

# WEEKLY NEWSLETTER

## Employment: Canada Pulls Back While the United States Rebounds

### HIGHLIGHTS

- ▶ United States: Job creation soars.
- ▶ United States: Another drop for the ISM indexes.
- ▶ U.S. consumer confidence up in December.
- ▶ The Bank of Canada opted for the status quo again.
- ▶ Canada: Labour productivity edged up.
- ▶ Canada: Employment pulled back sharply in November.
- ▶ Canada: The trade balance improved slightly in October.

### A LOOK AHEAD

- ▶ After three straight cuts, the Federal Reserve should now stick with the status quo.
- ▶ U.S. inflation should tick up.
- ▶ United States: November's retail sales should post better growth than October's fairly disappointing results.
- ▶ Canada: The number of housing starts could climb back toward levels reached in recent months.
- ▶ Canada: The industrial capacity utilization rate should decline in the third quarter.

### FINANCIAL MARKETS

- ▶ The U.S. stock market wipes out its losses from the start of the week, helped by employment data.
- ▶ The Bank of Canada seems less concerned about the Canadian economy, which helped bring bond yields up.
- ▶ Disappointing Canadian employment numbers hurt the loonie on Friday, wiping out the bulk of the advances posted earlier this week.

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# Key Statistics of the Week

## UNITED STATES

- ▶ The establishment survey indicates 266,000 new jobs in November, following gains of 156,000 in October and 193,000 in September. There were 54,000 new jobs in manufacturing, including 41,300 in the automotive sector, after the General Motors (GM) strike ended. There were 206,000 net hires in private sector services, up from 188,000 in October. The jobless rate reverted to its cyclical low of 3.5% after rising to 3.6% in October.
- ▶ The ISM manufacturing index edged down 0.2 points in November, going from 48.3 to 48.1. The consensus forecast was for a small uptick. It is still slightly above September's recent low of 47.8. Six of its ten sub-indexes declined.
- ▶ The ISM non-manufacturing index dropped 0.8 points in November. It continues to seesaw and has not posted two straight increases since August and September of 2018. The new decrease takes the non-manufacturing ISM from 54.7 to 53.9, which is still higher than September's 52.6. Only three of the index's ten components fell in November: current activity (-5.4), imports (-3.5) and supplier deliveries (-1.0).
- ▶ Sales of new automobiles rose in November, going from 16,540,000 to 17,090,000 units.
- ▶ The University of Michigan consumer confidence index rose 2.4 points according to December's preliminary version. This is the first time since 2015 that the index has advanced for four straight months. It is now at 99.2, its highest point since May. The improvement owes more to the current situation (+3.6 points) than consumer expectations (+1.6 points).
- ▶ Construction spending fell 0.8% after retreating 0.3% in September (revised from +0.5%). Astoundingly, residential construction declined 0.9%. Private non-residential construction tumbled 1.2%. Over a year, this component has retreated 4.3%, including a 17.7% drop in the commercial sector. Public construction fell 0.2%.

**Francis Généreux**, Senior economist

## CANADA

- ▶ As all of the forecasters surveyed by Bloomberg had predicted, the Bank of Canada (BoC) once again left its target for the overnight rate at 1.75%. That said, the tone was slightly more optimistic than expected by the majority of analysts and investors. Therefore, the BoC seems to be moving away a little more from a possible key interest rate cut. The statement released last Wednesday by the BoC supports our scenario: the target for the overnight rate should remain unchanged throughout 2020.
- ▶ The labour market dropped 71,200 jobs in November, a much more negative result than anticipated. This decline in employment is the biggest since January 2009. The unemployment rate rose to 5.9% from 5.5% in October. It is still clear that the trend for employment has been weaker in recent months. This slowdown is consistent with the more subdued economic growth recorded in the last few quarters.
- ▶ Labour productivity improved slightly in the third quarter, gaining 0.2%. The increase is due to output growth (+0.3%) outpacing total hours worked in the economy (+0.1%). However, the uptick in productivity was not enough to offset the 1.3% increase in workers' earnings. Thus, unit labour costs rose 1.0% over the quarter.
- ▶ Against all expectations, the value of energy exports rose in October, paving the way for a 0.8% increase in total merchandise exports. As imports only rose 0.5%, the trade balance improved somewhat over the month. A small improvement was also observed in real team results.

**Benoit P. Durocher**, Senior economist

# Financial Markets

## The U.S. Stock Market Rebounds, Boosted by Good Job Numbers

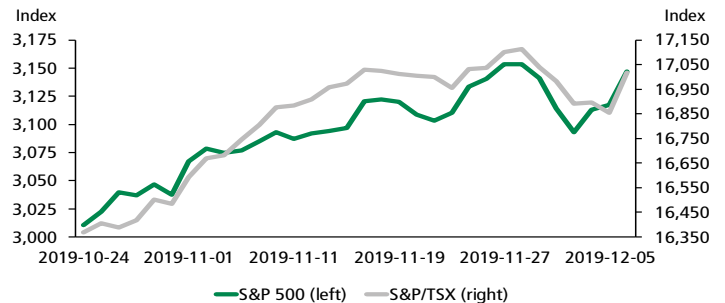
The U.S. stock market started the week on a slide, with data attesting to a weak manufacturing sector in the United States. Tuesday was not much better after Donald Trump remarked that a preliminary agreement with China could wait until after the 2020 election. Fears about international trade eased as of Wednesday, allowing stock markets to regain some ground. On Friday morning, strong U.S. job creation gave stock markets new momentum. All in all, the S&P 500 index was heading for a flat performance for the week. The Canadian stock market underperformed the U.S. market despite the increase in oil prices. Poor corporate earnings from Canada's finance sector penalized the S&P/TSX index on Thursday.

Donald Trump's remarks on Tuesday had a major downside impact on U.S. bond yields. They still regained some strength that day. Easing trade fears and good job numbers in the United States finally allowed bond yields to end the week on a rise. The 2-year and 10-year yields were around 1.60% and 1.85%, respectively, at the time of writing. The Bank of Canada's (BoC) more optimistic tone allowed Canadian bond yields to rise more. On Friday morning the Canadian 2-year yield was around 1.65%, while the 10-year yield was around 1.60%.

The U.S. dollar did not benefit from the uncertainty surrounding the trade negotiations early in the week. Instead, disappointing U.S. economic data helped pull the greenback down against numerous currencies. It did rebound on Friday, helped by much better than expected U.S. job numbers. The euro climbed to just over US\$1.11 during the week, although it dipped on Friday. Disappointing numbers for German industrial production contrasted with U.S. job numbers. The pound did better, boosted by the prospect of a majority government being elected in the United Kingdom. It went above US\$1.31. It also hit a peak that dates back to May 2017 against the euro. The Canadian dollar capitalized on the BoC's more optimistic tone on Wednesday. However, the disappointment from Canadian employment numbers took the loonie below US\$0.755 on Friday.

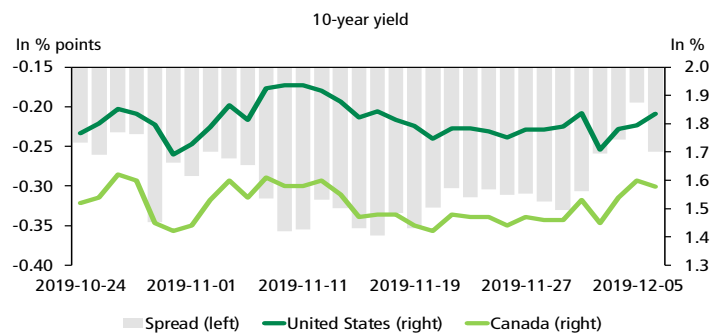
**Hendrix Vachon**, Senior Economist  
**Carine Bergevin-Chammah**, Economist

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



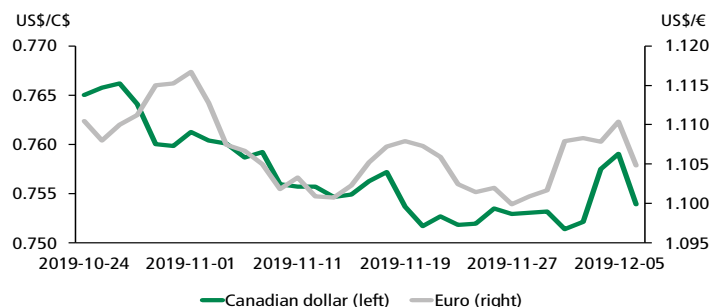
Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

## WEDNESDAY December 11 - 8:30

<b>November</b>	<b>m/m</b>
Consensus	0.2%
Desjardins	0.2%
<b>October</b>	<b>0.4%</b>

## WEDNESDAY December 11 - 14:00

<b>December</b>	
Consensus	1.75%
Desjardins	1.75%
<b>October 30</b>	<b>1.75%</b>

## FRIDAY December 13 - 8:30

<b>November</b>	<b>m/m</b>
Consensus	0.4%
Desjardins	0.5%
<b>October</b>	<b>0.3%</b>

## MONDAY December 9 - 8:15

<b>November</b>	<b>ann. rate</b>
Consensus	n/a
Desjardins	220,000
<b>October</b>	<b>202,000</b>

## WEDNESDAY December 11 - 8:30

<b>Q3 2019</b>	
Consensus	n/a
Desjardins	82.1%
<b>Q2 2019</b>	<b>83.3%</b>

## UNITED STATES

**Consumer price index (October)** – The consumer price index (CPI) recorded in October its strongest growth since March. This time, the gain was due to a sharp increase in energy prices, including gas prices, combined with a stronger than usual rise in medical goods and services. We expect a more modest increase in consumer prices in November. Gas price growth will remain positive, but it will be less pronounced than in the previous month. The total CPI is expected to climb 0.2%. Excluding food and energy, a 0.2% increase in the index is also expected after a similar gain in October. The annual variation in total CPI should ramp up from 1.8% to 2.0%, while core inflation should remain steady at 2.3%.

**Meeting of the Federal Reserve (December)** – The Federal Reserve (Fed) has already lowered rates three times this year, i.e., in July, September and October, but that run may be at an end now. Communications from Jerome Powell and other Fed leaders suggest that the Fed is now in a holding pattern, waiting to see how the economy behaves before making any more moves. Recent economic data indicates no change on that front. The news is slightly better, but it does not change much. The Fed is therefore expected to opt for the status quo when it meets on Wednesday. That is also what the futures market suggests, where the implicit probability of rates remaining steady is 97.0%. As for what comes next, we can only rely on the statement and new forecasts to be released and on Jerome Powell's press conference.

**Retail sales (November)** – Despite unexpected growth in the automobile sector, retail sales were quite disappointing in October. Excluding automobiles and gas, sales were up a mere 0.1%, which was below the consensus forecast. We expect stronger advances in November. Automobiles should make another positive contribution, judging from the new vehicle sales figures released last Tuesday. Gas prices should also edge up slightly. After falling in October, food services should at least hold steady. The other sectors should see stronger growth than they did in September and October. Total sales are expected to rise 0.5%. If we see an unexpected jump, it could suggest early holiday shopping, which would be a bad sign for December.

## CANADA

**Housing starts (November)** – After hovering around 220,000 units for a few months, housing starts fell to 201,973 units in October. However, there is every reason to believe that they will increase to around 220,000 units in November, in keeping with the trend of recent months. Multi-unit housing starts in urban centres should increase this month.

**Industrial capacity utilization rate (Q3)** – Industrial production was down 5.1% (annualized) in the third quarter. Mining and oil and gas extraction (-14.9%), electricity production, transportation and distribution (-2.2%) and manufacturing (-1.8%) all lost ground during the quarter. Under the circumstances, the industrial capacity utilization rate should decline sharply in the third quarter.

THURSDAY December 12 - 7:45

**December**

Consensus 0.00%


Desjardins 0.00%


**October 24****0.00%****OVERSEAS**

**Euro zone: European Central Bank meeting (December)** – This will be the first monetary policy meeting chaired by Christine Lagarde. It would be surprising to see her begin by introducing additional monetary easing measures, especially since the European Central Bank (ECB) has very limited ammunitions. The ECB's statement is not likely to change much in terms of form. However, it will be interesting to see the changes to economic growth and inflation forecasts. We also look forward to hearing what the new President has to say during the press conference. We may get a better idea of her views on the economy, inflation and what to expect for the euro zone's monetary policy. Among the euro zone indicators to be released this week, October's industrial output will be released on Thursday. The 1.7% drop in Germany's output this month is a very negative sign, but figures from France and Italy to be released on Tuesday will give us more information about industry in Euroland.

# Economic Indicators

## Week of December 9 to 13, 2019

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 9</b>	---	---				
<b>TUESDAY 10</b>	8:30	Nonfarm productivity – final (ann. rate)	Q3	-0.1%	-0.1%	-0.3%
	8:30	Unit labor costs – final (ann. rate)	Q3	3.4%	3.4%	3.6%
<b>WEDNESDAY 11</b>	8:30	Consumer price index				
		Total (m/m)	Nov.	0.2%	0.2%	0.4%
		Excluding food and energy (m/m)	Nov.	0.2%	0.2%	0.2%
		Total (y/y)	Nov.	2.0%	2.0%	1.8%
		Excluding food and energy (y/y)	Nov.	2.3%	2.3%	2.3%
	14:00	Federal budget (US\$B)	Nov.	n/a	n/a	-134.5
	14:00	Federal Reserve meeting	Dec.	1.75%	1.75%	1.75%
	14:30	Speech of the Federal Reserve Chair, J. Powell				
<b>THURSDAY 12</b>	8:30	Initial unemployment claims	Dec. 2-6	214,000	212,000	203,000
	8:30	Producer price index				
		Total (m/m)	Nov.	0.2%	0.1%	0.4%
		Excluding food and energy (m/m)	Nov.	0.1%	0.0%	0.3%
<b>FRIDAY 13</b>	8:30	Export prices (m/m)	Nov.	0.1%	0.2%	-0.1%
	8:30	Import prices (m/m)	Nov.	0.2%	0.4%	-0.5%
	8:30	Retail sales				
		Total (m/m)	Nov.	0.4%	0.5%	0.3%
		Excluding automobiles (m/m)	Nov.	0.4%	0.2%	0.2%
	10:00	Business inventories (m/m)	Oct.	0.2%	0.2%	0.0%
	11:00	Speech of the New York Fed President, J. Williams				
<b>CANADA</b>						
<b>MONDAY 9</b>	8:15	Housing starts (ann. rate)	Nov.	n/a	220,000	202,000
	8:30	Building permits (m/m)	Oct.	n/a	2.0%	-6.5%
<b>TUESDAY 10</b>	---	---				
<b>WEDNESDAY 11</b>	8:30	Industrial capacity utilization rate	Q3	n/a	82.1%	83.3%
<b>THURSDAY 12</b>	8:30	New housing price index (m/m)	Oct.	n/a	0.1%	0.2%
	12:30	Speech of the Bank of Canada Governor, S. Poloz				
<b>FRIDAY 13</b>	8:30	National balance sheet	Q3			

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

# Economic Indicators

## Week of December 9 to 13, 2019

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
<b>OVERSEAS</b>								
<b>DURING THE WEEK</b>								
China	---	Trade balance (US\$B)	Nov.	44.50		42.81		
<b>SUNDAY 8</b>								
Japan	18:50	Current account (¥B)	Oct.	1,731.1		1,485.2		
Japan	18:50	Real GDP – final	Q3	0.2%		0.1%		
<b>MONDAY 9</b>								
Germany	2:00	Trade balance (€B)	Oct.	19.3		21.1		
Germany	2:00	Current account (€B)	Oct.	20.0		25.5		
China	20:30	Consumer price index	Nov.		4.4%		3.8%	
China	20:30	Producer price index	Nov.		-1.5%		-1.6%	
<b>TUESDAY 10</b>								
France	2:45	Industrial production	Oct.	0.2%	-0.4%	0.3%	0.1%	
Italy	4:00	Industrial production	Oct.	-0.2%	-2.1%	-0.4%	-2.1%	
United Kingdom	4:30	Trade balance (€M)	Oct.	-2,700		-3,360		
United Kingdom	4:30	Construction	Oct.	-0.3%	-0.1%	-0.2%	0.5%	
United Kingdom	4:30	Index of services	Oct.	0.1%		0.0%		
United Kingdom	4:30	Monthly GDP	Oct.	0.1%		-0.1%		
United Kingdom	4:30	Industrial production	Oct.	0.2%	-1.2%	-0.3%	-1.4%	
Germany	5:00	ZEW survey – Current situation	Dec.	-22.1		-24.7		
Germany	5:00	ZEW survey – Expectations	Dec.	0.0%		-2.1		
Japan	18:50	Producer price index	Nov.	0.1%	0.0%	1.1%	-0.4%	
<b>WEDNESDAY 11</b>								
Brazil	16:20	Bank of Brazil meeting	Dec.	4.50%		5.00%		
<b>THURSDAY 12</b>								
United Kingdom	---	General elections						
Germany	2:00	Consumer price index – final	Nov.	-0.8%	1.1%	-0.8%	1.1%	
France	2:45	Consumer price index – final	Nov.	0.1%	1.0%	0.1%	1.0%	
Switzerland	3:30	Swiss National Bank meeting	Dec.	-0.75%		-0.75%		
Euro zone	5:00	Industrial production	Oct.	-0.5%	-2.4%	0.1%	-1.7%	
Euro zone	7:45	European Central Bank meeting	Dec.	0.00%		0.00%		
Japan	18:50	Tankan large manufacturers index	Q4	3		5		
Japan	23:30	Industrial production – final	Oct.	n/a	n/a	-4.2%	-7.4%	
<b>FRIDAY 13</b>								
Russia	5:30	Bank of Russia meeting	Déc.	6.25%		6.50%		

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 Eastern Standard Time (GMT - 5 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 Q3	19,122	2.1	2.1	2.9	2.4	1.6
Consumption (2012 \$B)	2019 Q3	13,346	2.9	2.5	3.0	2.6	2.7
Government spending (2012 \$B)	2019 Q3	3,310	1.6	2.2	1.7	0.7	1.8
Residential investment (2012 \$B)	2019 Q3	594.3	5.1	-1.0	-1.5	3.5	6.5
Non-residential investment (2012 \$B)	2019 Q3	2,740	-2.7	1.3	6.4	4.4	0.7
Business inventory change (2012 \$B) <sup>1</sup>	2019 Q3	79.8	---	---	48.1	31.7	23.0
Exports (2012 \$B)	2019 Q3	2,523	0.9	0.2	3.0	3.5	0.0
Imports (2012 \$B)	2019 Q3	3,511	1.5	0.9	4.4	4.7	2.0
Final domestic demand (2012 \$B)	2019 Q3	19,979	2.0	2.2	3.0	2.5	2.4
GDP deflator (2012 = 100)	2019 Q3	112.7	1.8	1.7	2.4	1.9	1.0
Labor productivity (2012 = 100)	2019 Q3	107.5	-0.3	1.4	1.3	1.3	0.3
Unit labor cost (2012 = 100)	2019 Q3	112.9	3.6	3.1	1.8	2.1	0.8
Employment cost index (Dec. 2005 = 100)	2019 Q3	138.0	3.0	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)	Oct.	111.7	-0.1	-0.4	-0.1	0.3
ISM manufacturing index <sup>1</sup>	Nov.*	48.1	48.3	49.1	52.1	58.8
ISM non-manufacturing index <sup>1</sup>	Nov.*	53.9	54.7	56.4	56.9	60.4
Cons. confidence Conference Board (1985 = 100) <sup>1</sup>	Nov.	125.5	126.1	134.2	131.3	136.4
Personal consumption expenditure (2012 \$B)	Oct.	13,386	0.1	0.5	1.3	2.3
Disposable personal income (2012 \$B)	Oct.	15,066	-0.3	0.7	1.0	2.8
Consumer credit (\$B)	Sept.	4,149	0.2	1.2	2.4	4.9
Retail sales (\$M)	Oct.	526,540	0.3	0.5	2.1	3.1
<i>Excluding automobiles (\$M)</i>	Oct.	420,907	0.2	0.3	2.0	2.8
Industrial production (2012 = 100)	Oct.	108.7	-0.8	-0.4	-0.3	-1.1
Production capacity utilization rate (%) <sup>1</sup>	Oct.	76.7	77.5	77.4	77.8	79.3
New machinery orders (\$M)	Oct.*	496,962	0.3	-0.6	0.0	-1.2
New durable good orders (\$M)	Oct.	248,366	0.5	-0.8	0.7	-0.9
Business inventories (\$B)	Sept.	2,042	0.0	0.3	1.1	3.7
Housing starts (k) <sup>1</sup>	Oct.	1,314	1,266	1,204	1,270	1,211
Building permits (k) <sup>1</sup>	Oct.	1,461	1,391	1,317	1,290	1,281
New home sales (k) <sup>1</sup>	Oct.	733.0	738.0	660.0	656.0	557.0
Existing home sales (k) <sup>1</sup>	Oct.	5,460	5,360	5,420	5,210	5,220
Commercial surplus (\$M) <sup>1</sup>	Oct.*	-47,199	-51,100	-52,714	-51,028	-56,692
Nonfarm employment (k) <sup>2</sup>	Nov.*	152,252	266.0	615.0	1,178	2,204
Unemployment rate (%) <sup>1</sup>	Nov.*	3.5	3.6	3.7	3.6	3.7
Consumer price (1982-1984 = 100)	Oct.	257.3	0.4	0.4	0.9	1.8
<i>Excluding food and energy</i>	Oct.	265.0	0.2	0.5	1.3	2.3
Personal cons. expenditure deflator (2012 = 100)	Oct.	110.1	0.2	0.2	0.7	1.3
<i>Excluding food and energy</i>	Oct.	112.2	0.1	0.3	0.8	1.6
Producer price (2009 = 100)	Oct.	118.7	0.4	0.2	0.3	1.0
Export prices (2000 = 100)	Oct.	125.1	-0.1	-0.9	-1.6	-2.2
Import prices (2000 = 100)	Oct.	124.4	-0.5	-1.0	-1.9	-3.0

<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 Q3	2,099,200	1.3	1.7	2.0	3.2	1.0
Household consumption (2012 \$M)	2019 Q3	1,180,781	1.6	1.4	2.2	3.7	1.9
Government consumption (2012 \$M)	2019 Q3	427,558	0.8	2.1	3.0	2.3	1.8
Residential investment (2012 \$M)	2019 Q3	141,794	13.3	1.0	-1.6	2.2	3.9
Non-residential investment (2012 \$M)	2019 Q3	187,315	9.5	3.4	1.4	3.9	-12.3
Business inventory change (2012 \$M) <sup>1</sup>	2019 Q3	4,201	---	---	13,025	17,951	1,186
Exports (2012 \$M)	2019 Q3	679,068	-1.5	1.7	3.1	1.4	1.4
Imports (2012 \$M)	2019 Q3	666,684	0.1	0.8	2.6	4.2	0.1
Final domestic demand (2012 \$M)	2019 Q3	2,080,248	3.2	1.5	2.1	3.3	0.5
GDP deflator (2012 = 100)	2019 Q3	110.2	0.4	1.4	1.9	2.4	0.8
Labour productivity (2012 = 100)	2019 Q3*	107.0	0.9	0.6	-0.2	2.2	0.1
Unit labour cost (2012 = 100)	2019 Q3*	110.0	4.2	3.8	2.4	0.5	-1.4
Current account balance (\$M) <sup>1</sup>	2019 Q3	-9,855	---	---	-55,499	-60,193	-62,553
Production capacity utilization rate (%) <sup>1</sup>	2019 Q2	83.3	---	---	83.0	81.6	79.2
Disposable personal income (\$M)	2019 Q3	1,298,848	3.8	5.1	3.8	5.0	0.3
Corporate net operating surplus (\$M)	2019 Q3	284,096	-18.9	-5.6	2.5	19.9	6.2

<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)	Sept.	1,979,562	0.1	0.3	1.1	1.6
Industrial production (2012 \$M)	Sept.	398,386	-0.1	-1.0	-0.7	-2.0
Manufacturing sales (\$M)	Sept.	57,396	-0.2	-0.7	-1.3	-1.2
Housing starts (k) <sup>1</sup>	Oct.	202.0	221.1	221.4	230.0	213.4
Building permits (\$M)	Sept.	8,340	-6.5	1.9	2.3	2.1
Retail sales (\$M)	Sept.	51,579	-0.1	0.6	0.3	1.0
<i>Excluding automobiles (\$M)</i>	Sept.	37,827	0.2	0.2	0.6	0.8
Wholesale trade sales (\$M)	Sept.	65,094	1.0	1.3	1.7	4.0
Commercial surplus (\$M) <sup>1</sup>	Oct.*	-1,079	-1,229	-1,299	-1,070	-808.8
<i>Exports (\$M)</i>	Oct.*	49,913	0.8	1.0	-1.3	0.1
<i>Imports (\$M)</i>	Oct.*	50,992	0.5	0.5	-1.2	0.6
Employment (k) <sup>2</sup>	Nov.*	19,092	-71.2	-6.4	5.9	24.4
Unemployment rate (%) <sup>1</sup>	Nov.*	5.9	5.5	5.7	5.4	5.6
Average weekly earnings (\$)	Sept.	1,042	0.9	2.0	2.6	4.0
Number of salaried employees (k) <sup>2</sup>	Sept.	17,004	-27.6	21.3	19.1	25.3
Consumer price (2002 = 100)	Oct.	136.6	0.3	-0.3	0.4	1.9
<i>Excluding food and energy</i>	Oct.	131.4	0.5	0.1	1.0	2.0
<i>Excluding 8 volatile items</i>	Oct.	134.9	0.4	0.3	1.0	1.9
Industrial product price (2010 = 100)	Oct.	117.5	0.1	0.2	-1.7	-1.3
Raw materials price (2010 = 100)	Oct.	102.3	-1.9	-3.7	-10.6	-5.0
Money supply M1+ (\$M)	Oct.	1,068,064	0.5	2.8	5.3	7.4

<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		
	Dec. 6	Nov. 29	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
<b>United States</b>									
Federal funds – target	1.75	1.75	1.75	2.25	2.50	2.25	2.50	2.32	1.75
Treasury bill – 3 months	1.52	1.56	1.52	1.92	2.23	2.35	2.43	2.11	1.49
Treasury bonds – 2 years	1.61	1.63	1.66	1.53	1.85	2.71	2.78	2.04	1.39
– 5 years	1.67	1.64	1.73	1.42	1.86	2.70	2.77	2.01	1.32
– 10 years	1.84	1.79	1.94	1.55	2.08	2.85	2.91	2.20	1.46
– 30 years	2.27	2.20	2.42	2.02	2.57	3.14	3.17	2.63	1.93
S&P 500 index (level)	3,147	3,141	3,093	2,979	2,873	2,633	3,154	2,870	2,351
DJIA index (level)	27,997	28,051	27,681	26,797	25,984	24,389	28,164	26,063	21,792
Gold price (US\$/ounce)	1,460	1,462	1,467	1,521	1,346	1,246	1,549	1,379	1,239
CRB index (level)	180.68	176.66	181.28	172.63	174.42	184.15	189.66	178.55	167.89
WTI oil (US\$/barrel)	58.97	55.17	57.04	56.52	53.99	52.61	66.43	56.15	44.41
<b>Canada</b>									
Overnight – target	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Treasury bill – 3 months	1.65	1.65	1.68	1.61	1.66	1.63	1.71	1.65	1.60
Treasury bonds – 2 years	1.65	1.58	1.58	1.49	1.40	2.00	2.06	1.61	1.29
– 5 years	1.59	1.49	1.55	1.32	1.34	2.00	2.08	1.55	1.13
– 10 years	1.58	1.46	1.58	1.28	1.46	2.07	2.15	1.61	1.09
– 30 years	1.68	1.55	1.73	1.50	1.72	2.23	2.32	1.83	1.30
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.00	0.00	0.00	-0.50	-0.75	-0.50	0.00	-0.57	-0.75
Treasury bill – 3 months	0.13	0.09	0.16	-0.31	-0.57	-0.72	0.19	-0.46	-0.80
Treasury bonds – 2 years	0.03	-0.05	-0.08	-0.04	-0.45	-0.71	0.11	-0.43	-0.85
– 5 years	-0.08	-0.15	-0.18	-0.10	-0.52	-0.70	0.00	-0.46	-0.81
– 10 years	-0.26	-0.33	-0.36	-0.27	-0.62	-0.78	-0.19	-0.58	-0.89
– 30 years	-0.60	-0.65	-0.69	-0.52	-0.85	-0.91	-0.52	-0.79	-1.02
S&P/TSX index (level)	17,017	17,040	16,877	16,535	16,231	14,795	17,115	16,144	13,780
Exchange rate (C\$/US\$)	1.3264	1.3277	1.3229	1.3172	1.3268	1.3321	1.3639	1.3290	1.3027
Exchange rate (C\$/€)	1.4655	1.4627	1.4575	1.4527	1.5036	1.5157	1.5643	1.4900	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\$/€)	1.1048	1.1017	1.1018	1.1029	1.1333	1.1378	1.1543	1.1211	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	0.76	0.70	0.78	0.43	0.81	1.27	1.35	0.90	0.32
FTSE index (level)	7,236	7,347	7,359	7,282	7,332	6,778	7,687	7,232	6,585
Exchange rate (US\$/£)	1.3115	1.2934	1.2772	1.2282	1.2736	1.2729	1.3339	1.2738	1.2037
<u>Germany</u>									
Bonds – 10 years	-0.29	-0.35	-0.26	-0.63	-0.26	0.25	0.28	-0.18	-0.72
DAX index (level)	13,160	13,236	13,229	12,192	12,045	10,788	13,289	11,960	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)	23,354	23,294	23,392	21,200	20,885	21,679	23,530	21,494	19,156
Exchange rate (US\$/¥)	108.70	109.52	109.29	106.92	108.20	112.74	113.64	109.20	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.