

## WEEKLY NEWSLETTER

# Indicators Start to Reveal the Impact of COVID-19 on the U.S. Economy

### HIGHLIGHTS

- ▶ The Federal Reserve rolled out the heavy artillery in a surprise announcement last Sunday.
- ▶ COVID-19: Jobless claims surged in the United States.
- ▶ United States: Regional manufacturing indexes plummeted in March.
- ▶ United States: Retail sales down in February, industrial production picks up.
- ▶ Canada: Sharp drop in consumer confidence in March.
- ▶ Canada: Total annual inflation fell from 2.4% to 2.2%.
- ▶ Canada: Retail sales were up slightly in January.

### A LOOK AHEAD

- ▶ United States: Jobless claims expected to continue climbing.
- ▶ Canada: Wholesale sales could drop in January.

### FINANCIAL MARKETS

- ▶ Tensions remain high on the markets, and the stock markets continue to plunge.
- ▶ Bond yields rose sharply early in the week.
- ▶ The Canadian dollar temporarily dropped below US\$0.69.

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# Key Statistics of the Week

## UNITED STATES

- ▶ On Sunday, the Federal Reserve (Fed) cut the target for the federal funds rate by 100 basis points, putting it in the range of 0.00% to 0.25%. Furthermore, the Fed will increase its assets by US\$500B in Treasury securities and US\$200B in mortgage-backed securities and it has implemented a variety of measures to support credit.
- ▶ Initial jobless claims soared last week, rising from 211,000 to 281,000. This hike—the highest since 2012—is clearly due to COVID-19. The upward momentum is expected to continue. Given that this increase occurred during the week of the monthly jobs survey, a deterioration of the job market beginning in March can be expected.
- ▶ In a sign that the COVID-19 crisis is affecting manufacturing, the first two regional manufacturing indexes to be released for March posted marked slumps. In February, the Federal Reserve Bank of Philadelphia's manufacturing index plunged from +36.7 to -12.7, its lowest point since 2011. The Federal Reserve Bank of New York's Empire manufacturing index plummeted from +12.9 to -21.5, its lowest level since March 2009.
- ▶ Retail sales fell 0.5% in February, after gaining 0.6% in January (revised from 0.3%). Motor vehicle sales dropped 0.9%, while service station sales tumbled 2.8%. Excluding autos and gas, sales were down 0.2%, following a 0.7% uptick in January.
- ▶ Industrial production jumped 0.6% in February, after slumping 0.5% in January and 0.4% in December. Manufacturing gained a mere 0.1%. Mining activity plunged 1.5%, while energy production jumped 7.1%.
- ▶ Housing starts fell 1.5% in February after rising 28.3% between September 2019 and January 2020, yet remained extremely high at 1,599,000 units. However, building permits were down 5.5%.
- ▶ Sales of existing homes jumped 6.5% in February after declining 2.0% in January. The number of units rose from 5,420,000 to 5,770,000, the highest level since February 2007.
- ▶ The Conference Board's leading indicator rose 0.1% in February after gaining 0.7% in January.

**Francis Généreux**, Senior economist

## CANADA

- ▶ Today, the Conference Board of Canada released its March data on consumer confidence, showing the largest monthly decline in Canadian consumer confidence since monthly data began to be published in January 2002. Canadian households are clearly very concerned about the negative effects of COVID-19. All regions experienced a substantial deterioration in consumer confidence in March, with the steepest percentage drops in British Columbia and the Prairies.
- ▶ The consumer price index (CPI) rose 0.4% in February. The annual variation in total CPI decreased from 2.4% to 2.2%. Overall, February's results were consistent with expectations. Furthermore, the number of components with lower inflation in the last six months has continued to rise, a sign of the increasingly downward pressure on inflation. Still, it's difficult to understand exactly where prices are headed. The feeling is that we will continue to see some downward pressure, especially given the sharp drop in gasoline prices. On the other hand, as Statistics Canada has said, COVID-19 will cause major price disruptions in the coming months, especially in the air transportation, oil and travel services industries. Statistics Canada will attempt to adapt to the situation as it evolves, but it's difficult to predict how each jolt will impact inflation overall.
- ▶ Manufacturing sales fell 0.2% in January, for the fifth monthly decline in a row. Sales slumped in 9 of the 21 main industries. Transportation and the oil and coal industries were especially affected by the decline. Expressed in real terms, sales were down 0.4%.
- ▶ Retail sales rose 0.4% in January. This hike is due in large part to vehicle and automotive parts dealerships as well as service stations. Excluding these two sectors, sales saw a 0.3% drop. According to Statistics Canada, the impact of COVID-19 on retail trade will become more obvious in the coming months, with respondent comments for February indicating that business has been affected.

**Benoit P. Durocher**, Senior economist

# Financial Markets

## The Authorities Are Doing Everything in Their Power to Try to Reassure Investors

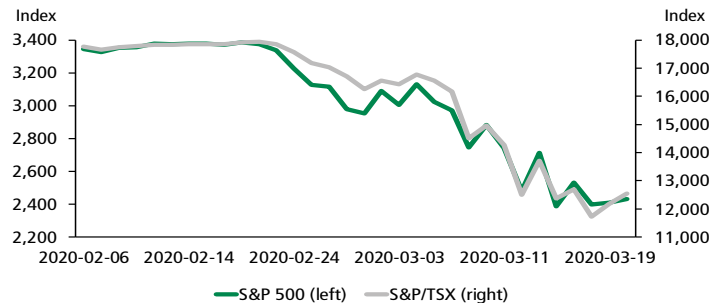
The announcement of new cases of COVID-19 in several countries—and the increasingly draconian measures introduced by governments to try to limit the contagion—continue to rattle investors. The tensions were especially high mid-week as the financial markets seemed increasingly negatively impacted by the situation. The surge in the VIX, credit spreads and even bond yields and the U.S. dollar were cause for greater and greater concern. The new measures announced by several central banks to support markets, for example, by injecting huge amounts of cash and purchasing more financial securities, helped calm the markets during the last trading sessions. Furthermore, governments are continuing to announce multiple measures to limit the economic and financial effects of the current crisis. Despite all this, the S&P 500 and S&P/TSX indexes were heading to a weekly drop of almost 10% at the time of writing.

The financial markets' tensions were also reflected on the bond market. Not only did the credit spreads continue to jump, but long-term bond yields also rose sharply. Despite the fact that the Federal Reserve cut its key rate by 100 basis points on Sunday, effectively lowering it to almost zero, the U.S. 10-year yield rose above 1.25% on Wednesday. Still, many of the new measures implemented by the central banks to ensure that the markets run smoothly helped push the U.S. 10-year yield to below 1.00% on Friday morning.

The U.S. dollar continued to profit from the high degree of concern on the markets. The greenback even rose against other currencies usually considered safe havens, including the Japanese yen and the Swiss franc. The European Central Bank's decision to purchase €750B in securities, including Greek bonds, caused the euro to weaken and drop to around US\$1.07, its lowest point in nearly three years. The currencies of most emerging countries posted significant losses once again. The Canadian dollar, for its part, temporarily dropped below US\$0.69 during the week, a four-year low. Like other currencies, the loonie regained some altitude on Friday morning.

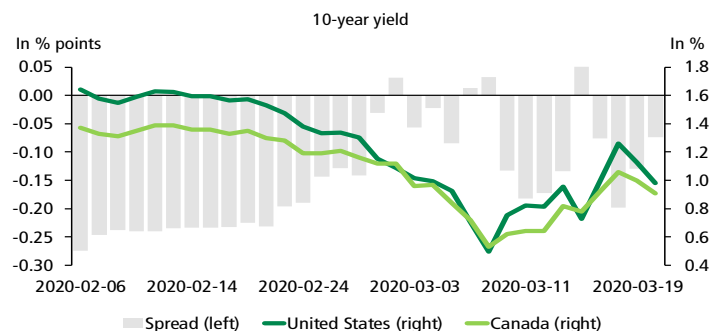
**Mathieu D'Anjou, CFA**, Deputy Chief Economist  
**Hendrix Vachon**, Senior Economist

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



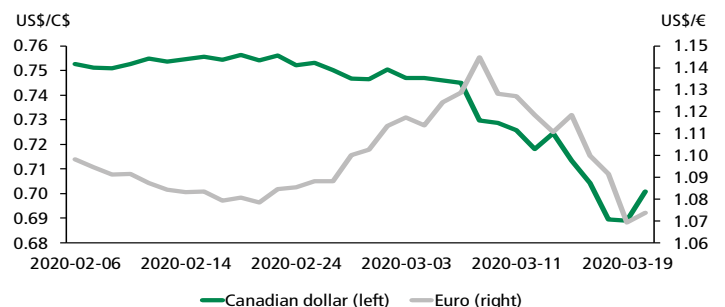
Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

**TUESDAY March 24 - 10:00**

<b>February</b>	<b>ann. rate</b>
Consensus	750,000
Desjardins	800,000
<b>January</b>	<b>764,000</b>

**WEDNESDAY March 25 - 8:30**

<b>February</b>	<b>m/m</b>
Consensus	-1.0%
Desjardins	2.4%
<b>January</b>	<b>-0.2%</b>

**THURSDAY March 26 - 8:30**

<b>March 23 to 27</b>	
Consensus	750,000
Desjardins	450,000
<b>March 16 to 20</b>	<b>281,000</b>

**FRIDAY March 27 - 8:30**

<b>February</b>	<b>m/m</b>
Consensus	0.3%
Desjardins	0.3%
<b>January</b>	<b>0.2%</b>

**MONDAY March 23 - 8:30**

<b>January</b>	<b>m/m</b>
Consensus	n/a
Desjardins	-0.2%
<b>December</b>	<b>0.9%</b>

## UNITED STATES

**New home sales (February)** – Sales of new single-family homes rose 7.9% in January to reach 764,000 units, their highest level since July 2007. Another increase is expected for February as suggested by the rise in the number of building permits for single-family homes during the same month. Furthermore, builder confidence was up in February before dropping back slightly in March. Existing home sales should hit 800,000 units, although they, too, should feel the impact of a drop in economic activity due to COVID-19.

**New durable goods orders (February)** – After jumping 2.8% in December, new durable goods orders fell 0.2% in January. These changes are largely due to variations in aviation orders. Moreover, this sector is expected to contribute positively in February as orders were up at Boeing. Motor vehicle orders should be up slightly, too. Excluding transportation, the “new orders” component of the ISM manufacturing index is expected to decline 0.4% in February after gaining 0.8% in January. All in all, new durable goods orders should show a considerable 2.4% increase. Still, supply chain problems relating to COVID-19 in China in January and February threaten to affect the results. Orders are also expected to decline significantly as of March.

**Initial jobless claims (week of March 16)** – Initial jobless claims soared last week, rising from 211,000 to 281,000. It’s the highest weekly uptick since 2012 and clearly in response to the rise in the number of layoffs relating to the economic problems caused by COVID-19. This situation is expected to continue in the coming weeks. Therefore, jobless claims should increase once again this week, and early indications out of some states point to the possibility of a significant surge.

**Consumer spending (February)** – Real consumption remained fairly modest in January and the last few months of 2019. This is not expected to change in February (but there could be a positive revision for January), as indicated by the decline in motor vehicle sales and the surprise drop in retail sales. Energy consumption should be one of the few really bright spots thanks to a return to more normal temperatures in February after a warm January. The drop in the number of tourists from Asia seems to be one of the factors behind the decrease in spending and food services in February. All told, a 0.2% increase in real consumption is expected. Growth is expected to be 0.3% in current dollars. The situation in March is obviously expected to be much more difficult, especially when it comes to services.

## CANADA

**Wholesale sales (January)** – After a brief sojourn in positive territory, wholesale sales are expected to return to negative territory in February. Moreover, the sharp drop in exports recorded during the month seems to suggest that wholesale sales may have run into some obstacles, especially in the motor vehicle sector.

TUESDAY March 24 - 5:00

**March**

Consensus


38.8


**February****51.6****OVERSEAS**

**Euro zone: PMI index (March – preliminary)** – The Euroland composite PMI index has improved since summer 2019, up from 50.1 in September to 51.6 in February. Needless to say, the situation has changed significantly since last month, with the PMI composite index expected to tumble below the 50 mark. This time around, not only manufacturing, but also services may be hit. This would mean that the euro zone will have gone into recession due to the COVID-19 crisis. Other confidence indicators will be released during the week. The preliminary version of the consumer confidence index for March will be released on Monday. The German Ifo business confidence indexes will come out on Wednesday. Household confidence indexes will also be released on Thursday (Germany) and Friday (France and Italy).

# Economic Indicators

## Week of March 23 to 27, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 23</b>	---	---				
<b>TUESDAY 24</b>	9:45	Speech of the St. Louis Fed President, J. Bullard				
	10:00	New home sales (ann. rate)	February	750,000	800,000	764,000
<b>WEDNESDAY 25</b>	8:30	Durable goods orders (m/m)	February	-1.0%	2.4%	-0.2%
<b>THURSDAY 26</b>	8:30	Initial unemployment claims	March 16-20	750,000	450,000	281,000
	8:30	Goods trade balance – preliminary (US\$B)	February	-64.5	-62.7	-65.9
	8:30	Real GDP (ann. rate)	Q4t	2.1%	2.1%	2.1%
	8:30	Retail inventories – preliminary (m/m)	February	n/a	n/a	0.0%
	8:30	Wholesale inventories – preliminary (m/m)	February	n/a	n/a	-0.4%
	9:30	Speech of the St. Louis Fed President, J. Bullard				
<b>FRIDAY 27</b>	8:30	Personal income (m/m)	February	0.4%	0.4%	0.6%
	8:30	Personal consumption expenditures (m/m)	February	0.3%	0.3%	0.2%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	February	0.1%	0.1%	0.1%
		Excluding food and energy (m/m)	February	0.2%	0.2%	0.1%
		Total (y/y)	February	1.7%	1.7%	1.7%
		Excluding food and energy (y/y)	February	1.8%	1.8%	1.6%
	10:00	Michigan's consumer sentiment index – final	March	93.3	95.9	95.9
<b>CANADA</b>						
<b>MONDAY 23</b>	8:30	Wholesale sales (m/m)	January	n/a	-0.2%	0.9%
	8:30	Wholesale inventories (m/m)	January	n/a	0.3%	0.4%
<b>TUESDAY 24</b>	---	---				
<b>WEDNESDAY 25</b>	---	---				
<b>THURSDAY 26</b>	---	---				
<b>FRIDAY 27</b>	8:30	Average weekly earnings (y/y)	January	n/a	3.3%	3.4%
	8:30	Number of salaried employees (m/m)	January	n/a	0.1%	0.0%

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 23 to 27, 2020

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
<b>OVERSEAS</b>								
<b>MONDAY 23</b>								
Euro zone	11:00	Consumer confidence – preliminary	March	-13.0		-6.6		
Japan	20:30	PMI composite index – preliminary	March	n/a		47.0		
Japan	20:30	PMI manufacturing index – preliminary	March	n/a		47.8		
Japan	20:30	PMI services index – preliminary	March	n/a		46.8		
<b>TUESDAY 24</b>								
Japan	1:00	Leading indicator – final	January	n/a		90.3		
Japan	1:00	Coincident indicator – final	January	n/a		94.7		
France	4:15	PMI composite index – preliminary	March	38.1		52.0		
France	4:15	PMI manufacturing index – preliminary	March	41.0		49.8		
France	4:15	PMI services index – preliminary	March	41.0		52.5		
Germany	4:30	PMI composite index – preliminary	March	41.0		50.7		
Germany	4:30	PMI manufacturing index – preliminary	March	40.0		48.0		
Germany	4:30	PMI services index – preliminary	March	43.3		52.5		
Euro zone	5:00	PMI composite index – preliminary	March	38.8		51.6		
Euro zone	5:00	PMI manufacturing index – preliminary	March	40.0		49.2		
Euro zone	5:00	PMI services index – preliminary	March	39.8		52.6		
United Kingdom	5:30	PMI composite index – preliminary	March	45.0		53.0		
United Kingdom	5:30	PMI manufacturing index – preliminary	March	45.0		51.7		
United Kingdom	5:30	PMI services index – preliminary	March	45.0		53.2		
<b>WEDNESDAY 25</b>								
Germany	5:00	Ifo survey – Business climate	March	n/a		87.7		
Germany	5:00	Ifo survey – Current situation	March	n/a		93.8		
Germany	5:00	Ifo survey – Expectations	March	n/a		82.0		
United Kingdom	5:30	Consumer price index	February	0.3%	1.7%	-0.3%	1.8%	
United Kingdom	5:30	Producer price index	February	0.0%	0.9%	0.3%	1.1%	
<b>THURSDAY 26</b>								
Germany	3:00	Consumer confidence	April	7.9		9.8		
France	3:45	Business confidence	March	95		105		
France	3:45	Production outlook	March	n/a		0		
Euro zone	5:00	Money supply M3	February	5.2%		5.2%		
United Kingdom	5:30	Retail sales	February	0.2%	0.7%	0.9%	0.8%	
United Kingdom	8:00	Bank of England meeting	March	0.10%		0.10%		
Mexico	15:00	Bank of Mexico meeting	March	6.50%		7.00%		
Japan	19:30	Consumer price index – Tokyo	March		0.3%		0.4%	
<b>FRIDAY 27</b>								
France	3:45	Consumer confidence	March	92		104		
Italy	5:00	Consumer confidence	March	100.5		111.4		
Italy	5:00	Economic confidence	March	n/a		99.8		

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) <sup>1</sup>	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) <sup>1</sup>	2019 Q4*	-109.8	---	---	-498.4	-491.0	-439.6

<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)	Feb.*	112.1	0.1	0.5	0.3	0.7
ISM manufacturing index <sup>1</sup>	Feb.	50.1	50.9	48.1	48.8	54.1
ISM non-manufacturing index <sup>1</sup>	Feb.	57.3	55.5	53.9	56.0	58.5
Cons. confidence Conference Board (1985 = 100) <sup>1</sup>	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)	Jan.	4,203	0.3	1.0	2.1	4.4
Retail sales (\$M)	Feb.*	528,113	-0.5	0.1	0.2	4.3
<i>Excluding automobiles (\$M)</i>	Feb.*	422,110	-0.4	0.6	0.4	4.2
Industrial production (2012 = 100)	Feb.*	109.6	0.6	-0.4	-0.2	0.0
Production capacity utilization rate (%) <sup>1</sup>	Feb.*	77.0	76.6	77.6	77.8	78.5
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)	Jan.*	2,035	-0.1	-0.3	-0.3	1.1
Housing starts (k) <sup>1</sup>	Feb.*	1,599	1,624	1,381	1,375	1,149
Building permits (k) <sup>1</sup>	Feb.*	1,464	1,550	1,474	1,425	1,287
New home sales (k) <sup>1</sup>	Jan.	764.0	708.0	707.0	660.0	644.0
Existing home sales (k) <sup>1</sup>	Feb.*	5,770	5,420	5,320	5,430	5,380
Commercial surplus (\$M) <sup>1</sup>	Jan.	-45,338	-48,613	-47,448	-53,173	-53,817
Nonfarm employment (k) <sup>2</sup>	Feb.	152,544	273.0	730.0	1,384	2,409
Unemployment rate (%) <sup>1</sup>	Feb.	3.5	3.6	3.5	3.7	3.8
Consumer price (1982-1984 = 100)	Feb.	259.1	0.1	0.5	1.1	2.3
<i>Excluding food and energy</i>	Feb.	267.1	0.2	0.6	1.1	2.4
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)	Feb.	118.7	-0.6	0.1	0.1	1.3
Export prices (2000 = 100)	Feb.	124.4	-1.1	-0.6	-0.9	-1.3
Import prices (2000 = 100)	Feb.	124.4	-0.5	-0.2	-0.4	-1.2

<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	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) <sup>1</sup>	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) <sup>1</sup>	2019 Q4	-8,757	---	---	-45,388	-55,499	-60,193
Production capacity utilization rate (%) <sup>1</sup>	2019 Q4	81.2	---	---	81.7	83.0	81.5
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

<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)	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)	Jan.*	56,096	-0.2	-1.9	-1.7	-1.2
Housing starts (k) <sup>1</sup>	Feb.	210.1	214.0	205.5	225.8	165.7
Building permits (\$M)	Jan.	9,246	4.0	10.5	9.5	11.2
Retail sales (\$M)	Jan.*	51,974	0.4	1.8	0.9	3.4
<i>Excluding automobiles (\$M)</i>	Jan.*	37,915	-0.1	1.1	0.6	3.3
Wholesale trade sales (\$M)	Dec.	63,885	0.9	-1.5	-0.5	1.5
Commercial surplus (\$M) <sup>1</sup>	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) <sup>2</sup>	Feb.	19,189	30.3	30.7	12.7	20.4
Unemployment rate (%) <sup>1</sup>	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) <sup>2</sup>	Dec.	17,042	-0.4	7.0	17.0	23.3
Consumer price (2002 = 100)	Feb.*	137.4	0.4	0.7	0.4	2.2
<i>Excluding food and energy</i>	Feb.*	132.1	0.8	0.8	0.6	1.9
<i>Excluding 8 volatile items</i>	Feb.*	135.5	0.7	0.7	0.8	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

<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		
	March 20	March 13	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
<b>United States</b>									
Federal funds – target	0.25	1.25	1.75	1.75	2.00	2.50	2.50	2.07	0.25
Treasury bill – 3 months	-0.02	0.27	1.53	1.55	1.87	2.41	2.41	1.80	-0.02
Treasury bonds – 2 years	0.37	0.49	1.35	1.63	1.72	2.32	2.43	1.68	0.34
– 5 years	0.56	0.78	1.32	1.73	1.63	2.25	2.40	1.68	0.47
– 10 years	0.98	0.95	1.48	1.92	1.75	2.46	2.59	1.87	0.50
– 30 years	1.60	1.57	1.92	2.35	2.20	2.89	3.00	2.34	1.03
S&P 500 index (level)	2,432	2,711	3,338	3,221	2,992	2,801	3,386	3,009	2,386
DJIA index (level)	20,445	23,186	28,992	28,455	26,935	25,502	29,551	26,886	19,899
Gold price (US\$/ounce)	1,495	1,531	1,642	1,477	1,504	1,313	1,674	1,455	1,268
CRB index (level)	127.71	140.84	174.65	185.04	177.34	184.16	189.66	176.42	120.34
WTI oil (US\$/barrel)	24.22	31.50	53.81	60.44	58.09	58.89	66.43	55.86	20.37
<b>Canada</b>									
Overnight – target	0.75	1.25	1.75	1.75	1.75	1.75	1.75	1.72	0.75
Treasury bill – 3 months	0.44	0.61	1.63	1.66	1.63	1.64	1.71	1.60	0.36
Treasury bonds – 2 years	0.58	0.49	1.42	1.65	1.57	1.54	1.73	1.48	0.46
– 5 years	0.81	0.65	1.29	1.63	1.42	1.48	1.70	1.41	0.52
– 10 years	0.91	0.82	1.28	1.61	1.39	1.60	1.80	1.45	0.53
– 30 years	1.33	1.33	1.38	1.66	1.54	1.89	2.09	1.65	0.71
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.50	0.00	0.00	0.00	-0.25	-0.75	0.50	-0.35	-0.75
Treasury bill – 3 months	0.46	0.34	0.10	0.11	-0.24	-0.77	0.46	-0.20	-0.76
Treasury bonds – 2 years	0.21	0.00	0.07	0.02	-0.15	-0.78	0.31	-0.20	-0.83
– 5 years	0.25	-0.13	-0.03	-0.10	-0.21	-0.77	0.25	-0.27	-0.81
– 10 years	-0.07	-0.13	-0.20	-0.31	-0.36	-0.86	0.05	-0.42	-0.87
– 30 years	-0.26	-0.24	-0.54	-0.69	-0.66	-1.00	-0.06	-0.69	-1.02
S&P/TSX index (level)	12,550	13,716	17,844	17,118	16,900	16,089	17,944	16,555	11,721
Exchange rate (C\$/US\$)	1.4269	1.3805	1.3224	1.3148	1.3261	1.3429	1.4513	1.3280	1.2965
Exchange rate (C\$/€)	1.5325	1.5332	1.4341	1.4567	1.4611	1.5194	1.5832	1.4768	1.4286
<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\$/€)	1.0738	1.1107	1.0845	1.1079	1.1018	1.1314	1.1449	1.1121	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.25	0.75	0.75	0.75	0.75	0.75	0.73	0.10
Bonds – 10 years	0.56	0.38	0.57	0.79	0.55	1.01	1.23	0.72	0.17
FTSE index (level)	5,212	5,366	7,404	7,582	7,345	7,208	7,687	7,275	5,081
Exchange rate (US\$/£)	1.1880	1.2278	1.2971	1.3004	1.2479	1.3212	1.3331	1.2739	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.32	-0.58	-0.43	-0.25	-0.52	-0.02	0.08	-0.34	-0.84
DAX index (level)	8,965	9,232	13,579	13,319	12,468	11,364	13,789	12,416	8,442
<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)	16,553	17,431	23,387	23,817	22,079	21,627	24,084	22,001	16,553
Exchange rate (US\$/¥)	110.91	107.93	111.59	109.45	107.57	109.93	112.19	108.76	102.36

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.