

Market reaction to Donald Trump's election is fairly upbeat

HIGHLIGHTS

- Donald Trump elected the 45th president of the United States.
- Canada: Housing starts fell to 192,900 units in October.

A LOOK AHEAD

- United States: The automobile industry and gas prices should bolster retail sales growth.
- Housing starts in the U.S. are expected to rise.
- United States: Gas prices should again inflate the monthly change in consumer prices.
- Canada: The total annual inflation rate should stay at 1.3%.
- Canadian manufacturing sales should post another advance in September.

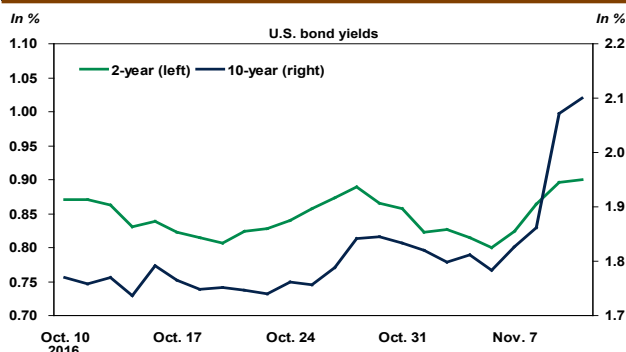
FINANCIAL MARKETS

- Stock markets make gains in the aftermath of the U.S. elections.
- U.S. 10-year bond yields top 2.10%.
- The Mexican peso is still reeling, now trading at more than 20 pesos/US\$.

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Graph of the week – Long-term yields react to the perspective of a sharp rise in the U.S. debt



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

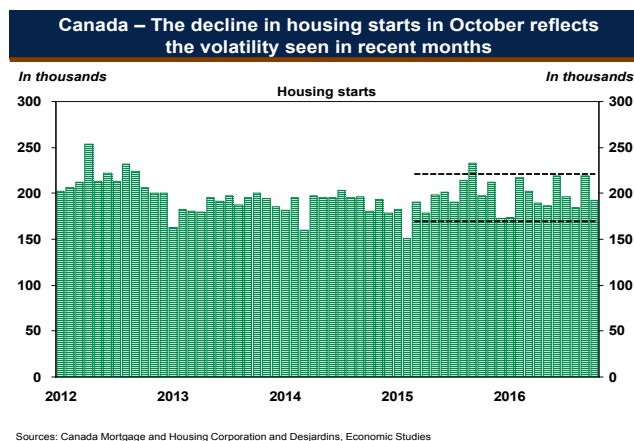
- Defying the vast majority of surveys, Donald Trump has been elected president of the United States. When he takes occupancy of the Oval Office of the White House on January 20, what is President Trump likely to bring with him? His program puts great emphasis on revitalizing the U.S. economy through drastic tax cuts for individuals and businesses, investments in infrastructure, streamlining of regulations and the renegotiation of trade agreements. In itself, and notwithstanding the immediate effects of Trump's victory on the markets or on confidence, his program could make a positive contribution to the U.S. economy in the short term. However, the budgetary impact of the measures he is proposing (which, according to realistic assumptions, entail inflating the debt and deficits) presents a risk in the longer term. The tougher stance on international relations, in particular with respect to trade agreements, could undermine growth. Obviously that is also the main subject of concern for the Canadian and Quebec economies. It seems too early yet, however, to expect a possible dissolution of trade agreements, including NAFTA. Therefore, for the time being, the anticipated effects on the U.S., Canadian and Quebec economies should be moderate. But we must keep in mind that uncertainty and risk have grown considerably.
- After recording growth of US\$26.8B in August, consumer credit increased by US\$19.3B in September, buoyed primarily by term loans whose monthly increase went from US\$21.1B to US\$15.1B. Revolving loans (credit cards and lines of credit), also slowed, albeit more modestly from US\$5.6B to US\$4.2B.

Francis Généreux
Senior Economist

CANADA

- The number of housing starts plunged from 219,400 units in September to 192,900 in October. Despite this drop, housing starts are still shifting within the same fluctuation band they have been evolving in for several months. This monthly pullback makes it difficult to see the actual impact of the new federal measures to keep mortgage debt in check, since they only took effect in mid-month. We will have to wait for the November data to see if housing starts continue to slide.

Benoit P. Durocher
Senior Economist



FINANCIAL MARKETS

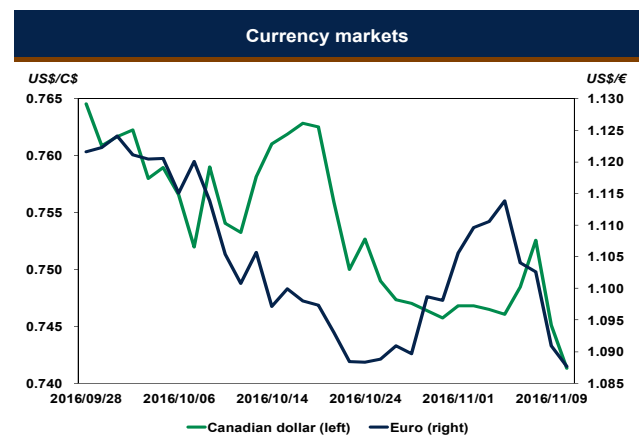
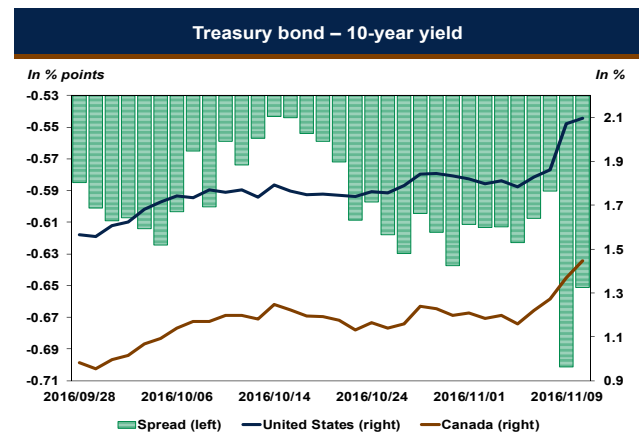
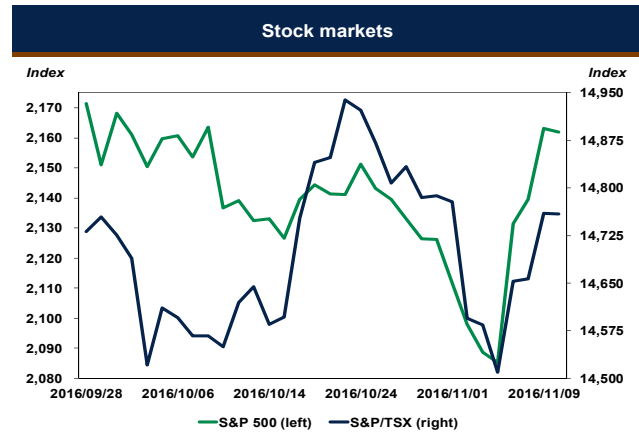
No market turmoil after Donald Trump's election

The election of Donald Trump was the big news this week. Futures markets on U.S. stock exchanges suggested a steep drop between Tuesday night and Wednesday morning. Japan's stock market, which was open when Trump's victory was confirmed, fell by 5.4%. Things calmed down fairly quickly however and, by Wednesday, the U.S. markets were up at closing. The results by industry were more mixed, with some sectors declining due to the uncertainty this changing of the guard in the United States represents, while others, such as materials, offset the declines. Among other things, the markets responded to the new president's ambitions on infrastructure and military spending. In Canada, the S&P/TSX also advanced on hopes that the Keystone XL pipeline project, rejected by President Obama, might be resurrected under Donald Trump.

The U.S. bond market had a more negative response though. Donald Trump's promise to cut taxes and increase spending suggest that bond issues will rise sharply in the next few years. The expected surplus in the supply of bonds drove yields higher, especially for long-term maturities. The short-term yields, which are more closely linked to monetary policy, also advanced nonetheless while the market is still poised for a key rate hike in the United States in December. Elsewhere in the world, bond yields were also trending upwards for the week, especially for long-term maturities.

On the currency side, the Mexican peso suffered a steep decline of about 10% in anticipation of Donald Trump's protectionist policies. The Canadian dollar also retreated, but to a much lesser extent than the peso. At the time of writing, the loonie was trading at just above US\$0.74. While the markets are still expecting the United States to increase its key rates, the greenback still enjoys widespread appeal. The euro fell below US\$1.09 on Thursday.

Hendrix Vachon
Senior Economist



A LOOK AHEAD



UNITED STATES

Tuesday Nov. 15 - 8:30

October	m/m
Consensus	0.6%
Desjardins	0.4%
September	0.6%

Retail sales (October) – Retail sales early on this summer disappointed, posting a weak 0.1% growth in July and a 0.2% contraction in August; they did rebound 0.6% in September, however. We expect another increase for October. Some factors that paved the way for an upswing in sales during the previous month should make a positive contribution, especially the automobile industry and the increase in the value of gas station sales. Excluding cars and gas, a slowdown is expected after September’s 0.3% gain. Hurricane Matthew is likely to have impacted consumption in the most affected states. In addition, a decline in labour at retailers throughout October was noted. Consumer confidence also deteriorated according to certain indicators. Sales, excluding automobiles and gas, are expected to tick up 0.1%, with an increased downside risk. Retail sales overall are expected to post 0.4% growth.

Wednesday Nov. 16 - 9:15

October	m/m
Consensus	0.2%
Desjardins	-0.1%
September	0.1%

Industrial production (October) – After pulling back 0.5% in August, industrial production was up 0.1% in September. This weak increase should be followed by an equivalent drop in October. On one hand, manufacturing output is expected to advance, with a 0.2% gain, as suggested by the level of the ISM manufacturing index and advances in the number of hours worked last month. The mining sector is also expected to show modest growth. After successive declines of 0.3% in August and 1.0% in September, energy production should once again contract if we rely on the weaker-than-normal changes in temperature. As seen in several other data for October, Hurricane Matthew could represent a downside risk to our forecasts. The industrial capacity utilization rate should slip from 75.4% to 75.3%. The New York Fed and Philadelphia Fed regional manufacturing indexes will be published, respectively, on Tuesday and Thursday, and provide a glimpse into manufacturing’s strength in November.

Thursday Nov. 17 - 8:30

October	m/m
Consensus	0.4%
Desjardins	0.4%
September	0.3%

Consumer price index (October) – In September, the consumer price index (CPI) showed its strongest advance since April. A large portion of the 0.3% growth is due to the 5.8% jump in oil prices. This component should once again help raise the CPI for September. Prices at the pump were up 1.1% last month, but since they tend to contract sharply in October, the seasonal adjustment will therefore boost the gain, over 5%. The total CPI should therefore rise by 0.4%, despite the fact that food prices are expected to record a very slim increase. Excluding food and energy, the core CPI probably increased by 0.2%. Total inflation should shift from 1.5% to 1.6%. Core inflation should remain at 2.2%.

Thursday Nov. 17 - 8:30

October	ann. rate
Consensus	1,164,000
Desjardins	1,210,000
September	1,047,000

Housing starts (October) – After gaining 8.0% between May and July to reach their highest level since October 2007, housing starts plunged a total of 14.0% between July and September, to settle at only 1,047,000 units—the lowest level since March 2015. To further extend this volatility, we expect a rebound in October. At 1,225,000, the level of building permits the month before points to a net increase in new construction. Moreover, the solid showing in new home sales and low inventories also bode well for an upswing. Builder confidence is still relatively high as well. We expect housing starts to exceed 1,200,000 units in October. There is a negative risk however that Hurricane Matthew’s sweep of the southeast U.S. states could have disrupted construction in this area. Building permits should fall to 1,180,000 units.

Leading indicator (October) – After declining 0.2% in August, the leading indicator posted an equivalent increase in September. We expect this indicator to fall back into negative territory for October. Rising jobless claims, the expected pullback in building permits and the stock market slump should all make negative contributions. As such, we expect the leading indicator to drop by 0.1%.


CANADA

Manufacturing sales (September) – Based on international trade data, foreign demand for Canadian-made products was fairly strong in September. Exports of automobile and aviation products, machinery, equipment and energy products all rose for the month. In such conditions, another increase in manufacturing sales is expected for September.

Consumer price index (October) – Based on the surveys at the pump, the average price of gas rose 3.3% in October. This should drive up the total consumer price index (CPI) by about 0.1% for the month. In terms of seasonal fluctuations, the month of October usually ushers in a 0.2% drop in prices due to the arrival of local products in grocery stores. If we also account for the slight uptrend in the seasonally-adjusted total CPI, our forecasts call for this index to show a monthly change of about 0.1% in October. The total annual inflation rate could stay put at 1.3%.


OVERSEAS

Japan: Real GDP (Q3) – Economic growth is still weak in Japan. After somewhat more energetic growth of 0.5% (non-annualized) in the first quarter, the real GDP advance slowed to 0.2% last spring amid weaker consumption growth and a negative contribution from net exports. Consensus is calling for similar results in the third quarter.

Euro zone: Real GDP (Q3 – preliminary estimate) – Published on October 31, the advance estimate of the Euroland national accounts for Q3 2016 showed non-annualized quarterly growth of 0.3%. This estimate, which is released without any details on the components of demand or zone members, was up 0.3%, identical to the growth posted last spring. The preliminary estimate will provide more information on how the main countries performed, especially Germany and Italy. September's industrial output in the euro zone will be released on Monday. At 1.6%, the monthly change for August was particularly strong but, as is the case with the data in Germany, a decline is now expected. The euroland trade balance for September will be released on Tuesday and October's final estimate of the consumer price index will be out on Thursday.

Friday Nov. 18 - 10:00

October	m/m
Consensus	0.1%
Desjardins	-0.1%
September	0.2%

Wednesday Nov. 16 - 8:30

September	m/m
Consensus	n/a
Desjardins	0.7%
August	0.9%

Friday Nov. 18 - 8:30

October	m/m
Consensus	n/a
Desjardins	0.1%
September	0.1%

Sunday Nov. 13 - 18:30


Q3 2016	q/q
Consensus	0.2%
Q2 2016	0.2%


Tuesday Nov. 15 - 5:00

Q3 2016 - 2nd est.	q/q
Consensus	n/a
Q3 2016 - 1st est.	0.3%

ECONOMIC INDICATORS


Week of November 14 to 18, 2016

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 14	13:20	Speech of the Dallas Fed President, R. Kaplan				
TUESDAY 15	7:30	Speech of the Boston Fed President, E. Rosengren				
	8:30	Empire manufacturing index	Nov.	-4.0	-1.5	-6.8
	8:30	Export prices (m/m)	Oct.	n/a	0.8%	0.3%
	8:30	Import prices (m/m)	Oct.	0.3%	1.0%	0.1%
	8:30	Retail sales				
		Total (m/m)	Oct.	0.6%	0.4%	0.6%
		Excluding automobiles (m/m)	Oct.	0.5%	0.3%	0.5%
	10:00	Business inventories (m/m)	Sept.	0.2%	0.1%	0.2%
	13:30	Speech of the Federal Reserve Vice Chairman, S. Fischer				
WEDNESDAY 16	3:00	Speech of the St. Louis Fed President, J. Bullard				
	7:45	Speech of the Minneapolis Fed President, N. Kashkari				
	8:30	Producer price index				
		Total (m/m)	Oct.	0.3%	0.3%	0.3%
		Excluding food and energy (m/m)	Oct.	0.2%	0.2%	0.2%
	9:15	Industrial production (m/m)	Oct.	0.2%	-0.1%	0.1%
	9:15	Production capacity utilization rates	Oct.	75.5%	75.3%	75.4%
	17:30	Speech of the Philadelphia Fed President, P. Harker				
THURSDAY 17	8:30	Initial unemployment claims	Nov. 7-11	n/a	258,000	254,000
	8:30	Consumer price index				
		Total (m/m)	Oct.	0.4%	0.4%	0.3%
		Excluding food and energy (m/m)	Oct.	0.2%	0.2%	0.1%
		Total (y/y)	Oct.	1.6%	1.6%	1.5%
		Excluding food and energy (y/y)	Oct.	2.2%	2.2%	2.2%
	8:30	Housing starts (ann. rate)	Oct.	1,164,000	1,210,000	1,047,000
	8:30	Building permits (ann. rate)	Oct.	1,195,000	1,180,000	1,225,000
	8:30	Philadelphia Fed index	Nov.	8.0	6.0	9.7
	10:00	Speech of the Federal Reserve Chairman, J. Yellen				
FRIDAY 18	5:30	Speech of the St. Louis Fed President, J. Bullard				
	10:00	Leading indicator (m/m)	Oct.	0.1%	-0.1%	0.2%
CANADA						
MONDAY 14	---	---				
TUESDAY 15	9:00	Existing home sales	Oct.			
WEDNESDAY 16	8:30	Manufacturing sales (m/m)	Sept.	n/a	0.7%	0.9%
	11:50	Speech of a Bank of Canada Deputy Governor, T. Lane				
THURSDAY 17	8:30	International transactions in securities (\$B)	Sept.	n/a	12.00	12.74
FRIDAY 18	8:30	Consumer price index				
		Total (m/m)	Oct.	n/a	0.1%	0.1%
		Excluding 8 most volatile (m/m)	Oct.	n/a	0.2%	0.2%
		Total (y/y)	Oct.	n/a	1.3%	1.3%
		Excluding 8 most volatile (y/y)	Oct.	n/a	1.7%	1.8%

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

ECONOMIC INDICATORS

Week of November 14 to 18, 2016

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
 OVERSEAS								
SUNDAY 13								
Japan	18:50	Real GDP – preliminary	Q3	0.2%		0.2%		
China	21:00	Industrial production	Oct.		6.2%		6.1%	
China	21:00	Retail sales	Oct.		10.7%		10.7%	
Japan	23:30	Industrial production – final	Sept.	n/a	n/a	0.0%	0.9%	
MONDAY 14								
Euro zone	5:00	Industrial production	Sept.	-1.0%	0.7%	1.6%	1.8%	
Australia	19:30	Minutes of the Reserve Bank of Australia November meeting						
TUESDAY 15								
Germany	2:00	Real GDP – preliminary	Q3	0.3%	1.8%	0.4%	1.8%	
France	2:45	Consumer price index – final	Oct.	0.0%	0.4%	0.0%	0.4%	
Italy	4:00	Real GDP – preliminary	Q3	0.2%	0.8%	0.0%	0.8%	
United Kingdom	4:30	Consumer price index	Oct.	0.3%	1.2%	0.2%	1.0%	
United Kingdom	4:30	Producer price index	Oct.	0.3%	1.7%	0.2%	1.2%	
Euro zone	5:00	Trade balance (€B)	Sept.	n/a		23.3		
Euro zone	5:00	Real GDP – preliminary	Q3	0.3%	1.6%	0.3%	1.6%	
Germany	5:00	ZEW survey – Current situation	Nov.	60.4		59.5		
Germany	5:00	ZEW survey – Expectations	Nov.	7.8		6.2		
WEDNESDAY 16								
United Kingdom	4:30	ILO unemployment rate	Sept.	4.9%		4.9%		
THURSDAY 17								
France	1:30	ILO unemployment rate	Q3	n/a		9.9%		
Italy	4:00	Trade balance (€M)	Sept.	n/a		2,519		
United Kingdom	4:30	Retail sales	Oct.	0.4%	5.2%	0.0%	4.1%	
Euro zone	5:00	Construction	Sept.	n/a	n/a	-0.9%	0.9%	
Euro zone	5:00	Consumer price index	Oct.	0.3%	0.5%	0.4%	0.4%	
Mexico	14:00	Bank of Mexico meeting	Nov.	n/a		4.75%		
FRIDAY 18								
Germany	2:00	Producer price index	Oct.	0.2%	-0.9%	-0.2%	-1.4%	
Euro zone	4:00	Current account (€B)	Sept.	n/a		29.7		
Italy	4:30	Current account (€M)	Sept.	n/a		3,368		

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)	2016 Q3	16,702	2.9	1.5	2.6	2.4	1.7	2.2
Consumption (2009 \$B)	2016 Q3	11,546	2.1	2.6	3.2	2.9	1.5	1.5
Government spending (2009 \$B)	2016 Q3	2,905	0.5	0.3	1.8	-0.9	-2.9	-1.9
Residential investment (2009 \$B)	2016 Q3	579.3	-6.2	1.0	11.7	3.5	11.9	13.5
Non-residential investment (2009 \$B)	2016 Q3	2,191	1.1	-1.2	2.1	6.0	3.5	9.0
Business inventory change (2009 \$B) (1)	2016 Q3	12.6	---	---	84.0	57.7	78.7	54.7
Exports (2009 \$B)	2016 Q3	2,162	10.0	2.0	0.1	4.3	3.5	3.4
Imports (2009 \$B)	2016 Q3	2,685	2.4	0.7	4.6	4.4	1.1	2.2
Final domestic demand (2009 \$B)	2016 Q3	17,200	1.4	1.7	3.1	2.6	1.2	1.9
GDP deflator (2009 = 100)	2016 Q3	111.7	1.5	1.3	1.1	1.8	1.6	1.8
Labor productivity (2009 = 100)	2016 Q3	106.9	3.1	-0.1	0.9	0.8	0.4	0.9
Unit labor cost (2009 = 100)	2016 Q3	110.0	0.3	2.3	2.0	2.0	0.9	1.7
Employment cost index (Dec. 2005 = 100)	2016 Q3	127.4	2.2	2.2	2.1	2.0	1.9	1.9
Current account balance (\$B) (1)	2016 Q2	-119.9	---	---	-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)	Sept.	124.4	0.2	0.6	1.1	1.5
ISM manufacturing index (1)	Oct.	51.9	51.5	52.6	50.8	49.4
ISM non-manufacturing index (1)	Oct.	54.8	57.1	55.5	55.7	58.3
Cons. confidence Conf. Board (1985 = 100) (1)	Oct.	98.6	103.5	96.7	94.7	99.1
Cons. confidence Michigan (1966 = 100) (1)	Oct.	87.2	91.2	90.0	89.0	90.0
Personal consumption expenditure (2009 \$B)	Sept.	11,557	0.3	0.3	1.6	2.4
Disposable personal income (2009 \$B)	Sept.	12,694	0.1	0.4	0.9	2.1
Consumer credit (\$B)	Sept.*	3,707	0.5	1.7	3.4	6.0
Retail sales (\$M)	Sept.	459,821	0.6	0.5	2.7	2.7
Excluding automobiles (\$M)	Sept.	365,138	0.5	-0.0	1.9	2.7
Industrial production (2007 = 100)	Sept.	104.2	0.1	0.0	0.8	-1.0
Production capacity utilization rate (%) (1)	Sept.	75.4	75.3	75.4	74.9	76.4
New machinery orders (\$M)	Sept.	455,471	0.3	2.0	0.8	0.6
New durable good orders (\$M)	Sept.	226,796	-0.3	3.5	-0.7	1.4
Business inventories (\$B)	Aug.	1,817	0.2	0.4	1.0	0.7
Housing starts (K) (1)	Sept.	1,047	1,150	1,195	1,113	1,189
Building permits (K) (1)	Sept.	1,225	1,152	1,153	1,077	1,129
New home sales (K) (1)	Sept.	593.0	575.0	558.0	537.0	457.0
Existing home sales (K) (1)	Sept.	5,470	5,300	5,570	5,360	5,440
Construction spending (\$B)	Sept.	1,150	-0.4	-0.4	-2.2	-0.2
Commercial surplus (\$M) (1)	Sept.	-36,440	-40,462	-44,655	-36,930	-41,072
Nonfarm employment (K) (2)	Oct.	144,952	161.0	528.0	1,075	2,357
Unemployment rate (%) (1)	Oct.	4.9	5.0	4.9	5.0	5.0
Consumer price (1982-1984 = 100)	Sept.	241.0	0.3	0.5	1.3	1.5
Excluding food and energy	Sept.	248.6	0.1	0.5	1.0	2.2
Personal cons. expenditure deflator (2009 = 100)	Sept.	111.1	0.2	0.4	1.0	1.2
Excluding food and energy	Sept.	111.8	0.1	0.5	0.9	1.7
Producer price (2009 = 100)	Sept.	110.6	0.3	-0.1	1.0	0.7
Excluding food and energy	Sept.	110.4	0.2	0.0	0.6	1.2
Export prices (2000 = 100)	Sept.	120.5	0.3	-0.3	2.0	-1.5
Import prices (2000 = 100)	Sept.	120.6	0.1	-0.1	2.5	-1.1

* 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)	2016 Q2	1,776,171	-1.6	0.9	1.1	2.5	2.2	1.7
Household consumption (2007 \$M)	2016 Q2	1,017,654	2.2	2.2	1.9	2.6	2.4	1.9
Government consumption (2007 \$M)	2016 Q2	352,554	4.2	2.0	1.7	0.3	0.3	0.7
Residential investment (2007 \$M)	2016 Q2	125,607	1.2	4.2	3.8	2.5	-0.4	5.6
Non-residential investment (2007 \$M)	2016 Q2	160,090	-1.9	-8.6	-10.6	0.0	2.5	8.6
Business inventory change (2007 \$M) (1)	2016 Q2	502.0	---	---	3,907	9,869	15,476	6,159
Exports (2007 \$M)	2016 Q2	563,045	-16.7	-0.9	3.4	5.3	2.8	2.6
Imports (2007 \$M)	2016 Q2	567,146	1.1	-1.8	0.3	1.8	1.5	3.6
Final domestic demand (2007 \$M)	2016 Q2	1,771,861	2.2	1.0	0.3	1.6	1.3	2.4
GDP deflator (2007 = 100)	2016 Q2	112.4	1.4	0.0	-0.5	1.7	1.6	1.3
Labour productivity (2007 = 100)	2016 Q2	106.0	-1.3	0.2	-0.4	2.5	1.3	-0.4
Unit labour cost (2007 = 100)	2016 Q2	116.5	3.0	0.8	1.9	1.1	1.6	3.2
Current account balance (\$M) (1)	2016 Q2	-19,862	---	---	-62,631	-44,894	-59,665	-65,680
Production capacity utilization rate (%) (1)	2016 Q2	80.0	---	---	80.9	82.1	80.8	81.0
Disposable personal income (\$M)	2016 Q2	1,150,424	4.6	2.7	3.7	3.0	4.8	4.1
Corporate net operating surplus (2007 \$M)	2016 Q2	196,272	-33.0	-15.9	-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)	Aug.	1,677,541	0.2	1.3	0.6	1.3
Industrial production (2007 \$M)	Aug.	355,940	0.9	5.0	0.1	-0.1
Manufacturing sales (\$M)	Aug.	51,124	0.9	1.7	1.6	-1.0
Housing starts (K) (1)	Oct.*	192.9	219.4	196.7	189.0	197.7
Building permits (\$M)	Sept.*	6,854	-7.0	6.7	-0.8	-1.6
Retail sales (\$M)	Aug.	43,984	-0.1	-0.4	-0.5	1.6
Excluding automobiles (\$M)	Aug.	33,062	-0.0	-0.8	1.0	1.5
Wholesale trade sales (\$M)	Aug.	56,826	0.8	1.5	2.9	3.7
Commercial surplus (\$M) (1)	Sept.	-4,080	-1,992	-3,854	-3,110	-2,026
Exports (\$M)	Sept.	43,549	0.1	5.3	5.2	-1.2
Imports (\$M)	Sept.	47,630	4.7	5.4	7.0	3.3
Employment (K) (2)	Oct.	18,161	43.9	45.8	19.9	11.6
Unemployment rate (%) (1)	Oct.	7.0	7.0	6.9	7.1	7.0
Average weekly earnings (\$)	Aug.	960.5	0.8	0.7	0.6	1.6
Number of salaried employees (K) (2)	Aug.	15,905	-50.4	0.6	10.1	13.3
Consumer price (2002 = 100)	Sept.	128.8	0.1	-0.2	0.7	1.3
Excluding food and energy	Sept.	124.3	0.4	0.3	1.0	2.0
Excluding 8 volatile items	Sept.	128.9	0.2	0.2	0.7	1.8
Industrial product price (2002 = 100)	Sept.	110.3	0.4	0.2	1.7	-0.5
Raw materials price (2002 = 100)	Sept.	90.8	-0.1	-3.4	6.3	-1.9
Money supply M1+ (\$M)	Sept.	872,891	1.3	3.4	5.0	8.3

* 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 (%)		
	Nov. 10	Nov. 3	-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	0.48	0.25
Treasury bill – 3 months	0.45	0.37	0.31	0.28	0.28	0.13	0.45	0.28	0.11
Treasury bonds – 2 years	0.89	0.80	0.84	0.71	0.75	0.85	1.08	0.81	0.56
– 5 years	1.50	1.24	1.28	1.10	1.21	1.66	1.71	1.30	0.94
– 10 years	2.10	1.78	1.79	1.53	1.72	2.29	2.32	1.81	1.36
– 30 years	2.89	2.57	2.55	2.23	2.56	3.07	3.07	2.59	2.11
S&P 500 index	2,162	2,085	2,133	2,184	2,047	2,023	2,190	2,071	1,829
DJIA index	18,686	17,888	18,138	18,576	17,535	17,245	18,686	17,668	15,660
Gold price (US\$/ounce)	1,268	1,304	1,253	1,353	1,271	1,082	1,369	1,235	1,052
CRB index	183.24	182.50	189.47	182.68	182.55	184.77	195.82	179.12	155.01
WTI oil (US\$/barrel)	44.79	44.07	50.35	44.47	46.22	40.69	51.59	41.73	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	0.46	0.44	0.50	0.50	0.52	0.44	0.56	0.49	0.32
Treasury bonds – 2 years	0.62	0.52	0.62	0.53	0.55	0.61	0.70	0.54	0.29
– 5 years	0.87	0.67	0.78	0.60	0.68	0.95	0.97	0.70	0.48
– 10 years	1.45	1.16	1.25	1.01	1.28	1.65	1.66	1.23	0.95
– 30 years	2.08	1.82	1.87	1.62	1.95	2.35	2.35	1.92	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	0.02	0.00
Treasury bill – 3 months	0.01	0.07	0.19	0.22	0.24	0.31	0.35	0.21	0.01
Treasury bonds – 2 years	-0.27	-0.28	-0.22	-0.18	-0.20	-0.24	-0.06	-0.27	-0.64
– 5 years	-0.63	-0.58	-0.50	-0.50	-0.53	-0.71	-0.38	-0.60	-1.00
– 10 years	-0.65	-0.62	-0.54	-0.52	-0.44	-0.63	-0.31	-0.58	-0.90
– 30 years	-0.81	-0.75	-0.69	-0.61	-0.61	-0.72	-0.52	-0.67	-0.88
S&P/TSX index	14,759	14,509	14,585	14,747	13,749	13,075	14,939	13,788	11,843
Exchange rate (C\$/US\$)	1.3490	1.3404	1.3140	1.2948	1.2942	1.3324	1.4579	1.3249	0.7413
Exchange rate (C\$/€)	1.4671	1.4929	1.4416	1.4451	1.4634	1.4362	1.5903	1.4705	0.8063
Overseas									
ECB – Refinancing rate	0.00	0.00	0.00	0.00	0.00	0.05	0.05	0.02	0.00
BoE – Base rate	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.43	0.25
BoJ – Overnight rate	-0.10	-0.10	-0.10	-0.10	-0.10	0.10	0.10	-0.05	-0.10
Germany: Bonds – 10 years	0.29	0.06	-0.02	-0.17	0.13	0.56	0.69	0.15	-0.22
U.K.: Bonds – 10 years	1.35	1.14	1.10	0.61	1.38	1.98	1.99	1.32	0.61
Euro: Exchange rate (US\$/€)	1.0877	1.1138	1.0971	1.1161	1.1308	1.0780	1.1532	1.1103	1.0565
U.K.: Exchange rate (US\$/£)	1.2482	1.2519	1.2187	1.2923	1.4362	1.5234	1.5290	1.3904	1.2123

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.