonfarm employment (K) (2)	Jan.	143,288	151.0	693.0	1,287	2,665
Unemployment rate (%) (1)	Jan.	4.9	5.0	5.0	5.3	5.7
Consumer price (1982-1984 = 100)	Jan.*	238.1	0.0	0.1	0.2	1.3
Excluding food and energy	Jan.*	245.2	0.3	0.6	1.1	2.2
Personal cons. expenditure deflator (2009 = 100)	Dec.	109.7	-0.1	0.0	0.1	0.6
Excluding food and energy	Dec.	110.1	0.0	0.2	0.6	1.4
Producer price (2009 = 100)	Jan.*	109.8	0.1	0.3	-0.6	-0.3
Excluding food and energy	Jan.*	109.7	0.4	0.8	0.4	0.7
Export prices (2000 = 100)	Jan.	118.9	-0.8	-2.5	-4.7	-5.7
Import prices (2000 = 100)	Jan.	118.2	-1.1	-2.7	-5.7	-6.2

\* 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.



## 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 Q3	82.0	---	---	82.7	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)	Nov.	1,648,935	0.3	-0.2	0.7	0.2
Industrial production (2007 \$M)	Nov.	345,870	0.5	-2.0	0.8	-3.2
Manufacturing sales (\$M)	Dec.*	51,556	1.2	1.2	0.7	-1.6
Housing starts (K) (1)	Jan.	165.9	172.5	197.8	190.7	182.9
Building permits (\$M)	Dec.	6,923	11.3	-2.0	-11.1	-1.6
Retail sales (\$M)	Dec.*	43,208	-2.2	-0.5	0.2	2.6
Excluding automobiles (\$M)	Dec.*	32,200	-1.6	-0.7	-1.1	0.7
Wholesale trade sales (\$M)	Dec.*	57,203	2.0	3.6	3.3	2.3
Commercial surplus (\$M) (1)	Dec.	-584.9	-1,587	-2,126	-971.7	-966.5
Exports (\$M)	Dec.	45,351	3.9	3.3	1.8	3.4
Imports (\$M)	Dec.	45,935	1.6	-0.2	0.9	2.5
Employment (K) (2)	Jan.	18,005	-5.7	-5.3	8.9	10.5
Unemployment rate (%) (1)	Jan.	7.2	7.1	7.0	6.8	6.6
Average weekly earnings (\$)	Nov.	950.7	-0.3	0.6	0.4	1.4
Number of salaried employees (K) (2)	Nov.	15,775	-28.1	22.3	4.9	11.5
Consumer price (2002 = 100)	Jan.*	126.8	0.2	-0.3	-0.4	2.0
Excluding food and energy	Jan.*	121.6	0.2	-0.5	0.2	1.8
Excluding 8 volatile items	Jan.*	126.5	0.3	-0.4	0.4	2.0
Industrial product price (2002 = 100)	Dec.	109.8	-0.2	-1.0	-1.0	1.1
Raw materials price (2002 = 100)	Dec.	84.3	-5.0	-9.0	-18.2	-14.1
Money supply M1+ (\$M)	Dec.	814,765	0.2	0.9	4.6	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 (%)		
	Feb. 19	Feb. 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
<b>United States</b>									
Federal funds – target	0.50	0.50	0.50	0.25	0.25	0.25	0.50	0.30	0.25
Treasury bill – 3 months	0.28	0.29	0.30	0.11	0.03	0.02	0.35	0.09	-0.02
Treasury bonds – 2 years	0.74	0.70	0.88	0.91	0.62	0.63	1.08	0.71	0.48
– 5 years	1.22	1.20	1.48	1.69	1.43	1.59	1.79	1.51	1.11
– 10 years	1.74	1.75	2.06	2.28	2.04	2.13	2.48	2.14	1.64
– 30 years	2.59	2.59	2.83	3.03	2.74	2.71	3.24	2.88	2.47
S&P 500 index	1,909	1,865	1,907	2,089	1,971	2,110	2,131	2,042	1,829
DJIA index	16,362	15,974	16,094	17,824	16,460	18,140	18,312	17,392	15,660
Gold price (US\$/ounce)	1,231	1,234	1,100	1,079	1,158	1,207	1,248	1,144	1,052
CRB index	159.06	160.36	163.80	183.73	191.34	224.76	231.77	199.84	155.01
WTI oil (US\$/barrel)	29.26	29.32	32.07	39.39	40.45	49.95	61.36	46.18	26.19
<b>Canada</b>									
Overnight – target	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.60	0.50
Treasury bill – 3 months	0.46	0.45	0.46	0.46	0.38	0.47	0.68	0.50	0.32
Treasury bonds – 2 years	0.43	0.44	0.46	0.62	0.33	0.40	0.71	0.52	0.29
– 5 years	0.58	0.59	0.76	0.94	0.61	0.79	1.13	0.82	0.48
– 10 years	1.09	1.13	1.32	1.62	1.27	1.42	1.91	1.49	1.00
– 30 years	1.90	1.93	2.10	2.33	2.01	2.07	2.48	2.19	1.82
Spread with the U.S. rate (% points)									
Overnight – target	0.00	0.00	0.00	0.25	0.25	0.50	0.50	0.30	0.00
Treasury bill – 3 months	0.18	0.16	0.16	0.35	0.35	0.45	0.67	0.41	0.06
Treasury bonds – 2 years	-0.31	-0.26	-0.42	-0.29	-0.29	-0.23	0.13	-0.19	-0.64
– 5 years	-0.64	-0.61	-0.72	-0.75	-0.82	-0.80	-0.39	-0.69	-1.00
– 10 years	-0.65	-0.62	-0.74	-0.66	-0.77	-0.71	-0.36	-0.65	-0.90
– 30 years	-0.69	-0.66	-0.73	-0.70	-0.73	-0.64	-0.50	-0.70	-0.90
S&P/TSX index	12,744	12,381	12,390	13,433	13,474	15,172	15,451	14,012	11,843
Exchange rate (C\$/US\$)	1.3806	1.3847	1.4117	1.3343	1.3186	1.2528	1.4579	1.3015	0.7243
Exchange rate (C\$/€)	1.5352	1.5592	1.5242	1.4205	1.5018	1.4257	1.5903	1.4348	0.8054
<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	0.20	0.26	0.41	0.48	0.57	0.37	0.99	0.53	0.08
U.K.: Bonds – 10 years	1.41	1.42	1.72	1.87	1.83	1.79	2.19	1.84	1.28
Euro: Exchange rate (US\$/€)	1.1120	1.1261	1.0797	1.0646	1.1390	1.1381	1.1620	1.1026	1.0495
U.K.: Exchange rate (US\$/£)	1.4324	1.4508	1.4266	1.5192	1.5697	1.5401	1.5884	1.5175	1.4158

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.