

The new budgetary measures in the 2016 Federal Budget will make deficits balloon

HIGHLIGHTS

- United States: New home sales edge up, but resales tumble.
- Federal Budget: Total deficits of approximately \$120B by 2020–2021.

A LOOK AHEAD

- United States: Hiring should remain strong in March, but not go as high as February's.
- United States: The ISM should finally go above 50.
- Canada: Real GDP by industry should rise about 0.3% for January.

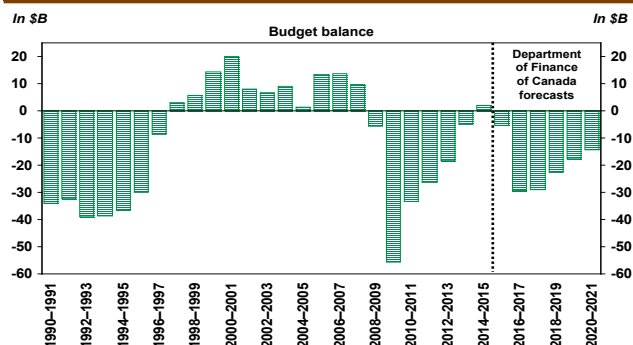
FINANCIAL MARKETS

- A tougher week for Canada's stock market.
- The fact that sizable deficits are back in Canada has little impact on bonds.
- The Canadian dollar returns to US\$0.75 (C\$1.33/US\$).

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Graph of the week – 2016 Federal Budget:
Total deficits of approximately \$120B by 2020–2021



Source: Department of Finance of Canada

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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

- Existing home sales tumbled 7.1% in February after gaining 12.1% in December, and edging up 0.4% in January. Annualized sales went from 5,470,000 to 5,080,000 units from January to February. All regions recorded declines. The retreat owes as much to single-family dwellings (-7.2%) as condo sales (-6.6%).
- Sales of new single-family homes went up 2.0% in February after dropping 7.0% in January. Sales went from 540,000 units in December, a number that plunged to 502,000 units in January, and then climbed to 512,000 in February. The increase occurred entirely in the Western United States.
- As expected, new durable goods orders retreated after surging in January. Following a monthly gain of 4.2%, they tumbled 2.8%. Once again, much of the change comes from aviation, where orders fell 43.5% in December, jumped 59.4% in January, then pulled back 27.7% in February. Excluding transportation, orders were down 1.0%, coming in below expectations. Excluding defence and aviation, new capital goods orders contracted 1.8% on the heels of January's 3.1% increase.

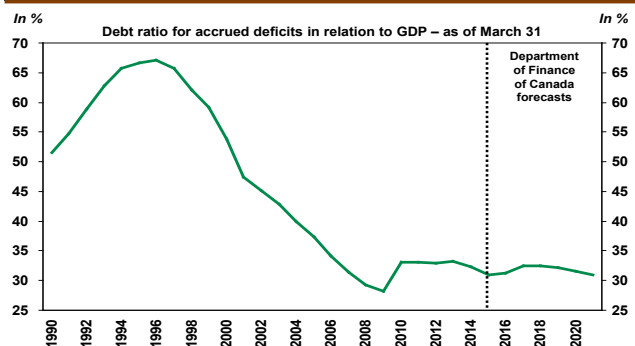
Francis Généreux
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CANADA

- On Tuesday, the federal government tabled Budget 2016. As we were expecting, the 2014–2015 \$1.9B budget surplus will be followed a return to deficit budgets. A deficit of \$5.4B is projected as of 2015–2016, a figure that should then rise substantially, hitting \$29.4B in 2016–2017 and \$29.0B in 2017–2017. After that, it is expected to decline gradually, and could drop to \$14.3B in 2020–2021. In all, the deficits should total \$118.6B by March 31, 2021. Given the deficits projected for the next few years, the debt to GDP ratio will rise to 32.5% in 2016–2017, a slight increase, historically speaking. After that, the debt to GDP ratio should decline again, hitting 30.9% in 2020–2021, close to where it was in 2014–2015.

Benoit P. Durocher
Senior Economist

Canada – The debt to GDP ratio should be contained despite budget deficits in the coming fiscal years



Sources: Department of Finance of Canada and Desjardins, Economic Studies

FINANCIAL MARKETS

The greenback strengthens

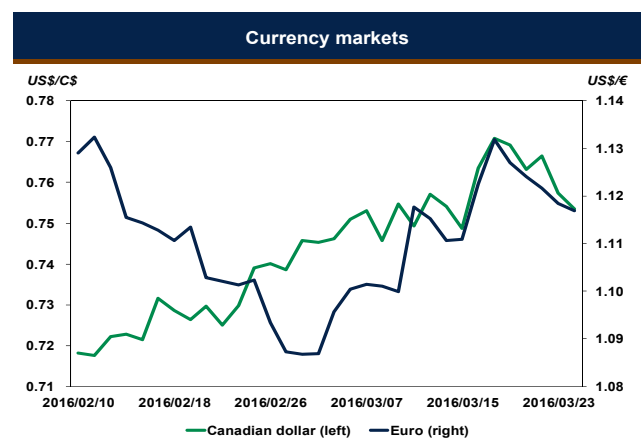
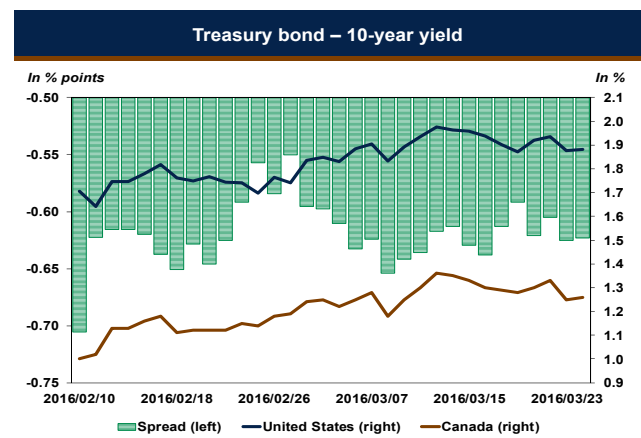
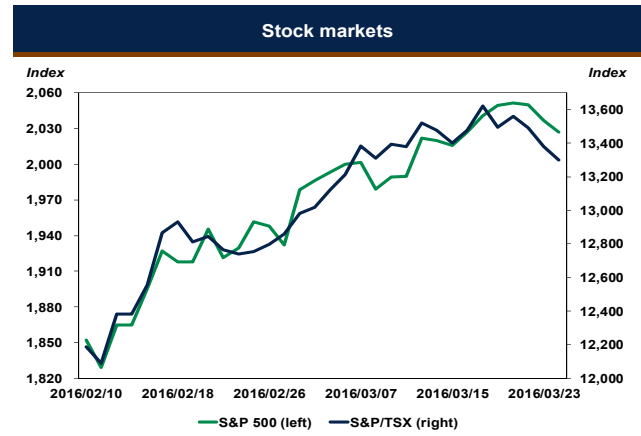
The stock indexes seemed to be consolidating early in the week and showed resilience following the attacks in Brussels. The S&P 500 even went above 2,050 briefly, up more than 12% from the low reached at the start of February. A relapse in commodity prices, reflecting the greenback's rise and a surge in U.S. oil inventories, took the stock indexes down starting Wednesday. The decline in oil and gold prices was especially hard on the Canadian stock market: at the time of writing, it was heading for a weekly retreat of nearly 1.5%.

Comments from a number of Federal Reserve leaders to the effect that key rates could go up as of the April meeting offset the very cautious statement released the previous week. U.S. bond yields rose early in the week, then retreated, tracking the trend for oil and the stock markets. In Canada, the big news this week was the federal budget, which points to deficits totalling more than \$110B over the next five years. This will result in a substantial increase in issuances. The federal government has even decided to start reissuing 3-year bonds. Canadian yields edged up a few points when the budget was announced, but this movement reversed quickly.

The U.S. dollar recouped some of the ground lost last week. The US\$/€ exchange rate fell back below US\$1.12. The Brussels attacks did not set off a shock wave in the currency market, but did extend the euro's downward movement against the greenback. The pound depreciated further on Tuesday, as the attacks could increase the chances of a United Kingdom departure from the European Union. The pound was around US\$1.45 on Monday; on Thursday morning, it was close to US\$1.41. The Canadian dollar also depreciated, returning to around US\$0.75. The main factor is the drop in oil prices since Wednesday; the federal budget had no impact.

Mathieu D'Anjou
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Senior Economist



A LOOK AHEAD



UNITED STATES

Monday March 28 - 8:30

February	m/m
Consensus	0.1%
Desjardins	-0.1%
January	0.5%

Consumption spending (February) – Growth in real consumption was fairly strong in January, posting the best gain since May 2015, at 0.4%. February’s numbers for retail sales point to weaker real consumption in February and a downgrade to January’s results. We therefore expect retreats in motor vehicles and non-durable goods. Also, February’s warm weather no doubt made consumption of heating service go down. However, this effect will be offset by an upswing in food services. We expect real consumption to be flat. The consumption expenditure deflator probably retreated 0.1% in February, with the result that nominal consumption will also tick down 0.1%. After rising to 1.3% primarily as a result of base effects, the annual change in the consumption expenditure deflator should return to 1.0%. Nominal personal income should increase 0.2%.

Tuesday March 29 - 9:00

January	y/y
Consensus	5.75%
Desjardins	5.79%
December	5.74%

S&P/Case-Shiller index of existing home prices (January) – Existing home prices are continuing to advance fairly quickly. After the declines seen in the spring and summer of 2015, prices began to trend up again and, in the last three months of 2015, average monthly growth was 0.9%. We expect the S&P/Case-Shiller index to rise 0.7% in January, taking the annual change from 5.7% to 5.8%.

Tuesday March 29 - 10:00

March	
Consensus	93.5
Desjardins	92.2
February	92.2

Conference Board consumer confidence index (March) – The Conference Board index dropped more than anticipated in February, going to 92.2, its lowest point since July 2015. It therefore seems that the plunge in gas prices and solid performance by employment are not improving consumers’ mood. The signals for March are mixed. On one hand, gas prices have begun to rise; on the other, the stock market has advanced nearly 13% from its low in mid-February. Note also that the preliminary version of the University of Michigan confidence index fell in March. We expect the Conference Board index to stand still.

Friday April 1 - 8:30

March	
Consensus	207,000
Desjardins	218,000
February	242,000

Job creation according to the establishment survey (March) – The U.S. job market rebounded in February, creating 242,000 jobs, after January’s fairly tepid 172,000 gain. Another good result is expected for March, primarily because initial jobless claims fell again over the month, closing in on last fall’s low. We expect March to add 218,000 jobs. The jobless rate should stay at 4.9%.

Friday March 1 - 10:00

March	
Consensus	50.4
Desjardins	50.9
February	49.5

ISM manufacturing index (March) – The manufacturing ISM is now spending its fifth straight month under the 50 mark, which is compatible with contraction by the manufacturing sector. We expect it to climb back over 50 in March, however. Most of the regional manufacturing indicators posted solid improvements over the month (the Dallas and Chicago indexes will be out on Monday and Tuesday respectively). Also, some components of the manufacturing ISM had been showing noteworthy improvement in February. We expect the manufacturing ISM to go to 50.9.


CANADA

Real GDP by industry (January) – In general, the results for January’s economic indicators were fairly good. Among other things, the volume of manufacturing sales rose 2.4%, while the volume of retail sales advanced 2.2%. The number of hours worked also increased 0.3% due to a major advance in the service sector. Real GDP by industry could rise 0.3% in January, getting the first quarter of 2016 off to a very good start.


OVERSEAS

Euro zone: Economic indicators – Several indicators will be published during the week in the euro zone, starting Wednesday with an array of confidence indicators. Recently, they have been trending down. The advance estimate for March’s inflation (-0.2% in February) comes out on Thursday. February’s unemployment rate will be released Friday; it was at 10.3% in February.

Japan: Economic indicators – Following the real GDP contraction in the last quarter of 2015, it will be interesting to see whether we can hope for some improvement in Japan’s economy as of Q1 2016. Several indicators for February will be out this week, giving us more information after January’s fairly mixed results. The unemployment rate comes out Monday night; it was at 3.2% in January. February’s retail sales will be out almost simultaneously. The consensus expectation is for a rebound after January’s 0.1% monthly drop. In contrast, the figures on industrial production (Tuesday night) should pull back on the heels of January’s 3.7% gain. The results of the Tankan survey for the first quarter of 2016 come out Thursday.


Thursday March 31 - 8:30

January	m/m
Consensus	0.3%
Desjardins	0.3%
December	0.2%

During the week**During the week**

ECONOMIC INDICATORS


Week of March 28 to April 1, 2016

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 28	8:30	Personal income (m/m)	Feb.	0.1%	0.2%	0.5%
	8:30	Personal consumption expenditures (m/m)	Feb.	0.1%	-0.1%	0.5%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	Feb.	-0.1%	-0.1%	0.1%
		Excluding food and energy (m/m)	Feb.	0.2%	0.2%	0.3%
		Total (y/y)	Feb.	1.0%	1.0%	1.3%
		Excluding food and energy (y/y)	Feb.	1.8%	1.7%	1.7%
	10:00	Pending home sales (m/m)	Feb.	1.1%	n/a	-2.5%
TUESDAY 29	5:15	Speech of the San Francisco Fed President, J. Williams				
	9:00	S&P/Case-Shiller home price index (y/y)	Jan.	5.75%	5.79%	5.74%
	10:00	Consumer confidence	March	93.5	92.2	92.2
	13:00	Speech of the Dallas Fed President, R. Kaplan				
WEDNESDAY 30	13:00	Speech of the Chicago Fed President, C. Evans				
THURSDAY 31	8:30	Initial unemployment claims	March 21-25	n/a	265,000	265,000
	9:45	Chicago PMI index	March	50.5	52.0	47.6
	17:00	Speech of the New York Fed President, W. Dudley				
FRIDAY 1	---	Total vehicle sales (ann. rate)	March	17,550,000	17,650,000	17,430,000
	8:30	Change in nonfarm payrolls	March	207,000	218,000	242,000
	8:30	Unemployment rate	March	4.9%	4.9%	4.9%
	8:30	Weekly worked hours	March	34.5	34.5	34.4
	8:30	Average weekly earnings (m/m)	March	0.2%	0.3%	-0.1%
	10:00	Construction spending (m/m)	Feb.	0.1%	-0.2%	1.5%
	10:00	Michigan's consumer sentiment index – final	March	90.5	90.0	90.0
	10:00	ISM manufacturing index	March	50.4	50.9	49.5
	13:00	Speech of the Cleveland Fed President, L. Mester				




CANADA

MONDAY 28	---	---				
TUESDAY 29	8:30	Industrial product price index (m/m)	Feb.	-0.2%	-0.2%	0.5%
	8:30	Raw materials price index (m/m)	Feb.	-0.6%	-0.8%	-0.4%
WEDNESDAY 30	14:20	Speech of a Bank of Canada Deputy Governor, L. Patterson				
THURSDAY 31	8:30	Real GDP by industry (m/m)	Jan.	0.3%	0.3%	0.2%
FRIDAY 1	---	---				

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 March 28 to April 1, 2016

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
MONDAY 28								
Japan	19:30	Workers' household spending	Feb.		-1.5%		-3.1%	
Japan	19:30	Unemployment rate	Feb.	3.2%		3.2%		
Japan	19:50	Retail sales	Feb.	n/a	0.5%	-1.1%	-0.1%	
TUESDAY 29								
Japan	1:00	Small business confidence	March	n/a		47.9		
Euro zone	4:00	Money supply M3	Feb.		5.0%		5.0%	
Italy	4:00	Consumer confidence	March	114.0		114.5		
Italy	4:00	Business confidence	March	102.5		102.0		
Italy	4:00	Economic confidence	March	n/a		103.1		
Japan	19:50	Industrial production – preliminary	Feb.	-5.9%	-1.7%	3.7%	-3.8%	
WEDNESDAY 30								
Japan	0:00	Vehicle production	Feb.		n/a		-5.8%	
Euro zone	5:00	Business climate	March	0.12		0.07		
Euro zone	5:00	Consumer confidence – final	March	-9.7		-9.7		
Euro zone	5:00	Industrial confidence	March	-4.1		-4.4		
Euro zone	5:00	Services confidence	March	10.5		10.6		
Euro zone	5:00	Economic confidence	March	103.8		103.8		
Germany	8:00	Consumer price index – preliminary	March	0.6%	0.1%	0.4%	0.0%	
United Kingdom	19:05	Consumer confidence	March	-1		0		
THURSDAY 31								
Japan	1:00	Housing starts	Feb.		-2.8%		0.2%	
Germany	2:00	Retail sales	Feb.	0.3%	2.2%	0.7%	-0.8%	
France	2:45	Personal consumption expenditures	Feb.	0.1%	n/a	0.6%	0.6%	
France	2:45	Consumer price index – preliminary	March	0.5%	-0.2%	0.3%	-0.2%	
France	2:45	Producer price index	Feb.	n/a	n/a	-0.8%	-2.5%	
United Kingdom	4:30	Current account (£B)	Q4	-21.8		-17.5		
United Kingdom	4:30	Index of services	Jan.	0.2%		0.2%		
United Kingdom	4:30	Real GDP – final	Q4	0.5%	1.9%	0.5%	1.9%	
Euro zone	5:00	Consumer price index – estimate	March		-0.1%		-0.2%	
Italy	5:00	Consumer price index – preliminary	March	0.1%	-0.3%	-0.2%	-0.3%	
Italy	6:00	Producer price index	Feb.	n/a	n/a	-0.8%	-3.0%	
Japan	19:50	Tankan large manufacturers index	Q1	10		12		
China	21:00	PMI manufacturing index	March	49.3		49.0		
China	21:00	PMI non-manufacturing index	March	n/a		52.7		
FRIDAY 1								
Japan	1:00	Vehicle sales	March		n/a		-4.6%	
United Kingdom	2:00	Nationwide house prices	March	0.5%	5.1%	0.3%	4.8%	
Italy	3:45	PMI manufacturing index	March	52.4		52.2		
France	3:50	PMI manufacturing index – final	March	49.6		49.6		
Germany	3:55	PMI manufacturing index – final	March	50.4		50.4		
Euro zone	4:00	PMI manufacturing index – final	March	51.4		51.4		
Italy	4:00	Unemployment rate – preliminary	Feb.	n/a		11.5%		
Euro zone	5:00	Unemployment rate	Feb.	10.3%		10.3%		
Mexico	11:00	Minutes of the Bank of Mexico meeting						

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	2015	2014	2013	2012
Gross domestic product (2009 \$B)	2015 Q4	16,455	1.0	1.9	2.4	2.4	1.5	2.2
Consumption (2009 \$B)	2015 Q4	11,319	2.0	2.6	3.1	2.7	1.7	1.5
Government spending (2009 \$B)	2015 Q4	2,869	-0.1	1.1	0.7	-0.6	-2.9	-1.9
Residential investment (2009 \$B)	2015 Q4	544.7	7.9	8.9	8.7	1.8	9.5	13.5
Non-residential investment (2009 \$B)	2015 Q4	2,214	-1.9	1.6	2.9	6.2	3.0	9.0
Business inventory change (2009 \$B) (1)	2015 Q4	81.7	---	---	98.4	68.0	61.4	54.7
Exports (2009 \$B)	2015 Q4	2,107	-2.7	-0.8	1.1	3.4	2.8	3.4
Imports (2009 \$B)	2015 Q4	2,663	-0.6	2.9	4.9	3.8	1.0	2.2
Final domestic demand (2009 \$B)	2015 Q4	16,926	1.4	2.4	2.8	2.5	1.2	1.9
GDP deflator (2009 = 100)	2015 Q4	110.3	0.9	1.1	1.0	1.6	1.6	1.8
Labor productivity (2009 = 100)	2015 Q4	106.0	-2.2	0.5	0.7	0.8	0.0	0.9
Unit labor cost (2009 = 100)	2015 Q4	108.8	3.3	2.1	2.1	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 Q4	-125.3	---	---	-484.1	-389.5	-376.8	-449.7

* 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)	Feb.	123.2	0.1	-0.4	0.3	2.3
ISM manufacturing index (1)	Feb.	49.5	48.2	48.4	51.0	53.3
ISM non-manufacturing index (1)	Feb.	53.4	53.5	56.6	58.3	57.1
Cons. confidence Conf. Board (1985 = 100) (1)	Feb.	92.2	97.8	92.6	101.3	98.8
Cons. confidence Michigan (1966 = 100) (1)	March	90.0	91.7	92.6	87.2	93.0
Personal consumption expenditure (2009 \$B)	Jan.	11,387	0.4	0.8	1.4	2.9
Disposable personal income (2009 \$B)	Jan.	12,444	0.4	0.8	1.5	2.8
Consumer credit (\$B)	Jan.	3,544	0.3	0.9	2.6	6.5
Retail sales (\$M)	Feb.	447,308	-0.1	-0.2	0.0	3.1
Excluding automobiles (\$M)	Feb.	352,997	-0.1	-0.2	-0.3	2.1
Industrial production (2007 = 100)	Feb.	106.3	-0.5	-0.2	-1.1	-1.0
Production capacity utilization rate (%) (1)	Feb.	76.7	77.1	77.0	77.9	78.4
New machinery orders (\$M)	Jan.	463,938	1.6	-2.0	-3.6	-1.9
New durable good orders (\$M)	Feb.*	229,364	-2.8	-3.4	-2.0	1.8
Business inventories (\$B)	Jan.	1,812	0.1	-0.0	0.1	1.8
Housing starts (K) (1)	Feb.	1,178	1,120	1,176	1,116	900.0
Building permits (K) (1)	Feb.	1,177	1,204	1,282	1,161	1,098
New home sales (K) (1)	Feb.*	512.0	502.0	511.0	507.0	545.0
Existing home sales (K) (1)	Feb.*	5,080	5,470	4,860	5,290	4,970
Construction spending (\$B)	Jan.	1,141	1.5	1.6	2.3	10.4
Commercial surplus (\$M) (1)	Jan.	-45,677	-44,698	-45,476	-43,710	-43,601
Nonfarm employment (K) (2)	Feb.	143,560	242.0	685.0	1,409	2,672
Unemployment rate (%) (1)	Feb.	4.9	4.9	5.0	5.1	5.5
Consumer price (1982-1984 = 100)	Feb.	237.7	-0.2	-0.2	0.0	1.0
Excluding food and energy	Feb.	245.9	0.3	0.7	1.3	2.3
Personal cons. expenditure deflator (2009 = 100)	Jan.	110.0	0.1	0.2	0.2	1.3
Excluding food and energy	Jan.	110.4	0.3	0.5	0.8	1.7
Producer price (2009 = 100)	Feb.	109.6	-0.2	-0.3	-0.6	0.0
Excluding food and energy	Feb.	109.7	0.0	0.5	0.5	1.1
Export prices (2000 = 100)	Feb.	118.3	-0.4	-2.3	-3.8	-6.0
Import prices (2000 = 100)	Feb.	117.8	-0.3	-2.5	-4.4	-6.1

* 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	2015	2014	2013	2012
Gross domestic product (2007 \$M)	2015 Q4	1,775,743	0.8	0.5	1.2	2.5	2.2	1.7
Household consumption (2007 \$M)	2015 Q4	1,004,848	1.0	1.4	1.9	2.6	2.4	1.9
Government consumption (2007 \$M)	2015 Q4	345,955	1.5	1.9	1.4	0.3	0.3	0.7
Residential investment (2007 \$M)	2015 Q4	122,075	1.8	2.9	3.9	2.5	-0.4	5.6
Non-residential investment (2007 \$M)	2015 Q4	168,104	-12.4	-13.8	-8.8	0.0	2.5	8.6
Business inventory change (2007 \$M) (1)	2015 Q4	-4,017	---	---	4,550	9,869	15,476	6,159
Exports (2007 \$M)	2015 Q4	575,472	-2.2	1.9	3.0	5.3	2.8	2.6
Imports (2007 \$M)	2015 Q4	560,609	-8.9	-3.2	0.1	1.8	1.5	3.6
Final domestic demand (2007 \$M)	2015 Q4	1,755,910	-0.6	-0.5	0.5	1.6	1.3	2.4
GDP deflator (2007 = 100)	2015 Q4	112.4	-0.4	-0.4	-0.5	1.7	1.6	1.3
Labour productivity (2007 = 100)	2015 Q4	106.4	0.4	-1.1	-0.2	2.5	1.3	-0.4
Unit labour cost (2007 = 100)	2015 Q4	115.8	3.2	2.1	1.6	1.1	1.7	3.2
Current account balance (\$M) (1)	2015 Q4	-15,379	---	---	-65,714	-44,894	-59,665	-65,680
Production capacity utilization rate (%) (1)	2015 Q4	81.1	---	---	81.3	82.3	80.8	81.0
Disposable personal income (\$M)	2015 Q4	1,131,400	2.2	3.4	3.9	3.0	4.8	4.1
Corporate net operating surplus (2007 \$M)	2015 Q4	221,036	-19.4	-18.6	-15.2	7.0	0.8	-5.3

* 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)	Dec.	1,658,728	0.2	0.6	0.6	0.5
Industrial production (2007 \$M)	Dec.	350,649	0.0	0.3	0.3	-2.1
Manufacturing sales (\$M)	Jan.	53,131	2.3	5.3	2.1	5.6
Housing starts (K) (1)	Feb.	212.6	165.1	211.7	214.0	151.3
Building permits (\$M)	Jan.	6,375	-9.8	-14.6	-11.3	-6.7
Retail sales (\$M)	Jan.	44,173	2.1	1.5	1.9	6.4
Excluding automobiles (\$M)	Jan.	32,559	1.2	0.4	0.1	3.4
Wholesale trade sales (\$M)	Jan.	57,049	-0.0	3.8	3.1	5.9
Commercial surplus (\$M) (1)	Jan.	-655.3	-630.8	-2,310	-537.9	-1,840
Exports (\$M)	Jan.	45,996	1.0	6.1	0.2	7.3
Imports (\$M)	Jan.	46,651	1.1	2.2	0.5	4.4
Employment (K) (2)	Feb.	18,003	-2.3	4.9	5.1	9.8
Unemployment rate (%) (1)	Feb.	7.3	7.2	7.0	7.0	6.9
Average weekly earnings (\$)	Dec.	959.3	0.9	0.6	0.5	1.7
Number of salaried employees (K) (2)	Dec.	15,853	36.1	30.8	17.8	16.1
Consumer price (2002 = 100)	Feb.	127.1	0.2	0.0	-0.2	1.4
Excluding food and energy	Feb.	122.3	0.6	0.3	0.7	1.7
Excluding 8 volatile items	Feb.	127.1	0.5	0.4	0.6	1.9
Industrial product price (2002 = 100)	Jan.	110.1	0.5	-0.2	-1.4	1.7
Raw materials price (2002 = 100)	Jan.	83.6	-0.4	-9.5	-13.7	-7.5
Money supply M1+ (\$M)	Jan.	822,669	0.9	1.7	3.9	9.0

* 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 (%)		
	March 24	March 17	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	0.50	0.50	0.50	0.50	0.25	0.25	0.50	0.32	0.25
Treasury bill – 3 months	0.28	0.29	0.32	0.20	-0.01	0.04	0.35	0.11	-0.02
Treasury bonds – 2 years	0.87	0.86	0.81	1.04	0.64	0.58	1.08	0.73	0.48
– 5 years	1.37	1.33	1.26	1.62	1.45	1.43	1.79	1.50	1.11
– 10 years	1.88	1.87	1.76	2.24	2.17	1.96	2.48	2.12	1.64
– 30 years	2.65	2.67	2.64	2.96	2.96	2.54	3.24	2.88	2.47
S&P 500 index	2,027	2,050	1,948	2,061	1,931	2,061	2,131	2,033	1,829
DJIA index	17,435	17,602	16,640	17,552	16,315	17,713	18,312	17,306	15,660
Gold price (US\$/ounce)	1,220	1,254	1,216	1,075	1,144	1,201	1,271	1,150	1,052
CRB index	171.58	176.35	161.67	176.09	195.71	215.16	231.77	195.38	155.01
WTI oil (US\$/barrel)	38.74	39.47	31.65	37.62	45.55	48.83	61.36	45.08	26.19
Canada									
Overnight – target	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.58	0.50
Treasury bill – 3 months	0.46	0.46	0.47	0.46	0.43	0.56	0.68	0.49	0.32
Treasury bonds – 2 years	0.56	0.54	0.52	0.49	0.54	0.52	0.71	0.52	0.29
– 5 years	0.72	0.71	0.67	0.72	0.86	0.80	1.13	0.81	0.48
– 10 years	1.26	1.28	1.18	1.38	1.53	1.38	1.91	1.47	1.00
– 30 years	2.04	2.08	1.96	2.14	2.27	1.99	2.48	2.18	1.82
Spread with the U.S. rate (% points)									
Overnight – target	0.00	0.00	0.00	0.00	0.25	0.50	0.50	0.26	0.00
Treasury bill – 3 months	0.18	0.17	0.15	0.26	0.44	0.52	0.67	0.37	0.06
Treasury bonds – 2 years	-0.31	-0.32	-0.29	-0.55	-0.10	-0.06	0.13	-0.21	-0.64
– 5 years	-0.65	-0.62	-0.59	-0.90	-0.59	-0.63	-0.39	-0.69	-1.00
– 10 years	-0.62	-0.59	-0.58	-0.86	-0.64	-0.58	-0.36	-0.65	-0.90
– 30 years	-0.60	-0.59	-0.68	-0.82	-0.69	-0.55	-0.50	-0.70	-0.90
S&P/TSX index	13,301	13,497	12,798	13,310	13,379	14,812	15,451	13,849	11,843
Exchange rate (C\$/US\$)	1.3271	1.3002	1.3513	1.3823	1.3337	1.2610	1.4579	1.3088	0.7535
Exchange rate (C\$/€)	1.4824	1.4653	1.4775	1.5173	1.4930	1.3730	1.5903	1.4445	0.8416
Overseas									
ECB – Refinancing rate	0.00	0.00	0.05	0.05	0.05	0.05	0.05	0.05	0.00
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	0.08	-0.10
Germany: Bonds – 10 years	0.17	0.22	0.15	0.63	0.65	0.21	0.99	0.53	0.08
U.K.: Bonds – 10 years	1.45	1.45	1.40	1.92	1.84	1.57	2.19	1.82	1.28
Euro: Exchange rate (US\$/€)	1.1169	1.1270	1.0934	1.0977	1.1195	1.0889	1.1620	1.1040	1.0565
U.K.: Exchange rate (US\$/£)	1.4142	1.4481	1.3871	1.4933	1.5182	1.4878	1.5884	1.5091	1.3871

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.