

# WEEKLY NEWSLETTER

## Brexit Agreement: Will Parliament Say Yes?

### HIGHLIGHTS

- ▶ United States: Retail sales fell in September.
- ▶ United States: Industrial output and housing starts pulled back.
- ▶ The leading U.S. indicator declined for the second time in a row.
- ▶ Canada: Air transportation is still skewing inflation results.

### A LOOK AHEAD

- ▶ United States: Home resales should remain stable, but new home sales are expected to slump.
- ▶ Canada: Retail and wholesale sales may still rise in August.

### FINANCIAL MARKETS

- ▶ Stock markets post a flat performance.
- ▶ Bond yields stayed relatively stable over the course of the week.
- ▶ Thanks to a Brexit deal, the pound is still appreciating.

### CONTENTS

Key Statistics of the Week ..... 2	A Look Ahead ..... 4	Tables
<i>United States, Canada</i>	<i>United States, Canada, Overseas</i>	<i>Economic indicators</i> ..... 8
Financial Markets ..... 3	Economic Indicators of the Week ..... 6	<i>Major financial indicators</i> ..... 10

François Dupuis, Vice-President and Chief Economist • Mathieu D'Anjou, Deputy Chief Economist • Carine Bergevin-Chammah, Economist  
 Benoit P. Durocher, Senior Economist • Francis Généreux, Senior Economist • Hendrix Vachon, Senior Economist

Desjardins, Economic Studies: 514-281-2336 or 1 866-866-7000, ext. 5552336 • [desjardins.economics@desjardins.com](mailto:desjardins.economics@desjardins.com) • [desjardins.com/economics](http://desjardins.com/economics)

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 © 2019, Desjardins Group. All rights reserved.

# Key Statistics of the Week

## UNITED STATES

- ▶ Retail sales fell 0.3% in September, after rising 0.6% in August. Motor vehicle sales retreated 0.9% following a strong 1.9% gain in August. This is the first decrease since April. The value of service station sales fell 0.7%. Excluding motor vehicles and gasoline, sales stagnated in September after August's 0.4% uptick. Aside from motor vehicles and gasoline, department stores (-1.4%) and renovation centres (-1.0%) saw the biggest drops.
- ▶ Industrial output fell 0.4% in September, after gaining 0.8% (revised from 0.6%) in August. Manufacturing fell 0.5% on the heels of the 4.2% decline in the motor vehicle sector as the result of the strike at GM. Other industries, such as metallurgy, machinery and electrical products, also contracted. After leaping 2.4% in August, the mining sector retreated 1.3%. Energy production went up 1.4%.
- ▶ The New York Fed's Empire manufacturing index was up slightly from 2.0 to 4.0 in October, largely as the result of an increase in the deliveries component. For its part, the Philadelphia Fed's manufacturing index decreased for the second month in a row, falling from 12.0 to 5.6.
- ▶ After soaring 15.1% to reach their highest level since June 2007, housing starts plunged 9.4% in September. Annualized numbers decreased from 1,386,000 (revised from 1,364,000) to 1,256,000 units. This is still above August's level and represents a 1.6% gain compared with September 2018. Construction of single-family homes rose 0.3%, while multi-unit housing construction plunged 28.3%. Building permits were down 2.7%. Here, too, multi-unit housing was the source of the decline.
- ▶ The leading indicator lost 0.1% in September, following a decrease of 0.2% (revised from 0.0%) in August. The ISM index, building permits, interest rate spreads and household confidence all contributed negatively. The contributions were partially offset by the stock market, credit and jobless claims. This is the first time since winter 2016 that the leading indicator has fallen for two months in a row.

Francis Généreux, Senior economist

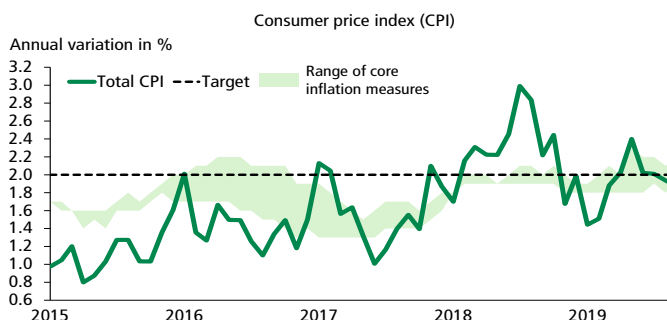
## CANADA

- ▶ The consumer price index (CPI) fell 0.4% in September, more than expected. The biggest contributors to that decline were: air transportation (-19.5%), tuition fees (-3.6%), tour packages (-5.7%), fresh vegetables (-5.3%) and motor vehicles (-0.8%). The total annual inflation rate stayed at 1.9%. Not including the plunge in air transportation prices, the monthly variation in total CPI would have been a mere -0.2% in September, in line with expectations.
- ▶ The value of manufacturing sales moved up 0.8% in August. Sales rose in 11 out of 21 of the main industries. The biggest contributors were transportation equipment and metal products. In real terms, sales were up 0.6%, while inventories rose 0.4%.
- ▶ Sales of existing homes continued to climb in September with a 0.6% monthly increase. This is the seventh monthly increase in a row. The gain now amounts to 15.5% over one year. Except for Prince Edward Island, all the provinces are benefiting from a significant increase in sales. The home price index also continued to climb to reach \$628,200 for all of Canada in September.

Benoit P. Durocher, Senior economist

## CANADA

### Inflation holds near the median target



Sources: Statistics Canada, Bank of Canada and Desjardins, Economic Studies

# Financial Markets

## Chinese Data Hold Back Optimism

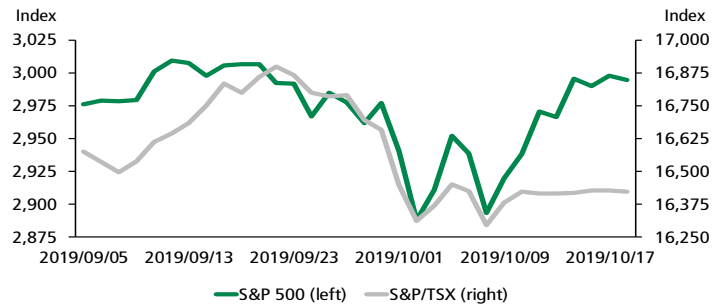
Solid corporate earnings early in the week helped the U.S. stock market post some gains on Tuesday. The U.S. retail sales figures released on Wednesday were disappointing, which hurt stock prices. Nonetheless, they were back up again as early as Thursday as more solid corporate earnings were announced and an agreement on Brexit was reached with Europe. However, this agreement still has to be approved by the British parliament on Saturday, which is not guaranteed. Friday morning, the S&P 500 index was inching lower as China posted disappointing GDP data. The index was getting close to last Friday's level. The Canadian stock market started the week on a high note, then dropped back to post a nearly flat performance. The ongoing slowdown in the Chinese economy mitigated the impact of the rise in oil prices on Friday. The European stock market had gained some ground during the week after the positive developments regarding Brexit, but China's poor GDP numbers released on Friday wiped out these gains.

U.S. bond rates were near last Friday's level at the time of writing despite some volatility during the week. The somewhat mixed news on economic data and global trade caused U.S. 2-year and 10-year rates to fluctuate around 1.60% and 1.75% respectively. Canadian yields' trend was similar. Although the 10-year rate posted a slight increase on Friday morning to hit roughly 1.55%.

The U.S. dollar depreciated this week due, in particular, to lower demand for safe haven currencies. China's disappointing GDP figures on Friday didn't help the greenback to appreciate further in value as the optimism surrounding Brexit and global trade remained fairly high. Helped in particular by the announcement of an agreement between the British government and the European Union regarding Brexit, the pound had another good week, up from US\$1.26 to close to US\$1.29. On the other side of the English Channel, the euro rose just over one cent to around US\$1.115 at the time of writing. The Canadian dollar had posted a net rebound last Friday thanks to the solid employment numbers. It consolidated its gains at the beginning of this week, then moved up again on Thursday to surpass US\$0.76.

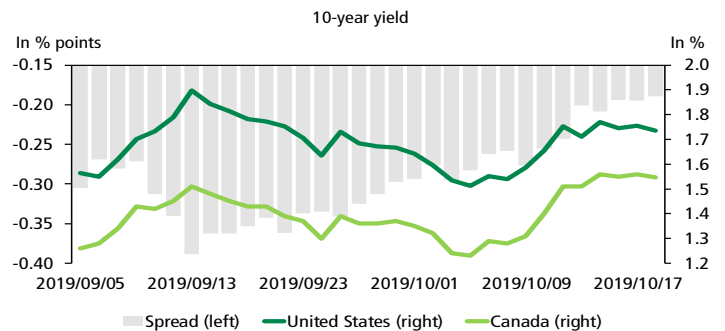
**Hendrix Vachon**, Senior Economist  
**Carine Bergevin-Chammah**, Economist

**GRAPH 1**  
**Stock markets**



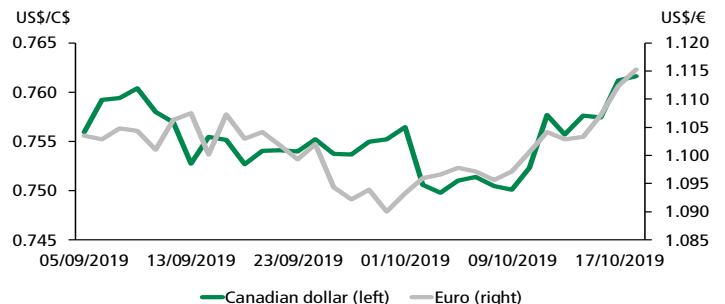
Sources: Datastream and Desjardins, Economic Studies

**GRAPH 2**  
**Bond markets**



Sources: Datastream and Desjardins, Economic Studies

**GRAPH 3**  
**Currency markets**



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

**TUESDAY October 22 - 10:00**

<b>September</b>	<b>ann. rate</b>
Consensus	5,460,000
Desjardins	5,500,000
<b>August</b>	<b>5,490,000</b>

**THURSDAY October 24 - 8:30**

<b>September</b>	<b>m/m</b>
Consensus	-0.6%
Desjardins	-2.0%
<b>August</b>	<b>0.2%</b>

**THURSDAY October 24 - 10:00**

<b>September</b>	<b>ann. rate</b>
Consensus	705,000
Desjardins	690,000
<b>August</b>	<b>713,000</b>

**TUESDAY October 22 - 8:30**

<b>August</b>	<b>m/m</b>
Consensus	0.5%
Desjardins	0.6%
<b>July</b>	<b>0.4%</b>

**WEDNESDAY October 23 - 8:30**

<b>August</b>	<b>m/m</b>
Consensus	0.4%
Desjardins	0.4%
<b>July</b>	<b>1.7%</b>

## UNITED STATES

**Sales of existing homes (September)** – For the first time since fall 2017, home resales posted two consecutive monthly increases. After a 2.5% hike in July, existing home sales climbed 1.3% in August. However, sales are expected to have stagnated in September. On the one hand, the level of pending home sales suggests a lull. They rose in August, but the resale numbers still haven't registered July's drop in pending sales. On the other hand, low mortgage rates caused loan applications in view of a purchase to rise. All in all, existing home sales should hit 5,500,000 units, i.e., a monthly increase of barely 0.2%.

**New durable goods orders (September)** – At 0.2%, new durable goods orders posted fairly modest growth in August as a result of the drop in civil aviation orders. This same sector should contribute negatively once again in September based on Boeing's data. Orders relating to motor vehicles are also expected to decline due to the possible fallout from the strike at GM. Even excluding transportation, orders are forecast to drop. The weak ISM manufacturing index and decline in industrial output suggest an approximate 0.5% decrease. All in all, new durable goods orders should be down 2.0%.

**New home sales (September)** – Sales of new single-family homes continue to be extremely volatile on a month-to-month basis. Consequently, after dropping 8.8% in May, they jumped 21.1% in June before falling 8.6% in July, then climbing 7.1% in August. This seesawing should continue in September. Despite the 0.8% hike in building permits for single-family homes and the rise in loan applications in view of a purchase, sales of single-family homes should reach 690,000 units.

## CANADA

**Retail sales (August)** – According to the preliminary data, motor vehicle sales should see a second consecutive month of sustained growth in August. Furthermore, conditions remain favourable for most types of sales due to the strength of the labour market and high consumer confidence. On the other hand, after seasonal adjustments, gas prices were down 3.9% in August, which will negatively impact the value of service station sales. In the end, total retail sales could be up roughly 0.6% for the month.

**Wholesale trade (August)** – At first glance, the 1.8% increase in merchandise exports in August is a good omen for wholesaling. Still, this positive result is hiding a drop in the export of automotive products, forest products and building materials, three particularly important wholesaling sectors. Under these circumstances, after July's solid hike, wholesaler sales are expected to slow in August.

THURSDAY October 24 - 7:45

**October**

Consensus 0.00%

Desjardins 0.00%


**September 12 0.00%**


**OVERSEAS**

**Euro zone: European Central Bank meeting (October)** – Mario Draghi will chair his last monetary policy meeting at the European Central Bank (ECB). The euro zone’s economic outlook remains fragile, with inflation threatening to stay below the target for some time to come despite the measures announced in September. Still, there’s little left in the way of ammunition in terms of monetary policy, and it would be a huge surprise for new measures to be announced in the short term. More details on the strategy to be adopted should be revealed during the next few meetings, with Christine Lagarde’s arrival at the head of the ECB. The monetary policy management framework is currently being reviewed. Several items will be examined, including the possibility of modifying the inflation target or introducing new tools. Among the indicators to be released in the euro zone this week, the preliminary version of the consumer confidence index will come out on Wednesday. It remained stable in recent months after falling for an extended period of decline. October’s PMI indexes will be released on Thursday and the German Ifo index on Friday.

# Economic Indicators

## Week of October 21 to 25, 2019

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 21</b>						
	---	---				
<b>TUESDAY 22</b>						
	10:00	Existing home sales (ann. rate)	Sept.	5,460,000	5,500,000	5,490,000
<b>WEDNESDAY 23</b>						
	---	---				
<b>THURSDAY 24</b>						
	8:30	Initial unemployment claims	Oct. 14-18	215,000	217,000	214,000
	8:30	Durable goods orders (m/m)	Sept.	-0.6%	-2.0%	0.2%
	10:00	New home sales (ann. rate)	Sept.	705,000	690,000	713,000
<b>FRIDAY 25</b>						
	10:00	Michigan's consumer sentiment index – final	Oct.	96,0	96,0	96.0
<b>CANADA</b>						
<b>MONDAY 21</b>						
	---	2019 Federal Election				
<b>TUESDAY 22</b>						
	8:30	Retail sales				
		Total (m/m)	Aug.	0.5%	0.6%	0.4%
		Excluding automobiles (m/m)	Aug.	0.1%	0.2%	-0.1%
	10:30	Release of the Bank of Canada <i>Senior Loan Officer Survey</i>				
	10:30	Release of the Bank of Canada <i>Business Outlook Survey</i>				
<b>WEDNESDAY 23</b>						
	8:30	Wholesale sales (m/m)	Aug.	0.4%	0.4%	1.7%
	8:30	Wholesale inventories (m/m)	Aug.	n/a	0.2%	0.5%
<b>THURSDAY 24</b>						
	---	---				
<b>FRIDAY 25</b>						
	---	---				

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 October 21 to 25, 2019

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
<b>OVERSEAS</b>								
<b>SUNDAY 20</b>								
Japan	19:50	Trade balance (¥B)	Sept.	-178.1		-130.8		
<b>MONDAY 21</b>								
Japan	0:30	All industry activity index	Aug.	0.1%		0.2%		
Germany	2:00	Producer price index	Sept.	-0.1%	-0.2%	-0.5%	0.3%	
<b>TUESDAY 22</b>								
---	---	---						
<b>WEDNESDAY 23</b>								
France	2:45	Business confidence	Oct.	105		106		
France	2:45	Production outlook	Oct.	4		4		
Euro zone	10:00	Consumer confidence – preliminary	Oct.	-6.7		-6.5		
Japan	20:30	PMI composite index – preliminary	Oct.	n/a		51.5		
Japan	20:30	PMI manufacturing index – preliminary	Oct.	n/a		48.9		
Japan	20:30	PMI services index – preliminary	Oct.	n/a		52.8		
<b>THURSDAY 24</b>								
Japan	1:00	Leading indicator – final	Aug.	n/a		91.7		
Japan	1:00	Coincident indicator – final	Aug.	n/a		99.3		
France	3:15	PMI composite index – preliminary	Oct.	50.9		50.8		
France	3:15	PMI manufacturing index – preliminary	Oct.	50.0		50.1		
France	3:15	PMI services index – preliminary	Oct.	51.5		51.1		
Sweden	3:30	Bank of Sweden meeting	Oct.	-0.25%		-0.25%		
Germany	3:30	PMI composite index – preliminary	Oct.	48.9		48.5		
Germany	3:30	PMI manufacturing index – preliminary	Oct.	42.0		41.7		
Germany	3:30	PMI services index – preliminary	Oct.	52.0		51.4		
Norway	4:00	Bank of Norway meeting	Oct.	1.50%		1.50%		
Euro zone	4:00	PMI composite index – preliminary	Oct.	50.4		50.1		
Euro zone	4:00	PMI manufacturing index – preliminary	Oct.	46.0		45.7		
Euro zone	4:00	PMI services index – preliminary	Oct.	51.9		51.6		
Euro zone	7:45	European Central Bank meeting	Oct.	0.00%		0.00%		
<b>FRIDAY 25</b>								
Germany	2:00	Consumer confidence	Nov.	9.8		9.9		
Germany	4:00	Ifo survey – Business climate	Oct.	94.5		94.6		
Germany	4:00	Ifo survey – Current situation	Oct.	98.0		98.5		
Germany	4:00	Ifo survey – Expectations	Oct.	91.0		90.8		
Russia	6:30	Bank of Russia meeting	Oct.	6.75%		7.00%		

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	2018	2017	2016
Gross domestic product (2012 \$B)	2019 Q2	19,022	2.0	2.3	2.9	2.4	1.6
Consumption (2012 \$B)	2019 Q2	13,250	4.6	2.6	3.0	2.6	2.7
Government spending (2012 \$B)	2019 Q2	3,297	4.8	2.3	1.7	0.7	1.8
Residential investment (2012 \$B)	2019 Q2	587.0	-3.0	-3.2	-1.5	3.5	6.5
Non-residential investment (2012 \$B)	2019 Q2	2,759	-1.0	2.6	6.4	4.4	0.7
Business inventory change (2012 \$B) <sup>1</sup>	2019 Q2	69.4	---	---	48.1	31.7	23.0
Exports (2012 \$B)	2019 Q2	2,517	-5.7	-1.7	3.0	3.5	0.0
Imports (2012 \$B)	2019 Q2	3,498	0.0	2.6	4.4	4.7	2.0
Final domestic demand (2012 \$B)	2019 Q2	19,879	3.6	2.4	3.0	2.5	2.4
GDP deflator (2012 = 100)	2019 Q2	112.2	2.4	1.8	2.4	1.9	1.0
Labor productivity (2012 = 100)	2019 Q2	107.5	2.3	1.8	1.3	1.3	0.3
Unit labor cost (2012 = 100)	2019 Q2	112.0	2.6	2.6	1.8	2.1	0.8
Employment cost index (Dec. 2005 = 100)	2019 Q2	137.0	2.4	2.8	2.8	2.4	2.3
Current account balance (\$B) <sup>1</sup>	2019 Q2	-128.2	---	---	-491.0	-439.6	-428.3

<sup>1</sup> 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 (2016 = 100)	Sept.*	111.9	-0.1	0.1	0.2	0.4
ISM manufacturing index <sup>1</sup>	Sept.	47.8	49.1	51.7	55.3	59.5
ISM non-manufacturing index <sup>1</sup>	Sept.	52.6	56.4	55.1	56.1	60.8
Cons. confidence Conference Board (1985 = 100) <sup>1</sup>	Sept.	125.1	134.2	124.3	124.2	135.3
Personal consumption expenditure (2012 \$B)	Aug.	13,332	0.1	0.6	2.1	2.3
Disposable personal income (2012 \$B)	Aug.	15,074	0.4	0.7	1.2	3.0
Consumer credit (\$B)	Aug.	4,141	0.4	1.3	2.4	5.0
Retail sales (\$M)	Sept.*	525,560	-0.3	1.1	2.3	4.1
<i>Excluding automobiles (\$M)</i>	Sept.*	420,260	-0.1	1.1	2.5	3.7
Industrial production (2012 = 100)	Sept.*	109.5	-0.4	0.2	-0.1	-0.1
Production capacity utilization rate (%) <sup>1</sup>	Sept.*	77.5	77.9	77.7	78.4	79.3
New machinery orders (\$M)	Aug.	499,765	-0.1	1.8	0.6	-1.9
New durable good orders (\$M)	Aug.	250,740	0.2	4.1	0.5	-3.0
Business inventories (\$B)	Aug.*	2,042	0.0	0.3	1.2	4.2
Housing starts (k) <sup>1</sup>	Sept.*	1,256	1,386	1,233	1,199	1,236
Building permits (k) <sup>1</sup>	Sept.*	1,387	1,425	1,232	1,288	1,288
New home sales (k) <sup>1</sup>	Aug.	713.0	666.0	598.0	669.0	604.0
Existing home sales (k) <sup>1</sup>	Aug.	5,490	5,420	5,360	5,480	5,350
Commercial surplus (\$M) <sup>1</sup>	Aug.	-54,896	-54,035	-55,847	-50,707	-54,889
Nonfarm employment (k) <sup>2</sup>	Sept.	151,722	136.0	470.0	926.0	2,147
Unemployment rate (%) <sup>1</sup>	Sept.	3.5	3.7	3.7	3.8	3.7
Consumer price (1982-1984 = 100)	Sept.	256.4	0.0	0.4	0.9	1.7
<i>Excluding food and energy</i>	Sept.	264.6	0.1	0.7	1.2	2.4
Personal cons. expenditure deflator (2012 = 100)	Aug.	110.0	0.0	0.4	1.0	1.4
<i>Excluding food and energy</i>	Aug.	112.0	0.1	0.6	1.0	1.8
Producer price (2009 = 100)	Sept.	118.2	-0.3	-0.1	0.4	1.4
Export prices (2000 = 100)	Sept.	125.2	-0.2	-0.6	-1.4	-1.6
Import prices (2000 = 100)	Sept.	125.6	0.2	0.0	-0.8	-1.6

<sup>1</sup> Statistic shows the level of the month of the column; <sup>2</sup> 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	2018	2017	2016
Gross domestic product (2012 \$M)	2019 Q2	2,085,470	3.7	1.6	1.9	3.0	1.1
Household consumption (2012 \$M)	2019 Q2	1,177,341	0.5	1.4	2.1	3.6	2.1
Government consumption (2012 \$M)	2019 Q2	424,534	2.5	2.1	2.9	2.1	1.8
Residential investment (2012 \$M)	2019 Q2	136,894	5.5	-3.2	-1.5	2.4	3.5
Non-residential investment (2012 \$M)	2019 Q2	178,965	-16.2	-6.5	1.9	2.5	-9.9
Business inventory change (2012 \$M) <sup>1</sup>	2019 Q2	14,022	---	---	12,738	17,582	2,291
Exports (2012 \$M)	2019 Q2	677,396	13.4	2.6	3.2	1.1	1.3
Imports (2012 \$M)	2019 Q2	662,654	-4.0	-1.4	2.9	4.2	0.0
Final domestic demand (2012 \$M)	2019 Q2	2,055,180	-0.7	0.3	2.0	3.1	0.6
GDP deflator (2012 = 100)	2019 Q2	110.2	4.5	1.9	1.7	2.5	0.8
Labour productivity (2012 = 100)	2019 Q2	106.3	0.8	0.3	-0.3	1.9	0.3
Unit labour cost (2012 = 100)	2019 Q2	108.8	2.8	2.8	2.3	0.8	-1.6
Current account balance (\$M) <sup>1</sup>	2019 Q2	-6,384	---	---	-58,522	-60,130	-64,882
Production capacity utilization rate (%) <sup>1</sup>	2019 Q2	83.3	---	---	83.0	81.6	79.2
Disposable personal income (\$M)	2019 Q2	1,271,464	5.1	3.6	3.8	4.5	0.3
Corporate net operating surplus (\$M)	2019 Q2	290,264	28.7	1.0	0.5	20.1	6.4

<sup>1</sup> 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 (2012 \$M)	July	1,970,466	0.0	0.4	1.1	1.3
Industrial production (2012 \$M)	July	401,603	-0.8	-1.1	-0.2	-1.6
Manufacturing sales (\$M)	Aug.*	57,578	0.8	-2.0	1.6	-0.5
Housing starts (k) <sup>1</sup>	Sept.	221.2	226.9	244.4	192.9	191.1
Building permits (\$M)	Aug.	8,965	6.1	7.2	13.3	11.1
Retail sales (\$M)	July	51,479	0.4	0.0	2.4	1.2
<i>Excluding automobiles (\$M)</i>	July	37,747	-0.1	0.3	2.9	0.5
Wholesale trade sales (\$M)	July	65,390	1.7	0.5	3.5	3.4
Commercial surplus (\$M) <sup>1</sup>	Aug.	-955.3	-1,382	461.1	-2,920	-400.7
<i>Exports (\$M)</i>	Aug.	50,582	1.8	-4.3	5.4	-0.2
<i>Imports (\$M)</i>	Aug.	51,537	1.0	-1.6	1.2	0.9
Employment (k) <sup>2</sup>	Sept.	19,165	53.7	36.9	40.4	38.0
Unemployment rate (%) <sup>1</sup>	Sept.	5.5	5.7	5.5	5.8	5.8
Average weekly earnings (\$)	July	1,027	0.5	0.7	1.6	2.7
Number of salaried employees (k) <sup>2</sup>	July	17,015	75.4	35.2	28.8	32.1
Consumer price (2002 = 100)	Sept.*	136.2	-0.4	-0.1	0.6	1.9
<i>Excluding food and energy</i>	Sept.*	130.8	-0.4	0.0	0.6	2.1
<i>Excluding 8 volatile items</i>	Sept.*	134.4	0.0	0.2	0.7	1.9
Industrial product price (2010 = 100)	Aug.	117.5	0.2	-1.6	0.3	-1.0
Raw materials price (2010 = 100)	Aug.	104.4	-1.8	-6.5	-0.9	-6.0
Money supply M1+ (\$M)	Aug.	1,051,590	1.2	3.0	4.8	6.5

<sup>1</sup> Statistic shows the level of the month of the column; <sup>2</sup> 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		
	Oct. 18	Oct. 11	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
<b>United States</b>									
Federal funds – target	2.00	2.00	2.00	2.50	2.50	2.25	2.50	2.38	2.00
Treasury bill – 3 months	1.65	1.65	1.87	2.02	2.37	2.26	2.43	2.22	1.63
Treasury bonds – 2 years	1.56	1.61	1.72	1.81	2.39	2.91	2.97	2.21	1.39
– 5 years	1.55	1.58	1.63	1.81	2.36	3.05	3.09	2.19	1.32
– 10 years	1.74	1.75	1.75	2.05	2.56	3.20	3.23	2.37	1.46
– 30 years	2.23	2.21	2.20	2.58	2.96	3.38	3.45	2.77	1.93
S&P 500 index (level)	2,995	2,970	2,992	2,977	2,905	2,768	3,026	2,819	2,351
DJIA index (level)	26,944	26,817	26,935	27,154	26,560	25,444	27,359	25,732	21,792
Gold price (US\$/ounce)	1,492	1,482	1,504	1,429	1,275	1,227	1,549	1,345	1,202
CRB index (level)	175.75	176.04	177.34	178.59	187.13	197.18	197.25	179.68	167.89
WTI oil (US\$/barrel)	53.97	54.70	58.09	55.40	64.00	69.12	69.36	56.38	44.41
<b>Canada</b>									
Overnight – target	1.75	1.75	1.75	1.75	1.75	1.50	1.75	1.75	1.50
Treasury bill – 3 months	1.67	1.65	1.63	1.65	1.67	1.66	1.73	1.66	1.60
Treasury bonds – 2 years	1.63	1.65	1.57	1.46	1.62	2.29	2.36	1.70	1.29
– 5 years	1.56	1.52	1.42	1.41	1.61	2.40	2.46	1.66	1.13
– 10 years	1.55	1.51	1.39	1.50	1.77	2.49	2.54	1.73	1.09
– 30 years	1.65	1.64	1.54	1.73	2.05	2.52	2.57	1.94	1.30
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	-0.25	-0.25	-0.25	-0.75	-0.75	-0.75	-0.25	-0.63	-0.75
Treasury bill – 3 months	0.02	0.00	-0.24	-0.37	-0.70	-0.60	0.07	-0.56	-0.80
Treasury bonds – 2 years	0.07	0.04	-0.15	-0.35	-0.77	-0.62	0.09	-0.51	-0.85
– 5 years	0.01	-0.06	-0.21	-0.40	-0.75	-0.65	0.01	-0.53	-0.81
– 10 years	-0.19	-0.24	-0.36	-0.55	-0.79	-0.71	-0.19	-0.64	-0.89
– 30 years	-0.58	-0.57	-0.66	-0.85	-0.91	-0.86	-0.52	-0.83	-1.02
S&P/TSX index (level)	16,422	16,415	16,900	16,486	16,613	15,470	16,900	15,916	13,780
Exchange rate (C\$/US\$)	1.3130	1.3198	1.3261	1.3062	1.3392	1.3099	1.3639	1.3289	1.3027
Exchange rate (C\$/€)	1.4644	1.4573	1.4611	1.4658	1.5064	1.5083	1.5643	1.4951	1.4433
<b>Overseas</b>									
<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\$/€)	1.1153	1.1042	1.1018	1.1222	1.1249	1.1515	1.1543	1.1251	1.0900
<u>United Kingdom</u>									
BoE – Base rate	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Bonds – 10 years	0.71	0.71	0.55	0.74	1.20	1.56	1.56	1.00	0.32
FTSE index (level)	7,163	7,247	7,345	7,509	7,460	7,050	7,687	7,192	6,585
Exchange rate (US\$/£)	1.2891	1.2649	1.2479	1.2502	1.2993	1.3072	1.3339	1.2732	1.2037
<u>Germany</u>									
Bonds – 10 years	-0.39	-0.44	-0.52	-0.37	0.02	0.43	0.45	-0.09	-0.72
DAX index (level)	12,652	12,512	12,468	12,260	12,222	11,554	12,670	11,720	10,382
<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)	22,493	21,799	22,079	21,467	22,201	22,532	22,615	21,326	19,156
Exchange rate (US\$/¥)	108.46	108.42	107.57	107.72	111.92	112.55	114.07	109.78	105.31

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.