

WEEKLY NEWSLETTER

Central Banks Are Taking Action

HIGHLIGHTS

- ▶ In a surprising move, the Federal Reserve cut its key rates.
- ▶ United States: Another month of stronger hiring.
- ▶ United States: Slight drop in the ISM manufacturing index, while the non-manufacturing index reached its highest level in a year.
- ▶ The Bank of Canada lowered its key interest rates by 50 basis points.
- ▶ Canada: Hours worked rose significantly in February.
- ▶ Canada: The international merchandise trade balance deteriorated in January.

A LOOK AHEAD

- ▶ Lower gas prices in January should slow U.S. inflation.
- ▶ Canada: The number of housing starts could edge down slightly in February.
- ▶ Canada: The industrial capacity utilization rate should decline in the fourth quarter.

FINANCIAL MARKETS

- ▶ An extremely volatile week for stock markets.
- ▶ Central banks are taking action, and bond yields continue to fall.
- ▶ The interest rate cut in the United States is penalizing the greenback against multiple currencies.

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Key Statistics of the Week

UNITED STATES

- ▶ For the first time since October 2008, Federal Reserve leaders have decided to change their key rates between two official monetary policy committee meetings. They therefore cut the target for the federal funds rate by 50 basis points, putting it in the range of 1.00% to 1.25%. There is only one reason for the inter-meeting decision: the new risk associated with the COVID-19 virus.
- ▶ The establishment survey shows that 273,000 new jobs were created in February following a similar increase in January. The unemployment rate fell slightly from 3.6% in January to 3.5% in February, a level seen since November and December.
- ▶ The ISM manufacturing index slid slightly in February from 50.5 to 50.1. It therefore sits just above the 50 mark, which it had crossed at the beginning of the year after having reached a low of 47.8 in December. Seven of the ten sub-indexes declined. The main decreases came from imports, prices paid and current production.
- ▶ The ISM non-manufacturing index rose 1.8 points in February, its third gain in a row. This new increase brings the non-manufacturing ISM from 55.5 to 57.3, the highest it has been since February 2019. Six of the index's ten components advanced in the past month, with order backlogs and new orders seeing the sharpest increases.
- ▶ New car sales declined slightly in February from 16,840,000 to 16,830,000 units.
- ▶ The balance of trade in goods and services improved in the United States at the beginning of the year, with the deficit going from US\$48.6B in December to US\$45.3B in January. Nominal imports tumbled 1.6%, while exports shrank 0.4%.
- ▶ Construction spending jumped 1.8% in January after a 0.2% increase in December (revised from -0.2%). Residential construction climbed 2.0%. Private non-residential construction was up 0.8% owing to the energy sector. Public construction rose by 2.6%.

Francis Généreux, Senior economist

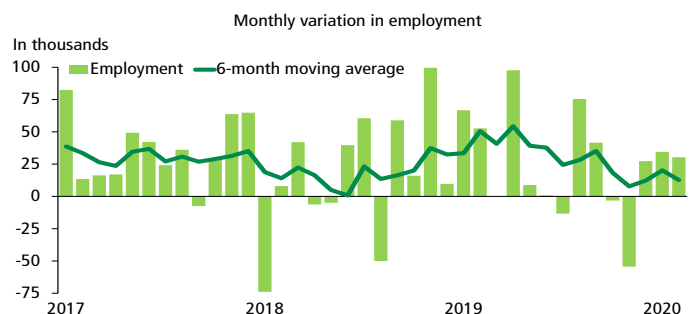
CANADA

- ▶ Like the Federal Reserve, the Bank of Canada opted on Wednesday to cut its key interest rates by 50 basis points. Clearly, the concerns over the coronavirus weighed heavily, although the problems triggered by the interruptions to rail service no doubt also had a hand in the decision.
- ▶ February ended with 30,300 jobs created, surpassing expectations. The unemployment rate edged up from 5.5% in January to 5.6% in February, however, due to an increase in the participation rate. The most striking aspect of February's results is the monthly hike in the number of actual hours worked (+1.2%). This suggests that real GDP by industry may have climbed in February.
- ▶ Worker productivity fell 0.1% in the fourth quarter of 2019. Production in the business sector retreated 0.1% during the period, while the number of hours worked remained virtually unchanged. This slight deterioration in productivity, combined with higher employee wages (+0.8%), led to a 1.0% rise in unit labour costs.
- ▶ International merchandise trade began the first quarter on a bad note. The value of exports fell 2.0%, while the value of imports decreased 0.5%. The merchandise trade balance therefore went from -\$0.73B to -\$1.47B.

Benoit P. Durocher, Senior economist

CANADA

Employment trend remains fairly strong



Sources: Statistics Canada and Desjardins, Economic Studies

Financial Markets

COVID-19 Keeps Wreaking Havoc on the Markets

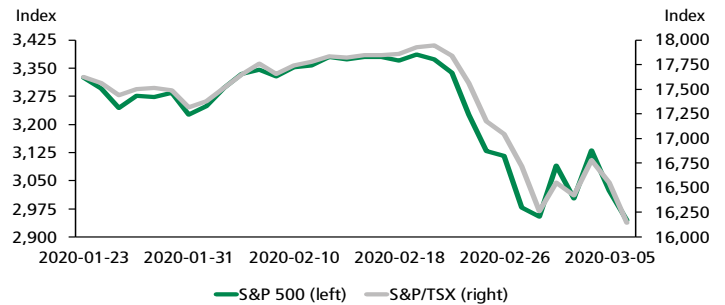
The hope of imminent action from central banks to offset the economic and financial effects of COVID-19 led to spectacular gains on stock markets during Monday's session. The Federal Reserve (Fed) put words into action Tuesday morning with a key rate cut of 50 basis points, but significant downward pressures quickly returned to the markets. The seesawing continued with a major surge in indexes Wednesday on the back of Joe Biden's outstanding performance during the Democratic primaries. New fears about the spread of the virus took hold again later in the week and, at the time of writing, the S&P 500 index was back down to near its closing level from the previous week. The steep drop in oil prices, amplified by Russia's refusal to further cut its production, hurt the Canadian stock market.

The bond yield trend was much clearer, as the dramatic fall continued and even picked up. Demand for safe havens continues to be driven by the spread of COVID-19. Moreover, the energetic actions taken by the Fed and the Bank of Canada (BoC), which also lowered its key rates by 50 basis points at its Wednesday meeting, seem to be perceived by many as confirmation that North American rates will drop to near zero sooner or later. The 10-year federal bond yields thus declined to about 0.70%, both in Canada and the United States.

The U.S. dollar continued to fall against the main European currencies and the yen this week. This is a result of the steeper drop in interest rates in the United States. At the time of writing, the euro was worth a little over US\$1.13, the pound was trading at more than US\$1.30 and the Japanese exchange rate hovered around ¥105/US\$. Nevertheless, the greenback continues to be a safe haven against many emerging currencies. The Canadian dollar lost some ground against the greenback this week, especially Wednesday after the BoC cut its interest rate by 50 basis points. The Canadian dollar was also hit by some downward pressure in connection with the movements in the price of oil and other commodities. Friday morning saw the Canadian dollar trading at approximately US\$0.745.

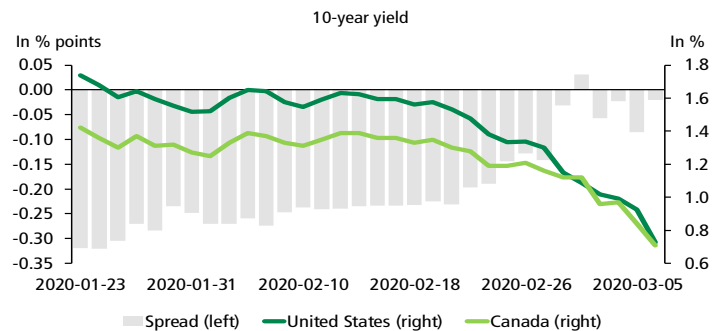
Mathieu D'Anjou, CFA, Deputy Chief Economist
Hendrix Vachon, Senior Economist

GRAPH 1
Stock markets



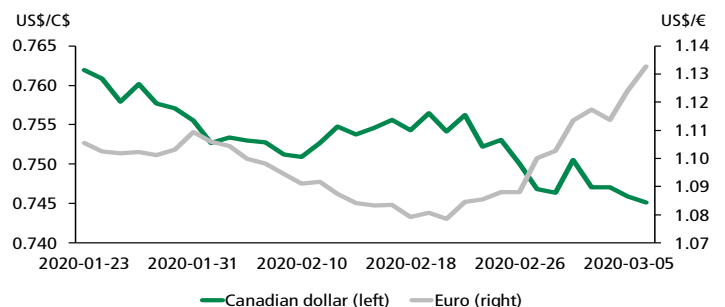
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

WEDNESDAY March 11 - 8:30

February	m/m
Consensus	0.0%
Desjardins	0.0%
January	0.1%

FRIDAY March 13 - 10:00

March	
Consensus	95.0
Desjardins	91.0
February	101.0

MONDAY March 9 - 8:15

February	ann. rate
Consensus	206,500
Desjardins	205,000
January	213,200

WEDNESDAY March 11 - 8:30

Q4 2019	
Consensus	n/a
Desjardins	80.5%
Q3 2019	81.7%

WEDNESDAY March 11 - 5:30

January	m/m
Consensus	0.2%
December	0.3%

UNITED STATES

Consumer price index (February) – Growth in the consumer price index (CPI) slowed in January with a 0.1% gain after two previous monthly increases of 0.2%. This slight slackening in pace was due to a slump in energy prices. This component should again be a drain on total CPI growth in February, with prices at the pump dropping 4.5%. Meanwhile, the core index, which excludes food and energy, should see further growth of 0.1% after ticking up 0.2% in January. February was likely too early for supply problems tied to the coronavirus in China to have caused upward pressure on prices. Total CPI is expected to stagnate, while core CPI should see 0.1% growth. The annual variation in total CPI should pull back from 2.5% to 2.2%, while core inflation should inch down from 2.3% to 2.2%.

University of Michigan consumer confidence index (March – preliminary) – The University of Michigan confidence index posted a sixth consecutive increase in January. This positive streak, the longest since January 2015, amounted to a total gain of 11.2 points, with the index hitting its highest peak since March 2018. However, a downturn is forecast for March. On average, in February, just 8% of University of Michigan survey respondents mentioned coronavirus as a factor influencing their confidence, but in the final two days of the survey, that proportion was 20%. The fall in stock market indexes and the increase in the number of cases around the world, including the United States, may also shake confidence. The Bloomberg weekly index has already been down for the past few weeks, and the monthly TIPP index suffered its worst loss in March since 2013. The interest rate cut, the solid job market and lower gas prices could, however, provide a boost. Nevertheless, the University of Michigan index is expected to slide 10 points to 91.0, and there is a risk of a bigger tumble.

CANADA

Housing starts (February) – With 213,224 units in January, housing starts seem a little too high compared to the trend in recent months. Even if conditions remain favourable, a slight decrease in the number of housing starts is therefore expected for February. The bulk of the decrease could come from multi-unit housing in urban areas.

Industrial capacity utilization rate (Q4) – Industrial production retreated 2.4% (annualized) in the fourth quarter due to negative effects stemming from many temporary problems (including strikes in Canadian rail and in the U.S. auto industry as well as a pipeline rupture). Under the circumstances, the industrial capacity utilization rate should decline sharply during the period.

OVERSEAS

United Kingdom: Monthly real GDP (November) – The U.K.'s monthly GDP recovered in December with a 0.3% gain following a 0.3% fall in November and 0.1% increases during the previous two months. Another gain, like the 0.2% increase forecast by the consensus for January, would bring a good carryover for the first quarter. Of course, the effects of the coronavirus could complicate the situation for February and March.

THURSDAY March 12 - 8:45


March


Consensus	0.00%
Desjardins	0.00%
January 23	0.00%

Euro zone: European Central Bank meeting (March) – After the Federal Reserve and other central banks, the European Central Bank (ECB) should be the next one to announce measures to reassure markets and try to offset some of the adverse effects tied to the spread of the coronavirus. The ECB's leeway is limited, however. The key interest rate is already at -0.5% and could be lowered to -0.6%. Securities purchases, currently amounting to €20B per month, could go as high as €40B. Short- and long-term financing programs may also be enhanced to ensure high liquidity within Europe's banking system. Indicators to be released this week in the euro zone include the final version of real GDP growth for the fourth quarter of 2019 on Tuesday, with more details on the GDP components this time. Industrial production for January will be known Thursday; it had fallen 2.1% in December.

Economic Indicators

Week of March 9 to 13, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 9						
	---	---				
TUESDAY 10						
	---	---				
WEDNESDAY 11						
	8:30	Consumer price index				
		Total (m/m)	February	0.0%	0.0%	0.1%
		Excluding food and energy (m/m)	February	0.2%	0.1%	0.2%
		Total (y/y)	February	2.2%	2.2%	2.5%
		Excluding food and energy (y/y)	February	2.3%	2.2%	2.3%
	14:00	Federal budget (US\$B)	February	-248.1	n/a	-234.0
THURSDAY 12						
	8:30	Initial unemployment claims	March 2-6	216,000	215,000	216,000
	8:30	Producer price index				
		Total (m/m)	February	-0.1%	-0.2%	0.5%
		Excluding food and energy (m/m)	February	0.2%	0.0%	0.5%
FRIDAY 13						
	8:30	Export prices (m/m)	February	-0.5%	-1.0%	0.7%
	8:30	Import prices (m/m)	February	-1.0%	-1.0%	0.0%
	10:00	Michigan's consumer sentiment index – preliminary	March	95.0	91.0	101.0
CANADA						
MONDAY 9						
	8:15	Housing starts (ann. rate)	February	206,500	205,000	213,200
	8:30	Building permits (m/m)	January	n/a	-1.5%	7.4%
TUESDAY 10						
	16:00	2020 Quebec Budget				
WEDNESDAY 11						
	8:30	Industrial capacity utilization rate	Q4	n/a	80.5%	81.7%
THURSDAY 12						
	---	---				
FRIDAY 13						
	8:30	National balance sheet	Q4			
	9:00	Existing home sales	February			

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 March 9 to 13, 2020

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
SUNDAY 8								
Japan	19:50	Current account (¥B)	January	1,664.1		1,714.7		
Japan	19:50	Real GDP – final	Q4	-1.7%		-1.6%		
MONDAY 9								
Germany	3:00	Trade balance (€B)	January	15.0		15.2		
Germany	3:00	Current account (€B)	January	n/a		29.4		
Germany	3:00	Industrial production	January	1.7%	-3.8%	-3.5%	-6.8%	
China	21:30	Consumer price index	February		5.2%		5.4%	
China	21:30	Producer price index	February		-0.3%		0.1%	
TUESDAY 10								
France	3:45	Industrial production	January	1.8%	-2.0%	-2.8%	-3.0%	
Italy	5:00	Industrial production	January	1.6%	-3.7%	-2.7%	-4.3%	
Euro zone	6:00	Net change in employment – final	Q4	n/a	n/a	0.3%	1.0%	
Euro zone	6:00	Real GDP – final	Q4	0.1%	0.9%	0.1%	0.9%	
WEDNESDAY 11								
United Kingdom	5:30	Trade balance (€M)	January	-356		7,715		
United Kingdom	5:30	Construction	January	0.0%	2.4%	0.4%	5.0%	
United Kingdom	5:30	Index of services	January	0.2%		0.3%		
United Kingdom	5:30	Monthly GDP	January	0.2%		0.3%		
United Kingdom	5:30	Industrial production	January	0.3%	-2.6%	0.1%	-1.8%	
Japan	19:50	Producer price index	February	-0.3%	1.1%	0.2%	1.7%	
THURSDAY 12								
Euro zone	6:00	Industrial production	January	1.4%	-3.1%	-2.1%	-4.1%	
Euro zone	8:45	European Central Bank meeting	March	0.00%		0.00%		
FRIDAY 13								
Japan	0:30	Tertiary industry activity index	January	0.3%		-0.2%		
Germany	3:00	Consumer price index – final	February	0.4%	1.7%	0.4%	1.7%	
France	3:45	Consumer price index – final	February	0.0%	1.4%	0.0%	1.4%	

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	2019	2018	2017
Gross domestic product (2012 \$B)	2019 Q4	19,220	2.1	2.3	2.3	2.9	2.4
Consumption (2012 \$B)	2019 Q4	13,410	1.7	2.6	2.6	3.0	2.6
Government spending (2012 \$B)	2019 Q4	3,332	2.6	3.0	2.3	1.7	0.7
Residential investment (2012 \$B)	2019 Q4	602.6	6.2	1.6	-1.5	-1.5	3.5
Non-residential investment (2012 \$B)	2019 Q4	2,726	-2.3	-0.3	2.1	6.4	4.4
Business inventory change (2012 \$B) ¹	2019 Q4	13.0	---	---	67.0	48.1	31.7
Exports (2012 \$B)	2019 Q4	2,536	2.0	0.3	0.0	3.0	3.5
Imports (2012 \$B)	2019 Q4	3,436	-8.6	-2.2	1.0	4.4	4.7
Final domestic demand (2012 \$B)	2019 Q4	20,063	1.5	2.3	2.3	3.0	2.5
GDP deflator (2012 = 100)	2019 Q4	113.0	1.3	1.6	1.8	2.4	1.9
Labor productivity (2012 = 100)	2019 Q4	108.2	1.2	1.8	1.9	1.4	1.3
Unit labor cost (2012 = 100)	2019 Q4	111.6	0.9	1.7	1.7	1.8	2.1
Employment cost index (Dec. 2005 = 100)	2019 Q4	138.9	2.6	2.7	2.8	2.8	2.4
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)	Jan.	112.1	0.8	0.6	0.1	0.9
ISM manufacturing index ¹	Feb.*	50.1	50.9	48.1	48.8	54.1
ISM non-manufacturing index ¹	Feb.*	57.3	55.5	53.9	56.0	58.5
Cons. confidence Conference Board (1985 = 100) ¹	Feb.	130.7	130.4	126.8	134.2	131.4
Personal consumption expenditure (2012 \$B)	Jan.	13,444	0.1	0.4	0.9	2.7
Disposable personal income (2012 \$B)	Jan.	15,155	0.5	0.7	1.4	2.2
Consumer credit (\$B)	Dec.	4,197	0.5	1.3	2.5	4.7
Retail sales (\$M)	Jan.	529,766	0.3	0.6	1.1	4.4
<i>Excluding automobiles (\$M)</i>	Jan.	423,282	0.3	0.8	0.9	4.0
Industrial production (2012 = 100)	Jan.	109.2	-0.3	0.2	0.1	-0.8
Production capacity utilization rate (%) ¹	Jan.	76.8	77.1	77.0	77.4	79.0
New machinery orders (\$M)	Jan.*	497,909	-0.5	0.3	-0.4	-0.8
New durable good orders (\$M)	Jan.	245,999	-0.2	-0.6	-1.7	-4.0
Business inventories (\$B)	Dec.	2,040	0.1	0.0	0.2	2.2
Housing starts (k) ¹	Jan.	1,567	1,626	1,340	1,204	1,291
Building permits (k) ¹	Jan.	1,550	1,420	1,461	1,317	1,316
New home sales (k) ¹	Jan.	764.0	708.0	707.0	660.0	644.0
Existing home sales (k) ¹	Jan.	5,460	5,530	5,410	5,390	4,980
Commercial surplus (\$M) ¹	Jan.*	-45,338	-48,613	-47,448	-53,173	-53,817
Nonfarm employment (k) ²	Feb.*	152,544	273.0	730.0	1,384	2,409
Unemployment rate (%) ¹	Feb.*	3.5	3.6	3.5	3.7	3.8
Consumer price (1982-1984 = 100)	Jan.	258.8	0.1	0.6	1.1	2.5
<i>Excluding food and energy</i>	Jan.	266.5	0.2	0.6	1.1	2.3
Personal cons. expenditure deflator (2012 = 100)	Jan.	110.6	0.1	0.4	0.6	1.7
<i>Excluding food and energy</i>	Jan.	112.7	0.1	0.4	0.7	1.6
Producer price (2009 = 100)	Jan.	119.4	0.5	0.6	0.8	2.1
Export prices (2000 = 100)	Jan.	125.9	0.7	0.6	-0.2	0.5
Import prices (2000 = 100)	Jan.	125.0	0.0	0.4	-0.5	0.3

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	2019	2018	2017
Gross domestic product (2012 \$M)	2019 Q4	2,100,493	0.3	1.5	1.6	2.0	3.2
Household consumption (2012 \$M)	2019 Q4	1,187,371	2.0	1.7	1.6	2.2	3.7
Government consumption (2012 \$M)	2019 Q4	428,371	1.3	1.5	2.1	3.0	2.3
Residential investment (2012 \$M)	2019 Q4	142,288	1.1	4.2	-0.6	-1.6	2.2
Non-residential investment (2012 \$M)	2019 Q4	182,374	-6.3	1.9	0.0	1.4	3.9
Business inventory change (2012 \$M) ¹	2019 Q4	10,498	---	---	14,693	13,025	17,951
Exports (2012 \$M)	2019 Q4	667,046	-5.1	0.0	1.2	3.1	1.4
Imports (2012 \$M)	2019 Q4	661,345	-2.5	0.3	0.3	2.6	4.2
Final domestic demand (2012 \$M)	2019 Q4	2,081,990	0.7	1.8	1.2	2.1	3.3
GDP deflator (2012 = 100)	2019 Q4	111.3	4.1	3.3	1.9	1.9	2.4
Labour productivity (2012 = 100)	2019 Q4*	106.8	-0.5	0.5	0.6	-0.1	2.1
Unit labour cost (2012 = 100)	2019 Q4*	110.8	3.9	3.6	2.9	2.4	0.5
Current account balance (\$M) ¹	2019 Q4	-8,757	---	---	-45,388	-55,499	-60,193
Production capacity utilization rate (%) ¹	2019 Q3	81.7	---	---	83.0	81.5	79.1
Disposable personal income (\$M)	2019 Q4	1,309,956	5.2	4.7	4.4	3.8	5.0
Corporate net operating surplus (\$M)	2019 Q4	287,128	1.6	5.8	0.3	2.5	19.9

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)	Dec.	1,985,301	0.3	0.3	0.5	1.9
Industrial production (2012 \$M)	Dec.	396,531	0.5	-0.3	-1.5	-0.8
Manufacturing sales (\$M)	Dec.	56,412	-0.7	-1.7	-2.4	0.1
Housing starts (k) ¹	Jan.	213.2	195.9	203.8	221.0	202.0
Building permits (\$M)	Dec.	8,673	7.4	3.3	5.9	-1.8
Retail sales (\$M)	Dec.	51,648	0.0	0.1	0.7	2.4
<i>Excluding automobiles (\$M)</i>	Dec.	37,908	0.5	0.7	0.4	2.9
Wholesale trade sales (\$M)	Dec.	63,885	0.9	-1.5	-0.5	1.5
Commercial surplus (\$M) ¹	Jan.*	-1,473	-731.5	-1,634	-1,462	-3,796
<i>Exports (\$M)</i>	Jan.*	48,136	-2.0	-2.3	-2.3	-0.5
<i>Imports (\$M)</i>	Jan.*	49,609	-0.5	-2.5	-2.3	-4.9
Employment (k) ²	Feb.*	19,189	30.3	30.7	12.7	20.4
Unemployment rate (%) ¹	Feb.*	5.6	5.5	5.9	5.7	5.8
Average weekly earnings (\$)	Dec.	1,042	0.2	0.3	2.0	3.4
Number of salaried employees (k) ²	Dec.	17,042	-0.4	7.0	17.0	23.3
Consumer price (2002 = 100)	Jan.	136.8	0.3	0.1	-0.1	2.4
<i>Excluding food and energy</i>	Jan.	131.0	0.2	-0.3	-0.2	1.9
<i>Excluding 8 volatile items</i>	Jan.	134.6	0.4	-0.2	0.1	1.8
Industrial product price (2010 = 100)	Jan.	117.3	-0.3	-0.1	0.0	0.5
Raw materials price (2010 = 100)	Jan.	104.0	-2.2	1.9	-2.1	1.7
Money supply M1+ (\$M)	Jan.	1,084,413	0.0	1.6	4.2	8.2

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		
	March 6	Feb. 28	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	1.25	1.75	1.75	1.75	2.25	2.50	2.50	2.14	1.25
Treasury bill – 3 months	0.40	1.25	1.53	1.50	1.92	2.41	2.43	1.89	0.40
Treasury bonds – 2 years	0.47	0.91	1.40	1.64	1.53	2.46	2.47	1.76	0.47
– 5 years	0.56	0.93	1.40	1.68	1.42	2.42	2.44	1.74	0.56
– 10 years	0.73	1.15	1.58	1.84	1.55	2.63	2.64	1.93	0.73
– 30 years	1.29	1.66	2.04	2.28	2.02	3.01	3.04	2.40	1.29
S&P 500 index (level)	2,944	2,954	3,328	3,146	2,979	2,743	3,386	3,018	2,744
DJIA index (level)	25,508	25,409	29,103	28,015	26,797	25,450	29,551	27,034	24,815
Gold price (US\$/ounce)	1,667	1,587	1,567	1,460	1,521	1,298	1,674	1,445	1,268
CRB index (level)	156.98	159.45	170.12	181.19	172.63	180.67	189.66	178.24	156.98
WTI oil (US\$/barrel)	42.37	44.76	50.32	59.20	56.52	56.07	66.43	56.99	42.37
Canada									
Overnight – target	1.25	1.75	1.75	1.75	1.75	1.75	1.75	1.74	1.25
Treasury bill – 3 months	0.96	1.46	1.64	1.65	1.61	1.64	1.71	1.64	0.96
Treasury bonds – 2 years	0.69	1.14	1.47	1.65	1.49	1.65	1.73	1.52	0.69
– 5 years	0.65	1.07	1.34	1.59	1.32	1.65	1.70	1.45	0.65
– 10 years	0.71	1.12	1.33	1.58	1.28	1.76	1.80	1.48	0.71
– 30 years	0.99	1.30	1.44	1.68	1.50	2.06	2.09	1.68	0.99
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.00	0.00	0.00	0.00	-0.50	-0.75	0.00	-0.39	-0.75
Treasury bill – 3 months	0.56	0.21	0.11	0.15	-0.31	-0.77	0.56	-0.24	-0.78
Treasury bonds – 2 years	0.22	0.23	0.07	0.01	-0.04	-0.81	0.31	-0.24	-0.83
– 5 years	0.09	0.14	-0.06	-0.09	-0.10	-0.77	0.20	-0.30	-0.81
– 10 years	-0.02	-0.03	-0.25	-0.26	-0.27	-0.87	0.03	-0.45	-0.89
– 30 years	-0.30	-0.36	-0.60	-0.60	-0.52	-0.95	-0.30	-0.72	-1.02
S&P/TSX index (level)	16,145	16,263	17,655	16,997	16,535	15,996	17,944	16,670	16,013
Exchange rate (C\$/US\$)	1.3421	1.3399	1.3312	1.3257	1.3172	1.3415	1.3521	1.3253	1.2965
Exchange rate (C\$/€)	1.5201	1.4774	1.4569	1.4661	1.4527	1.5079	1.5201	1.4752	1.4286
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\$/€)	1.1327	1.1027	1.0945	1.1059	1.1029	1.1241	1.1414	1.1130	1.0785
<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	0.24	0.42	0.58	0.76	0.43	1.19	1.23	0.75	0.24
FTSE index (level)	6,463	6,581	7,467	7,240	7,282	7,104	7,687	7,344	6,463
Exchange rate (US\$/£)	1.3009	1.2821	1.2893	1.3137	1.2282	1.3018	1.3339	1.2774	1.2037
<u>Germany</u>									
Bonds – 10 years	-0.71	-0.61	-0.38	-0.29	-0.63	0.07	0.10	-0.32	-0.72
DAX index (level)	11,542	11,890	13,514	13,167	12,192	11,458	13,789	12,501	11,347
<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)	20,750	21,143	23,828	23,354	21,200	21,026	24,084	22,139	20,261
Exchange rate (US\$/¥)	105.21	108.09	109.74	108.61	106.92	111.17	112.19	108.93	105.21

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.