

# WEEKLY NEWSLETTER

## First Quarter GDP Shed Light on the Extent of the Economic Difficulties

### HIGHLIGHTS

- ▶ The Federal Reserve leaves rates unchanged but remains fully committed to supporting the economy.
- ▶ United States: First drop in real GDP since 2014.
- ▶ U.S. consumer confidence slumps.
- ▶ United States: ISM manufacturing index drops... but less than anticipated.
- ▶ Canada: Real GDP by industry barely changed in February...before taking a historic dive in March.
- ▶ Canada: The manufacturing sector Markit PMI index continued its downward trend in April.

### A LOOK AHEAD

- ▶ United States: A sharp decline in the non-manufacturing ISM is expected.
- ▶ Over 20,000,000 jobs lost in April in the United States?
- ▶ Canada: Major labour market challenges should continue in April.
- ▶ Canada: The merchandise trade balance could deteriorate in March.

### FINANCIAL MARKETS

- ▶ After an excellent April, stock markets are once again trending downward.
- ▶ Tiff Macklem will be the next governor of the Bank of Canada.
- ▶ The U.S. dollar depreciated against several currencies.

### 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> ..... 8
Financial Markets..... 3	Economic Indicators of the Week ..... 6	<i>Major financial indicators</i> ..... 10

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# Key Statistics of the Week

## UNITED STATES

- ▶ The Federal Reserve (Fed) decided to maintain the target range for the federal funds rate at 0.00% to 0.25%. The Fed expects to maintain this target range until it is confident that the economy has weathered recent events and will continue to purchase Treasury securities and agency residential and commercial mortgage-backed securities. The Fed is committed to using its full range of tools to support the economy.
- ▶ Real GDP dropped 4.8% (annualized) in the first quarter of 2020, according to the advance estimate of national accounts. This is the first quarterly drop in real GDP since winter 2014 and the sharpest one since 2008.
- ▶ Included in real GDP data, the real consumption results for March reflect the magnitude of the mayhem caused by the COVID-19 pandemic. It dropped 7.3 points. Before this dismal performance, the worst monthly decline was 0.9%. While consumption of durable goods fell 14.8%, consumption of non-durable goods jumped 4.3%, buoyed by food. Real consumption of services tumbled 9.5%.
- ▶ There were 3,839,000 new jobless claims in the United States during the week ending April 25. This is an extremely high number, but nonetheless represents a fourth straight drop since the record-breaking 6,867,000 claims during the week ending March 28.
- ▶ The ISM manufacturing index fell in April from 49.1 the month before to 41.5, its lowest point since April 2009. The April decline is less steep than feared, however, owing to an increase in the supplier deliveries component. According to the Institute for Supply Management, the manufacturing index is now at a level comparable to that of a recession in the United States.
- ▶ The Conference Board consumer confidence index suffered its worst slump in April since monthly data began to be released in 1977. The 31.9-point tumble dragged the index down from 118.8 in March to 88.9 last month, its lowest level since June 2014. The decrease came exclusively from the present situation component, which shed 90.3 points. The expectations component, meanwhile, ticked up 7.0 points.

Francis Généreux, Senior economist

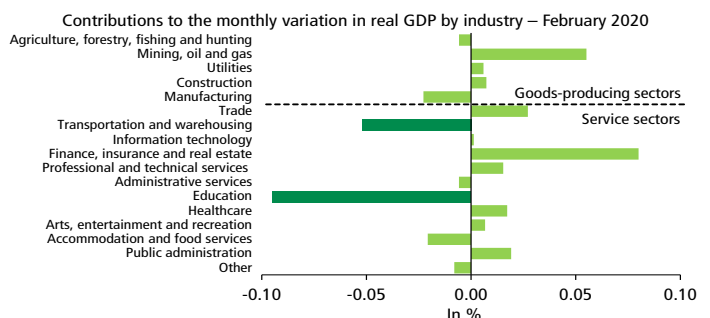
## CANADA

- ▶ The monthly variation in real GDP by industry was practically zero in February. Rail transport disruptions caused by demonstrations, the harmful effects of the spread of COVID-19 elsewhere in the world, and the escalation of rotating elementary and secondary school teacher strikes in Ontario hampered economic growth in February. If we excluded the education, transportation, and warehousing and storage sectors, real GDP by industry would have risen 0.2% in February. Statistics Canada repeated its preliminary estimates for March and the first quarter. The introduction of lockdown measures throughout the country and the harmful effects of the global pandemic on many sectors should cause real GDP by industry to fall approximately 9% in March. For the first quarter as a whole, a 2.6% decline is expected, that is, close to a quarterly annualized variation of -10%.
- ▶ The fall in the Markit PMI manufacturer confidence index intensified, going from 46.1 in March to just 33.0 in April. This significant deterioration is obviously due to the adverse effects of containment measures and the challenges faced by global supply chains as a result of COVID-19. This suggests that manufacturing sector output will decrease dramatically in March and April.

Benoit P. Durocher, Senior economist

## CANADA

### Several disruptive events hampered growth in February



Sources: Statistics Canada and Desjardins, Economic Studies

# Financial Markets

## A Week of Ups and Downs on the Markets

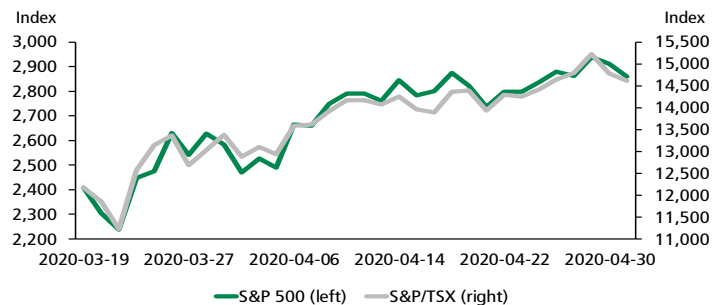
The week got off to a good start on the stock markets, as investor attention seemed to be mostly focused on the plans to reopen the economy announced by several governments. Wednesday's session was especially good, as encouraging news concerning a possible treatment for COVID-19 and some strong corporate results caused the main North American indices to jump more than 2%. This helped the North American stock markets close the month of April up more than 10%. Still, a more negative sentiment returned to the markets during the last two sessions of the week. Economic figures confirming the magnitude of the COVID-19 shock in the United States and Europe, and weaker corporate results seem to have pushed many investors to take profits after the recent rise in the indices. President Donald Trump's harsh words against China are also generating fears of a return to protectionism.

North American bond yields failed to point to a clear trend this week. The Federal Reserve (Fed) made no major announcements during its meeting on Wednesday, but it did clearly signal that it would continue to support the U.S. economy for a long time. Contrary to short-term yields and Canadian bond yields, U.S. long-term yields still managed to rise somewhat this week. In Canada, it was announced on Friday morning that Tiff Macklem will replace Stephen Poloz at the head of the Bank of Canada on June 3.

The optimism of the first half of the week matched the appreciation of several currencies against the U.S. dollar. However, even if investors are once again feeling nervous, the greenback continued to fall against some of them, especially the euro. The appreciation in the common currency mainly occurred on Thursday following the European Central Bank's (ECB) monetary policy meeting. The ECB announced fewer easing measures than anticipated, which created a gap compared to the level of intervention of other central banks, including the Fed. The euro was worth US\$1.10 on Friday morning. Changes in the Canadian dollar continued to track the mood swings on the markets. Initially, the loonie soared, reaching US\$0.72 early on Thursday, then dropped back to around US\$0.71.

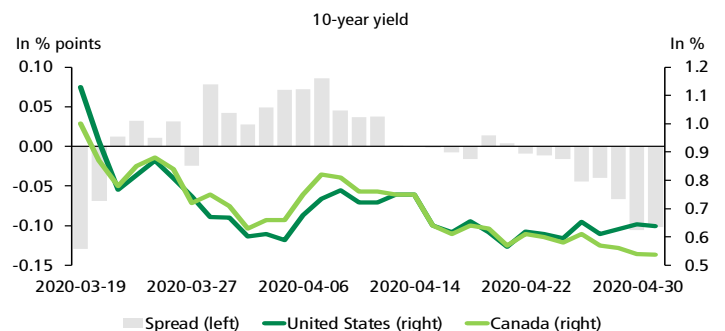
**Mathieu D'Anjou, CFA**, Deputy Chief Economist  
**Hendrix Vachon**, Senior Economist

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



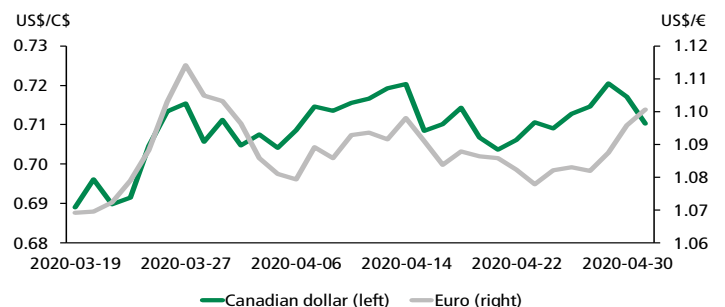
Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

TUESDAY May 5 - 10:00

<b>April</b>	
Consensus	37.2
Desjardins	42.1
<b>March</b>	<b>52.5</b>

FRIDAY May 8 - 8:30

<b>April</b>	
Consensus	-22,000,000
Desjardins	-21,000,000
<b>March</b>	<b>-701,000</b>

TUESDAY May 5 - 8:30

<b>March</b>	<b>\$B</b>
Consensus	-2.65
Desjardins	-3.30
<b>February</b>	<b>-0.98</b>

FRIDAY May 8 - 8:15

<b>April</b>	<b>ann. rate</b>
Consensus	72,500
Desjardins	135,000
<b>March</b>	<b>195,200</b>

FRIDAY May 8 - 8:30

<b>April</b>	
Consensus	-4,000,000
Desjardins	-1,500,000
<b>March</b>	<b>-1,010,700</b>

## UNITED STATES

**ISM non-manufacturing index (April)** – The ISM non-manufacturing index was surprisingly resilient in March. As many other indicators were plunging, particularly the PMI services index published by IHS/Markit, the non-manufacturing ISM dipped from 57.3 to 52.5, a level that continued to indicate growth in economic activity. The 9.5% drop in real consumption of services in March, the 22.3% tumble in housing starts and steep declines in consumer and homebuilder confidence indexes paint a different picture, however. We expect the non-manufacturing ISM to also decrease sharply in April. Regional indexes have all fallen to very low levels as well. The non-manufacturing ISM is predicted to fall to 42.1, with a significant risk of an even deeper contraction.

**Job creation according to the establishment survey (April)** – It is clear that the job market was hit hard by the COVID-19 pandemic and by the health and containment measures, which led to the complete or partial shutdown of many businesses, if not industries. Already in March, 701,000 jobs were lost, the worst decline since 2009 and a result that was far more serious than consensus expectations. However, we know that these job losses, a reflection of the situation in mid-March, will appear quite modest compared to what has happened since. Jobless claims exploded, totalling approximately 26,000,000 between mid-March and mid-April. Although the picture is still blurry, over 20,000,000 job losses can be expected in April considering that the survey took place during the week ending April 18. By comparison, the worst monthly drop since 1950 was “just” 800,000 in March 2009. The jobless rate should jump from 4.4% in March to 15.0% in April, which would be the highest it has been since May 1940. However, labour force movements (a decrease is expected) can change this projection significantly, as a bigger decline would reduce the jobless rate. Hours worked should pull back considerably, but the monthly variation in wages should accelerate due to averaging, as job losses seem to have been higher in services, where wages are generally lower.

## CANADA

**International merchandise trade (March)** – Expressed in seasonally adjusted Canadian dollars, commodity prices were down around 20% in March due mainly to a 38% tumble in energy prices. It goes without saying that this will have a negative effect on the value of Canadian exports, which will also be severely hampered by global supply chains that are struggling as a result of COVID-19. Imports will also suffer owing to global trade challenges and the plunge in domestic demand. Overall, the merchandise trade balance should deteriorate in March.

**Housing starts (April)** – The spread of COVID-19 had virtually no effect on housing starts in March. The adverse effects on residential construction should, however, be much more evident in April. Containment measures have continued and job losses have multiplied, reaching historic heights. Consumer confidence also deteriorated drastically. The conditions are therefore highly unfavourable for new home purchases.

**Labour Force Survey (April)** – After a little over 1,000,000 jobs were shed in March, labour market woes were expected to intensify in April. On the one hand, significant job losses continued at the end of March, after the week in which the Labour Force Survey was taken. On the other hand, the containment measures continued throughout April. Under the circumstances, April should see a loss of about 1,500,000 jobs. It goes without saying that the uncertainty associated with this projection is very high. The unemployment rate should continue to rise and could near 12%.

THURSDAY May 7 - 7:00

**May**

Consensus 0.10%


Desjardins 0.10%


**March 26 0.10%****OVERSEAS**

**United Kingdom: Bank of England meeting (May)** – Like the other major central banks, the Bank of England (BoE) already has a wide array of measures in place to support the economy and financial markets. However, new programs could still be announced or existing ones enhanced. A trend observed among other central banks is the increase in corporate bond purchases to reduce financing spreads. Lower-quality bonds could be added for purchase by the BoE.

# Economic Indicators

## Week of May 4 to 8, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 4</b>	10:00	Durable goods orders (m/m)	March	-9.2%	-6.5%	0.0%
<b>TUESDAY 5</b>	8:30	Trade balance – Goods and services (US\$B)	March	-44.2	-44.2	-39.9
	10:00	ISM non-manufacturing index	April	37.2	42.1	52.5
	10:00	Speech of the Chicago Fed President, C. Evans				
	14:00	Speech of the Atlanta Fed President, R. Bostic				
	14:00	Speech of the St. Louis Fed President, J. Bullard				
<b>WEDNESDAY 6</b>	13:30	Speech of the Atlanta Fed President, R. Bostic				
<b>THURSDAY 7</b>	8:30	Initial unemployment claims	April 27-May 1	3,000,000	3,000,000	3,839,000
	8:30	Nonfarm productivity – preliminary (ann. rate)	Q1	-5.5%	-6.2%	1.2%
	8:30	Unit labor costs – preliminary (ann. rate)	Q1	2.9%	3.5%	0.9%
	15:00	Consumer credit (US\$B)	March	20.750	2.500	22.331
	16:00	Speech of the Philadelphia Fed President, P. Harker				
<b>FRIDAY 8</b>	8:30	Change in nonfarm payrolls	April	-22,000,000	-21,000,000	-701,000
	8:30	Unemployment rate	April	16.0%	15.0%	4.4%
	8:30	Weekly worked hours	April	33.8	33.7	34.2
	8:30	Average hourly earnings (m/m)	April	0.4%	0.6%	0.4%
	10:00	Wholesale inventories – final (m/m)	March	-1.0%	-1.0%	-1.0%
<b>CANADA</b>						
<b>MONDAY 4</b>	---	---				
<b>TUESDAY 5</b>	8:30	International trade (\$B)	March	-2.65	-3.30	-0.98
<b>WEDNESDAY 6</b>	---	---				
<b>THURSDAY 7</b>	10:00	PMI-Ivey index	April	n/a	-30.0	26.0
<b>FRIDAY 8</b>	8:15	Housing starts (ann. rate)	April	72,500	135,000	195,200
	8:30	Building permits (m/m)	March	-20.0%	-20.0%	-7.3%
	8:30	Net change in employment	April	-4,000,000	-1,500,000	-1,010,700
	8:30	Unemployment rate	April	18.2%	12.5%	7.8%

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 May 4 to 8, 2020

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
<b>OVERSEAS</b>								
<b>DURING THE WEEK</b>								
China	---	Trade balance (US\$B)	April	18.80		19.90		
<b>MONDAY 4</b>								
Italy	3:45	PMI manufacturing index	April	30.0		40.3		
France	3:50	PMI manufacturing index – final	April	31.5		31.5		
Germany	3:55	PMI manufacturing index – final	April	34.4		34.4		
Euro zone	4:00	PMI manufacturing index – final	April	33.6		33.6		
<b>TUESDAY 5</b>								
Australia	0:30	Reserve Bank of Australia meeting	May	0.25%		0.25%		
United Kingdom	4:30	PMI composite index – final	April	12.9		12.9		
United Kingdom	4:30	PMI services index – final	April	12.3		12.3		
Euro zone	5:00	Producer price index	March	-1.4%	-2.7%	-0.6%	-1.3%	
<b>WEDNESDAY 6</b>								
Brazil	---	Bank of Brazil meeting	May	3.25%		3.75%		
Germany	2:00	Factory orders	March	-10.0%	-8.6%	-1.4%	1.5%	
Italy	3:45	PMI composite index	April	10.1		20.2		
Italy	3:45	PMI services index	April	9.5		17.4		
France	3:50	PMI composite index – final	April	11.2		11.2		
France	3:50	PMI services index – final	April	10.4		10.4		
Germany	3:55	PMI composite index – final	April	17.1		17.1		
Germany	3:55	PMI services index – final	April	15.9		15.9		
Euro zone	4:00	PMI composite index – final	April	13.5		13.5		
Euro zone	4:00	PMI services index – final	April	11.7		11.7		
United Kingdom	4:30	PMI construction index	April	22.0		39.3		
Euro zone	5:00	Retail sales	March	-10.9%	-5.0%	0.9%	3.0%	
United Kingdom	19:01	Consumer confidence	April	-38		-34		
<b>THURSDAY 7</b>								
Germany	2:00	Industrial production	March	-7.3%	-8.4%	0.3%	-1.2%	
France	2:45	Trade balance (€M)	March	n/a		-5,224		
France	2:45	Current account (€B)	March	n/a		-3.8		
France	2:45	Industrial production	March	-11.0%	-10.6%	0.9%	-1.4%	
France	2:45	Wages – preliminary	Q1	n/a		0.2%		
Italy	4:00	Retail sales	March	15.0%	n/a	0.8%	5.7%	
Norway	4:00	Bank of Norway meeting	May	0.25%		0.25%		
United Kingdom	7:00	Bank of England meeting	May	0.10%		0.10%		
Japan	20:30	PMI composite index – final	April	n/a		27.8		
Japan	20:30	PMI services index – final	April	n/a		22.8		
<b>FRIDAY 8</b>								
Germany	2:00	Trade balance (€B)	March	18.8		20.8		
Germany	2:00	Current account (€B)	March	20.7		23.7		

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)	2020 Q1*	18,988	-4.8	0.3	2.3	2.9	2.4
Consumption (2012 \$B)	2020 Q1*	13,153	-7.6	0.4	2.6	3.0	2.6
Government spending (2012 \$B)	2020 Q1*	3,337	0.7	2.4	2.3	1.7	0.7
Residential investment (2012 \$B)	2020 Q1*	632.6	21.0	7.0	-1.5	-1.5	3.5
Non-residential investment (2012 \$B)	2020 Q1*	2,665	-8.6	-3.6	2.1	6.4	4.4
Business inventory change (2012 \$B) <sup>1</sup>	2020 Q1*	-16.3	---	---	67.0	48.1	31.7
Exports (2012 \$B)	2020 Q1*	2,479	-8.7	-2.9	0.0	3.0	3.5
Imports (2012 \$B)	2020 Q1*	3,297	-15.3	-5.8	1.0	4.4	4.7
Final domestic demand (2012 \$B)	2020 Q1*	19,791	-5.4	0.4	2.3	3.0	2.5
GDP deflator (2012 = 100)	2020 Q1*	113.4	1.3	1.7	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)	2020 Q1*	140.0	3.2	2.8	2.7	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>	April*	41.5	49.1	50.9	48.5	53.4
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>	April*	86.9	118.8	130.4	126.1	129.2
Personal consumption expenditure (2012 \$B)	March*	12,501	-7.3	-6.9	-6.6	-5.0
Disposable personal income (2012 \$B)	March*	14,940	-1.7	-0.9	-0.8	0.1
Consumer credit (\$B)	Feb.	4,226	0.5	1.3	2.1	4.5
Retail sales (\$M)	March	483,066	-8.4	-8.1	-7.5	-5.8
<i>Excluding automobiles (\$M)</i>	March	404,494	-4.2	-3.8	-3.3	-1.4
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)	March	213,184	-14.4	-13.5	-13.7	-16.0
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	1,350	1,452	1,420	1,391	1,288
New home sales (k) <sup>1</sup>	March	627.0	741.0	723.0	725.0	693.0
Existing home sales (k) <sup>1</sup>	March	5,270	5,760	5,530	5,410	5,230
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)	March*	110.5	-0.3	0.0	0.5	1.3
<i>Excluding food and energy</i>	March*	112.8	-0.1	0.3	0.7	1.7
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)	Feb.*	1,989,994	0.0	0.5	0.5	2.1
Industrial production (2012 \$M)	Feb.*	398,320	0.1	0.6	-0.4	0.1
Manufacturing sales (\$M)	Feb.	56,177	0.5	-0.8	-2.3	-0.9
Housing starts (k) <sup>1</sup>	March	197.0	211.9	196.1	221.5	192.8
Building permits (\$M)	Feb.	8,555	-7.3	5.5	-5.9	6.7
Retail sales (\$M)	Feb.	52,247	0.3	1.2	1.4	3.0
<i>Excluding automobiles (\$M)</i>	Feb.	37,957	0.0	0.7	0.9	2.8
Wholesale trade sales (\$M)	Feb.	65,653	0.7	3.4	2.1	3.8
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 (\$)	Feb.*	1,046	-0.3	0.4	1.3	3.7
Number of salaried employees (k) <sup>2</sup>	Feb.*	17,046	-35.0	-0.1	2.7	16.2
Consumer price (2002 = 100)	March	136.6	-0.6	0.1	0.3	0.9
<i>Excluding food and energy</i>	March	132.2	0.1	1.1	1.1	1.7
<i>Excluding 8 volatile items</i>	March	135.6	0.1	1.2	0.9	1.6
Industrial product price (2010 = 100)	March*	115.6	-0.9	-1.8	-1.5	-2.4
Raw materials price (2010 = 100)	March*	83.6	-15.6	-21.4	-19.8	-22.7
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		
	May 1	April 24	-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	1.75	2.50	2.50	1.81	0.25
Treasury bill – 3 months	0.09	0.12	0.10	1.52	1.49	2.38	2.39	1.54	-0.05
Treasury bonds – 2 years	0.20	0.21	0.21	1.34	1.57	2.35	2.33	1.44	0.20
– 5 years	0.36	0.37	0.37	1.33	1.56	2.33	2.29	1.46	0.33
– 10 years	0.64	0.60	0.59	1.52	1.73	2.53	2.50	1.65	0.50
– 30 years	1.29	1.18	1.22	2.01	2.21	2.93	2.91	2.15	1.03
S&P 500 index (level)	2,861	2,837	2,489	3,226	3,067	2,946	3,386	2,987	2,237
DJIA index (level)	23,929	23,775	21,053	28,256	27,347	26,505	29,551	26,485	18,592
Gold price (US\$/ounce)	1,689	1,719	1,619	1,587	1,511	1,281	1,738	1,499	1,274
CRB index (level)	117.13	112.76	127.96	170.31	180.27	181.77	187.39	168.93	106.29
WTI oil (US\$/barrel)	19.19	15.70	25.32	51.56	56.00	61.94	63.29	50.60	-37.63
<b>Canada</b>									
Overnight – target	0.25	0.25	0.25	1.75	1.75	1.75	1.75	1.55	0.25
Treasury bill – 3 months	0.26	0.23	0.19	1.64	1.68	1.67	1.71	1.44	0.18
Treasury bonds – 2 years	0.30	0.33	0.42	1.43	1.55	1.64	1.73	1.35	0.30
– 5 years	0.38	0.43	0.59	1.29	1.46	1.62	1.70	1.29	0.38
– 10 years	0.54	0.58	0.66	1.27	1.44	1.77	1.75	1.33	0.53
– 30 years	1.11	1.18	1.23	1.42	1.60	2.01	1.98	1.56	0.71
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.00	0.00	0.00	0.00	0.00	-0.75	0.50	-0.26	-0.75
Treasury bill – 3 months	0.17	0.11	0.09	0.12	0.19	-0.71	0.53	-0.10	-0.72
Treasury bonds – 2 years	0.11	0.12	0.21	0.09	-0.02	-0.71	0.31	-0.09	-0.73
– 5 years	0.02	0.06	0.22	-0.04	-0.10	-0.71	0.29	-0.16	-0.71
– 10 years	-0.10	-0.02	0.07	-0.25	-0.29	-0.76	0.09	-0.32	-0.78
– 30 years	-0.18	0.00	0.01	-0.59	-0.61	-0.92	0.06	-0.59	-0.95
S&P/TSX index (level)	14,620	14,420	12,938	17,318	16,594	16,494	17,944	16,249	11,228
Exchange rate (C\$/US\$)	1.4079	1.4104	1.4203	1.3236	1.3137	1.3421	1.4513	1.3361	1.2965
Exchange rate (C\$/€)	1.5496	1.5262	1.5351	1.4684	1.4670	1.5034	1.5832	1.4804	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\$/€)	1.1006	1.0821	1.0809	1.1094	1.1167	1.1202	1.1449	1.1082	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.75	0.75	0.75	0.75	0.66	0.10
Bonds – 10 years	0.27	0.25	0.27	0.52	0.67	1.22	1.22	0.63	0.17
FTSE index (level)	5,781	5,752	5,416	7,286	7,302	7,381	7,687	7,079	4,994
Exchange rate (US\$/£)	1.2538	1.2369	1.2262	1.3201	1.2936	1.3174	1.3331	1.2657	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.59	-0.47	-0.44	-0.47	-0.38	0.02	0.01	-0.39	-0.84
DAX index (level)	10,862	10,336	9,526	12,982	12,961	12,413	13,789	12,212	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)	19,619	19,262	17,820	23,205	22,851	22,259	24,084	21,681	16,553
Exchange rate (US\$/¥)	106.87	107.52	108.47	108.40	108.19	111.11	112.13	108.38	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.