

WEEKLY NEWSLETTER

U.S. 10-Year Bond Yield Reaches Its Highest Level since Summer 2011

HIGHLIGHTS

- ▶ United States: Retail sales and manufacturing output increased slightly.
- ▶ There were fewer housing starts in the United States in April.
- ▶ Canada: The total annual inflation rate dropped slightly in April.
- ▶ Canada: Retail sales continued to rise in March.
- ▶ Existing home sales declined again in Canada.

A LOOK AHEAD

- ▶ United States: New home sales are expected to pull back, but resales are expected to remain stable.
- ▶ Canada: Retail sales could return to positive territory in March.

FINANCIAL MARKETS

- ▶ The increase in the price of the WCS (Western Canadian Select) oil barrel has bolstered the Canadian stock market.
- ▶ The U.S. 10-year yield climbed above 3.00%.
- ▶ The U.S. dollar is on the upswing.

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Key Statistics of the Week

UNITED STATES

- ▶ Retail sales rose 0.3% in April after rising 0.8% in March. Motor vehicle sales posted a modest gain of 0.1%, but this is still better than the anticipated drop. The value of service station sales rose 0.8%. Excluding automobiles and gasoline, sales were up 0.3%, an increase only slightly better than the 0.4% gain recorded the previous month.
- ▶ Industrial production grew 0.7% in April after a similar gain in March. However, manufacturing increased 0.5% after stagnating in March. The automotive and metallurgy sectors declined, but the machinery, electrical equipment and electronics sectors showed signs of increased growth. The mining sector advanced 1.1% after a 0.8% increase in March. Following a 6.1% gain, energy production rose 1.9%.
- ▶ Regional manufacturing indexes rose in May. The Philadelphia Fed's index jumped from 23.2 to 34.4, its highest level in a year. The New York Fed's Empire index experienced a more modest rise from 15.8 to 20.1.
- ▶ After a 3.6% increase in March, housing starts declined 3.7% in April. Annualized new construction numbers fell from 1,336,000 to 1,287,000 units, the lowest this year. The drop was due primarily to multi-unit housing (-12.6%) while single-family dwelling starts stagnated (+0.1%). Geographically, only the southern United States recorded an increase.
- ▶ Growth in the leading indicator remained stable at 0.4% in April, the same result as in March. This time, growth was primarily due to hours worked, interest rates and a drop in the number of jobless claims.

Francis Généreux, Senior economist

CANADA

- ▶ The total consumer price index rose 0.3% in April. The total annual inflation rate went from 2.3% to 2.2%. The slight decline in the total annual inflation rate recorded in April breaks with the uptrend seen in recent months. However, we have to expect the total annual inflation rate to resume its uptrend as of May. Not only did gas prices continue to climb, the vanishing excess production output is exerting more upside pressures on prices.
- ▶ The value of retail sales rose 0.6% in March. The rebound in automotive product sales continued, rising 3.0% during the month. Overall, the other sectors posted a 0.2% drop, mostly due to a 1.9% decrease in service station sales. This is surprising given the almost 2% increase in the price of gasoline during the month. In real terms, total sales rose 0.8%.
- ▶ After a 2.7% increase in February, the rebound in manufacturing sales continued in March with a 1.4% gain. Sales were up in 13 of the 21 main industries, accounting for 72% of the entire manufacturing sector. Moreover, a 10.6% increase was recorded among manufacturers of aviation products. In real terms, sales were up 0.6%, while inventories remained the same.
- ▶ The housing market continued to adjust to the new restrictive measures and the gradual rise in interest rates in April. Sales of existing homes decreased 2.9% during the month in Canada. They have posted a cumulative decrease of 21.7% since the end of 2017. The provinces most affected by the drop in recent months are Ontario and British Columbia. That said, prices continue to rise in most provinces, according to the Canadian Real Estate Association.

Benoit P. Durocher, Senior economist

Financial Markets

The Uptrend in Bond Yields Is Back

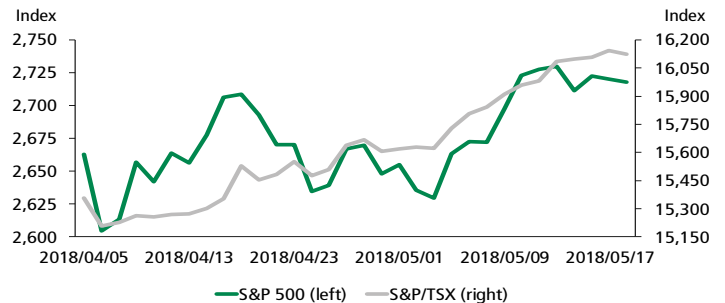
A strong rebound by the U.S. 10-year yield put pressure on the stock market this week. Ongoing geopolitical tensions have also contributed to its poor performance. Trade negotiations between China and the United States have not progressed much, and the diplomatic rapprochement with North Korea seems to be reversing. At the time of writing, the S&P 500 had dropped around 0.5% compared with last Friday, despite strong retail sales and higher oil prices. The Canadian market was up this week, with the S&P/TSX posting a weekly gain of close to 1%. An increase in the price of Canadian oil certainly contributed. The deadline to strike a new North American Free Trade Agreement (NAFTA) in 2018 was reached last Thursday, which did not seem to worry markets as a 2019 deal remains possible.

The U.S. 10-year yield rose significantly last week. It was around 3.10% on Friday morning, its highest level since summer 2011. The 2-year yield reversed its uptrend on Thursday. It, however, ended up around 2.55%, which is an increase over last week. In Canada, both short- and long-term bond yields progressed steadily throughout the week. However, investors seem concerned about inflation that was slightly weaker than expected, which had an impact on the bond market. Despite that news, the Canadian 2-year yield stayed above 2.00% on Friday and the 10-year yield was around 2.50%.

Following the bond yield trend, the U.S. dollar made some new gains this week. Within this context, its exchange rate against the euro dipped below US\$1.18. The U.K. exchange rate experienced a smaller drop, but was still lower than US\$1.35. Despite higher oil prices, the Canadian dollar has not escaped the general downward trend against the greenback. However, the loonie's weekly loss only materialized on Friday after the inflation figures came out. Elsewhere in the world, several emerging countries are also undergoing significant exchange rate adjustments. The Mexican peso is now getting closer to 20 pesos/US\$. Inflationary fears are rising in emerging countries as exchange rates fluctuate.

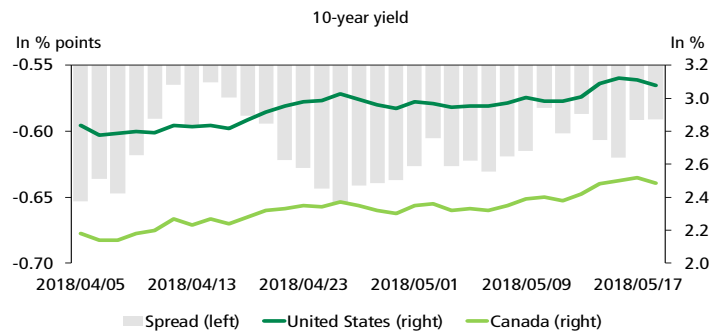
Hendrix Vachon, Senior Economist
Carine Bergevin-Chammah, Economist

GRAPH 1
Stock markets



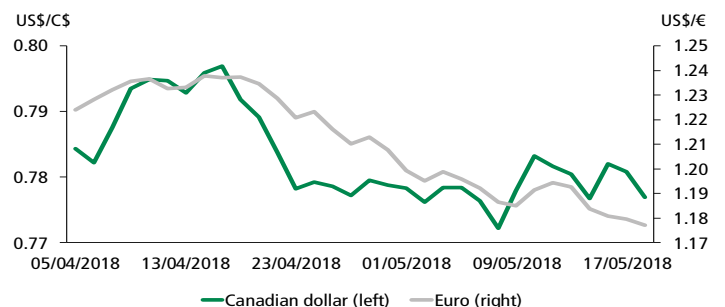
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

WEDNESDAY May 23rd - 10:00

April	ann. rate
Consensus	678,000
Desjardins	665,000
March	694,000

THURSDAY May 24 - 10:00

April	ann. rate
Consensus	5,600,000
Desjardins	5,600,000
March	5,600,000

FRIDAY May 25 - 8:30

April	m/m
Consensus	-1.4%
Desjardins	-1.3%
March	2.6%

TUESDAY May 22nd - 8:30

March	m/m
Consensus	0.8%
Desjardins	0.9%
February	-0.8%

WEDNESDAY May 23rd - 4:00

May	
Consensus	55.1
April	55.1

UNITED STATES

New home sales (April) – For the first time since spring 2017, new home sales posted two monthly increases in a row in February and March. A 4.0% gain followed one of 3.6% to raise the annualized sales level to 694,000, the highest it has been since November. A drop is expected in April. For one thing, the number of single-home construction permits is much lower than the number of sales. For another, the NAHB confidence index has been on a modest downswing for a few months. We expect sales to go to 665,000 units.

Sales of existing homes (April) – Home resales also posted two consecutive increases in February and March. A lull is expected in April, with no change anticipated. Pending sales of existing homes edged up 0.3% the previous month. Mortgage interest rates started to rise, but that did not stop the rising trend in mortgage applications for April as a whole. All those elements should even out and leave sales of existing homes at 5,600,000 units.

New durable goods orders (April) – Bolstered by the aviation sector, new durable goods orders jumped 2.6% in March. However, a pullback is expected for April. First and foremost, fewer Boeing planes were ordered last month. Seasonal adjustments will partially offset that, but not enough to prevent a heavy negative contribution. Although automobile-related orders were up sharply in April, we expect them to stagnate now. Durable goods orders, excluding the transportation sector, should do better than the meagre 0.1% increase posted for March. The level of the “new orders” component of the ISM index, coupled with a rebound in industrial machinery production, point to an increase of around 0.7%. Overall, we expect a 1.3% drop in total durable goods orders.

CANADA


Wholesale trade (March) – After some difficulties in February, wholesale sales should be back in positive territory in March. Exports were also up in several sectors, reflecting strong foreign demand. With regard to domestic demand, factors are still very positive: the labour market is extremely healthy, wages are going up and so is household confidence.


OVERSEAS

Euro zone: PMI indexes (May – preliminary) – The preliminary version of the Euroland PMI indexes for May will come out on Wednesday. Following a significant uptrend in 2017, there is now a bit of a downswing. The composite index, which was at 55.1 in April, is still high enough to suggest good real GDP growth, but it would be nice if the upward trend continued. A first version of the May consumer confidence index will also come out on Wednesday. French business confidence indicators will be released on Thursday, followed by the German Ifo indexes on Friday.

Economic Indicators

Week of May 21st to 25, 2018

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 21						
	12:15	Speech of the Atlanta Fed President, R. Bostic				
	14:05	Speech of the Philadelphia Fed President, P. Harker				
	17:30	Speech of the Minneapolis Fed President, N. Kashkari				
TUESDAY 22						
	---	---				
WEDNESDAY 23						
	10:00	New home sales (ann. rate)	April	678,000	665,000	694,000
	14:00	Minutes of the Federal Reserve meeting				
THURSDAY 24						
	4:15	Speech of the New York Fed President, W. Dudley				
	8:30	Initial unemployment claims	May 14-18	220,000	220,000	222,000
	10:00	Existing home sales (ann. rate)	April	5,600,000	5,600,000	5,600,000
	14:00	Speech of the Philadelphia Fed President, P. Harker				
FRIDAY 25						
	8:30	Durable goods orders (m/m)	April	-1.4%	-1.3%	2.6%
	9:20	Speech of the Federal Reserve Chairman, J. Powell				
	10:00	Michigan's consumer sentiment index – final	May	98.8	98.8	98.8
	11:45	Speech of the Atlanta Fed President, R. Bostic				
	11:45	Speech of the Chicago Fed President, C. Evans				
	11:45	Speech of the Dallas Fed President, R. Kaplan				
CANADA						
MONDAY 21						
	---	Markets closed (Victoria Day)				
TUESDAY 22						
	8:30	Wholesale sales (m/m)	March	0.8%	0.9%	-0.8%
	8:30	Wholesale inventories (m/m)	March	n/a	0.5%	0.0%
WEDNESDAY 23						
	---	---				
THURSDAY 24						
	---	---				
FRIDAY 25						
	---	---				

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. The times shown are Daylight Saving Time (GMT - 4 hours).  Forecast of Desjardins, Economic Studies of the Desjardins Group.

Economic Indicators

Week of May 21st to 25, 2018

Country	Hour	Indicator	Period	Consensus		Previous data	
				m/m (q/q)	y/y	m/m (q/q)	y/y
OVERSEAS							
SUNDAY 20							
Japan	19:50	Trade balance (¥B)	April	114.9		119.2	
MONDAY 21							
---	---	---					
TUESDAY 22							
Japan	20:30	PMI manufacturing index – preliminary	May	n/a		53.8	
WEDNESDAY 23							
South Korea	---	Bank of Korea meeting	May	1.50%		1.50%	
Japan	0:30	All industry activity index	March	0.1%		0.4%	
France	1:30	ILO unemployment rate	Q1	8.8%		8.9%	
France	3:00	PMI composite index – preliminary	May	56.6		56.9	
France	3:00	PMI manufacturing index – preliminary	May	53.7		53.8	
France	3:00	PMI services index – preliminary	May	57.2		57.4	
Germany	3:30	PMI composite index – preliminary	May	54.6		54.6	
Germany	3:30	PMI manufacturing index – preliminary	May	57.9		58.1	
Germany	3:30	PMI services index – preliminary	May	53.2		53.0	
Euro zone	4:00	PMI composite index – preliminary	May	55.1		55.1	
Euro zone	4:00	PMI manufacturing index – preliminary	May	56.0		56.2	
Euro zone	4:00	PMI services index – preliminary	May	54.7		54.7	
United Kingdom	4:30	Consumer price index	April	0.5%	2.5%	0.1%	2.5%
United Kingdom	4:30	Producer price index	April	0.3%	2.3%	0.2%	2.4%
Euro zone	10:00	Consumer confidence – preliminary	May	0.5		0.4	
THURSDAY 24							
Japan	1:00	Leading indicator – final	March	n/a		105.0	
Japan	1:00	Coincident indicator – final	March	n/a		116.4	
Germany	2:00	Consumer confidence	June	10.8		10.8	
Germany	2:00	Real GDP – final	Q1	0.3%	2.3%	0.3%	2.3%
France	2:45	Business confidence	May	108		108	
France	2:45	Production outlook	May	22		24	
United Kingdom	4:30	Index of services	March	0.1%		-0.2%	
United Kingdom	4:30	Real GDP – preliminary	Q1	0.1%	1.2%	0.1%	1.2%
United Kingdom	4:30	Retail sales	April	0.7%	0.2%	-1.2%	1.1%
Japan	19:30	Consumer price index – Tokyo	May		0.5%		0.5%
FRIDAY 25							
Germany	4:00	Ifo survey – Business climate	May	102.0		102.1	
Germany	4:00	Ifo survey – Current situation	May	105.5		105.7	
Germany	4:00	Ifo survey – Expectations	May	98.5		98.7	

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. 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	2017	2016	2015
Gross domestic product (2009 \$B)	2018 Q1	17,386	2.3	2.9	2.3	1.5	2.9
Consumption (2009 \$B)	2018 Q1	12,067	1.1	2.6	2.8	2.7	3.6
Government spending (2009 \$B)	2018 Q1	2,930	1.2	1.2	0.1	0.8	1.4
Residential investment (2009 \$B)	2018 Q1	605.0	0.0	-0.1	1.8	5.5	10.2
Non-residential investment (2009 \$B)	2018 Q1	2,401	6.1	6.1	4.7	-0.6	2.3
Business inventory change (2009 \$B) ¹	2018 Q1	33.1	---	---	15.2	33.4	100.5
Exports (2009 \$B)	2018 Q1	2,256	4.8	4.3	3.4	-0.3	0.4
Imports (2009 \$B)	2018 Q1	2,902	2.6	4.2	4.0	1.3	5.0
Final domestic demand (2009 \$B)	2018 Q1	17,973	1.6	2.7	2.5	2.1	3.3
GDP deflator (2009 = 100)	2018 Q1	114.8	2.0	1.9	1.8	1.3	1.1
Labor productivity (2009 = 100)	2018 Q1	109.1	0.7	1.3	1.3	0.0	1.2
Unit labor cost (2009 = 100)	2018 Q1	110.0	2.7	1.1	0.3	1.1	1.8
Employment cost index (Dec. 2005 = 100)	2018 Q1	132.5	3.4	2.7	2.5	2.2	2.1
Current account balance (\$B) ¹	2017 Q4	-128.2	---	---	-466.2	-451.7	-434.6

¹ Statistics representing the level during the period; * New statistic in comparison with last week.

UNITED STATES
Monthly economic indicators

	REF. MONTH	LEVEL	VARIATION (%)			
			-1 month	-3 months	-6 months	-1 year
Leading indicator (2010 = 100)	April*	109.4	0.4	1.5	3.3	6.4
ISM manufacturing index ¹	April	57.3	59.3	59.1	58.5	55.3
ISM non-manufacturing index ¹	April	56.8	58.8	59.9	59.8	57.3
Cons. confidence Conference Board (1985 = 100) ¹	April	128.7	127.0	124.3	126.2	119.4
Personal consumption expenditure (2009 \$B)	March	12,094	0.4	0.1	1.1	2.4
Disposable personal income (2009 \$B)	March	12,957	0.2	0.9	1.3	1.7
Consumer credit (\$B)	March	3,875	0.3	1.1	2.8	5.0
Retail sales (\$M)	April*	497,559	0.3	1.1	1.7	4.7
<i>Excluding automobiles (\$M)</i>	April*	395,992	0.3	1.1	2.4	4.8
Industrial production (2007 = 100)	April*	107.3	0.7	1.9	2.4	3.5
Production capacity utilization rate (%) ¹	April*	78.0	77.6	76.9	76.8	76.2
New machinery orders (\$M)	March	498,335	1.6	2.0	4.3	9.1
New durable good orders (\$M)	March	252,555	2.6	2.7	3.9	11.1
Business inventories (\$B)	March*	1,930	0.0	1.3	2.2	3.8
Housing starts (k) ¹	April*	1,287	1,336	1,334	1,265	1,165
Building permits (k) ¹	April*	1,352	1,377	1,366	1,343	1,255
New home sales (k) ¹	March	694.0	667.0	644.0	639.0	638.0
Existing home sales (k) ¹	March	5,600	5,540	5,560	5,370	5,670
Commercial surplus (\$M) ¹	March	-48,956	-57,743	-53,908	-45,298	-44,729
Nonfarm employment (k) ²	April	148,424	164.0	623.0	1,190	2,280
Unemployment rate (%) ¹	April	3.9	4.1	4.1	4.1	4.4
Consumer price (1982-1984 = 100)	April	250.0	0.2	0.3	1.4	2.4
<i>Excluding food and energy</i>	April	256.5	0.1	0.5	1.2	2.1
Personal cons. expenditure deflator (2009 = 100)	March	114.3	0.0	0.6	1.1	2.0
<i>Excluding food and energy</i>	March	114.7	0.2	0.6	1.1	1.9
Producer price (2009 = 100)	April	115.5	0.1	0.5	1.4	2.7
Export prices (2000 = 100)	April	127.0	0.6	1.1	2.4	3.8
Import prices (2000 = 100)	April	126.9	0.3	0.3	2.3	3.3

¹ Statistic shows the level of the month of the column; ² Statistic shows the variation since the reference month; * New statistic in comparison with last week.

CANADA
Quarterly economic indicators

	REF. QUART.	LEVEL	VARIATION (%)		ANNUAL VARIATION (%)		
			Quart. ann.	1 year	2017	2016	2015
Gross domestic product (2007 \$M)	2017 Q4	1,869,857	1.7	2.9	3.0	1.4	1.0
Household consumption (2007 \$M)	2017 Q4	1,074,862	2.1	3.5	3.5	2.4	2.1
Government consumption (2007 \$M)	2017 Q4	361,512	2.8	2.9	2.2	2.2	1.6
Residential investment (2007 \$M)	2017 Q4	131,385	13.4	4.7	3.1	3.3	3.8
Non-residential investment (2007 \$M)	2017 Q4	176,738	8.2	8.8	2.6	-9.4	-11.3
Business inventory change (2007 \$M) ¹	2017 Q4	13,807	---	---	13,725	978.0	4,711
Exports (2007 \$M)	2017 Q4	584,654	3.0	0.2	1.0	1.0	3.5
Imports (2007 \$M)	2017 Q4	604,304	6.3	6.6	3.6	-1.0	0.7
Final domestic demand (2007 \$M)	2017 Q4	1,865,486	3.9	4.0	3.0	1.1	0.3
GDP deflator (2007 = 100)	2017 Q4	116.6	5.0	1.9	2.3	0.6	-0.8
Labour productivity (2007 = 100)	2017 Q4	109.8	0.8	1.3	2.1	0.6	-0.5
Unit labour cost (2007 = 100)	2017 Q4	116.9	6.3	2.0	0.3	-0.1	2.3
Current account balance (\$M) ¹	2017 Q4	-16,346	---	---	-63,928	-65,372	-71,526
Production capacity utilization rate (%) ¹	2017 Q4	86.0	---	---	84.6	80.2	80.5
Disposable personal income (\$M)	2017 Q4	1,232,676	5.2	4.4	4.8	2.2	4.7
Corporate net operating surplus (2007 \$M)	2017 Q4	278,320	15.0	8.9	20.2	-1.9	-19.8

¹ Statistics representing the level during the period; * New statistic in comparison with last week.

CANADA
Monthly economic indicators

	REF. MONTH	LEVEL	VARIATION (%)			
			-1 month	-3 months	-6 months	-1 year
Gross domestic product (2007 \$M)	Feb.	1,767,926	0.4	0.5	1.2	3.0
Industrial production (2007 \$M)	Feb.	381,661	1.4	0.8	1.8	4.4
Manufacturing sales (\$M)	March*	57,141	1.4	2.2	5.4	6.4
Housing starts (k) ¹	April	215.3	225.5	216.4	221.9	213.5
Building permits (\$M)	March	8,400	3.1	5.4	3.7	10.8
Retail sales (\$M)	March*	50,238	0.6	1.5	2.3	4.1
<i>Excluding automobiles (\$M)</i>	March*	36,342	-0.2	0.8	1.2	3.7
Wholesale trade sales (\$M)	Feb.	62,804	-0.8	-0.8	0.1	5.0
Commercial surplus (\$M) ¹	March	-4,140	-2,932	-3,460	-3,248	-654.5
<i>Exports (\$M)</i>	March	47,584	3.7	2.0	9.3	1.9
<i>Imports (\$M)</i>	March	51,724	6.0	3.3	10.6	9.2
Employment (k) ²	April	18,604	-1.1	15.5	17.4	23.2
Unemployment rate (%) ¹	April	5.8	5.8	5.9	6.2	6.4
Average weekly earnings (\$)	Feb.	996.9	0.4	0.5	2.0	3.4
Number of salaried employees (k) ²	Feb.	16,492	42.2	31.6	22.9	30.0
Consumer price (2002 = 100)	April*	133.3	0.3	1.2	1.8	2.2
<i>Excluding food and energy</i>	April*	127.5	-0.1	1.0	1.0	1.8
<i>Excluding 8 volatile items</i>	April*	131.5	0.1	1.0	0.9	1.5
Industrial product price (2002 = 100)	March	116.7	0.8	1.7	4.2	2.3
Raw materials price (2002 = 100)	March	109.8	2.1	5.3	14.3	10.0
Money supply M1+ (\$M)	March	974,424	0.7	1.0	2.9	6.6

¹ Statistic shows the level of the month of the column; ² Statistic shows the variation since the reference month; * New statistic in comparison with last week.

UNITED STATES, CANADA, OVERSEAS
Major financial indicators

IN % (EXPECTED IF INDICATED)	ACTUAL	PREVIOUS DATA					LAST 52 WEEKS		
	May 18	May 11	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	1.75	1.75	1.75	1.50	1.25	1.00	1.75	1.38	1.00
Treasury bill – 3 months	1.89	1.88	1.78	1.59	1.26	0.90	1.90	1.30	0.91
Treasury bonds – 2 years	2.55	2.53	2.46	2.20	1.72	1.27	2.59	1.78	1.26
– 5 years	2.90	2.84	2.79	2.63	2.06	1.79	2.94	2.18	1.64
– 10 years	3.08	2.98	2.95	2.90	2.37	2.24	3.12	2.49	2.05
– 30 years	3.22	3.10	3.14	3.14	2.79	2.91	3.22	2.91	2.67
S&P 500 index (level)	2,718	2,728	2,670	2,732	2,579	2,382	2,873	2,590	2,394
DJIA index (level)	24,755	24,831	24,463	25,219	23,358	20,805	26,617	23,409	20,895
Gold price (US\$/ounce)	1,292	1,321	1,339	1,356	1,288	1,253	1,359	1,295	1,210
CRB index (level)	204.56	203.56	201.92	193.58	190.39	185.08	204.56	187.65	166.50
WTI oil (US\$/barrel)	71.45	70.69	68.26	61.89	56.57	50.32	71.47	56.08	42.48
Canada									
Overnight – target	1.25	1.25	1.25	1.25	1.00	0.50	1.25	0.98	0.50
Treasury bill – 3 months	1.26	1.21	1.19	1.13	0.87	0.51	1.27	0.94	0.50
Treasury bonds – 2 years	2.03	1.96	1.93	1.82	1.45	0.68	2.06	1.51	0.68
– 5 years	2.30	2.21	2.17	2.11	1.66	0.95	2.33	1.74	0.92
– 10 years	2.49	2.38	2.33	2.31	1.94	1.47	2.52	2.02	1.39
– 30 years	2.50	2.41	2.44	2.46	2.28	2.10	2.53	2.31	1.96
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	-0.50	-0.50	-0.50	-0.25	-0.25	-0.50	-0.25	-0.41	-0.75
Treasury bill – 3 months	-0.63	-0.67	-0.59	-0.46	-0.39	-0.39	0.00	-0.36	-0.71
Treasury bonds – 2 years	-0.52	-0.57	-0.53	-0.38	-0.27	-0.59	0.25	-0.27	-0.61
– 5 years	-0.60	-0.63	-0.62	-0.52	-0.40	-0.84	0.07	-0.43	-0.86
– 10 years	-0.59	-0.60	-0.62	-0.59	-0.43	-0.77	-0.06	-0.47	-0.84
– 30 years	-0.72	-0.69	-0.70	-0.68	-0.51	-0.81	-0.32	-0.60	-0.88
S&P/TSX index (level)	16,124	15,983	15,484	15,453	15,999	15,458	16,413	15,596	14,952
Exchange rate (C\$/US\$)	1.2872	1.2793	1.2759	1.2557	1.2763	1.3514	1.3515	1.2732	1.2110
Exchange rate (C\$/€)	1.5153	1.5280	1.5678	1.5578	1.5054	1.5145	1.6130	1.5122	1.4469
Overseas									
<u>Euro zone</u>									
ECB – Refinancing rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exchange rate (US\$/€)	1.1771	1.1944	1.2288	1.2406	1.1795	1.1207	1.2510	1.1882	1.1135
<u>United Kingdom</u>									
BoE – Base rate	0.50	0.50	0.50	0.50	0.50	0.25	0.50	0.39	0.25
Bonds – 10 years	1.50	1.48	1.52	1.59	1.34	1.02	1.67	1.32	0.87
FTSE index (level)	7,779	7,725	7,368	7,295	7,381	7,471	7,788	7,417	6,889
Exchange rate (US\$/£)	1.3474	1.3544	1.4005	1.4043	1.3214	1.3036	1.4338	1.3416	1.2631
<u>Germany</u>									
Bonds – 10 years	0.58	0.56	0.59	0.65	0.36	0.37	0.72	0.46	0.23
DAX index (level)	13,078	13,001	12,541	12,452	12,994	12,639	13,560	12,677	11,787
<u>Japan</u>									
BoJ – Main policy rate	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10
Nikkei index (level)	22,930	22,758	22,162	21,720	22,397	19,591	24,124	21,387	19,275
Exchange rate (US\$/¥)	110.74	109.40	107.67	106.32	112.09	111.28	114.18	110.48	104.74

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.