

Renewed optimism in the markets

HIGHLIGHTS

- New home sales surge in the United States.
- U.S. GDP upgraded slightly for the first quarter.
- The Bank of Canada kept the target for the overnight rate at 0.50%.
- Canada: Another retreat by corporate operating profits.

A LOOK AHEAD

- United States: Employment is expected to show better growth in May after April's disappointing 160,000 hires.
- Real consumption by U.S. households likely increased sharply in April.
- United States: The ISM manufacturing index could slide again.
- Canada: Despite March's downtick, real GDP should increase around 3.0% in the first quarter.
- Canada: The current account balance should deteriorate.
- Canadian labour productivity could improve.

FINANCIAL MARKETS

- A good week for the stock markets and oil.
- The bond market is resilient.
- The pound sterling continues to appreciate on the lower probability that the United Kingdom will leave the European Union.

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Graph of the week – Oil prices and the Canadian stock market hit peaks that date back several months



* West Texas Intermediate.
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

- In April, new single-family home sales hit their highest point since January 2008. An unexpected 16.6% gain took them from 531,000 to 619,000 units. They are up 23.8% from last year. The increase mainly comes from the northeastern United States, where sales jumped 52.8%. They were also strong in the southern (+15.8%) and western (+18.8%) United States.
- New durable goods orders jumped 3.4% in April, much better growth than anticipated. The increase follows March's 1.9% gain and a drop of 3.3% in February. Civil aviation advanced 64.9%, boosted by seasonal factors; military aircraft orders, on the other hand, fell 4.5% after going up 63.4% in March. Motor vehicle orders increased 2.9%, their best monthly gain since July 2015. Excluding transportation, orders rose 0.4%. However, new capital goods orders excluding defence and aviation continue to decline. This time, they are down 0.8%, following declines of 0.1% in March and 2.1% in February.
- The release of the preliminary estimate of the national accounts for the first quarter of 2016 featured a slight upgrade to annualized real GDP growth: it goes from 0.5% in the advance estimate to 0.8%, which is in line with expectations. The positive change stems mainly from a bigger change in inventories and a less negative contribution from net exports.

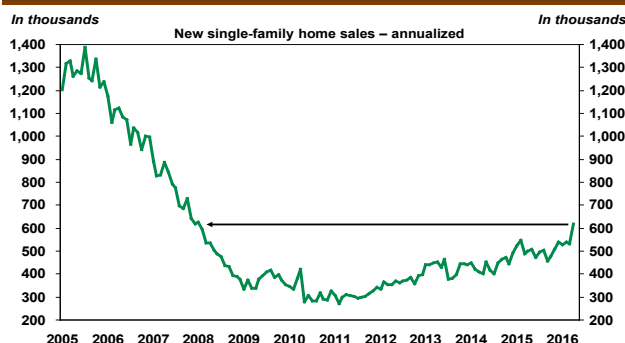
Francis Généreux
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CANADA

- The Bank of Canada (BoC) left the target for its overnight rate at 0.50% in last Wednesday's decision. The economic results will be highly volatile in the coming quarters. Following a relatively lively first quarter, the BoC expects the second quarter to slow substantially, with a rebound coming in the third quarter. Under these conditions, it is important for the monetary authorities to focus on how the trends evolve. However, despite some disappointment, the outlook for Canadian economic growth for 2016 as a whole has not shifted much in the last few weeks. Under these circumstances, an ongoing status quo on monetary policy is evidently appropriate.
- According to the figures released by Statistics Canada, corporate operating profits continued to decline in the first quarter of 2016, dropping 4.6%. Some observers may be concerned that the loonie's recent rise will hurt the profits of Canadian businesses, especially those that trade south of the border. However, fluctuations in Canada's exchange rate and the change in profits for all businesses are positively correlated, historically speaking. The Canadian dollar tends to rise when economic and financial conditions are good at home, particularly with respect to movement by commodity prices. The loonie's recent appreciation and upswing by energy prices could thus augur an eventual improvement in businesses' financial situation.

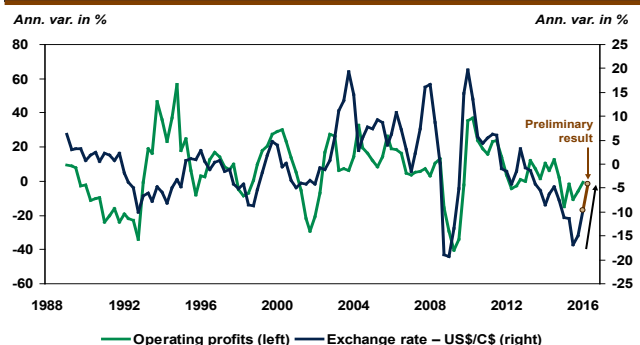
Benoit P. Durocher
Senior Economist

United States – New home sales hit their highest point since 2008 on a major surge in April



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

Canada – Towards improving corporate profits?



Sources: Statistics Canada and Desjardins, Economic Studies

FINANCIAL MARKETS

Investors no longer seem worried about monetary firming

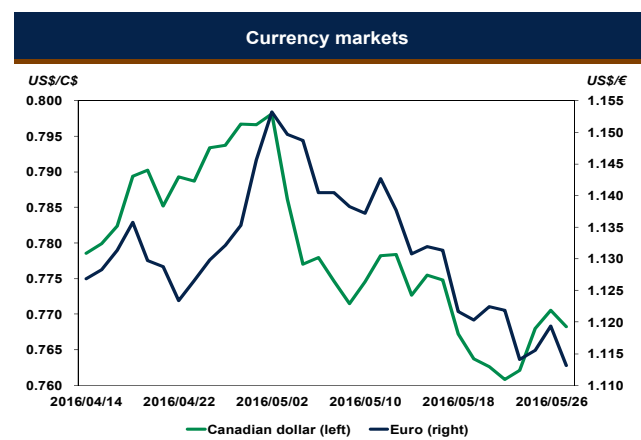
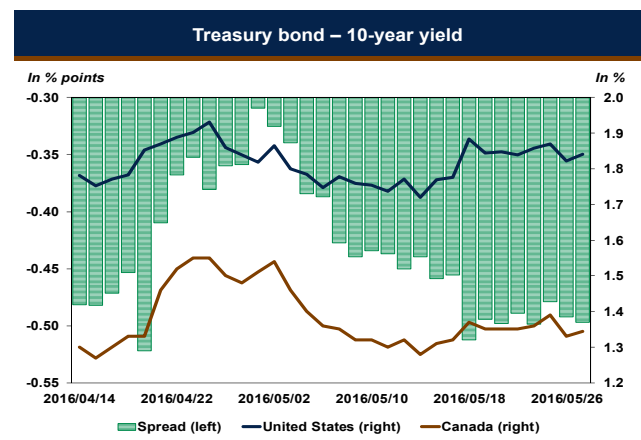
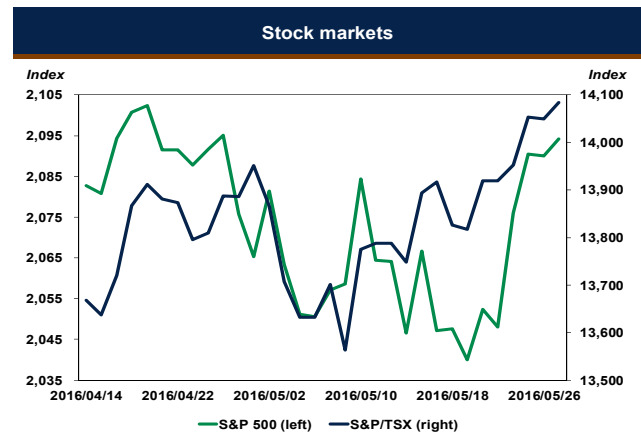
After the recent hesitation, North America's stock markets did a lot better this week. The release of encouraging economic statistics for the United States seems to have revived investor optimism, allowing the S&P 500 to record a 1.4% jump on Tuesday, its biggest 1-day increase since mid-March. Investors now seem to accept that U.S. key rates could go up soon, and no longer seem overly worried about it. Higher interest rates could even bolster the financial sector. The momentum persisted on Wednesday, with oil temporarily crossing above the US\$50/barrel mark. This helped put the S&P/TSX at its highest point since last summer and record growth of more than 8% since the start of 2016.

We might have expected the renewed investor optimism to play against bonds. But in the end, North American yields were fairly stable this week, consolidating last week's increases. Very strong demand at U.S. federal bond auctions had a hand in the bond market's resilience. Canadian yields did not move much either, with the Bank of Canada releasing a statement with no major surprises after its May meeting.

The U.S. dollar made a few gains early in the week but, overall, tended mainly to stabilize. At the time of writing, the euro, pound and Canadian dollar were trading around US\$1.1150, US\$1.4650 and US\$0.7650 respectively. For the euro, it is a modest drop compared with last week, while the pound and loonie edged up instead. Against the euro, the pound hit a new mark since February, at £0.76/€. The pound benefited from another poll that favoured the United Kingdom remaining in the European Union. The Canadian dollar, for its part, capitalized on rising oil prices to temporarily beat US\$0.77 at mid-week.

Mathieu D'Anjou
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday May 31 - 8:30

April	m/m
Consensus	0.7%
Desjardins	0.8%
March	0.1%

Consumer spending (April) – Like retail sales, consumption was fairly weak in March, edging up by just 0.1% in current dollars and stagnating in real terms. However, it seems that consumer spending rebounded in April. New motor vehicles gained 5.2%, while retail sales excluding autos and gas rose 0.6%, pointing to a solid advance by goods consumption. Moreover, the 5.8% rise by industrial energy production suggests a surge in consumption of services. Real total consumption is forecast to gain 0.5%, which would be the best performance since May 2015. The consumption expenditure deflator probably advanced 0.3%, with the result that nominal consumption will go up 0.8%. Nominal personal income should rise 0.3% after March's 0.4% gain.

Tuesday May 31 - 9:00

March	y/y
Consensus	5.06%
Desjardins	5.11%
February	5.38%

S&P/Case-Shiller index of existing home prices (March) – Growth by existing home prices decelerated in February, posting a monthly gain of 0.6% after going up 0.8% or 0.9% for several months. We expect slightly faster growth for March, going back to a monthly 0.8% gain. Despite the acceleration, base effects will make the annual change decelerate, taking it from 5.4% to 5.1%.

Tuesday May 31 - 10:00

May	96.0
Consensus	95.7
Desjardins	95.7
April	94.2

Conference Board consumer confidence index (May) – The Conference Board index gained 2.1 points in March, then lost nearly that many in April (-1.9 points), leaving it lower than where it started the year. Gas prices are still going up, a negative factor that could affect consumers' mood in May. Weekly jobless claims are also up from last month's low. On the other hand, the stock market has been doing fairly well since mid-April. Also, other confidence indexes, particularly the University of Michigan index, advanced over the month. All in all, the Conference Board index should go up a little more than one point.

Wednesday June 1 - 10:00

May	50.5
Consensus	50.2
Desjardins	50.2
April	50.8

ISM manufacturing index (May) – In April, the manufacturing ISM halted the rise that had taken it from 48.0 in December 2015 to 52.8 in March 2016, retreating to 50.8. It could slide again in May, as most regional manufacturing indicators are signalling. In particular, the New York Fed's Empire index and the Richmond Fed index are both back in negative territory. The manufacturing ISM is forecast to retreat to 50.2, with a major risk of an even steeper slide.

Friday June 3 - 8:30

May	160,000
Consensus	200,000
Desjardins	200,000
April	160,000

Job creation according to the establishment survey (May) – The U.S. job market disappointed in April. Although low weekly jobless claims suggested another good performance, just 160,000 new jobs were created, well below the consensus forecast. However, we expect hiring to accelerate again in May, taking the level closer to the recent trend, at around 200,000. The employment components of the ISM manufacturing and consumer confidence indexes will provide us with a little more information next week. The jobless rate should stay at 5.0%.

Trade balance (April) – The trade balance improved substantially in March when imports dropped much more than exports, taking the deficit to its lowest point since February 2015. Based on the preliminary numbers for merchandise trade released for April, we can, however, expect the deficit to erode somewhat. The early figures point to fairly strong growth by both exports and imports, at just above 2%. However, imports have more weight, thereby increasing the deficit from -US\$40.4B to -US\$41.5B.

ISM non-manufacturing index (May) – While the manufacturing ISM deteriorated in April, the non-manufacturing index posted its best monthly growth since October 2015. Its 1.2-point gain took it to 55.7, its highest point in 2016. Improved consumer confidence, along with a better performance by consumption and housing, point to another increase—although slight—by May’s non-manufacturing ISM.


CANADA

Current account (Q1) – In all, the value of merchandise exports dropped 1.3% in the first quarter, primarily due to the slide by energy prices. The value of imports only fell 0.1% during the period, making the balance of trade in goods deteriorate. This will pave the way for an increase in the current account deficit in the first quarter.

Real GDP by industry (March) – At first glance, the results for most economic indicators were not very good in March. In many cases, the difficulties were exacerbated by a drop in prices, and growth was much better once expressed in real terms. This was true of manufacturing and wholesale sales. Moreover, hours worked in the goods sectors rose 0.4% that month, suggesting higher production in many sectors. According to Statistics Canada, the volume of investment in new housing also rose 1.4% in March. These positive factors should therefore curb the pullback by real GDP by industry for the month. All in all, it is expected to tick down 0.1%.

Real GDP (Q1) – Real GDP by industry started the first quarter off well, gaining 0.6% in January. Although it retreated 0.1% in February, and a 0.1% decline is expected for March, as a whole, the first quarter should end with annualized real GDP growth of 3.0%. An improvement to the trade balance should contribute heavily to this gain, along with consumer spending and homebuilding. On the other hand, non-residential investment should keep declining due to the drop in oil prices.

International merchandise trade (April) – Seasonally adjusted and expressed in Canadian dollars, commodity prices fell 1.1% in April due primarily to a decline in non-energy goods. A 0.7% increase was recorded in April for U.S. industrial production, after two months of decline. Among other things, the auto industry south of the border posted growth of 1.3%. Under these conditions, the value of Canadian merchandise exports could go up 1.0% for the month. Imports should keep declining due, among other things, to the drop in non-residential investment, which could take the trade balance from -\$3.4B to -\$2.8B.

Labour productivity (Q1) – According to the interim data, production by the business sector went up 0.8% in the first quarter, while hours worked advanced 0.4%. This suggests a 0.4% increase in labour productivity over the period. The productivity gain, combined with a slight decline in wages over the period, should foster a decrease in unit labour costs.

Friday June 3 - 8:30

April	US\$B
Consensus	-41.9
Desjardins	-41.5
March	-40.4

Friday June 3 - 10:00

May	
Consensus	55.3
Desjardins	56.0
April	55.7

Monday May 30 - 8:30

Q1 2016	\$B
Consensus	-16.8
Desjardins	-16.8
Q4 2015	-15.4

Tuesday May 31 - 8:30

March	m/m
Consensus	-0.1%
Desjardins	-0.1%
February	-0.1%

Tuesday May 31 - 8:30

Q1 2016	ann. rate
Consensus	2.9%
Desjardins	3.0%
Q4 2015	0.8%

Friday June 3 - 8:30

April	\$B
Consensus	-2.60
Desjardins	-2.80
March	-3.41

Friday June 3 - 8:30

Q1 2016	q/q
Consensus	0.4%
Desjardins	0.4%
Q4 2015	0.1%



OVERSEAS


Thursday June 2 - 7:45


May	
Consensus	0.00%
Desjardins	0.00%
April 21	0.00%

Euro zone: European Central Bank meeting (May) – No new measures are anticipated from the next monetary policy meeting. The status quo could be a long one, to leave time for the measures announced in March to work. Still, keep an eye on the update to the European Central Bank’s (ECB) economic scenario, as well as its inflation forecasts. Among other things, the upswing by oil prices could prompt the ECB to make a slight upward adjustment to price growth for this year. However, even if the ECB were to expect slightly stronger inflation than it had, that would probably not be enough to make it modify its overall stance. The door should therefore remain open for further action. Among the indicators to be released in the euro zone in the coming week are a number of confidence indexes for May, which come out on Monday. On Tuesday, we will get the jobless rate for April (at 10.2% in March), and the flash estimate for May’s inflation. April’s retail sales will be published Friday.

ECONOMIC INDICATORS


Week of May 30 to June 3, 2016

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
SUNDAY 29	20:35	Speech of the St. Louis Fed President, J. Bullard				
MONDAY 30	---	Markets closed (Memorial Day)				
TUESDAY 31	8:30	Personal income (m/m)	April	0.4%	0.3%	0.4%
	8:30	Personal consumption expenditures (m/m)	April	0.7%	0.8%	0.1%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	April	0.3%	0.3%	0.1%
		Excluding food and energy (m/m)	April	0.2%	0.2%	0.1%
		Total (y/y)	April	1.1%	1.1%	0.8%
		Excluding food and energy (y/y)	April	1.6%	1.6%	1.6%
	9:00	S&P/Case-Shiller home price index (y/y)	March	5.06%	5.11%	5.38%
	9:45	Chicago PMI index	May	51.0	52.0	50.4
	10:00	Consumer confidence	May	96.0	95.7	94.2
WEDNESDAY 1	---	Total vehicle sales (ann. rate)	May	17,300,000	17,150,000	17,320,000
	10:00	Construction spending (m/m)	April	0.5%	0.7%	0.3%
	10:00	ISM manufacturing index	May	50.5	50.2	50.8
	14:00	Release of the <i>Beige Book</i>				
THURSDAY 2	8:30	Initial unemployment claims	May 23-27	268,000	265,000	268,000
	8:35	Speech of a Federal Reserve Governor, J. Powell				
	13:00	Speech of the Dallas Fed President, R. Kaplan				
FRIDAY 3	3:45	Speech of the Chicago Fed President, C. Evans				
	8:30	Change in nonfarm payrolls	May	160,000	200,000	160,000
	8:30	Unemployment rate	May	5.0%	5.0%	5.0%
	8:30	Weekly worked hours	May	34.5	34.5	34.5
	8:30	Average weekly earnings (m/m)	May	0.2%	0.3%	0.3%
	8:30	Trade balance – Goods and services (US\$B)	April	-41.9	-41.5	-40.4
	10:00	ISM non-manufacturing index	May	55.3	56.0	55.7
	10:00	Factory orders (m/m)	April	1.0%	1.8%	1.1%
	12:30	Speech of a Federal Reserve Governor, L. Brainard				
CANADA						
MONDAY 30	8:30	Current account balance (\$B)	Q1	-16.8	-16.8	-15.4
	8:30	Industrial product price index (m/m)	April	0.9%	1.3%	-0.6%
	8:30	Raw materials price index (m/m)	April	1.1%	1.0%	4.5%
TUESDAY 31	8:30	Real GDP by industry (m/m)	March	-0.1%	-0.1%	-0.1%
	8:30	Real GDP (ann. rate)	Q1	2.9%	3.0%	0.8%
WEDNESDAY 1	---	---				
THURSDAY 2	11:00	Speech of a Bank of Canada Deputy Governor, L. Schembri				
FRIDAY 3	8:30	International trade (\$B)	April	-2.60	-2.80	-3.41
	8:30	Labour productivity (q/q)	Q1	0.4%	0.4%	0.1%
	8:30	Unit labour costs (q/q)	Q1	n/a	-0.7%	0.8%

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 May 30 to June 3, 2016

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
SUNDAY 29								
Japan	19:50	Retail sales	April	-0.6%	-1.2%	1.4%	-1.1%	
MONDAY 30								
France	2:45	Personal consumption expenditures	April	0.0%	2.6%	0.2%	2.7%	
France	2:45	Real GDP – preliminary	Q1	0.5%	1.3%	0.5%	1.3%	
Euro zone	5:00	Business climate	May	0.17		0.13		
Euro zone	5:00	Consumer confidence – final	May	-7.0		-7.0		
Euro zone	5:00	Industrial confidence	May	-3.5		-3.7		
Euro zone	5:00	Services confidence	May	11.3		11.5		
Euro zone	5:00	Economic confidence	May	104.4		103.9		
Germany	8:00	Consumer price index – preliminary	May	0.3%	0.1%	-0.4%	-0.1%	
Japan	19:30	Workers' household spending	April		-1.1%		-5.3%	
Japan	19:30	Unemployment rate	April	3.2%		3.2%		
Japan	19:50	Industrial production – preliminary	April	-1.5%	-5.1%	3.8%	0.2%	
TUESDAY 31								
Japan	1:00	Housing starts	April		4.0%		8.4%	
Germany	2:00	Retail sales	April	0.9%	1.7%	-1.1%	0.7%	
France	2:45	Consumer price index – preliminary	May			0.1%	-0.2%	
Euro zone	4:00	Money supply M3	April		5.0%		5.0%	
Italy	4:00	Unemployment rate	April	11.4%		11.4%		
Euro zone	5:00	Consumer price index – estimate	May	-0.1%		-0.2%		
Euro zone	5:00	Unemployment rate	April	10.2%		10.2%		
Italy	5:00	Consumer price index – preliminary	May	0.2%	-0.4%	0.0%	-0.4%	
Italy	6:00	Real GDP – final	Q1	0.3%	1.1%	0.3%	1.0%	
China	21:00	PMI manufacturing index	May	50.0		50.1		
China	21:00	PMI non-manufacturing index	May	n/a		53.5		
WEDNESDAY 1								
United Kingdom	2:00	Nationwide house prices	May	0.3%	4.8%	0.2%	4.9%	
Italy	3:45	PMI manufacturing index	May	53.0		53.9		
France	3:50	PMI manufacturing index – final	May	48.3		48.3		
Germany	3:55	PMI manufacturing index – final	May	52.4		52.4		
Euro zone	4:00	PMI manufacturing index – final	May	51.5		51.5		
United Kingdom	4:30	PMI manufacturing index	May	49.6		49.2		
THURSDAY 2								
Japan	1:00	Consumer confidence	May	40.3		40.8		
United Kingdom	4:30	PMI construction index	May	52.0		52.0		
Euro zone	5:00	Producer price index	April	0.1%	-4.1%	0.3%	-4.2%	
Euro zone	7:45	European Central Bank meeting	May	0.00%		0.00%		
FRIDAY 3								
Italy	3:45	PMI composite index	May	52.5		53.1		
Italy	3:45	PMI services index	May	51.5		52.1		
France	3:50	PMI composite index – final	May	51.1		51.1		
France	3:50	PMI services index – final	May	51.8		51.8		
Germany	3:55	PMI composite index – final	May	54.7		54.7		
Germany	3:55	PMI services index – final	May	55.2		55.2		
Euro zone	4:00	PMI composite index – final	May	52.9		52.9		
Euro zone	4:00	PMI services index – final	May	53.1		53.1		
United Kingdom	4:30	PMI composite index	May	52.3		51.9		
United Kingdom	4:30	PMI services index	May	52.5		52.3		
Euro zone	5:00	Retail sales	April	0.4%	2.1%	-0.5%	2.1%	

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)	2016 Q1	16,505	0.8	2.0	2.4	2.4	1.5	2.2
Consumption (2009 \$B)	2016 Q1	11,384	1.9	2.7	3.1	2.7	1.7	1.5
Government spending (2009 \$B)	2016 Q1	2,879	1.2	1.4	0.7	-0.6	-2.9	-1.9
Residential investment (2009 \$B)	2016 Q1	569.5	17.2	11.1	8.9	1.8	9.5	13.5
Non-residential investment (2009 \$B)	2016 Q1	2,178	-6.2	-0.5	2.8	6.2	3.0	9.0
Business inventory change (2009 \$B) (1)	2016 Q1	69.6	---	---	97.5	68.0	61.4	54.7
Exports (2009 \$B)	2016 Q1	2,100	-2.0	0.4	1.1	3.4	2.8	3.4
Imports (2009 \$B)	2016 Q1	2,661	-0.2	1.1	4.9	3.8	1.0	2.2
Final domestic demand (2009 \$B)	2016 Q1	16,992	1.2	2.4	2.8	2.5	1.2	1.9
GDP deflator (2009 = 100)	2016 Q1	110.5	0.6	1.2	1.0	1.6	1.6	1.8
Labor productivity (2009 = 100)	2016 Q1	105.9	-1.0	0.6	0.7	0.8	0.0	0.9
Unit labor cost (2009 = 100)	2016 Q1	109.7	4.1	2.3	2.1	2.0	1.1	1.7
Employment cost index (Dec. 2005 = 100)	2016 Q1	126.0	2.6	1.9	2.1	2.0	1.9	1.9
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)	April	123.9	0.6	0.7	0.6	1.9
ISM manufacturing index (1)	April	50.8	51.8	48.2	49.4	51.6
ISM non-manufacturing index (1)	April	55.7	54.5	53.5	58.3	57.5
Cons. confidence Conf. Board (1985 = 100) (1)	April	94.2	96.1	97.8	99.1	94.3
Cons. confidence Michigan (1966 = 100) (1)	May	94.7	89.0	91.7	91.3	90.7
Personal consumption expenditure (2009 \$B)	March	11,397	0.0	0.3	0.9	2.6
Disposable personal income (2009 \$B)	March	12,482	0.3	0.7	1.3	3.1
Consumer credit (\$B)	March	3,592	0.8	1.6	2.7	6.6
Retail sales (\$M)	April	453,438	1.3	1.2	1.4	3.0
Excluding automobiles (\$M)	April	360,864	0.8	1.4	1.7	3.0
Industrial production (2007 = 100)	April	104.1	0.7	-0.4	-1.0	-1.1
Production capacity utilization rate (%) (1)	April	75.4	74.9	75.7	76.3	76.9
New machinery orders (\$M)	March	451,099	1.5	0.5	-0.3	-4.4
New durable good orders (\$M)	April*	235,942	3.4	1.8	0.6	1.9
Business inventories (\$B)	March	1,819	0.4	0.2	-0.0	1.5
Housing starts (K) (1)	April	1,172	1,099	1,128	1,073	1,192
Building permits (K) (1)	April	1,130	1,077	1,188	1,175	1,178
New home sales (K) (1)	April*	619.0	531.0	526.0	478.0	500.0
Existing home sales (K) (1)	April	5,450	5,360	5,470	5,290	5,140
Construction spending (\$B)	March	1,137	0.3	1.0	1.2	8.0
Commercial surplus (\$M) (1)	March	-40,443	-46,963	-44,698	-44,321	-52,176
Nonfarm employment (K) (2)	April	143,915	160.0	601.0	1,320	2,692
Unemployment rate (%) (1)	April	5.0	5.0	4.9	5.0	5.4
Consumer price (1982-1984 = 100)	April	238.9	0.4	0.3	0.4	1.1
Excluding food and energy	April	246.6	0.2	0.5	1.2	2.1
Personal cons. expenditure deflator (2009 = 100)	March	109.9	0.1	0.1	0.2	0.8
Excluding food and energy	March	110.7	0.1	0.5	0.8	1.6
Producer price (2009 = 100)	April	109.7	0.2	-0.1	0.1	0.1
Excluding food and energy	April	109.7	0.1	0.0	0.7	0.9
Export prices (2000 = 100)	April	118.8	0.5	0.1	-2.6	-5.0
Import prices (2000 = 100)	April	118.0	0.3	0.2	-2.9	-5.7

* 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	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)	Feb.	1,668,157	-0.1	0.7	0.6	1.5
Industrial production (2007 \$M)	Feb.	356,876	-0.7	1.1	-0.4	0.9
Manufacturing sales (\$M)	March	49,963	-0.9	-3.3	-2.0	-1.6
Housing starts (K) (1)	April	191.5	202.4	174.3	197.7	178.7
Building permits (\$M)	March	6,859	-7.0	-3.0	-1.5	-4.6
Retail sales (\$M)	March	43,763	-1.0	1.6	1.1	3.2
Excluding automobiles (\$M)	March	32,568	-0.3	1.3	0.4	0.9
Wholesale trade sales (\$M)	March	54,560	-1.0	-2.5	0.1	1.3
Commercial surplus (\$M) (1)	March	-3,414	-2,468	-909.2	-2,049	-3,074
Exports (\$M)	March	40,990	-4.8	-9.0	-6.9	-5.1
Imports (\$M)	March	44,404	-2.4	-3.4	-3.7	-4.0
Employment (K) (2)	April	18,041	-2.1	12.1	3.4	12.0
Unemployment rate (%) (1)	April	7.1	7.1	7.2	7.0	6.8
Average weekly earnings (\$)	March*	960.3	0.5	0.1	0.7	0.7
Number of salaried employees (K) (2)	March*	15,870	25.3	-2.0	13.1	11.7
Consumer price (2002 = 100)	April	128.3	0.3	1.2	0.9	1.7
Excluding food and energy	April	123.3	0.2	1.4	0.9	1.9
Excluding 8 volatile items	April	128.2	0.2	1.3	0.9	2.2
Industrial product price (2002 = 100)	March	108.3	-0.6	-1.2	-2.3	-2.1
Raw materials price (2002 = 100)	March	85.5	4.5	2.0	-7.7	-9.7
Money supply M1+ (\$M)	April*	836,286	0.7	1.6	3.4	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 (%)		
	May 27	May 20	-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	0.36	0.25
Treasury bill – 3 months	0.30	0.32	0.22	0.32	0.17	0.01	0.35	0.15	-0.02
Treasury bonds – 2 years	0.88	0.89	0.77	0.81	0.90	0.58	1.08	0.77	0.54
– 5 years	1.36	1.37	1.28	1.26	1.66	1.48	1.79	1.47	1.11
– 10 years	1.84	1.85	1.82	1.76	2.22	2.12	2.48	2.08	1.64
– 30 years	2.65	2.64	2.66	2.64	3.00	2.88	3.24	2.86	2.51
S&P 500 index	2,094	2,052	2,065	1,948	2,090	2,107	2,128	2,027	1,829
DJIA index	17,867	17,501	17,774	16,640	17,798	18,011	18,144	17,257	15,660
Gold price (US\$/ounce)	1,213	1,253	1,292	1,216	1,058	1,190	1,294	1,159	1,052
CRB index	185.67	184.21	184.61	161.67	183.24	223.18	228.18	187.34	155.01
WTI oil (US\$/barrel)	49.23	47.67	45.98	31.65	40.57	60.25	61.36	42.78	26.19
Canada									
Overnight – target	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.53	0.50
Treasury bill – 3 months	0.52	0.50	0.55	0.47	0.49	0.62	0.63	0.47	0.32
Treasury bonds – 2 years	0.63	0.62	0.69	0.52	0.63	0.57	0.70	0.52	0.29
– 5 years	0.77	0.75	0.88	0.67	0.91	0.89	1.09	0.78	0.48
– 10 years	1.34	1.35	1.51	1.18	1.57	1.62	1.91	1.43	1.00
– 30 years	1.99	1.99	2.08	1.96	2.29	2.21	2.48	2.15	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	0.17	0.00
Treasury bill – 3 months	0.23	0.18	0.33	0.15	0.32	0.61	0.62	0.31	0.06
Treasury bonds – 2 years	-0.25	-0.27	-0.08	-0.29	-0.27	-0.01	0.01	-0.26	-0.64
– 5 years	-0.59	-0.62	-0.40	-0.59	-0.75	-0.59	-0.39	-0.69	-1.00
– 10 years	-0.50	-0.50	-0.31	-0.58	-0.65	-0.50	-0.31	-0.65	-0.90
– 30 years	-0.66	-0.65	-0.58	-0.68	-0.71	-0.67	-0.57	-0.71	-0.90
S&P/TSX index	14,085	13,920	13,951	12,798	13,368	15,014	15,155	13,587	11,843
Exchange rate (C\$/US\$)	1.3017	1.3113	1.2553	1.3513	1.3372	1.2448	1.4579	1.3198	0.7682
Exchange rate (C\$/€)	1.4488	1.4718	1.4381	1.4775	1.4164	1.3677	1.5903	1.4646	0.8551
Overseas									
ECB – Refinancing rate	0.00	0.00	0.00	0.05	0.05	0.05	0.05	0.04	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	0.04	-0.10
Germany: Bonds – 10 years	0.14	0.17	0.28	0.15	0.45	0.49	0.99	0.49	0.09
U.K.: Bonds – 10 years	1.44	1.46	1.60	1.40	1.81	1.80	2.19	1.76	1.28
Euro: Exchange rate (US\$/€)	1.1131	1.1224	1.1456	1.0934	1.0593	1.0988	1.1620	1.1101	1.0565
U.K.: Exchange rate (US\$/£)	1.4629	1.4501	1.4614	1.3871	1.5038	1.5291	1.5884	1.4954	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.