

The drop in retail sales adds to the other bad news for Canada's economy

HIGHLIGHTS

- United States: July sees good increases in industrial production and housing starts.
- Canada: The total annual inflation rate went from 1.5% to 1.3%.
- Canada: Retail sales post a stunning drop in June.

A LOOK AHEAD

- United States: After posting strong growth, home sales should slide in July.
- Canada: Wholesale sales should not advance much in June.

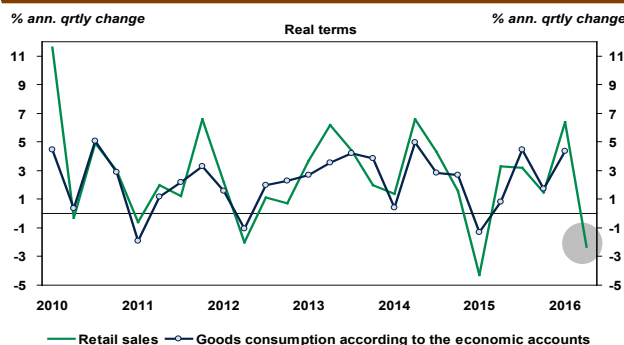
FINANCIAL MARKETS

- Mixed signals from the Fed create some volatility in the stock markets.
- Markets are pricing in a less than 25% chance of a Fed rate increase in September.
- The greenback retreats on the feeling that the Federal Reserve will not announce an interest rate increase in the near future.

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.....	5
Tables	
Economic indicators – United States.....	7
Economic indicators – Canada.....	8
Major financial indicators.....	9

Graph of the week – The drop in retail sales points to a pullback by Canadian goods consumption



Sources: Statistics Canada and Desjardins, Economic Studies

François Dupuis
Vice-President and Chief Economist

Mathieu D'Anjou
Senior Economist

Benoît P. Durocher
Senior Economist

Francis Généreux
Senior Economist

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist

514-281-2336 or 1 866 866-7000, ext. 2336
E-mail: desjardins.economics@desjardins.com

NOTE TO READERS: The letters K, M and B are used in texts and tables to refer to thousands, millions and billions respectively.

IMPORTANT: This document is based on public information and may under no circumstances be used or construed as a commitment by Desjardins Group. While the information provided has been determined on the basis of data obtained from sources that are deemed to be reliable, Desjardins Group in no way warrants that the information is accurate or complete. The document is provided solely for information purposes and does not constitute an offer or solicitation for purchase or sale. Desjardins Group takes no responsibility for the consequences of any decision whatsoever made on the basis of the data contained herein and does not hereby undertake to provide any advice, notably in the area of investment services. The data on prices or margins are provided for information purposes and may be modified at any time, based on such factors as market conditions. The past performances and projections expressed herein are no guarantee of future performance. The opinions and forecasts contained herein are, unless otherwise indicated, those of the document's authors and do not represent the opinions of any other person or the official position of Desjardins Group. Copyright © 2016, Desjardins Group. All rights reserved.

KEY STATISTICS OF THE WEEK

UNITED STATES

- For the first time since the summer of 2015, industrial production recorded two straight monthly increases. After gaining 0.6% in June, it climbed 0.7% in July, the strongest increase since November 2014. Manufacturing output rose 0.5%, with major gains in machinery, electronics, automotive and chemical products. Mining sector activity increased 0.7%. Energy production jumped 2.1%.
- Housing starts rose 2.1% in July, going from June's annualized 1,186,000 units to 1,211,000. The increase primarily comes from multi-unit housing, where starts jumped 8.3%. Detached homes only increased 0.5%. Building permits edged down 0.1%, going from 1,153,000 units to 1,152,000.
- The New York Fed's Empire index went into negative territory in August, going from 0.55 to -4.21. In contrast, the Philadelphia Fed manufacturing index rose from -2.9 to 2.0.
- The consumer price index (CPI) was steady in July after rising 0.2% for two straight months. Gas prices posted a strong 4.7% decline. Food prices stagnated after declining for two months. Excluding food and energy, the core CPI went up 0.1%, after three consecutive increases of 0.2%. The total CPI's annual change went from 1.0% to 0.8%, while core inflation fell from 2.3% to 2.2%.
- The leading indicator has posted two successive monthly increases for the first time in 2016, gaining 0.3% in June and advancing 0.4% in July. Last month, the leading indicator's advance was buoyed by the drop in jobless claims and the stock market's rise.

Francis Généreux
Senior Economist

CANADA

- The total consumer price index (CPI) fell 0.2% in July, although most forecasters had expected it to be nearly flat. Among other things, the drop associated with seasonal fluctuations was bigger than usual in some components, including clothing. The 5.6% decline by gas prices was also a key factor. The total annual inflation rate goes from 1.5% to 1.3%. Movement by the core index (which excludes eight volatile components) was essentially in line with expectations. Its annual change stayed at 2.1%. In short, these results do not alter the general picture for inflation.
- The value of retail sales fell 0.1% in June, coming in below expectations. The surprise primarily comes from sales excluding motor vehicles and gas, which are down 1.2% for the month. There were substantial declines in such areas as building material dealers, food product merchants and clothing stores. In real terms, sales are down 0.3%. The second quarter therefore ends with a 2.3% (quarterly annualized) decline in retail sales, suggesting that goods consumption will rein in economic growth during the period.
- Manufacturing sales rose 0.8% in June, as we expected. Although most of the major activity sectors advanced over the month, automotive products stand out, gaining 2.5%. In real terms, total sales are up 0.5%. On the other hand, inventories declined 0.4%. The manufacturing industry's total impact on economic growth will therefore be quite small in June.
- Sales of existing homes retreated for a third straight month in July, declining 1.3%. Among other things, sales are down by a total of 15.9% since April in British Columbia, a trend that could steepen in August as the tax on foreign purchases comes into effect in the Vancouver area. The average price of existing properties also fell 0.6% in July across Canada, a fourth straight monthly pullback.

Benoit P. Durocher
Senior Economist

FINANCIAL MARKETS

The Fed sends mixed signals

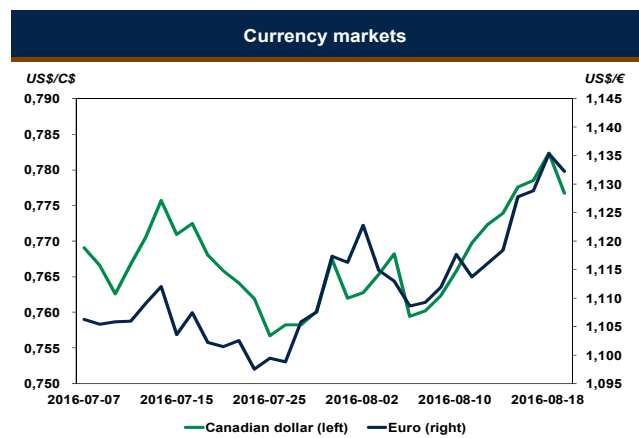
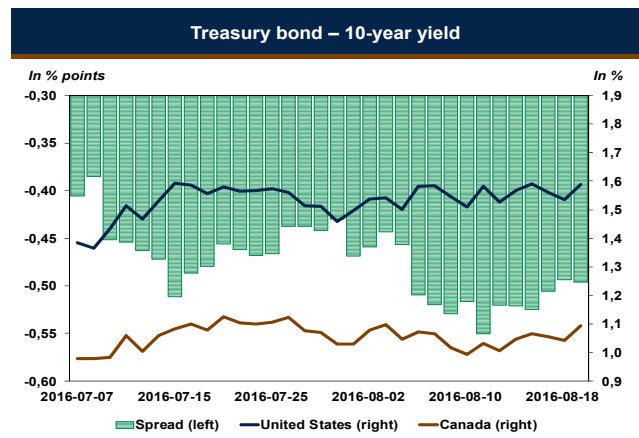
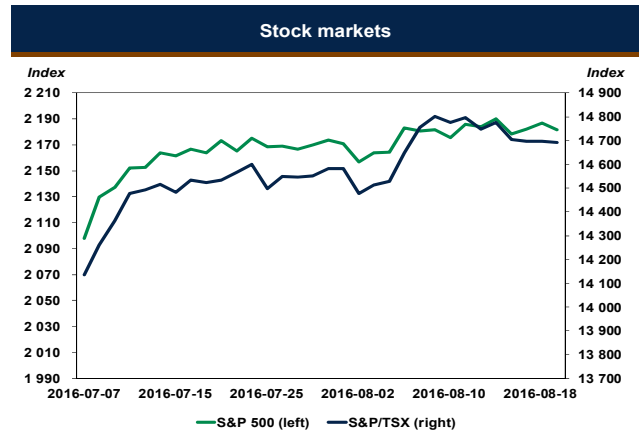
Stock market performances differed this week. In Europe, investors cashed in their profits: after hitting its highest point in nearly three months on Monday, the Euro Stoxx 600 index posted four straight declines. In the United States, the S&P 500 is having trouble setting a clear direction. Tuesday’s remarks by William Dudley, President of the New York Federal Reserve (Fed) took investors by surprise. According to Mr. Dudley, markets are underestimating the chances of a U.S. rate hike in the near future, and tightening is possible as early as September. The U.S. stock markets fell, then turned around on Wednesday, when the minutes of the last Fed meeting did not show the same conviction as to the need to tighten monetary policy soon. Canada’s stock market was also volatile and unable to capitalize on the upswing in oil prices.

William Dudley’s remarks made the bond markets react on Tuesday. The U.S. two-year yield climbed above 0.75%, then fell the next day after the more nuanced Fed minutes were released. It was at around 0.73% on Friday morning. Futures on federal funds are pricing in a minor chance of tightening in September, and a probability of around 50% for December. Canadian yields followed the U.S. trend until Thursday. The disappointing figures on retail sales and inflation made spreads widen on Friday.

Over the last three weeks, the greenback has been hit by the mixed economic numbers released in the United States and the feeling that the Fed will not announce any interest rate increases in the near term. This allowed the euro to go back over the US\$1.13 mark, even though the European Central Bank opened the door to further measures in September. The greenback’s recent softness also allowed the Japanese exchange rate to drop under the ¥100/US\$ mark for the first time since 2013. For its part, the loonie rose above US\$0.78 on Thursday. Oil prices have climbed to nearly US\$48, another positive factor for the loonie, but the disappointment on Canadian retail sales was a drag on the currency on Friday.

Jimmy Jean
Senior Economist

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday August 23 - 10:00

July	ann. rate
Consensus	579,000
Desjardins	555,000
June	592,000

New home sales (July) – Sales of new detached homes have been trending up since the end of last winter. They have gained a total of 12.8% since February, while, in June, new home sales hit their highest point since February 2008. Moreover, the NAHB index of homebuilder confidence rose in July. However, construction of detached homes is not matching that trend and the number of building permits recently issued for single-family homes suggests sales will retreat in the near term. Permits even declined 3.4% in July. We therefore expect sales of new single-family homes to slide to around 555,000 units.

Wednesday August 24 - 10:00

July	ann. rate
Consensus	5,530,000
Desjardins	5,480,000
June	5,570,000

Existing home sales (July) – In June, new home sales rose for a fourth straight month. They have gained a total of 9.9% since February, while, in June, sales hit their highest point since February 2007. However, pending home sales have not gone up as quickly, with levels pointing to a drop in resales. We expect existing home sales to drop below the 5,500,000-unit mark.

Thursday August 25 - 8:30

July	m/m
Consensus	3.5%
Desjardins	3.7%
June	-3.9%

New durable goods orders (July) – Once again, aviation hurt growth by new orders in June which tumbled 48.7%, triggering a 3.9% drop in durable goods orders. However, the industry seems to have rebounded in July, based on Boeing's data. The ISM index is doing better and some oil sector investments have risen; this could prompt growth in orders excluding transportation. They should advance 0.4%, while total durable goods orders should gain 3.7%.



CANADA

Monday August 22 - 8:30

June	m/m
Consensus	0.1%
Desjardins	0.1%
May	1.8%

Wholesale sales (June) – Wholesale sales posted strong growth in May, but could barely advance in June. A number of sectors should see sales increase, but that upside contribution will be offset by a drop in auto sector sales. Note that exports of automotive products retreated 1.6% in June.



OVERSEAS

Tuesday August 23 - 4:00

August	
Consensus	52.0
July	52.0

Euro zone: PMI indexes (August) – Euroland's composite PMI index has been fairly stable since February, ranging between 53.0 and 53.2. Even the uncertainty created by the outcome of the Brits' Brexit vote did not change the situation in July, as a gain in services offset the decline recorded in manufacturing. August's results will give us a little more information on the situation in Europe in the third quarter of 2016. Among the other indicators, the consumer confidence index will also come out on Tuesday. This index improved in May, then worsened in June and July. The German IFO index of corporate confidence comes out Thursday.


ECONOMIC INDICATORS

Week of August 22 to 26, 2016

Day	Hour	Indicator	Period	Consensus		Previous data
 UNITED STATES						
MONDAY 22						
	---	---				
TUESDAY 23						
	10:00	New home sales (ann. rate)	July	579,000	555,000	592,000
WEDNESDAY 24						
	10:00	Existing home sales (ann. rate)	July	5,530,000	5,480,000	5,570,000
THURSDAY 25						
	8:30	Initial unemployment claims	July 15-19	265,000	262,000	262,000
	8:30	Durable goods orders (m/m)	July	3.5%	3.7%	-3.9%
FRIDAY 26						
	---	Speech of the Federal Reserve Chairman, J. Yellen	August			
	8:30	Michigan's consumer sentiment index – final	August	90.6	90.4	90.4
	8:30	Real GDP (ann. rate)	Q2	1.1%	1.1%	1.2%


 **CANADA**

MONDAY 22						
	8:30	Wholesale sales (m/m)	June	0.1%	0.1%	1.8%
	8:30	Wholesale inventories (m/m)	June	n/a	0.2%	-0.1%
TUESDAY 23						
	---	---				
WEDNESDAY 24						
	---	---				
THURSDAY 25						
	8:30	Average weekly earnings (y/y)	June	n/a	0.3%	0.9%
	8:30	Number of salaried employees (m/m)	June	n/a	-0.1%	-0.2%
FRIDAY 26						
	---	---				

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 August 22 to 26, 2016

Country	Hour	Indicator	Period	Consensus		Previous data	
				m/m (q/q)	y/y	m/m (q/q)	y/y
 OVERSEAS							
MONDAY 22							

TUESDAY 23							
France	3:00	PMI composite index – preliminary	August	50.4		50.1	
France	3:00	PMI manufacturing index – preliminary	August	48.8		48.6	
France	3:00	PMI services index – preliminary	August	50.5		50.5	
Germany	3:30	PMI composite index – preliminary	August	55.1		55.3	
Germany	3:30	PMI manufacturing index – preliminary	August	53.6		53.8	
Germany	3:30	PMI services index – preliminary	August	54.4		54.4	
Euro zone	4:00	PMI composite index – preliminary	August	53.1		53.2	
Euro zone	4:00	PMI manufacturing index – preliminary	August	52.0		52.0	
Euro zone	4:00	PMI services index – preliminary	August	52.8		52.9	
Euro zone	10:00	Consumer confidence – preliminary	August	-7.7		-7.9	
WEDNESDAY 24							
Japan	1:00	Leading indicator – final	June	n/a		98.4	
Japan	1:00	Coincident indicator – final	June	n/a		110.5	
Germany	2:00	Real GDP – final	Q2	0.4%	1.8%	0.4%	1.8%
THURSDAY 25							
France	2:45	Business confidence	August	102		102	
France	2:45	Production outlook	August	n/a		3	
Germany	4:00	IFO survey – Business climate	August	108.5		108.3	
Germany	4:00	IFO survey – Current situation	August	114.9		114.7	
Germany	4:00	IFO survey – Expectations	August	102.5		102.2	
Mexico	10:00	Minutes of the Bank of Mexico meeting	August				
Japan	19:30	Consumer price index	July		-0.4%		-0.4%
Japan	19:30	Consumer price index – Tokyo	August		-0.4%		-0.4%
FRIDAY 26							
Germany	2:00	Consumer confidence	Sept.	10.0		10.0	
France	2:45	Consumer confidence	August	96		96	
France	2:45	Real GDP – preliminary	Q2	0.0%	1.4%	0.0%	1.4%
Euro zone	4:00	Money supply M3	July		5.0%		5.0%
United Kingdom	4:30	Index of services	June	0.1%		-0.1%	
United Kingdom	4:30	Real GDP – preliminary	Q2	0.6%	2.2%	0.6%	2.2%

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 Q2	16,575	1.2	1.2	2.6	2.4	1.7	2.2
Consumption (2009 \$B)	2016 Q2	11,483	4.2	2.7	3.2	2.9	1.5	1.5
Government spending (2009 \$B)	2016 Q2	2,907	-0.9	0.9	1.8	-0.9	-2.9	-1.9
Residential investment (2009 \$B)	2016 Q2	591.3	-6.1	6.2	11.7	3.5	11.9	13.5
Non-residential investment (2009 \$B)	2016 Q2	2,167	-2.3	-1.3	2.1	6.0	3.5	9.0
Business inventory change (2009 \$B) (1)	2016 Q2	-8.1	---	---	84.0	57.7	78.7	54.7
Exports (2009 \$B)	2016 Q2	2,109	1.4	-1.2	0.1	4.3	3.5	3.4
Imports (2009 \$B)	2016 Q2	2,666	-0.4	0.2	4.6	4.4	1.1	2.2
Final domestic demand (2009 \$B)	2016 Q2	17,130	2.1	2.0	3.1	2.6	1.2	1.9
GDP deflator (2009 = 100)	2016 Q2	111.2	2.2	1.2	1.1	1.8	1.6	1.8
Labor productivity (2009 = 100)	2016 Q2*	106.0	-0.8	-0.4	0.9	0.8	0.4	0.9
Unit labor cost (2009 = 100)	2016 Q2*	109.5	2.0	2.1	2.0	2.0	0.9	1.7
Employment cost index (Dec. 2005 = 100)	2016 Q2	126.7	2.2	2.3	2.1	2.0	1.9	1.9
Current account balance (\$B) (1)	2016 Q1	-124.7	---	---	-463.0	-392.1	-366.4	-446.5

* 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)	July*	124.3	0.4	0.6	1.1	1.2
ISM manufacturing index (1)	July	52.6	53.2	50.8	48.2	51.9
ISM non-manufacturing index (1)	July	55.5	56.5	55.7	53.5	59.6
Cons. confidence Conf. Board (1985 = 100) (1)	July	97.3	97.4	94.7	97.8	91.0
Cons. confidence Michigan (1966 = 100) (1)	Aug.*	90.4	90.0	94.7	91.7	91.9
Personal consumption expenditure (2009 \$B)	June	11,514	0.3	1.2	1.4	2.8
Disposable personal income (2009 \$B)	June	12,601	0.1	0.2	0.5	2.2
Consumer credit (\$B)	June*	3,634	0.3	1.3	2.8	5.8
Retail sales (\$M)	July*	457,727	-0.0	1.0	2.2	2.3
Excluding automobiles (\$M)	July*	364,517	-0.3	0.9	2.4	2.2
Industrial production (2007 = 100)	July*	104.9	0.7	1.0	0.3	-0.5
Production capacity utilization rate (%) (1)	July*	75.9	75.4	75.2	75.7	76.7
New machinery orders (\$M)	June	447,425	-1.5	-1.0	-0.3	-5.6
New durable good orders (\$M)	June	219,802	-3.9	-3.8	-1.6	-6.3
Business inventories (\$B)	June*	1,814	0.2	0.5	0.7	0.5
Housing starts (K) (1)	July*	1,211	1,186	1,155	1,128	1,147
Building permits (K) (1)	July*	1,152	1,153	1,130	1,188	1,142
New home sales (K) (1)	June	592.0	572.0	537.0	538.0	472.0
Existing home sales (K) (1)	June	5,570	5,510	5,360	5,450	5,410
Construction spending (\$B)	June	1,134	-0.6	-3.6	-0.0	0.3
Commercial surplus (\$M) (1)	June	-44,510	-40,956	-35,536	-41,487	-42,973
Nonfarm employment (K) (2)	July	144,448	255.0	571.0	1,134	2,447
Unemployment rate (%) (1)	July	4.9	4.9	5.0	4.9	5.3
Consumer price (1982-1984 = 100)	July*	239.8	-0.0	0.4	0.7	0.9
Excluding food and energy	July*	247.7	0.1	0.5	1.0	2.2
Personal cons. expenditure deflator (2009 = 100)	June	110.6	0.1	0.6	0.7	0.9
Excluding food and energy	June	111.2	0.1	0.4	1.0	1.6
Producer price (2009 = 100)	July*	110.3	-0.4	0.5	0.3	-0.2
Excluding food and energy	July*	110.1	-0.3	0.4	0.2	0.7
Export prices (2000 = 100)	July*	121.1	0.2	2.0	2.0	-3.0
Import prices (2000 = 100)	July*	120.7	0.1	1.9	2.5	-3.7

* New statistic in comparison with last week.

(1) Statistics showing the level of the month of the reference month. (2) Statistics showing 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)	2016 Q1	1,782,972	2.4	1.1	1.1	2.5	2.2	1.7
Household consumption (2007 \$M)	2016 Q1	1,011,970	2.3	2.2	1.9	2.6	2.4	1.9
Government consumption (2007 \$M)	2016 Q1	347,887	1.5	1.3	1.7	0.3	0.3	0.7
Residential investment (2007 \$M)	2016 Q1	125,189	11.2	3.9	3.8	2.5	-0.4	5.6
Non-residential investment (2007 \$M)	2016 Q1	160,174	-9.7	-12.3	-10.6	0.0	2.5	8.6
Business inventory change (2007 \$M) (1)	2016 Q1	-6,904	---	---	3,907	9,869	15,476	6,159
Exports (2007 \$M)	2016 Q1	587,756	6.9	3.8	3.4	5.3	2.8	2.6
Imports (2007 \$M)	2016 Q1	565,069	1.3	-2.6	0.3	1.8	1.5	3.6
Final domestic demand (2007 \$M)	2016 Q1	1,759,879	1.3	0.3	0.3	1.6	1.3	2.4
GDP deflator (2007 = 100)	2016 Q1	112.1	-1.1	0.2	-0.5	1.7	1.6	1.3
Labour productivity (2007 = 100)	2016 Q1	106.3	1.5	-0.5	-0.4	2.5	1.3	-0.4
Unit labour cost (2007 = 100)	2016 Q1	115.8	-1.1	0.7	1.9	1.1	1.6	3.2
Current account balance (\$M) (1)	2016 Q1	-16,773	---	---	-62,631	-44,894	-59,665	-65,680
Production capacity utilization rate (%) (1)	2016 Q1	81.4	---	---	80.9	82.1	80.8	81.0
Disposable personal income (\$M)	2016 Q1	1,132,856	2.5	3.4	3.7	3.0	4.8	4.1
Corporate net operating surplus (2007 \$M)	2016 Q1	213,444	-8.8	-9.1	-15.8	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)	May	1,654,258	-0.6	-0.7	-0.2	1.0
Industrial production (2007 \$M)	May	336,467	-3.7	-5.3	-4.7	-2.7
Manufacturing sales (\$M)	June*	50,243	0.8	0.7	-2.7	-1.9
Housing starts (K) (1)	July*	195.0	218.3	189.0	173.9	190.7
Building permits (\$M)	June*	6,408	-5.5	-7.3	-9.4	-12.9
Retail sales (\$M)	June*	44,142	-0.1	0.7	2.5	2.7
Excluding automobiles (\$M)	June*	33,077	-0.8	1.3	2.9	1.6
Wholesale trade sales (\$M)	May	55,855	1.8	1.1	0.8	3.6
Commercial surplus (\$M) (1)	June	-3,632	-3,504	-3,160	-896	-761
Exports (\$M)	June	41,387	0.6	0.2	-8.2	-7.6
Imports (\$M)	June	45,019	0.8	1.2	-2.0	-1.2
Employment (K) (2)	July	18,023	-31.2	-6.0	3.0	5.9
Unemployment rate (%) (1)	July	6.9	6.8	7.1	7.2	6.8
Average weekly earnings (\$)	May	955.6	0.2	0.0	0.3	0.9
Number of salaried employees (K) (2)	May	15,868	-29.3	7.7	5.6	7.4
Consumer price (2002 = 100)	July*	128.9	-0.2	0.5	1.7	1.3
Excluding food and energy	July*	123.8	-0.1	0.4	1.8	2.1
Excluding 8 volatile items	July*	128.6	0.0	0.3	1.7	2.1
Industrial product price (2002 = 100)	June	110.0	0.6	1.4	0.3	-0.8
Raw materials price (2002 = 100)	June	93.8	1.8	9.8	11.9	-9.0
Money supply M1+ (\$M)	June	844,633	0.2	1.7	3.6	8.1

* 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.

Major financial indicators

	Previous data (%)						Last 52 weeks (%)		
	August 19	August 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	0.50	0.50	0.50	0.50	0.50	0.25	0.50	0.42	0.25
Treasury bill – 3 months	0.30	0.28	0.32	0.32	0.30	0.03	0.35	0.21	-0.02
Treasury bonds – 2 years	0.75	0.71	0.71	0.89	0.76	0.62	1.08	0.78	0.54
– 5 years	1.17	1.10	1.12	1.37	1.22	1.43	1.75	1.35	0.94
– 10 years	1.59	1.53	1.57	1.85	1.75	2.04	2.35	1.91	1.36
– 30 years	2.31	2.23	2.29	2.64	2.60	2.74	3.11	2.70	2.11
S&P 500 index	2,182	2,184	2,175	2,052	1,918	1,971	2,190	2,036	1,829
DJIA index	18,565	18,576	18,571	17,501	16,392	16,460	18,636	17,351	15,660
Gold price (US\$/ounce)	1,343	1,353	1,321	1,253	1,232	1,158	1,369	1,198	1,052
CRB index	188.33	182.68	182.90	184.21	159.63	191.34	202.69	181.35	155.01
WTI oil (US\$/barrel)	48.10	44.47	43.41	47.67	29.59	40.45	51.23	41.35	26.19
Canada									
Overnight – target	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Treasury bill – 3 months	0.50	0.50	0.50	0.50	0.46	0.38	0.56	0.47	0.32
Treasury bonds – 2 years	0.58	0.53	0.56	0.62	0.45	0.33	0.70	0.53	0.29
– 5 years	0.69	0.60	0.64	0.75	0.60	0.61	1.03	0.73	0.48
– 10 years	1.09	1.01	1.10	1.35	1.12	1.27	1.72	1.32	0.97
– 30 years	1.70	1.62	1.73	1.99	1.92	2.01	2.42	2.03	1.55
Spread with the U.S. rate (% points)									
Overnight – target	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.08	0.00
Treasury bill – 3 months	0.20	0.22	0.18	0.18	0.16	0.35	0.45	0.25	0.06
Treasury bonds – 2 years	-0.17	-0.18	-0.14	-0.26	-0.31	-0.29	-0.03	-0.26	-0.64
– 5 years	-0.48	-0.50	-0.47	-0.62	-0.62	-0.82	-0.38	-0.62	-1.00
– 10 years	-0.50	-0.52	-0.47	-0.50	-0.63	-0.78	-0.31	-0.60	-0.90
– 30 years	-0.61	-0.61	-0.56	-0.65	-0.68	-0.73	-0.52	-0.67	-0.88
S&P/TSX index	14,692	14,747	14,601	13,920	12,813	13,474	14,801	13,542	11,843
Exchange rate (C\$/US\$)	1.2875	1.2948	1.3126	1.3113	1.3767	1.3186	1.4579	1.3255	0.7767
Exchange rate (C\$/€)	1.4578	1.4451	1.4406	1.4718	1.5328	1.5018	1.5903	1.4728	0.8795
Overseas									
ECB – Refinancing rate	0.00	0.00	0.00	0.00	0.05	0.05	0.05	0.03	0.00
BoE – Base rate	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.49	0.25
BoJ – Overnight rate	-0.10	-0.10	-0.10	-0.10	-0.10	0.10	0.10	-0.00	-0.10
Germany: Bonds – 10 years	-0.04	-0.17	-0.08	0.17	0.20	0.57	0.80	0.31	-0.18
U.K.: Bonds – 10 years	0.62	0.61	0.92	1.46	1.41	1.83	2.05	1.53	0.61
Euro: Exchange rate (US\$/€)	1.1323	1.1161	1.0976	1.1224	1.1135	1.1390	1.1620	1.1115	1.0565
U.K.: Exchange rate (US\$/£)	1.3066	1.2923	1.3111	1.4501	1.4407	1.5697	1.5776	1.4489	1.2880

CRB: Commodity Research Bureau; WTI: West Texas Intermediate; ECB: European Central Bank; BoE: Bank of England; BoJ: Bank of Japan