

## WEEKLY NEWSLETTER

# The Shock of COVID-19 Is Increasingly Obvious in Economic Statistics

### HIGHLIGHTS

- ▶ United States: Unprecedented drops in retail sales and industrial production.
- ▶ United States: Regional manufacturing indexes continued their descent in April.
- ▶ The U.S. leading indicator sees its strongest monthly decline.
- ▶ The Bank of Canada left its key rates unchanged, while expanding its bond buying program.
- ▶ Canada: Real GDP by industry fell roughly 9% in March, while the first quarter as a whole wound up with a drop in real GDP of about 2.6% (non-annualized).
- ▶ Canada: Sales of existing properties fell in March.

### A LOOK AHEAD

- ▶ Home sales likely fell in the United States.
- ▶ Canada: Total inflation should begin to retreat.

### FINANCIAL MARKETS

- ▶ The stock markets seesawed.
- ▶ A great week for the bond market.
- ▶ Less volatility on the currency markets.

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François Dupuis, Vice-President and Chief Economist • Mathieu D'Anjou, Deputy Chief 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.economicstudies@desjardins.com](mailto:desjardins.economicstudies@desjardins.com) • [desjardins.com/economicstudies](https://desjardins.com/economicstudies)

NOTE TO READERS: The letters k, M and B are used in texts and tables to refer to thousands, millions and billions respectively.

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## Key Statistics of the Week

### UNITED STATES

- ▶ Retail sales dropped 8.7% in March after posting a modest 0.4% decline in February. This is the worst slump in retail sales since monthly figures started to be released in 1992. Motor vehicle sales plummeted 25.6%, and the value of service station sales fell 17.2%. Excluding motor vehicles and gas, sales tumbled 3.1%.
- ▶ Industrial output fell 5.4% in March after rising 0.5% in February. A worse decline has not been seen since data began to be reported in 1950. Manufacturing output retreated 6.3%. Mining activity saw a 2.0% decrease, while energy production dropped 3.9%.
- ▶ Housing starts plunged 22.3% in March after decreasing 3.4% in February. This marks the biggest monthly drop since March 1984. However, the 1,216,000 units recorded in March is still above summer 2019 numbers. The contraction in building permits is less severe. Building permits slid 6.8% in March after retreating 6.3% in February.
- ▶ The NAHB homebuilder confidence index fell from 72 in March to 30 in April, its lowest level since June 2012.
- ▶ The first two regional manufacturing indexes to be released for April show further major pullbacks. The manufacturing index of the Federal Reserve Bank of Philadelphia dropped from -12.7 to -56.6, the lowest it has been since July 1980. The Empire manufacturing index of the Federal Reserve Bank of New York tumbled from -21.5 to -78.2, its all-time low.
- ▶ The Conference Board's U.S. leading indicator slid 6.7% in March after falling 0.2% in February. This is the sharpest monthly decline since its creation in 1959. The main negative contribution came from the jobless claims component, which trimmed 5.5 percentage points from the index. The stock market, building permits, hours worked and the ISM index are also having a draining effect.

**Francis Généreux**, Senior economist

### CANADA

- ▶ As expected, the Bank of Canada (BoC) left the target for the overnight rate at its effective lower bound of 0.25%. The BoC also expanded its bond buying program to purchases of provincial and corporate bonds. The *Monetary Policy Report* released by the BoC does not contain a specific economic and financial outlook due to the high degree of uncertainty. However, BoC analysis of alternative scenarios suggests the level of real activity was down from 1% to 3% in the first quarter of 2020, and will be from 15% to 30% lower in the second quarter than in the fourth quarter of 2019.
- ▶ Exceptionally, Statistics Canada published flash estimates this week of the variation in real GDP in March and in the first quarter of 2020. These results were not initially supposed to be released until May 29. Without going into details about the various components, Statistics Canada's preliminary estimates show that real GDP by industry decreased roughly 9% in March. This is the steepest monthly decline since these data began to be taken in 1961. For the first quarter as a whole, real GDP dropped around 2.6%, close to a quarterly annualized 10%.
- ▶ Sales of existing properties tumbled 14.3% in March due to a significant decrease across all provinces. New listings retreated 12.5% in March such that the number of months of inventory did not fluctuate much. At 4.3 months of inventory in March, this ratio sits at its average for the last six months. Downward pressure on prices has therefore remained limited. As a result, the average price of existing properties decreased just 0.1% during the month.

**Benoit P. Durocher**, Senior economist

# Financial Markets

## Investors Are Hesitating between the Current Problems and Hopes of a Reopening

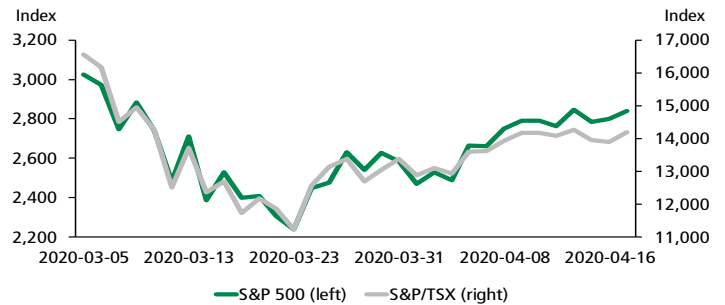
After posting spectacular gains last week, the main U.S. indexes pulled back just over 1% during Monday’s session before the start of a earnings season that was looking to be difficult. Despite the results of U.S. banks already showing major effects of the pandemic and the International Monetary Fund’s (IMF) forecasts suggesting a 3% contraction of the global economy in 2020, optimism was in the air once again on Tuesday, as investors turned their attention to the possibility of a near-term reopening of the U.S. economy. The roller coaster ride continued on Wednesday, as plummeting retail sales and industrial production in the United States in March seemed to draw people’s attention back to the sheer size of the current problems. However, hopes of an effective treatment against COVID-19 worked in favour of the stock markets Friday.

Bond yields fell sharply on Wednesday in response to weak U.S. economic figures. These figures and the IMF’s forecasts seem to confirm the magnitude of the current economic shock, which should convince central banks to hold key rates at their floor levels for a long time to come and to continue their financial asset purchases. In Canada, the latest forecasts from the Bank of Canada (BoC) also suggest a major economic contraction and very low inflation. The BoC’s decision to start purchasing provincial bonds with a longer-term maturity and even corporate bonds also favoured a major reduction in credit spreads.

The U.S. dollar hardly fell on average against the main currencies at the beginning of the week. Encouraging news arrived from Europe, as, among other things, some governments are beginning to allow businesses—and even schools—to reopen. The euro neared US\$1.10 on Tuesday. The greenback then regained strength as the demand for safe havens remains high, all in all, during these still uncertain times. Nonetheless, the rebound on the markets on Friday coincided with a new drop in the value of the U.S. currency. The euro was worth approximately US\$1.09 at the time of writing. Like many currencies, the Canadian dollar was struggling mid-week. The BoC’s significant prudence and the new securities purchasing programs likely contributed to the loonie’s depreciation. The loonie fell below US\$0.71 on Wednesday before rising once again.

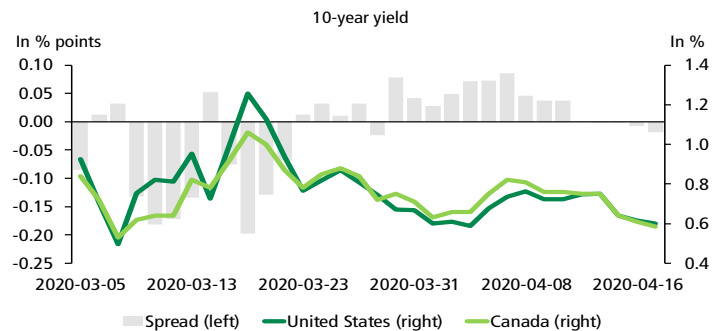
**Mathieu D’Anjou, CFA**, Deputy Chief Economist  
**Hendrix Vachon**, Senior Economist

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



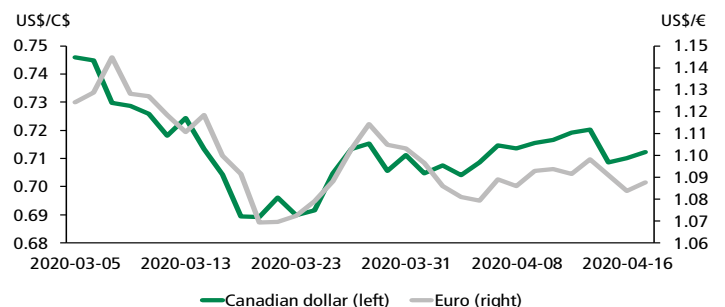
Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

## TUESDAY April 21 - 10:00

March	ann. rate
Consensus	5,380,000
Desjardins	5,500,000
<b>February</b>	<b>5,770,000</b>

## THURSDAY April 23 - 10:00

March	ann. rate
Consensus	650,000
Desjardins	660,000
<b>February</b>	<b>765,000</b>

## FRIDAY April 24 - 8:30

March	m/m
Consensus	-12.0%
Desjardins	-5.3%
<b>February</b>	<b>1.2%</b>

## MONDAY April 20 - 8:30

February	m/m
Consensus	n/a
Desjardins	0.3%
<b>January</b>	<b>1.8%</b>

## TUESDAY April 21 - 8:30

February	m/m
Consensus	n/a
Desjardins	0.6%
<b>January</b>	<b>0.4%</b>

## WEDNESDAY April 22 - 8:30

March	m/m
Consensus	n/a
Desjardins	-0.1%
<b>February</b>	<b>0.4%</b>

## THURSDAY April 23 - 4:00

April	
Consensus	26.0
<b>March</b>	<b>29.7</b>

## UNITED STATES

**Existing home sales (March)** – Sales of new homes are not expected to have been overly affected by the COVID-19 crisis in March. Regional information suggests a still high level of activity for the month overall, despite a decline in recent weeks. Pending sales are even signalling decent growth. Nevertheless, we expect a slowdown nationally that could bring the annualized sales volume to 5,500,000 units. A sharper drop is, however, anticipated in April.

**New home sales (March)** – Sales of new single-family homes fell 4.4% in February, but a much steeper contraction is expected in March. The 12.3% drop in building permits for single-family homes in the past month clearly points towards lower sales. Just like mortgage applications in view of purchase, the homebuilder confidence index began to decrease in March (before plummeting in April). Single-family home sales are expected to hit 660,000 units in March, with a steeper tumble expected for April.

**New durable goods orders (March)** – New durable goods orders were up 1.2% in February owing mainly to an increase of 4.6% from the transportation sector. However, this sector should make a considerable negative contribution in March. It is expected to see a pullback of more than 11%, with declines in both the auto and the civil aviation sectors. Excluding transportation, a 2.0% decrease in orders is anticipated, in line with the decline in the “new orders” component of the ISM manufacturing index and the contraction in manufacturing reported in March. All in all, a retreat of more than 5% in new durable goods orders is anticipated.

## CANADA

**Wholesale sales (February)** – The rail transportation disruptions in February should hamper wholesale trade growth during the month. After two months of strong growth, the ground lost during a tough fall last year has been pretty much regained. This suggests that the increase in wholesale sales will return to a more modest pace in February.

**Retail sales (February)** – According to interim data, the number of new motor vehicles sold rose about 2.4% in February, which will boost car dealership sales. The seasonally adjusted price of goods was down 0.2% in February, suggesting that the value of sales could fall in a number of sectors, especially service stations. Retail sales could therefore be up around 0.6% for the month.


**Consumer price index (March)** – Gas prices at the pump tumbled roughly 16% in March. This should lead to a contribution of -0.53% to the monthly variation in the total consumer price index (CPI). The decrease will be partly offset by a seasonal increase in prices, particularly for clothing and footwear. In the end, the total CPI could drop 0.1% in March. Total annual inflation could therefore slip from 2.2% to 1.4%.


## OVERSEAS

**Eurozone: PMI index (April – preliminary)** – The PMI indexes of most economies took a dramatic dive in March. In the eurozone, the composite index fell from 51.6 to 29.7. While the manufacturing sector had been the one to drag the composite index down over the past two years, this time it is decidedly the services sector, hit hard by the COVID-19 crisis, that dealt a blow in March. The manufacturing index fell from 49.2 to 44.5, whereas the Euroland services PMI tumbled from 52.6 to 26.4. It now remains to be seen how the PMI indexes will react in April. Can they go any lower?

# Economic Indicators

## Week of April 20 to 24, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 20</b>						
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<b>TUESDAY 21</b>						
	10:00	Existing home sales (ann. rate)	March	5,380,000	5,500,000	5,770,000
<b>WEDNESDAY 22</b>						
	---	---				
<b>THURSDAY 23</b>						
	8:30	Initial unemployment claims	April 13-17	4,500,000	4,000,000	5,245,000
	10:00	New home sales (ann. rate)	March	650,000	660,000	765,000
<b>FRIDAY 24</b>						
	8:30	Durable goods orders (m/m)	March	-12.0%	-5.3%	1.2%
	10:00	Michigan's consumer sentiment index – final	April	67.7	66.0	71.0
<b>CANADA</b>						
<b>MONDAY 20</b>						
	8:30	Wholesale sales (m/m)	February	n/a	0.3%	1.8%
	8:30	Wholesale inventories (m/m)	February	n/a	0.4%	0.1%
<b>TUESDAY 21</b>						
	8:30	New housing price index (m/m)	March	n/a	0.1%	0.4%
	8:30	Retail sales				
		Total (m/m)	February	n/a	0.6%	0.4%
		Excluding automobiles (m/m)	February	n/a	0.2%	-0.1%
<b>WEDNESDAY 22</b>						
	8:30	Consumer price index				
		Total (m/m)	March	n/a	-0.1%	0.4%
		Excluding food and energy (m/m)	March	n/a	0.4%	0.8%
		Total (y/y)	March	n/a	1.4%	2.2%
		Excluding food and energy (y/y)	March	n/a	2.0%	1.9%
<b>THURSDAY 23</b>						
	---	---				
<b>FRIDAY 24</b>						
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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 April 20 to 24, 2020

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
<b>OVERSEAS</b>								
<b>SUNDAY 19</b>								
Japan	19:50	Trade balance (¥B)	March	-115.0		498.3		
<b>MONDAY 20</b>								
Euro zone	5:00	Trade balance (€B)	February	20.0		17.3		
<b>TUESDAY 21</b>								
United Kingdom	2:00	ILO unemployment rate	February	3.9%		3.9%		
Germany	5:00	ZEW survey – Current situation	April	-75.0		-43.1		
Germany	5:00	ZEW survey – Expectations	April	-42.0		-49.5		
<b>WEDNESDAY 22</b>								
United Kingdom	2:00	Consumer price index	March	0.0%	1.5%	0.4%	1.7%	
France	2:45	Business confidence	April	80		95		
France	2:45	Production outlook	April	-45		-33		
Euro zone	10:00	Consumer confidence – preliminary	April	-20.0		-11.6		
Japan	20:30	PMI composite index – preliminary	April	n/a		36.2		
Japan	20:30	PMI manufacturing index – preliminary	April	n/a		44.8		
Japan	20:30	PMI services index – preliminary	April	n/a		33.8		
<b>THURSDAY 23</b>								
United Kingdom	2:00	Retail sales	March	-4.9%	-5.0%	-0.3%	0.0%	
Germany	2:00	Consumer confidence	May	-1.7		2.7		
France	3:15	PMI composite index – preliminary	April	25.3		28.9		
France	3:15	PMI manufacturing index – preliminary	April	37.5		43.2		
France	3:15	PMI services index – preliminary	April	25.0		27.4		
Germany	3:30	PMI composite index – preliminary	April	28.8		35.0		
Germany	3:30	PMI manufacturing index – preliminary	April	39.0		45.4		
Germany	3:30	PMI services index – preliminary	April	28.1		31.7		
Euro zone	4:00	PMI composite index – preliminary	April	26.0		29.7		
Euro zone	4:00	PMI manufacturing index – preliminary	April	38.0		44.5		
Euro zone	4:00	PMI services index – preliminary	April	24.0		26.4		
United Kingdom	4:30	PMI composite index – preliminary	April	31.0		36.0		
United Kingdom	4:30	PMI manufacturing index – preliminary	April	42.0		47.8		
United Kingdom	4:30	PMI services index – preliminary	April	29.0		34.5		
United Kingdom	19:01	Consumer confidence	April	-40		-34		
Japan	19:30	Consumer price index	March		0.4%		0.4%	
<b>FRIDAY 24</b>								
Japan	0:30	All industry activity index	February	-0.5%		0.8%		
Germany	4:00	Ifo survey – Business climate	April	80.0		86.1		
Germany	4:00	Ifo survey – Current situation	April	81.0		93.0		
Germany	4:00	Ifo survey – Expectations	April	75.0		79.7		
Russia	6:30	Bank of Russia meeting	April	5.75%		6.00%		

Note: In contrast to the situation in Canada and the United States, disclosure of overseas economic figures is much more approximate. The day of publication is therefore shown for information purposes only. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. The times shown are Daylight Saving Time (GMT - 4 hours).

**UNITED STATES**
**Quarterly economic indicators**

	REF. QUART.	LEVEL	VARIATION (%)		ANNUAL VARIATION (%)		
			Quart. ann.	1 year	2019	2018	2017
Gross domestic product (2012 \$B)	2019 Q4	19,222	2.1	2.3	2.3	2.9	2.4
Consumption (2012 \$B)	2019 Q4	13,414	1.8	2.7	2.6	3.0	2.6
Government spending (2012 \$B)	2019 Q4	3,331	2.5	3.0	2.3	1.7	0.7
Residential investment (2012 \$B)	2019 Q4	603.1	6.5	1.7	-1.5	-1.5	3.5
Non-residential investment (2012 \$B)	2019 Q4	2,726	-2.4	-0.4	2.1	6.4	4.4
Business inventory change (2012 \$B) <sup>1</sup>	2019 Q4	13.1	---	---	67.0	48.1	31.7
Exports (2012 \$B)	2019 Q4	2,536	2.1	0.3	0.0	3.0	3.5
Imports (2012 \$B)	2019 Q4	3,437	-8.4	-2.1	1.0	4.4	4.7
Final domestic demand (2012 \$B)	2019 Q4	20,066	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)	March*	104.2	-6.7	-6.5	-6.6	-6.5
ISM manufacturing index <sup>1</sup>	March	49.1	50.1	47.8	48.2	54.6
ISM non-manufacturing index <sup>1</sup>	March	52.5	57.3	54.9	53.5	56.3
Cons. confidence Conference Board (1985 = 100) <sup>1</sup>	March	120.0	132.6	128.2	126.3	124.2
Personal consumption expenditure (2012 \$B)	Feb.	13,458	0.1	0.3	0.8	3.0
Disposable personal income (2012 \$B)	Feb.	15,214	0.4	0.8	1.3	2.2
Consumer credit (\$B)	Feb.	4,226	0.5	1.3	2.1	4.5
Retail sales (\$M)	March*	483,066	-8.7	-8.4	-7.9	-6.2
<i>Excluding automobiles (\$M)</i>	March*	403,764	-4.5	-4.2	-3.7	-1.7
Industrial production (2012 = 100)	March*	103.7	-5.4	-5.4	-5.3	-5.5
Production capacity utilization rate (%) <sup>1</sup>	March*	72.7	77.0	77.1	77.4	78.4
New machinery orders (\$M)	Feb.	497,428	0.0	1.4	-0.4	0.1
New durable good orders (\$M)	Feb.	249,508	1.2	4.1	-0.5	0.0
Business inventories (\$B)	Feb.*	2,013	-0.4	-0.7	-0.9	-0.1
Housing starts (k) <sup>1</sup>	March*	1,216	1,564	1,601	1,266	1,199
Building permits (k) <sup>1</sup>	March*	1,353	1,452	1,420	1,391	1,288
New home sales (k) <sup>1</sup>	Feb.	765.0	800.0	700.0	708.0	669.0
Existing home sales (k) <sup>1</sup>	Feb.	5,770	5,420	5,320	5,430	5,380
Commercial surplus (\$M) <sup>1</sup>	Feb.	-39,932	-45,482	-43,793	-53,927	-51,252
Nonfarm employment (k) <sup>2</sup>	March	151,786	-701.0	-212.0	418.0	1,504
Unemployment rate (%) <sup>1</sup>	March	4.4	3.5	3.5	3.5	3.8
Consumer price (1982-1984 = 100)	March*	258.0	-0.4	-0.2	0.5	1.5
<i>Excluding food and energy</i>	March*	266.8	-0.1	0.4	0.8	2.1
Personal cons. expenditure deflator (2012 = 100)	Feb.	110.8	0.1	0.5	0.8	1.8
<i>Excluding food and energy</i>	Feb.	112.9	0.2	0.6	0.8	1.8
Producer price (2009 = 100)	March	118.5	-0.2	-0.3	0.2	0.7
Export prices (2000 = 100)	March*	122.4	-1.6	-2.1	-2.2	-3.6
Import prices (2000 = 100)	March*	121.4	-2.3	-2.9	-2.9	-4.1

<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)	Jan.	1,986,692	0.1	0.5	0.6	1.8
Industrial production (2012 \$M)	Jan.	396,409	0.2	0.2	-0.4	-0.8
Manufacturing sales (\$M)	Feb.*	56,177	0.5	-0.8	-2.3	-0.9
Housing starts (k) <sup>1</sup>	March	195.2	210.6	196.6	221.5	192.8
Building permits (\$M)	Feb.	8,555	-7.3	5.5	-5.9	6.7
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)	Jan.	65,178	1.8	1.7	0.1	3.2
Commercial surplus (\$M) <sup>1</sup>	Feb.	-982.7	-1,657	-642.5	-1,425	-3,302
<i>Exports (\$M)</i>	Feb.	48,341	0.5	-1.0	-3.6	0.3
<i>Imports (\$M)</i>	Feb.	49,324	-0.8	-0.3	-4.4	-4.3
Employment (k) <sup>2</sup>	March	18,179	-1,011	-315.3	-162.7	-63.8
Unemployment rate (%) <sup>1</sup>	March	7.8	5.6	5.6	5.5	5.7
Average weekly earnings (\$)	Jan.	1,051	0.6	0.5	2.1	4.0
Number of salaried employees (k) <sup>2</sup>	Jan.	17,123	64.9	27.5	17.7	24.4
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)	Feb.	116.7	-0.5	-0.5	-0.7	-0.3
Raw materials price (2010 = 100)	Feb.	99.1	-4.7	-4.3	-5.0	-5.9
Money supply M1+ (\$M)	Feb.	1,102,040	2.0	2.7	4.8	9.8

<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		
	April 17	April 10	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
<b>United States</b>									
Federal funds – target	0.25	0.25	0.25	1.75	2.00	2.50	2.50	1.90	0.25
Treasury bill – 3 months	0.11	0.25	0.05	1.53	1.63	2.37	2.41	1.63	-0.05
Treasury bonds – 2 years	0.20	0.22	0.36	1.57	1.57	2.39	2.40	1.52	0.20
– 5 years	0.33	0.41	0.52	1.63	1.56	2.36	2.38	1.53	0.33
– 10 years	0.60	0.72	0.94	1.84	1.75	2.56	2.59	1.73	0.50
– 30 years	1.20	1.35	1.56	2.30	2.25	2.96	2.99	2.21	1.03
S&P 500 index (level)	2,839	2,790	2,305	3,330	2,986	2,905	3,386	2,990	2,237
DJIA index (level)	23,850	23,719	19,174	29,348	26,770	26,560	29,551	26,586	18,592
Gold price (US\$/ounce)	1,693	1,682	1,487	1,557	1,490	1,275	1,731	1,482	1,268
CRB index (level)	124.37	127.82	123.89	182.89	175.75	187.13	187.92	171.72	118.50
WTI oil (US\$/barrel)	18.13	25.09	25.91	58.54	53.78	64.00	66.43	52.71	16.60
<b>Canada</b>									
Overnight – target	0.25	0.25	0.75	1.75	1.75	1.75	1.75	1.61	0.25
Treasury bill – 3 months	0.25	0.24	0.42	1.64	1.67	1.67	1.71	1.49	0.18
Treasury bonds – 2 years	0.33	0.39	0.56	1.64	1.64	1.62	1.73	1.40	0.33
– 5 years	0.42	0.59	0.76	1.58	1.55	1.61	1.70	1.34	0.42
– 10 years	0.58	0.76	0.87	1.57	1.54	1.77	1.79	1.38	0.53
– 30 years	1.25	1.33	1.28	1.68	1.65	2.05	2.08	1.59	0.71
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.00	0.00	0.50	0.00	-0.25	-0.75	0.50	-0.29	-0.75
Treasury bill – 3 months	0.14	-0.01	0.37	0.11	0.04	-0.70	0.53	-0.14	-0.73
Treasury bonds – 2 years	0.14	0.17	0.20	0.07	0.07	-0.77	0.31	-0.13	-0.83
– 5 years	0.09	0.18	0.24	-0.05	-0.01	-0.75	0.29	-0.19	-0.81
– 10 years	-0.02	0.04	-0.07	-0.27	-0.21	-0.79	0.09	-0.35	-0.85
– 30 years	0.05	-0.02	-0.28	-0.62	-0.60	-0.91	0.05	-0.62	-0.97
S&P/TSX index (level)	14,181	14,167	11,852	17,559	16,377	16,613	17,944	16,326	11,228
Exchange rate (C\$/US\$)	1.4041	1.3954	1.4365	1.3064	1.3126	1.3392	1.4513	1.3337	1.2965
Exchange rate (C\$/€)	1.5272	1.5260	1.5363	1.4487	1.4663	1.5064	1.5832	1.4795	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\$/€)	1.0877	1.0936	1.0695	1.1090	1.1171	1.1249	1.1449	1.1094	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.75	0.75	0.75	0.75	0.68	0.10
Bonds – 10 years	0.30	0.27	0.49	0.63	0.70	1.20	1.22	0.66	0.17
FTSE index (level)	5,774	5,843	5,191	7,675	7,151	7,460	7,687	7,140	4,994
Exchange rate (US\$/£)	1.2497	1.2455	1.1643	1.3010	1.2973	1.2993	1.3331	1.2678	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.48	-0.35	-0.34	-0.25	-0.39	0.02	0.04	-0.37	-0.84
DAX index (level)	10,595	10,565	8,929	13,526	12,634	12,222	13,789	12,276	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)	19,897	19,499	16,553	24,041	22,493	22,201	24,084	21,783	16,553
Exchange rate (US\$/¥)	107.50	108.48	110.82	110.16	108.43	111.92	112.19	108.55	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.