

WEEKLY NEWSLETTER

Markets Begin to Fear a Slower Recovery

HIGHLIGHTS

- ▶ United States: Unsurprisingly, retailers and manufacturers hit with more bad news in April.
- ▶ U.S. consumer confidence is beginning to return.
- ▶ Prices tumble in the United States.
- ▶ Canada: Manufacturing sales fell dramatically in March.
- ▶ Canada: Existing home sales fell in April.

A LOOK AHEAD

- ▶ United States: Housing starts and home resales are expected to decline sharply.
- ▶ The U.S. leading indicator is expected to slide further.
- ▶ Canada: The total annual inflation rate should near zero in April.
- ▶ Canada: Retail and wholesale sales should fall in March.

FINANCIAL MARKETS

- ▶ Stock markets are down.
- ▶ Jerome Powell's concerns lift the bond market.
- ▶ The U.S. dollar hits a 3-week high.

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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.economics@desjardins.com • desjardins.com/economics

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

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Key Statistics of the Week

UNITED STATES

- ▶ Retail sales were down 16.4% in April after falling 8.3% in March. Motor vehicle sales plummeted 12.4%, and the value of service station sales fell 28.8%. Excluding motor vehicles and gas, sales contracted 16.2%.
- ▶ U.S. consumer confidence improved according to May's preliminary version of the University of Michigan index. This first gain since February pushed the index up from 71.8 to 73.7, a modest increase after a total drop of 29.2 points over the previous two months. The current situation component climbed 8.7 points, whereas the household expectations component fell 2.4 points.
- ▶ Industrial output dropped 11.2% in April after pulling back 4.5% in March. Manufacturing output contracted 13.7%. Mining activity saw a 6.1% decrease, while energy production dropped 0.9%.
- ▶ The New York Fed's Empire regional manufacturing index rose in May to -48.5 from -78.2 in April. However, this is still extremely low, even well below the 2008-2009 recession lows.
- ▶ The consumer price index (CPI) dropped 0.8% in April after decreasing 0.4% in March. This is its highest monthly retreat since December 2008. Much of the decline comes from the energy sector, where prices were down 17.7%, including a 32.0% drop in gas. Food prices climbed 1.5%, however, their strongest monthly increase since August 1980. Excluding energy and food, the core CPI shed 0.4% after losing 0.1% in March. This is the first time since 1982 that the core CPI decreased for two months in a row and the worst drop since seasonally adjusted data began to be published in 1958. Clothing and transportation services saw the sharpest declines. The annual variation in the CPI slumped from 1.5% to just 0.3%, the lowest point since October 2015. Core inflation, which excludes food and energy, shrank from 2.1% to 1.4%, the lowest it has been since April 2011.
- ▶ The April results published for production price indexes and import and export prices all posted sharp decreases.

Francis Généreux, Senior economist

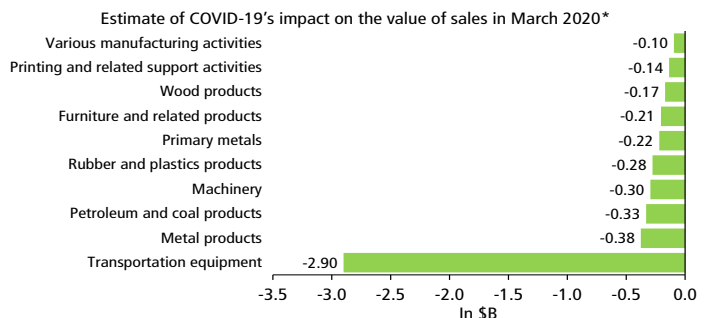
CANADA

- ▶ Manufacturing sales fell 9.2% in March. As expected, COVID-19 had a negative impact on the manufacturing sector in March. According to Statistics Canada, 78.3% of manufacturers appear to have been affected by COVID-19, with many factories closing or production dropping significantly as of mid-March.
- ▶ As expected, the containment measures introduced in every part of the country to stop the spread of COVID-19 put a sharp brake on activity in the housing market. Sales of existing homes plunged 56.8% across Canada between March and April. This is the largest monthly decrease since compilation of these historical data began in 1988. With the decline already posted in March, the cumulative drop in sales since February sits at 63.4%. Quebec (-68.5%) and Ontario (-68.1%) are the two hardest hit provinces. For Canada as a whole, the home price index retreated just 0.6% in April. Its annual variation is 6.4%.

Benoit P. Durocher, Senior economist

CANADA

Top 10 manufacturing sectors affected the most by the losses linked to COVID-19



* Not seasonally adjusted.

Sources: Statistics Canada and Desjardins, Economic Studies

Financial Markets

Renewed Concerns on the Stock Markets

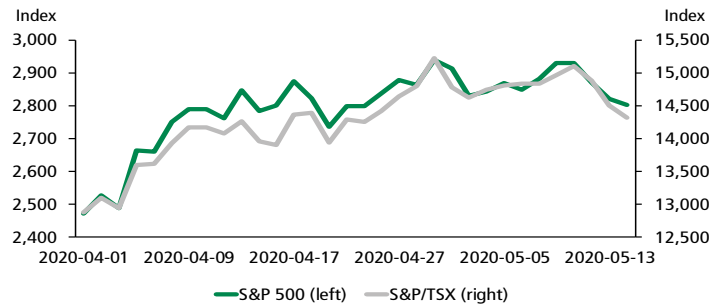
Time passes, with no two weeks alike on financial markets. Where last week saw the North American stock markets post major advances in response to the hope that economic activity would successfully restart, concerns quickly regained the upper hand this week. After a fairly calm first session, the S&P 500 index fell 2% on Tuesday as many investors seemed to fear that the stock market may have rebounded from the low in March too quickly. The decline continued on Wednesday following Jerome Powell's comments that the economic outlook was extremely uncertain and subject to significant downward risks. Despite rising subsequently, the S&P 500 and S&P/TSX indexes were heading for a weekly decline of over 2% Friday.

The concerns of both investors and the Federal Reserve (Fed) chair lifted the bond market. As a result, the U.S. 30-year yield, which rose above 1.40% on Monday, quickly dropped back below 1.30%, whereas the 10-year yield returned near 0.60%. Still, short-term yields in the United States did not fall as Fed leaders reiterated that they did not plan to resort to negative key rates. Canadian bond yields followed the U.S. trend, with less volatility in longer maturity yields.

Renewed concerns on the financial markets helped the U.S. dollar rise against several currencies. The U.S. dollar effective exchange rate index (DXY) hit a 3-week high. Furthermore, the greenback seems to have benefited from the low probability of seeing negative rates in the United States any time soon. The euro regained some energy on Tuesday before quickly slumping below US\$1.08. The pound sterling had a tougher week, dropping below US\$1.22. With the pandemic especially persistent in the United Kingdom, the country is lagging in lifting the lockdown measures compared to most of its European neighbours. The Canadian dollar lost about one cent on the week despite the rise in oil prices. It is currently hovering around US\$0.71.

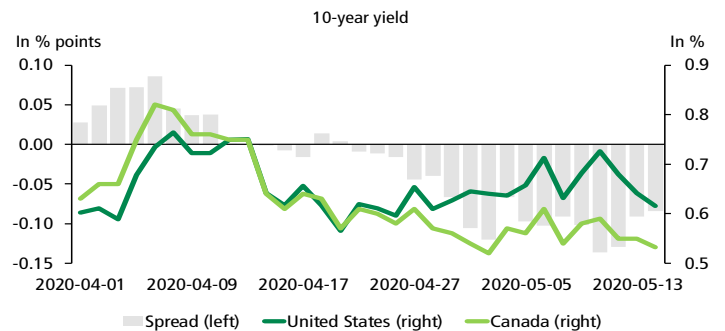
Mathieu D'Anjou, CFA, Deputy Chief Economist
Hendrix Vachon, Senior Economist

GRAPH 1
Stock markets



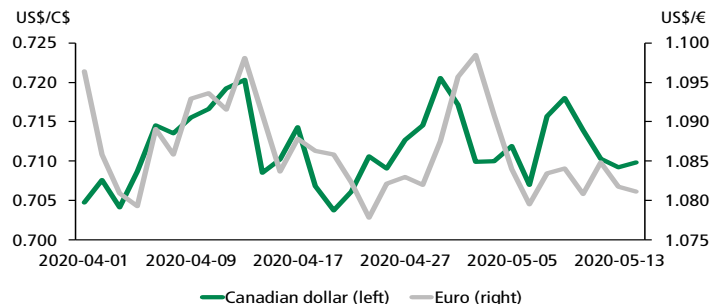
Sources: Datastream and Desjardins, Economic Studies

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 19 - 8:30

April	ann. rate
Consensus	929,000
Desjardins	800,000
March	1,216,000

THURSDAY May 21 - 10:00

April	m/m
Consensus	-5.7%
Desjardins	-5.3%
March	-6.7%

THURSDAY May 21 - 10:00

April	ann. rate
Consensus	4,300,000
Desjardins	4,200,000
March	5,270,000

WEDNESDAY May 20 - 8:30

April	m/m
Consensus	-0.5%
Desjardins	-0.3%
March	-0.6%

WEDNESDAY May 20 - 8:30

March	m/m
Consensus	n/a
Desjardins	-2.7%
February	0.7%

FRIDAY May 22 - 8:30

March	m/m
Consensus	-15.5%
Desjardins	-27.0%
February	0.3%

UNITED STATES

Housing starts (April) – Housing starts were already down significantly in March after plummeting 22.3%. However, an even steeper decline is expected in April, even though the building sector continued to hum with activity in most states. We know that the construction sector shed many jobs in April, including 117,600 in residential construction. Housing starts are expected to fall to just 800,000 units, which is still above the 2008–2009 recession lows.

Leading indicator (April) – The leading indicator is one of the many economic figures that saw record declines in March, retreating 6.7%. Before that, its biggest monthly decrease since its creation in 1959 was 3.4% (October 2008). The main reason behind the March setback was the explosion of new jobless claims. This component should continue on a steep downward slide in April and bring a negative contribution of 2.0 percentage points. Other components are also expected to contribute negatively, including hours worked, building permits, the ISM index and consumer confidence. Positive contributions should, however, come from the stock market and the interest rate spread. All in all, the leading indicator should be down 5.3%.

Sales of existing homes (April) – Home resales fell 8.5% in March. Given this indicator's volatility, this decrease is rather modest under the current circumstances. A sharper drop is expected in April, however. Pending home sales already contracted 20.8% in March, which should be reflected in resales the following month. Over 100,000 jobs were also lost in April in real estate services. Existing home sales could retreat to 4,200,000 units.

CANADA

Consumer price index (April) – For a second month in a row, gas prices took a big tumble in April of around 18%, according to weekly surveys at the pump. This should lead to a contribution of -0.6% to the monthly variation in the total consumer price index (CPI). However, a seasonal uptick in some prices should partly offset this decline. In the end, the total CPI could drop 0.3% in April. The annual inflation rate could fall from 0.9% to 0.1%.

Wholesale sales (March) – The country-wide introduction of containment measures to stop the spread of COVID-19 and the challenges faced by global supply chains will have negative repercussions on developments in wholesale trade. Wholesale sales could be particularly hard hit during the month by the major downturn in activity in the auto industry.

Retail sales (March) – According to preliminary data, the number of new motor vehicles sold plummeted roughly 50% in March due to the introduction of containment measures. After seasonal adjustments, the price of gas dropped close to 20%. This will impact the value of service station sales, already affected by the slowdown in economic activity and demand for gas from private transportation. Lastly, the shuttering of many non-essential businesses in mid-March will have a major impact on retail trade. That said, preliminary data released by Statistics Canada indicate a spike in grocery store purchases.

SUNDAY May 17 - 19:50

Q1 2020	q/q
Consensus	-1.1%
Q4 2019	-1.8%

FRIDAY May 22 - 4:00

May	24.0
Consensus	
April	13.6


OVERSEAS


Japan: Real GDP (Q1 – preliminary) – The Japanese economy had already slowed in the fall of 2019 as a result of an increase in the consumption tax. The first quarter of 2020 was supposed to bring a rebound, but that was before the COVID-19 pandemic struck. A further retreat is expected instead. The Japanese government put in place containment measures in February. This appears to have worked well to limit the spread of the virus, but the economic consequences may be hefty nonetheless. However, the comparison with an already weak previous quarter could make the contraction in Japan’s real GDP seem less severe than that suffered by most other economies.

Euro zone: PMI indexes (May – preliminary) – The fall in Euroland PMI indexes has been very steep in recent months, particularly for the services sector. This was obviously a reflection of the halt in economic activity to counter the COVID-19 pandemic. For May, it will be interesting to see whether the gradual easing of containment measures or, at least, the announcement of plans to reopen the economy will already have a positive effect on business confidence and PMI indexes.

Economic Indicators

Week of May 18 to 22, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 18	10:00	NAHB housing market index	May	35	n/a	30
TUESDAY 19	8:30	Housing starts (ann. rate)	April	929,000	800,000	1,216,000
	8:30	Building permits (ann. rate)	April	1,000,000	950,000	1,350,000
	10:00	Testimony of the Federal Reserve Chair, J. Powell, before a Senate Committee				
	14:00	Speech of the Boston Fed President, E. Rosengren				
WEDNESDAY 20	12:00	Speech of the St. Louis Fed President, J. Bullard				
	14:00	Minutes of the Federal Reserve meeting				
THURSDAY 21	8:30	Initial unemployment claims	May 11-15	2,450,000	2,450,000	2,981,000
	8:30	Philadelphia Fed index	May	-40.0	-35.0	-56.6
	10:00	Speech of the New York Fed President, J. Williams				
	10:00	Leading indicator (m/m)	April	-5.7%	-5.3%	-6.7%
	10:00	Existing home sales (ann. rate)	April	4,300,000	4,200,000	5,270,000
	14:30	Speech of the Federal Reserve Chair, J. Powell				
FRIDAY 22	---	---				
CANADA						
MONDAY 18	---	Markets closed (Victoria Day)				
TUESDAY 19	---	---				
WEDNESDAY 20	8:30	Consumer price index				
		Total (m/m)	April	-0.5%	-0.3%	-0.6%
		Excluding food and energy (m/m)	April	n/a	0.1%	0.1%
		Total (y/y)	April	0.1%	0.1%	0.9%
		Excluding food and energy (y/y)	April	n/a	1.7%	1.7%
	8:30	Wholesale sales (m/m)	March	n/a	-2.7%	0.7%
	8:30	Wholesale inventories (m/m)	March	n/a	0.5%	-0.3%
	14:00	Speech of a Bank of Canada Deputy Governor, T. Lane				
THURSDAY 21	8:30	New housing price index (m/m)	April	n/a	0.0%	0.3%
FRIDAY 22	8:30	Retail sales				
		Total (m/m)	March	-15.5%	-27.0%	0.3%
		Excluding automobiles (m/m)	March	-7.0%	-22.0%	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 May 18 to 22, 2020

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
SUNDAY 17								
Japan	19:50	Real GDP – preliminary	Q1	-1.1%		-1.8%		
MONDAY 18								
Japan	0:30	Tertiary industry activity index	March	-3.7%		-0.5%		
TUESDAY 19								
Japan	0:30	Industrial production – final	March	n/a	n/a	-3.7%	-5.2%	
United Kingdom	4:30	ILO unemployment rate	March	4.4%		4.0%		
Euro zone	5:00	Construction	March	-0.1%	0.9%	-1.5%	-0.9%	
Germany	5:00	ZEW survey – Current situation	May	-88.8		-91.5		
Germany	5:00	ZEW survey – Expectations	May	31.0		28.2		
WEDNESDAY 20								
Euro zone	4:00	Current account (€B)	March	n/a		40.2		
Italy	4:00	Current account (€M)	March	n/a		4,783		
United Kingdom	4:30	Consumer price index	April	-0.1%	0.9%	0.0%	1.5%	
United Kingdom	4:30	Producer price index	April	-0.4%	-0.4%	-0.2%	0.3%	
Euro zone	5:00	Consumer price index – final	April	0.3%	0.4%	0.3%	0.7%	
Euro zone	10:00	Consumer confidence – preliminary	May	-23.4		-22.7		
Japan	19:50	Trade balance (¥B)	April	-777.4		-190.0		
Japan	20:30	PMI composite index – preliminary	May	n/a		25.8		
Japan	20:30	PMI manufacturing index – preliminary	May	n/a		41.9		
Japan	20:30	PMI services index – preliminary	May	n/a		21.5		
THURSDAY 21								
United Kingdom	4:30	PMI composite index – preliminary	May	24.1		13.8		
United Kingdom	4:30	PMI manufacturing index – preliminary	May	35.0		32.6		
United Kingdom	4:30	PMI services index – preliminary	May	22.1		13.4		
Japan	19:30	Consumer price index	April		0.1%		0.4%	
FRIDAY 22								
United Kingdom	2:00	Retail sales	April	-15.0%	-21.2%	-5.1%	-5.8%	
France	3:15	PMI composite index – preliminary	May	34.7		11.1		
France	3:15	PMI manufacturing index – preliminary	May	35.8		31.5		
France	3:15	PMI services index – preliminary	May	27.8		10.2		
Germany	3:30	PMI composite index – preliminary	May	32.3		17.4		
Germany	3:30	PMI manufacturing index – preliminary	May	39.0		34.5		
Germany	3:30	PMI services index – preliminary	May	26.0		16.2		
Euro zone	4:00	PMI composite index – preliminary	May	24.0		13.6		
Euro zone	4:00	PMI manufacturing index – preliminary	May	38.0		33.4		
Euro zone	4:00	PMI services index – preliminary	May	24.0		12.0		

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) ¹	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)	2020 Q1	107.6	-2.5	0.3	1.9	1.4	1.3
Unit labor cost (2012 = 100)	2020 Q1	113.0	4.8	1.5	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) ¹	2019 Q4	-109.8	---	---	-498.4	-491.0	-439.6

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)	March	104.2	-6.7	-6.5	-6.6	-6.5
ISM manufacturing index ¹	April	41.5	49.1	50.9	48.5	53.4
ISM non-manufacturing index ¹	April	41.8	52.5	55.5	54.4	55.7
Cons. confidence Conference Board (1985 = 100) ¹	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)	March	4,209	-0.3	0.4	1.4	3.8
Retail sales (\$M)	March	483,066	-8.4	-8.1	-7.5	-5.8
Excluding automobiles (\$M)	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 (%) ¹	March	72.7	77.0	77.1	77.4	78.4
New machinery orders (\$M)	March	445,827	-10.3	-10.9	-10.0	-11.4
New durable good orders (\$M)	March	212,597	-14.7	-13.7	-13.9	-16.2
Business inventories (\$B)	Feb.	2,013	-0.4	-0.7	-0.9	-0.1
Housing starts (k) ¹	March	1,216	1,564	1,601	1,266	1,199
Building permits (k) ¹	March	1,350	1,452	1,420	1,391	1,288
New home sales (k) ¹	March	627.0	741.0	723.0	725.0	693.0
Existing home sales (k) ¹	March	5,270	5,760	5,530	5,410	5,230
Commercial surplus (\$M) ¹	March	-44,415	-39,810	-48,613	-51,323	-52,689
Nonfarm employment (k) ²	April	131,072	-20,500	-21,140	-20,481	-19,420
Unemployment rate (%) ¹	April	14.7	4.4	3.6	3.6	3.6
Consumer price (1982-1984 = 100)	April*	255.9	-0.8	-1.1	-0.5	0.4
Excluding food and energy	April*	265.6	-0.4	-0.3	0.2	1.4
Personal cons. expenditure deflator (2012 = 100)	March	110.5	-0.3	0.0	0.5	1.3
Excluding food and energy	March	112.8	-0.1	0.3	0.7	1.7
Producer price (2009 = 100)	April*	117.0	-1.3	-2.0	-1.4	-1.0
Export prices (2000 = 100)	April*	118.2	-3.3	-6.0	-5.5	-7.0
Import prices (2000 = 100)	April*	118.2	-2.6	-5.6	-5.1	-6.8

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 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

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)	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)	March*	50,788	-9.2	-9.6	-11.5	-12.7
Housing starts (k) ¹	April	166.4	195.4	218.5	203.1	231.5
Building permits (\$M)	March	7,400	-13.2	-17.1	-13.4	-11.4
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) ¹	March	-1,411	-893.9	-520.6	-1,295	-2,163
<i>Exports (\$M)</i>	March	46,257	-4.7	-5.9	-6.0	-8.8
<i>Imports (\$M)</i>	March	47,668	-3.5	-4.0	-5.6	-9.9
Employment (k) ²	April	16,185	-1,994	-991.4	-494.5	-238.1
Unemployment rate (%) ¹	April	13.0	7.8	5.5	5.6	5.7
Average weekly earnings (\$)	Feb.	1,046	-0.3	0.4	1.3	3.7
Number of salaried employees (k) ²	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)	March	1,139,755	3.5	5.5	7.3	13.1

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		
	May 14	May 7	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	0.25	0.25	0.25	1.75	1.75	2.50	2.50	1.73	0.25
Treasury bill – 3 months	0.11	0.12	0.12	1.55	1.54	2.34	2.34	1.46	-0.05
Treasury bonds – 2 years	0.15	0.15	0.21	1.42	1.62	2.23	2.29	1.37	0.13
– 5 years	0.30	0.32	0.36	1.41	1.65	2.18	2.22	1.39	0.29
– 10 years	0.62	0.68	0.66	1.59	1.84	2.39	2.43	1.59	0.50
– 30 years	1.29	1.38	1.28	2.04	2.31	2.82	2.84	2.10	1.03
S&P 500 index (level)	2,803	2,930	2,875	3,380	3,120	2,860	3,386	2,987	2,237
DJIA index (level)	23,236	24,331	24,242	29,398	28,005	25,764	29,551	26,413	18,592
Gold price (US\$/ounce)	1,731	1,714	1,694	1,582	1,467	1,277	1,738	1,513	1,274
CRB index (level)	122.40	124.74	123.80	172.96	181.00	180.99	187.39	166.94	106.29
WTI oil (US\$/barrel)	26.17	23.55	18.27	52.05	57.52	62.76	63.29	49.30	-37.63
Canada									
Overnight – target	0.25	0.25	0.25	1.75	1.75	1.75	1.75	1.50	0.25
Treasury bill – 3 months	0.27	0.22	0.20	1.64	1.71	1.68	1.71	1.39	0.18
Treasury bonds – 2 years	0.27	0.27	0.35	1.49	1.54	1.60	1.73	1.30	0.27
– 5 years	0.36	0.39	0.46	1.37	1.48	1.57	1.70	1.25	0.36
– 10 years	0.53	0.58	0.64	1.36	1.48	1.69	1.75	1.29	0.52
– 30 years	1.07	1.16	1.29	1.49	1.62	1.92	1.97	1.53	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	-0.23	-0.75
Treasury bill – 3 months	0.16	0.10	0.08	0.09	0.17	-0.66	0.53	-0.08	-0.66
Treasury bonds – 2 years	0.11	0.12	0.14	0.07	-0.08	-0.63	0.31	-0.07	-0.65
– 5 years	0.06	0.07	0.10	-0.04	-0.17	-0.61	0.29	-0.14	-0.65
– 10 years	-0.08	-0.10	-0.02	-0.23	-0.36	-0.70	0.09	-0.30	-0.74
– 30 years	-0.21	-0.22	0.01	-0.55	-0.69	-0.90	0.06	-0.56	-0.91
S&P/TSX index (level)	14,319	14,967	14,360	17,848	17,028	16,402	17,944	16,194	11,228
Exchange rate (C\$/US\$)	1.4088	1.3927	1.4000	1.3253	1.3223	1.3457	1.4513	1.3382	1.2965
Exchange rate (C\$/€)	1.5230	1.5098	1.5229	1.4355	1.4614	1.5015	1.5832	1.4809	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\$/€)	1.0811	1.0841	1.0878	1.0832	1.1052	1.1158	1.1449	1.1069	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.75	0.75	0.75	0.75	0.64	0.10
Bonds – 10 years	0.22	0.20	0.25	0.63	0.73	1.04	1.09	0.59	0.17
FTSE index (level)	5,727	5,936	5,787	7,409	7,303	7,349	7,687	7,030	4,994
Exchange rate (US\$/£)	1.2210	1.2409	1.2501	1.3047	1.2901	1.2720	1.3331	1.2635	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.52	-0.53	-0.48	-0.40	-0.33	-0.10	-0.06	-0.41	-0.84
DAX index (level)	10,298	10,904	10,626	13,744	13,242	12,239	13,789	12,163	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)	19,915	20,179	19,897	23,688	23,303	21,250	24,084	21,629	16,553
Exchange rate (US\$/¥)	107.05	106.67	107.53	109.76	108.75	110.09	112.13	108.27	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.