

WEEKLY NEWSLETTER

Please note that there will be no release of the *Weekly Newsletter* from December 23, 2019 to January 3, 2020 inclusive.

Core Inflation Picks Up in Canada

HIGHLIGHTS

- ▶ United States: Rebound in industrial production in November.
- ▶ U.S. housing starts continue to climb, but existing home sales wane.
- ▶ Canada: Inflation surpasses the median target in November.
- ▶ Canada: Manufacturing sales declined more than expected in October.

A LOOK AHEAD

- ▶ United States: Job creation will be more modest in December.
- ▶ Canada: Real GDP by industry should advance modestly in October.
- ▶ Canada: The merchandise trade balance could see an improvement in November.
- ▶ Canada: Employment should tilt back into positive territory in December.

FINANCIAL MARKETS

- ▶ The U.S. stock market continues to rise.
- ▶ Strong Canadian inflation pushed bond yields up.
- ▶ The Canadian dollar climbs above US\$0.76.

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> 12
Financial Markets..... 3	Economic Indicators of the Week 6	<i>Major financial indicators</i> 14

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 • 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

- ▶ Industrial production jumped 1.1% in November, after slumping 0.9% in October and 0.4% in September. Manufacturing production also rose 1.1%. Much of these gains come from the auto sector, which is up 12.4% after the General Motors (GM) strike ended. This increase contributed 0.6 percentage point to monthly industrial production growth and 0.8 percentage point to monthly growth in manufacturing. The sector pulled back 0.2%, the third decline in a row. Energy production jumped 2.9% after falling 2.4% in October.
- ▶ For the first time since spring, housing starts posted two consecutive increases. A 4.5% gain in October was followed by a 3.2% rise in November. Annualized numbers climbed from 1,266,000 units in September to 1,323,000 in October, and then 1,365,000 in November. This is a 13.6% gain from November 2018. Building permits increased 1.4% to 1,482,000 units, their highest level since May 2007.
- ▶ Sales of existing homes fell 1.7% in November after gaining 1.5% in October, sliding from 5,440,000 to 5,350,000 units. The monthly decrease was not as pronounced for single-family homes (-1.2%) as it was for condominiums (-5.1%).
- ▶ The Conference Board leading indicator narrowly avoided a fourth straight drop in November. It stood still after three declines of 0.2% between August and October. The positive contributions from the stock market, credit conditions and building permits offset the negative contributions from the ISM index and jobless claims. The annual variation in the leading indicator inched down from 0.2% to 0.1%, while the 3-month and 6-month variations remained negative.
- ▶ The New York Fed's Empire manufacturing index was up slightly from 2.9 to 3.5 in December. The only components to see increases were deliveries and inventories. The Philadelphia Fed's manufacturing index contracted in December. It dropped from 10.4 to 0.3, matching the June result. A mirror effect of the previous month, the drop in the index is hiding improvements in most sub-components.

Francis Généreux, Senior economist

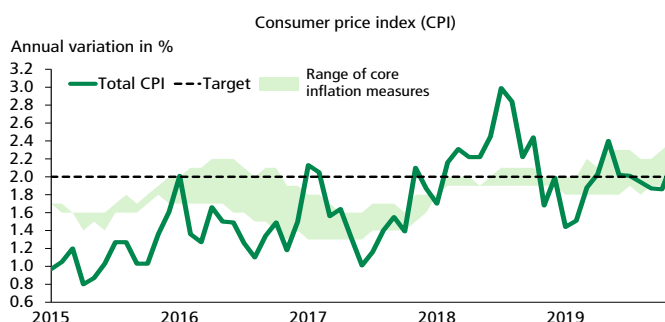
CANADA

- ▶ The total consumer price index (CPI) fell 0.1% in November, in line with expectations. The total annual inflation rate climbed from 1.9% to 2.2%. Drawing the most attention in the results is the increase in core inflation. Moreover, the annual variation in the index associated with the weighted median was 2.4% in November. This means that the upper half of the CPI basket has inflation equal to or above 2.4%.
- ▶ Manufacturing sales fell 0.7% in October. Significant declines were noted particularly in transportation equipment and metal product manufacturing. In real terms, sales and inventories are down 0.4%. In other words, the manufacturing sector will make a negative contribution to economic growth in October.
- ▶ The existing home market continued its upward trend with a 0.6% increase in the number of transactions in November. The gain amounts to 11.3% over one year. The average price of existing homes rose 1.2% in November. Its annual variation is 8.4%.
- ▶ Wholesale sales fell 1.1% in October, far below expectations. A 3.0% drop was also noted among machine, equipment and supply wholesalers. Note that this sector saw a 4.5% increase a month earlier. In real terms, sales declined 1.1% while inventories pulled back 0.5%.

Benoit P. Durocher, Senior economist

CANADA

Core inflation picks up



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

Financial Markets

The U.S. Stock Market Reached New Highs

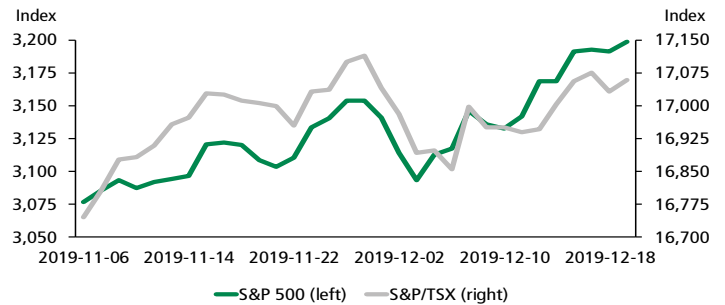
After jumping as Monday's session opened, the U.S. stock market showed more stability. Easing trade tensions between China and the United States, with the signature of the phase one deal and ongoing negotiations, were the main positive factors for the stock markets early in the week. The vote to impeach President Donald Trump, which passed the House of Representatives on Wednesday, did not seem to have much impact on the markets, as it was expected, and there is little chance the Senate will vote the same way. On Thursday morning, the S&P 500 index was rising again, posting a weekly gain of about 1%. Canada's stock market was more volatile. It rose early in the week, but most of the gains were wiped out on Wednesday. The stronger than anticipated Canadian inflation figures released on Wednesday morning lowered expectations of monetary easing from the Bank of Canada, which did not help the stock market. At the time of writing, the S&P/TSX index was going back up, above where it was last Friday.

Investors' increased risk appetite showed in the bond market, where U.S. and Canadian yields were up. The U.S. 2-year and 10-year yields were around 1.60% and 1.90%, respectively, on Friday morning. Canadian yields posted bigger increases, boosted by inflation numbers. At the time of writing, the 2-year yield was around 1.70% and the 10-year yield was around 1.65%.

The U.S. dollar effective exchange rate index (DXY) edged up this week. This movement, which could seem contradictory against a backdrop of easing risks, mainly results from the pound sterling's depreciation. The pound shot up last week after Boris Johnson's Conservatives won a majority. The dust seems to have settled in recent days, putting the challenges still facing Britain's economy back in the spotlight. The euro proved more stable, holding above US\$1.11. The Canadian dollar rose above US\$0.76. The more favourable movement of interest rates in Canada helped the loonie, particularly during Wednesday's session, which was marked by the publication of inflation numbers.

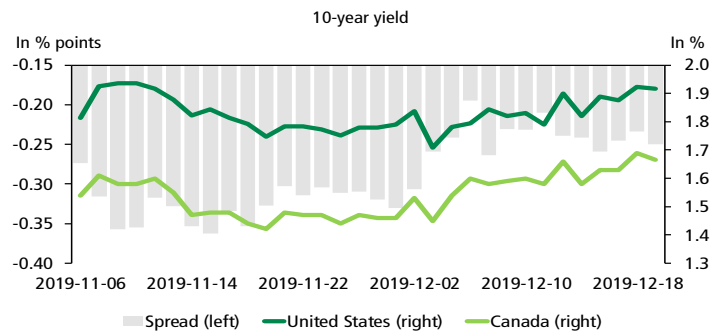
Hendrix Vachon, Senior Economist
Carine Bergevin-Chammah, Economist

GRAPH 1
Stock markets



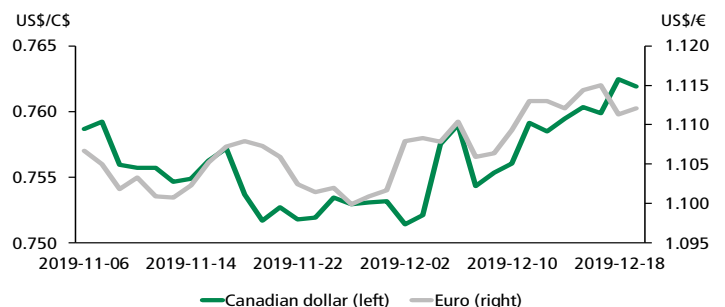
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

MONDAY December 23 - 8:30

November	m/m
Consensus	1.5%
Desjardins	2.5%
October	0.5%

MONDAY December 23 - 10:00

November	ann. rate
Consensus	730,000
Desjardins	720,000
October	733,000

TUESDAY December 31 - 9:00

October	y/y
Consensus	n/a
Desjardins	2.1%
September	2.1%

TUESDAY December 31 - 10:00

December	m/m
Consensus	128.5
Desjardins	128.0
November	125.5

FRIDAY January 3 - 10:00

December	
Consensus	48.9
Desjardins	49.0
November	48.1

TUESDAY January 7 - 10:00

December	
Consensus	n/a
Desjardins	54.4
November	53.9

UNITED STATES

New durable goods orders (November) – Bolstered by a 14.2% hike in aviation-related orders, new durable goods orders were up 0.5% in October. Stronger growth is expected for November given that orders for civil aircraft seem to have risen again. The end of the strike at General Motors (GM) should also have a positive effect. Durable goods orders not including transportation were likely stable in November, judging by industrial output and the ISM manufacturing index. Total durable goods orders should gain 2.5%.

New home sales (November) – After two consecutive increases that boosted sales 11.8% between July and September, sales of new single-family homes dropped 0.7% in October. Another slight downtick is expected for November. That is what the level of building permits for single-family homes suggests. We expect sales of new single-family homes to go down to 720,000 units, which is still quite high.

S&P/Case-Shiller index of existing home prices (October) – The annual variation in the price of existing homes accelerated in September, the first time it has done so since March 2018. That may be an initial sign that prices are stabilizing. The monthly variation was up 0.4% in September, marking its strongest growth in almost a year, but that monthly growth should slow down a bit in October, if only because of seasonal effects. A 0.3% increase is expected, and the annual variation should stay at 2.1%.

Conference Board consumer confidence index (December) – In November the Conference Board consumer confidence index fell for the fourth month in a row. We would have to go back as far as 2012 to see such a long series of declines. Nevertheless, these recent ones are fairly moderate and the total downturn amounts to only 7.7 points, lower than the 9.2 point gain observed in July alone. This series should wind down by December. Good performance by the markets, easing of some of the uncertainty related to the China–U.S. trade war and the job creation seen in November all suggest that confidence could rise a few points. It remains to be seen whether the impeachment proceedings against Donald Trump will have any effects. The Conference Board's consumer confidence index is expected to reach 128.0.

ISM manufacturing index (December) – The ISM manufacturing index was essentially stable from October to November, slipping from 48.3 to 48.1. It remains weak, but is still above September's low of 47.8, and may rise slightly to 49.0 in December. We will know more when the regional manufacturing indicators are released.

ISM non-manufacturing index (December) – The ISM non-manufacturing index continues to go up and down; it has not had two consecutive movements in the same direction since the declines of June and July. It fell 0.8 points in November, following a 2.1-point climb in October. We now expect a slight upswing from 53.9 to 54.4 for December. The release of other activity indicators for services will help shape the forecast.

FRIDAY January 10 - 8:30
December

Consensus	n/a
Desjardins	168,000

November 266,000
MONDAY December 23 - 8:30
October

Consensus	n/a
Desjardins	0.1%

September 0.1%
TUESDAY January 7 - 8:30
November

Consensus	\$B
Desjardins	n/a
	-0.69

October -1.08
THURSDAY January 9 - 8:15
December

Consensus	ann. rate
Desjardins	n/a
	215,000

November 201,300
FRIDAY January 10 - 8:30
December

Consensus	n/a
Desjardins	40,000

November -71,200
THURSDAY December 26

Job creation according to establishment (December) – Hiring was stronger than expected in November, even without the positive effect of the GM strike ending. The creation of 266,000 positions is the strongest since January, although things should start going back to normal now. Initial jobless claims increased in the early part of the month. Nevertheless, 168,000 hires are expected in December. The results of the ADP survey, the ISM index and the Conference Board consumer confidence index will provide more information as we move closer to the December release date for the employment survey. The jobless rate should remain at 3.5%, but the annual revision of the household survey could change things.

CANADA

Real GDP by industry (October) – We have every reason to believe that real GDP will continue to climb modestly in October. There were disappointing results from a number of economic indicators, including declines in manufacturing and wholesale sales. However, the total number of hours worked within the economy rose slightly in October due to a 0.3% gain in services, which means that output may be on the upswing. All told, real GDP by industry could grow by 0.1% for the fourth month in a row.

International merchandise trade (November) – A number of disruptive events will continue to have an impact on international merchandise trade. On one hand, the end of the strike by GM workers in the United States should boost trade in automotive products. But on the other hand, the recent strike by employees of Canadian National (CN) and a pipeline leak should hamper the transportation of merchandise and oil during the month. That said, it is hard to predict what the net effect on November's final results will be. Lastly, seasonally adjusted commodities prices expressed in Canadian dollars rose slightly in November, which should raise the value of exports. In the end, the trade balance should show a slight improvement for the month.

Housing starts (December) – The number of housing starts could go up slightly in December. Multi-unit housing starts in urban centres are expected to rise somewhat, bringing them back in line with the trend seen in recent months. Conditions are still favourable for the housing market, with low unemployment rates and very low interest rates.

Labour force survey (December) – Employment is expected to bounce back in December after two straight months of decline, although the trend has been less robust for the past several months. December may see as many as 40,000 new positions. The unemployment rate may drop slightly, wiping out some of November's gains.

OVERSEAS

Japan: Economic indicators – A number of major indicators for November will be released in the evening of December 26. They will tell us a bit more about the health of the Japanese economy in the fourth quarter; a number of indicators having been adversely affected by October's increase in consumer taxes. If there are no significant rebounds in November, real GDP is likely to go down in the fourth quarter.

Economic Indicators

Week of December 23 to 27, 2019

Day	Hour	Indicator	Period	Consensus		Previous data
-----	------	-----------	--------	-----------	---	---------------

UNITED STATES

MONDAY 23

8:30	Durable goods orders (m/m)	Nov.	1.5%	2.5%	0.5%
10:00	New home sales (ann. rate)	Nov.	730,000	720,000	733,000

TUESDAY 24

--- ---

WEDNESDAY 25

--- Markets closed (Christmas Day)

THURSDAY 26

8:30	Initial unemployment claims	Dec. 16-20	n/a	224,000	234,000
------	-----------------------------	------------	-----	---------	---------

FRIDAY 27

--- ---

CANADA

MONDAY 23

8:30	Real GDP by industry (m/m)	Oct.	n/a	0.1%	0.1%
------	----------------------------	------	-----	------	------

TUESDAY 24

--- ---

WEDNESDAY 25


--- Markets closed (Christmas Day)

THURSDAY 26

--- Markets closed (Boxing Day)

FRIDAY 27

--- ---

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 23 to 27, 2019


Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
DURING THE WEEK								
Germany	---	Retail sales	Nov.	1.0%	1.6%	-1.9%	0.8%	
SUNDAY 22								
Japan	23:30	All industry activity index	Oct.	-4.3%		1.5%		
MONDAY 23								
Japan	0:00	Leading indicator – final	Oct.	n/a		91.8		
Japan	0:00	Coincident indicator – final	Oct.	n/a		94.8		
TUESDAY 24								
---	---	---						
WEDNESDAY 25								
---	---	---						
THURSDAY 26								
Japan	0:00	Housing starts	Nov.		-8.1%		-7.4%	
Japan	18:30	Consumer price index – Tokyo	Dec.		0.9%		0.8%	
Japan	18:30	Unemployment rate	Nov.	2.4%		2.4%		
Japan	18:50	Industrial production – preliminary	Nov.	-1.5%	-8.8%	-4.5%	-7.7%	
Japan	18:50	Retail sales	Nov.	5.4%	-1.4%	-14.4%	-7.1%	
FRIDAY 27								
---	---	---						

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).

Economic Indicators

Week of December 30, 2019 to January 3, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 30						
	8:30	Goods trade balance – preliminary (US\$B)	Nov.	-68.5	-68.2	-66.5
	8:30	Retail inventories – preliminary (m/m)	Nov.	n/a	n/a	0.3%
	8:30	Wholesale inventories – preliminary (m/m)	Nov.	n/a	n/a	0.1%
	10:00	Pending home sales (m/m)	Nov.	2.0%	n/a	-1.7%
TUESDAY 31						
	9:00	S&P/Case-Shiller home price index (y/y)	Oct.	n/a	2.1%	2.1%
	10:00	Consumer confidence	Dec.	128.5	128.0	125.5
WEDNESDAY 1						
	---	Markets closed (New Year's Day)				
THURSDAY 2						
	8:30	Initial unemployment claims	Dec. 23-27	n/a	n/a	n/a
FRIDAY 3						
	---	Total vehicle sales (ann. rate)	Dec.	17,000,000	17,000,000	17,090,000
	10:00	Construction spending (m/m)	Nov.	0.4%	0.1%	-0.8%
	10:00	ISM manufacturing index	Dec.	48.9	49.0	48.1
	14:00	Minutes of the Federal Reserve meeting				
CANADA						
MONDAY 30						
	---	---				
TUESDAY 31						
	---	---				
WEDNESDAY 1						
	---	Markets closed (New Year's Day)				
THURSDAY 2						
	---	---				
FRIDAY 3						
	---	---				

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 30, 2019 to January 3, 2020


Country	Hour	Indicator	Period	Consensus		Previous data	
				m/m (q/q)	y/y	m/m (q/q)	y/y
OVERSEAS							
SUNDAY 29							
Japan	23:00	Vehicle production	Oct.		n/a		2.3%
MONDAY 30							
China	20:00	PMI manufacturing index	Dec.	50.1		50.2	
China	20:00	PMI non-manufacturing index	Dec.	54.4		54.4	
TUESDAY 31							
---	---	---					
WEDNESDAY 1							
---	---	---					
THURSDAY 2							
Italy	3:45	PMI manufacturing index	Dec.	47.3		47.6	
France	3:50	PMI manufacturing index – final	Dec.	50.3		50.3	
Germany	3:55	PMI manufacturing index – final	Dec.	43.4		43.4	
Euro zone	4:00	PMI manufacturing index – final	Dec.	45.9		45.9	
United Kingdom	4:30	PMI manufacturing index – final	Dec.	47.7		47.4	
FRIDAY 3							
France	2:45	Consumer price index – preliminary	Dec.	n/a	n/a	0.1%	1.0%
Euro zone	4:00	Money supply M3	Nov.		5.7%		5.6%
United Kingdom	4:30	PMI construction index	Dec.	45.5		45.3	
Germany	8:00	Consumer price index – preliminary	Dec.	0.3%	1.4%	-0.8%	1.1%

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).

Economic Indicators

Week of January 6 to 10, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 6						
	---	---				
TUESDAY 7						
	8:30	Trade balance – Goods and services (US\$B)	Nov.	n/a	n/a	-47.2
	10:00	ISM non-manufacturing index	Dec.	n/a	54.4	53.9
	10:00	Factory orders (m/m)	Nov.	n/a	n/a	0.3%
WEDNESDAY 8						
	15:00	Consumer credit (US\$B)	Nov.	n/a	7.500	18.908
THURSDAY 9						
	8:30	Initial unemployment claims	Dec. 30-Jan. 3	n/a	n/a	n/a
FRIDAY 10						
	8:30	Change in nonfarm payrolls	Dec.	n/a	168,000	266,000
	8:30	Unemployment rate	Dec.	n/a	3.5%	3.5%
	8:30	Weekly worked hours	Dec.	n/a	34.4	34.4
	8:30	Average hourly earnings (m/m)	Dec.	n/a	0.2%	0.2%
	10:00	Wholesale inventories – final (m/m)	Nov.	n/a	n/a	n/a
CANADA						
MONDAY 6						
	8:30	Industrial product price index (m/m)	Nov.	n/a	-0.1%	0.1%
	8:30	Raw materials price index (m/m)	Nov.	n/a	1.2%	-1.9%
TUESDAY 7						
	8:30	International trade (\$B)	Nov.	n/a	-0.69	-1.08
	10:00	PMI-Ivey index	Dec.	n/a	55.0	60.0
WEDNESDAY 8						
	---	---				
THURSDAY 9						
	8:15	Housing starts (ann. rate)	Dec.	n/a	215,000	201,300
	8:30	Building permits (m/m)	Nov.	n/a	1.0%	-1.5%
FRIDAY 10						
	8:30	Net change in employment	Dec.	n/a	40,000	-71,200
	8:30	Unemployment rate	Dec.	n/a	5.7%	5.9%

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 January 6 to 10, 2020

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
SUNDAY 5								
Japan	19:30	PMI manufacturing index – final	Dec.	n/a		48.8		
MONDAY 6								
Italy	3:45	PMI composite index	Dec.	n/a		49.6		
Italy	3:45	PMI services index	Dec.	50.8		50.4		
France	3:50	PMI composite index – final	Dec.	52.0		52.0		
France	3:50	PMI services index – final	Dec.	52.4		52.4		
Germany	3:55	PMI composite index – final	Dec.	49.4		49.4		
Germany	3:55	PMI services index – final	Dec.	52.0		52.0		
Euro zone	4:00	PMI composite index – final	Dec.	50.6		50.6		
Euro zone	4:00	PMI services index – final	Dec.	52.4		52.4		
United Kingdom	4:30	PMI composite index – final	Dec.	n/a		48.5		
United Kingdom	4:30	PMI services index – final	Dec.	n/a		49.0		
Euro zone	5:00	Producer price index	Nov.	n/a	n/a	0.1%	-1.9%	
Japan	19:30	PMI composite index – final	Dec.	n/a		49.8		
Japan	19:30	PMI services index – final	Dec.	n/a		50.6		
TUESDAY 7								
Euro zone	5:00	Consumer price index	Dec.	0.3%	1.3%	-0.3%	1.0%	
Euro zone	5:00	Retail sales	Nov.	n/a	n/a	-0.6%	1.4%	
WEDNESDAY 8								
Germany	2:00	Factory orders	Nov.	0.5%	n/a	-0.4%	-5.5%	
France	2:45	Trade balance (€M)	Nov.	n/a		-4,730		
France	2:45	Consumer confidence	Dec.	104		106		
Euro zone	5:00	Business climate	Dec.	-0.20		-0.23		
Euro zone	5:00	Consumer confidence – final	Dec.	n/a		n/a		
Euro zone	5:00	Industrial confidence	Dec.	n/a		-9.2		
Euro zone	5:00	Services confidence	Dec.	n/a		9.3		
Euro zone	5:00	Economic confidence	Dec.	n/a		101.3		
Euro zone	5:00	Unemployment rate	Nov.	7.5%		7.5%		
THURSDAY 9								
Germany	2:00	Trade balance (€B)	Nov.	n/a		21.5		
Germany	2:00	Industrial production	Nov.	1.2%	-3.3%	-1.7%	-5.3%	
FRIDAY 10								
France	2:45	Industrial production	Nov.	n/a	n/a	0.4%	-0.2%	
United Kingdom	4:30	Trade balance (€M)	Nov.	n/a		-5,188		
United Kingdom	4:30	Construction	Nov.	n/a	n/a	-2.3%	-2.1%	
United Kingdom	4:30	Index of services	Nov.	n/a		0.2%		
United Kingdom	4:30	Monthly GDP	Nov.	n/a		0.0%		
United Kingdom	4:30	Industrial production	Nov.	n/a		0.1%		

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) ¹	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	-0.2	1.5	1.3	1.3	0.3
Unit labor cost (2012 = 100)	2019 Q3	112.0	2.5	2.2	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) ¹	2019 Q3*	-124.1	---	---	-491.0	-439.6	-428.3

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 (2016 = 100)	Nov.*	111.6	0.0	-0.4	-0.2	0.1
ISM manufacturing index ¹	Nov.	48.1	48.3	49.1	52.1	58.8
ISM non-manufacturing index ¹	Nov.	53.9	54.7	56.4	56.9	60.4
Cons. confidence Conference Board (1985 = 100) ¹	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)	Oct.	4,165	0.5	1.1	2.4	4.8
Retail sales (\$M)	Nov.	527,994	0.2	0.2	1.9	3.3
<i>Excluding automobiles (\$M)</i>	Nov.	421,214	0.1	0.2	1.6	3.0
Industrial production (2012 = 100)	Nov.*	109.7	1.1	-0.2	0.4	-0.8
Production capacity utilization rate (%) ¹	Nov.*	77.3	76.6	77.9	77.8	79.6
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)	Oct.	2,043	0.2	0.1	0.6	3.1
Housing starts (k) ¹	Nov.*	1,365	1,323	1,375	1,264	1,202
Building permits (k) ¹	Nov.*	1,482	1,461	1,425	1,299	1,334
New home sales (k) ¹	Oct.	733.0	738.0	660.0	656.0	557.0
Existing home sales (k) ¹	Nov.*	5,350	5,440	5,500	5,360	5,210
Commercial surplus (\$M) ¹	Oct.	-47,199	-51,100	-52,714	-51,028	-56,692
Nonfarm employment (k) ²	Nov.	152,252	266.0	615.0	1,178	2,204
Unemployment rate (%) ¹	Nov.	3.5	3.6	3.7	3.6	3.7
Consumer price (1982-1984 = 100)	Nov.	257.9	0.3	0.6	1.1	2.0
<i>Excluding food and energy</i>	Nov.	265.6	0.2	0.5	1.4	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)	Nov.	118.7	0.0	0.1	0.2	1.1
Export prices (2000 = 100)	Nov.	125.3	0.2	-0.2	-1.1	-1.3
Import prices (2000 = 100)	Nov.	124.6	0.2	-0.2	-1.9	-1.3

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	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) ¹	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) ¹	2019 Q3	-9,855	---	---	-55,499	-60,193	-62,553
Production capacity utilization rate (%) ¹	2019 Q3	81.7	---	---	83.0	81.5	79.1
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

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 (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)	Oct.*	57,058	-0.7	0.0	-1.2	-2.1
Housing starts (k) ¹	Nov.	201.3	200.7	225.3	196.6	224.7
Building permits (\$M)	Oct.	8,275	-1.5	-2.0	-12.7	1.1
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)	Oct.*	64,171	-1.1	-1.5	-1.4	1.2
Commercial surplus (\$M) ¹	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) ²	Nov.	19,092	-71.2	-6.4	5.9	24.4
Unemployment rate (%) ¹	Nov.	5.9	5.5	5.7	5.4	5.6
Average weekly earnings (\$)	Oct.*	1,042	0.2	1.2	2.2	3.3
Number of salaried employees (k) ²	Oct.*	17,034	13.6	4.1	20.8	23.0
Consumer price (2002 = 100)	Nov.*	136.4	-0.1	-0.3	-0.1	2.2
<i>Excluding food and energy</i>	Nov.*	131.0	-0.3	-0.2	0.2	2.0
<i>Excluding 8 volatile items</i>	Nov.*	134.6	-0.2	0.1	0.4	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

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		
	Dec. 19	Dec. 12	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	1.75	1.75	1.75	2.00	2.50	2.50	2.50	2.30	1.75
Treasury bill – 3 months	1.56	1.54	1.55	1.87	2.07	2.34	2.43	2.09	1.49
Treasury bonds – 2 years	1.62	1.63	1.63	1.72	1.78	2.64	2.64	2.01	1.39
– 5 years	1.72	1.66	1.63	1.63	1.81	2.64	2.64	1.98	1.32
– 10 years	1.92	1.82	1.78	1.75	2.07	2.79	2.80	2.16	1.46
– 30 years	2.36	2.25	2.23	2.20	2.59	3.03	3.12	2.60	1.93
S&P 500 index (level)	3,199	3,169	3,110	2,992	2,950	2,417	3,199	2,890	2,351
DJIA index (level)	28,375	28,135	27,876	26,935	26,719	22,445	28,375	26,207	21,792
Gold price (US\$/ounce)	1,478	1,472	1,466	1,504	1,393	1,260	1,549	1,387	1,260
CRB index (level)	185.05	183.81	180.37	177.34	178.52	172.13	189.66	178.71	167.89
WTI oil (US\$/barrel)	61.42	60.07	57.57	58.09	57.28	45.39	66.43	56.51	44.41
Canada									
Overnight – target	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Treasury bill – 3 months	1.66	1.66	1.66	1.63	1.67	1.67	1.71	1.65	1.60
Treasury bonds – 2 years	1.70	1.66	1.58	1.57	1.43	1.94	1.94	1.60	1.29
– 5 years	1.68	1.59	1.50	1.42	1.37	1.96	1.96	1.54	1.13
– 10 years	1.67	1.58	1.47	1.39	1.48	2.02	2.03	1.60	1.09
– 30 years	1.74	1.68	1.58	1.54	1.72	2.18	2.25	1.81	1.30
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.00	0.00	0.00	-0.25	-0.75	-0.75	0.00	-0.55	-0.75
Treasury bill – 3 months	0.10	0.12	0.11	-0.24	-0.40	-0.67	0.19	-0.43	-0.80
Treasury bonds – 2 years	0.08	0.03	-0.05	-0.15	-0.35	-0.70	0.11	-0.41	-0.85
– 5 years	-0.04	-0.07	-0.13	-0.21	-0.44	-0.68	0.00	-0.44	-0.81
– 10 years	-0.25	-0.24	-0.31	-0.36	-0.59	-0.77	-0.19	-0.56	-0.89
– 30 years	-0.62	-0.57	-0.65	-0.66	-0.87	-0.85	-0.52	-0.78	-1.02
S&P/TSX index (level)	17,058	17,003	16,955	16,900	16,525	13,935	17,115	16,229	13,780
Exchange rate (C\$/US\$)	1.3125	1.3168	1.3302	1.3261	1.3223	1.3600	1.3639	1.3282	1.3027
Exchange rate (C\$/€)	1.4597	1.4644	1.4664	1.4611	1.5032	1.5462	1.5643	1.4879	1.4433
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\$/€)	1.1121	1.1121	1.1024	1.1018	1.1368	1.1369	1.1543	1.1202	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	0.81	0.79	0.70	0.55	0.85	1.32	1.35	0.89	0.32
FTSE index (level)	7,566	7,353	7,327	7,345	7,408	6,721	7,687	7,252	6,585
Exchange rate (US\$/£)	1.3018	1.3327	1.2832	1.2479	1.2742	1.2632	1.3339	1.2758	1.2037
<u>Germany</u>									
Bonds – 10 years	-0.24	-0.30	-0.36	-0.52	-0.29	0.25	0.25	-0.20	-0.72
DAX index (level)	13,199	13,283	13,164	12,468	12,340	10,634	13,408	12,044	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)	23,865	24,023	23,113	22,079	21,259	20,166	24,066	21,580	19,156
Exchange rate (US\$/¥)	109.27	109.38	108.66	107.57	107.32	111.23	112.19	109.07	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.