

WEEKLY NEWSLETTER

Drop in Canada's Real GDP in the First Quarter Due to COVID-19

HIGHLIGHTS

- ▶ United States: Slight downgrade in real GDP for the first quarter.
- ▶ Surprising growth of new home sales in the United States.
- ▶ Government programs boosted personal income in the United States in April.
- ▶ Canada: Real GDP fell sharply in the first quarter.

A LOOK AHEAD

- ▶ United States: The ISM indexes should start to tick up.
- ▶ The U.S. job market is expected to post more massive job losses.
- ▶ The Bank of Canada is expected to leave the target for the overnight rate at 0.25%.
- ▶ Canada: Employment should rebound in May.
- ▶ Canada: Labour productivity could rise in the first quarter.

FINANCIAL MARKETS

- ▶ The stock market rebound was curbed by the deterioration in China–U.S. relations.
- ▶ Oil prices stopped climbing.
- ▶ The euro hit a 2-month peak.

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Key Statistics of the Week

UNITED STATES

- ▶ U.S. real GDP was slightly downgraded for the first quarter of 2020. The quarterly annualized variation went from -4.8% to -5.0%. The revision was primarily due the variation of business inventories, which was lower than initially estimated, while consumption proved to be a bit stronger.
- ▶ As forecast, real consumption fell in April. The 13.2% drop is the worst this indicator has seen. However, a 13.4% jump in real disposable income was inflated by the payment of US\$1,200 per person under government assistance measures. This more than compensated for the major losses in employment income. The increased income and drop in consumption caused the savings rate to shoot up from 12.7% to 33.0%!
- ▶ There were 2,123,000 new jobless claims in the United States during the week ending May 23. This was a further drop, but the number was still higher than expected. However, for the previous week, the total number of individuals receiving unemployment insurance benefits through States programs declined sharply.
- ▶ New durable goods orders tumbled 17.2% in April after dropping 16.6% in March. Once again, the decrease was mainly in transportation, where orders shrank by 47.3%. Excluding transportation, new durable goods orders fell 7.4%.
- ▶ Following in the footsteps of other indicators, the Conference Board's consumer confidence index improved in May. Nevertheless, the 0.9-point gain (from 85.7 to 86.6) was slight compared to the total drop of 46.9 points in March and April. The increase stemmed exclusively from the consumer expectations component (+2.6), whereas the current situation component dropped further (-1.9).
- ▶ New single-family home sales saw a surprising increase, rising from 619,000 to 623,000 units. The consensus had forecast a drop to under 500,000 units.
- ▶ The S&P/Case-Shiller index of existing home prices in the 20 largest cities rose 0.5% in March, following an equivalent uptick in February. The annual variation went from 3.5% to 3.9%.

Francis Généreux, Senior economist

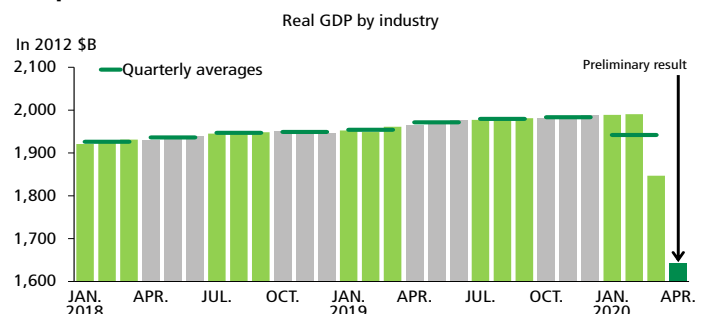
CANADA

- ▶ Real GDP declined 2.1% (or 8.2% annualized) between the fourth quarter of 2019 and first quarter of 2020. As expected, after January and February saw moderate growth, the Canadian economy collapsed in March because of COVID-19's adverse effects. That said, the contraction of the Canadian economy is less marked than anticipated. Statistics Canada's preliminary estimate counted on real GDP by industry declining approximately 9% between February and March. Instead, the figures released today indicate a 7.2% contraction. This means that the entire first quarter ended down a little less than Statistics Canada's preliminary estimate (approximately -10% annualized).
- ▶ As expected, the current account balance worsened slightly in the second quarter from -\$9.31B to -\$11.09B. The drop was primarily seen in trade in goods, as income receipts fell more significantly than payments. As for services, travel-related transactions saw a major drop in income receipts and payments.

Benoit P. Durocher, Senior economist

CANADA

The Canadian economy is expected to contract even further in April



Sources: Statistics Canada and Desjardins, Economic Studies

Financial Markets

Investors Are Still Optimistic about the Strength of the Economic Recovery

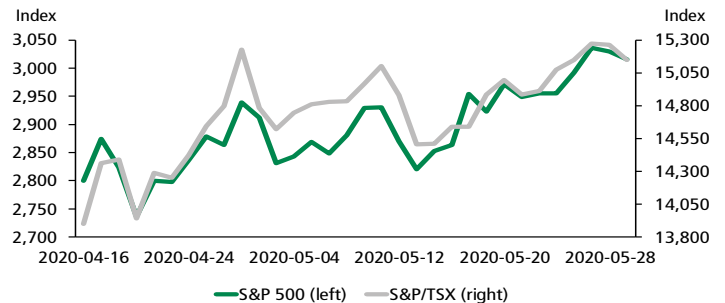
The North American stock markets began the week on a positive note, buoyed by optimism about the easing of the lockdown and the promising results of the first COVID-19 vaccine tests. In Canada, investors focused on the big banks' financial results, which supported growth. On Wednesday, the S&P 500 and S&P/TSX indices posted growth of 2.7% and 2.4 % respectively, while the Dow Jones reached almost 4%. This recovery was curbed on Thursday by President Donald Trump's announcement of a press conference about China-U.S. relations. This increases the risk of more strained diplomatic and economic relations between China and the United States, which could lead to renewed downward trends in the stock markets. Oil prices stopped climbing on Wednesday, as WTI (West Texas Intermediate) closed down 4.5% for the day, following an unexpected increase in inventory. Oil prices were down again on Friday, but this time due to uncertainty about China-U.S. relations.

The bond markets had a relatively quiet week. After climbing at the beginning of the week, North American bond yields edged down due to the deteriorating relations between China and the United States. At the time of writing, Canadian and U.S. bond yields were still showing a weekly gain, which was more pronounced for long-term maturities.

The announcement of a €750B economic stimulus plan by the European Commission gave the euro new momentum, which is also benefiting from the optimism of the financial markets. The common currency, which began the week at US\$1.09., reached a two-month high of more than US\$1.11. Benefiting less from its safe-haven role, the U.S. dollar depreciated against several currencies. Tensions with China nevertheless helped the greenback appreciate against the yuan. The Canadian dollar saw gains in Tuesday's session, climbing from roughly US\$0.715 to about US\$0.725. Better-than-expected Canadian GDP figures for the first quarter had no lasting positive impact on the loonie on Friday.

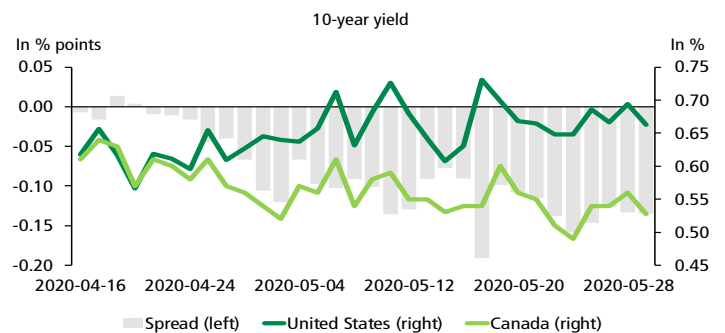
Hendrix Vachon, Senior Economist
Lorenzo Tessier-Moreau, Economist

GRAPH 1
Stock markets



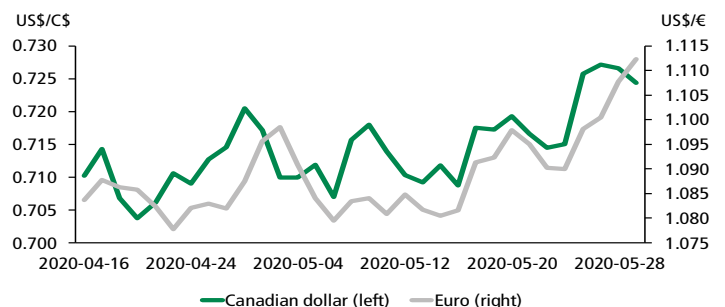
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

MONDAY June 1 - 10:00

May	
Consensus	43.5
Desjardins	44.5
April	41.5

TUESDAY June 2 - 8:30

May	ann. rate
Consensus	10,800,000
Desjardins	11,000,000
April	8,580,000

WEDNESDAY June 3 - 10:00

May	
Consensus	44.0
Desjardins	44.6
April	41.8

FRIDAY June 5 - 8:30

May	
Consensus	-8,000,000
Desjardins	-11,000,000
April	-20,537,000

WEDNESDAY June 3 - 8:30

Q1 2020	q/q
Consensus	n/a
Desjardins	2.5%
Q4 2019	-0.1%

UNITED STATES

ISM manufacturing index (May) – In April, the ISM manufacturing index hit its lowest point since April 2009. However, the drop was not as serious as anticipated, since the component relating to supplier deliveries supported the total index once again. This situation could reoccur in May, but probably to a lesser degree. On the one hand, the feeling is that things are starting to improve for manufacturers. The regional manufacturing indices mostly rose in May, although the levels remain extremely low. This is expected to also be the case for the ISM excluding supplier deliveries. On the other hand, this component could decline slightly, limiting the total gain for the manufacturing ISM. It is expected to increase from 41.5 to 44.5.

New car sales (May) – New car sales plummeted 24.5% in April to hit their lowest level since monthly figures were first published in 1976. However, a recovery is expected in May. New car sales could reach 11,000,000. However, this number is well below the level reached at the beginning of the year, which was around 16,800,000.

ISM non-manufacturing index (May) – The ISM non-manufacturing index fell in April, from 52.5 in March to 41.8, its lowest point since March 2009. It, too, benefited from an increase in the supplier deliveries component. The non-manufacturing ISM index, like the manufacturing ISM, is expected to be up slightly in May, possibly reaching 44.6.

Job creation according to the establishment survey (May) – With 20,537,000 jobs lost (revised from 20,500,000 a few days after the initial release) in April, the disastrous job market is indicative of the economic effects of the COVID-19 pandemic, which is expected to continue to adversely impact the job market in May. Unemployment claims remained extremely high between mid-April and mid-May, with a total of 16,618,000 claims for state programs and approximately 10,000,000 for the federal program. These figures provide a better idea of the number of jobs lost, but, as the lockdown begins to ease in the United States, expectations are that there will now be job gains, too. Moreover, despite the continued high level of weekly claims, the number of people accessing the state unemployment insurance program fell during the week of the baseline period. The net result is that the variation in employment will contract by 11,000,000 people. The unemployment rate is expected to near 20%, however, shifts in the labor force can significantly alter the anticipated change in the unemployment rate.

CANADA

Labour productivity (Q1) – Production in the business sector went down 2.0% in the first quarter. Still, the number of hours worked in the private sector shrank further, down 4.5% for the quarter. This spread is expected to lead to higher labour productivity, which could reach around 2.5% for the first quarter.

WEDNESDAY June 3 - 10:00
June

Consensus	0.25%
Desjardins	0.25%

April 15 **0.25%**

Bank of Canada meeting (June) – The Bank of Canada (BoC) is expected to leave the target for the overnight rate at 0.25% (its effective floor) at its meeting next week. Since the *Monetary Policy Report* will not be released this time, we should not expect the BoC to provide many details about the changing economic outlooks. The recent evolution of economic indicators is nevertheless fairly consistent with expectations and the extent of the difficulties reflects the adverse effects of COVID-19 across the country.

THURSDAY June 4 - 8:30
April

Consensus	n/a
Desjardins	-1.57

March **-1.41**

International merchandise trade (April) – Major disruptions continued in April. On the one hand, seasonally adjusted commodity prices expressed in Canadian dollars plunged 25.7% for the month mostly due to energy prices plummeting roughly 45%. On the other hand, the lockdown measures implemented to stop the spread of COVID-19 continue to hamper global supply chains. Under these circumstances, the value of exports and imports should decline significantly for the month. The trade balance could worsen somewhat due to a bigger drop in exports.

FRIDAY June 5 - 8:30
May

Consensus	n/a
Desjardins	400,000

April **-1,993,800**

Labour Force Survey (May) – March and April ended with record job losses as more than three million jobs disappeared during the period. Still, with the gradual easing of the lockdown now underway more or less throughout the country, many workers returned to their jobs in May. Additionally, the federal government's wage subsidy certainly prompted many businesses to rehire their employees. Therefore, employment should rebound and return to positive territory in May, but the extent of the rebound remains unclear. Under these circumstances, the unemployment rate should begin trending downwards. However, the return to pre-COVID-19 levels could be fairly slow.

OVERSEAS
THURSDAY June 4 - 7:45
June


Consensus	0.00%
Desjardins	0.00%


April 30 **0.00%**

Euro zone: Meeting of the European Central Bank (June) – The European Central Bank is expected to announce that it will increase its securities purchases this week. The eurozone's economic struggles and extremely low inflation are both reasons for easing its monetary policy even more. This will also help narrow the gap with the other major central banks, which raised their securities purchases. Included among the euro zone indicators to be published this week are the final versions of the PMI indices for May. The preliminary versions of most of these indices had shown early signs of improvement. The unemployment rate for April will be published on Wednesday. Given the circumstances, it had remained relatively stable in March. However, a noticeable hike is anticipated in April. Retail sales for April will be released on Thursday. A sharp decline is obviously expected.

Economic Indicators

Week of June 1 to 5, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 1	10:00	Construction spending (m/m)	April	-7.0%	-4.5%	0.9%
	10:00	ISM manufacturing index	May	43.5	44.5	41.5
TUESDAY 2	---	Total vehicle sales (ann. rate)	May	10,800,000	11,000,000	8,580,000
WEDNESDAY 3	10:00	Factory orders (m/m)	April	-15.0%	-11.0%	-10.3%
	10:00	ISM non-manufacturing index	May	44.0	44.6	41.8
THURSDAY 4	8:30	Initial unemployment claims	May 25-29	1,800,000	1,800,000	2,123,000
	8:30	Trade balance – Goods and services (US\$B)	April	-41.5	-52.4	-44.4
	8:30	Nonfarm productivity – final (ann. rate)	Q1	-2.5%	-2.7%	-2.5%
	8:30	Unit labor costs – final (ann. rate)	Q1	4.8%	4.9%	4.8%
FRIDAY 5	8:30	Change in nonfarm payrolls	May	-8,000,000	-11,000,000	-20,537,000
	8:30	Unemployment rate	May	19.5%	19.8%	14.7%
	8:30	Weekly worked hours	May	34.3	34.3	34.2
	8:30	Average hourly earnings (m/m)	May	1.0%	0.8%	4.7%
	15:00	Consumer credit (US\$B)	April	-15.00	-60.00	-12.04
CANADA						
MONDAY 1	---	---				
TUESDAY 2	---	---				
WEDNESDAY 3	8:30	Labour productivity (q/q)	Q1	n/a	2.5%	-0.1%
	8:30	Unit labour costs (q/q)	Q1	n/a	-1.7%	1.0%
	10:00	Bank of Canada meeting	June	0.25%	0.25%	0.25%
	10:00	Speech of the Bank of Canada Governor, T. Macklem				
THURSDAY 4	8:30	International trade (\$B)	April	n/a	-1.57	-1.41
	14:00	Speech of a Bank of Canada Deputy Governor, T. Gravelle				
FRIDAY 5	8:30	Net change in employment	May	n/a	400,000	-1,993,800
	8:30	Unemployment rate	May	n/a	12.4%	13.0%
	10:00	PMI-Ivey index	May	n/a	38.0	22.8

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 June 1 to 5, 2020

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
SUNDAY 31								
Japan	20:30	PMI manufacturing index – final	May	n/a				38.4
MONDAY 1								
Japan	1:00	Vehicle sales	May		n/a			-25.5%
Italy	3:45	PMI manufacturing index	May	36.8				31.1
France	3:50	PMI manufacturing index – final	May	40.3				40.3
Germany	3:55	PMI manufacturing index – final	May	36.8				36.8
Euro zone	4:00	PMI manufacturing index – final	May	39.5				39.5
United Kingdom	4:30	PMI manufacturing index – final	May	40.8				40.6
TUESDAY 2								
Australia	0:30	Reserve Bank of Australia meeting	June	0.25%				0.25%
United Kingdom	2:00	Nationwide house prices	May	1.0%	2.8%			0.7% 3.7%
Japan	20:30	PMI composite index – final	May	n/a				27.4
Japan	20:30	PMI services index – final	May	n/a				25.3
WEDNESDAY 3								
Italy	3:45	PMI composite index	May	28.5				10.9
Italy	3:45	PMI services index	May	26.1				10.8
France	3:50	PMI composite index – final	May	30.6				30.5
France	3:50	PMI services index – final	May	29.4				29.4
Germany	3:55	PMI composite index – final	May	31.5				31.4
Germany	3:55	PMI services index – final	May	31.4				31.4
Euro zone	4:00	PMI composite index – final	May	30.5				30.5
Euro zone	4:00	PMI services index – final	May	28.7				28.7
Italy	4:00	Unemployment rate	April	9.0%				8.4%
United Kingdom	4:30	PMI composite index – final	May	29.1				28.9
United Kingdom	4:30	PMI services index – final	May	28.0				27.8
Euro zone	5:00	Producer price index	April	-1.8%	-4.2%			-1.5% -2.8%
Euro zone	5:00	Unemployment rate	April	8.2%				7.4%
THURSDAY 4								
United Kingdom	4:30	PMI construction index	May	29.7				8.2
Euro zone	5:00	Retail sales	April	-15.0%	-20.7%			-11.2% -9.2%
Euro zone	7:45	European Central Bank meeting	June	0.00%				0.00%
United Kingdom	19:01	Consumer confidence	May	-34				-34
FRIDAY 5								
Japan	1:00	Leading indicator – preliminary	April	76.3				84.7
Japan	1:00	Coincident indicator – preliminary	April	82.6				90.2
Germany	2:00	Factory orders	April	-19.9%	-29.9%			-15.6% -16.0%
Italy	4:00	Retail sales	April	-20.0%	n/a			-20.5% -18.4%

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

UNITED STATES
Quarterly economic indicators

	REF. QUART.	LEVEL	VARIATION (%)		ANNUAL VARIATION (%)		
			Quart. ann.	1 year	2019	2018	2017
Gross domestic product (2012 \$B)	2020 Q1	18,975	-5.0	0.3	2.3	2.9	2.4
Consumption (2012 \$B)	2020 Q1	13,181	-6.8	0.6	2.6	3.0	2.6
Government spending (2012 \$B)	2020 Q1	3,338	0.8	2.4	2.3	1.7	0.7
Residential investment (2012 \$B)	2020 Q1	629.2	18.5	6.4	-1.5	-1.5	3.5
Non-residential investment (2012 \$B)	2020 Q1	2,670	-7.9	-3.4	2.1	6.4	4.4
Business inventory change (2012 \$B) ¹	2020 Q1	-67.2	---	---	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	3,295	-15.5	-5.8	1.0	4.4	4.7
Final domestic demand (2012 \$B)	2020 Q1	19,821	-4.8	0.6	2.3	3.0	2.5
GDP deflator (2012 = 100)	2020 Q1	113.4	1.4	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)	April	98.8	-4.4	-11.7	-11.3	-11.5
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	May*	86.6	85.7	132.6	126.8	131.3
Personal consumption expenditure (2012 \$B)	April*	10,923	-13.2	-18.9	-18.4	-17.3
Disposable personal income (2012 \$B)	April*	16,967	13.4	11.8	12.7	13.8
Consumer credit (\$B)	March	4,209	-0.3	0.4	1.4	3.8
Retail sales (\$M)	April	403,946	-16.4	-23.7	-23.0	-21.6
<i>Excluding automobiles (\$M)</i>	April	335,414	-17.2	-20.9	-20.1	-18.8
Industrial production (2012 = 100)	April	92.6	-11.2	-15.2	-15.1	-15.0
Production capacity utilization rate (%) ¹	April	64.9	73.2	76.7	77.0	77.8
New machinery orders (\$M)	March	444,987	-10.4	-10.6	-10.0	-11.8
New durable good orders (\$M)	April*	169,966	-17.2	-29.6	-29.6	-29.3
Business inventories (\$B)	March	2,013	-0.2	-1.0	-0.9	-0.3
Housing starts (k) ¹	April	891.0	1,276	1,617	1,340	1,267
Building permits (k) ¹	April	1,066	1,356	1,536	1,503	1,330
New home sales (k) ¹	April*	623.0	619.0	774.0	706.0	664.0
Existing home sales (k) ¹	April	4,330	5,270	5,420	5,410	5,230
Commercial surplus (\$M) ¹	March	-44,415	-39,810	-48,613	-51,323	-52,689
Nonfarm employment (k) ²	April	131,045	-20,537	-21,167	-20,508	-19,447
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
<i>Excluding food and energy</i>	April	265.6	-0.4	-0.3	0.2	1.4
Personal cons. expenditure deflator (2012 = 100)	April*	110.0	-0.5	-0.6	-0.1	0.5
<i>Excluding food and energy</i>	April*	112.4	-0.4	-0.3	0.1	1.0
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)	2020 Q1*	2,057,160	-8.2	-0.9	1.7	2.0	3.2
Household consumption (2012 \$M)	2020 Q1*	1,159,845	-9.0	-1.3	1.6	2.2	3.7
Government consumption (2012 \$M)	2020 Q1*	424,726	-3.8	0.3	2.1	3.0	2.3
Residential investment (2012 \$M)	2020 Q1*	142,323	-0.4	5.3	-0.6	-1.6	2.2
Non-residential investment (2012 \$M)	2020 Q1*	181,873	-2.7	-3.2	0.4	1.4	3.9
Business inventory change (2012 \$M) ¹	2020 Q1*	-1,994	---	---	15,077	13,025	17,951
Exports (2012 \$M)	2020 Q1*	648,615	-11.3	-2.1	1.3	3.1	1.4
Imports (2012 \$M)	2020 Q1*	644,158	-10.7	-4.6	0.6	2.6	4.2
Final domestic demand (2012 \$M)	2020 Q1*	2,051,942	-6.0	-0.5	1.3	2.1	3.3
GDP deflator (2012 = 100)	2020 Q1*	111.7	2.2	2.5	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	2020 Q1*	-11,093	---	---	-47,005	-55,499	-60,193
Production capacity utilization rate (%) ¹	2019 Q4	81.2	---	---	81.7	83.0	81.5
Disposable personal income (\$M)	2020 Q1*	1,319,436	1.7	4.3	4.5	3.8	5.0
Corporate net operating surplus (\$M)	2020 Q1*	267,476	-23.7	-3.1	-0.1	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)	March*	1,846,869	-7.2	-7.1	-6.8	-5.8
Industrial production (2012 \$M)	March*	376,978	-5.2	-5.0	-5.4	-6.1
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)	April*	6,046	-17.1	-35.0	-28.5	-37.0
Retail sales (\$M)	March	47,074	-10.0	-9.1	-8.8	-8.4
<i>Excluding automobiles (\$M)</i>	March	37,860	-0.4	-0.2	0.6	0.7
Wholesale trade sales (\$M)	March	63,853	-2.2	-0.2	-1.5	-0.3
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 (\$)	March*	1,053	0.6	0.8	1.3	3.7
Number of salaried employees (k) ²	March*	16,126	-914.5	-310.8	-148.5	-63.4
Consumer price (2002 = 100)	April	135.7	-0.7	-0.8	-0.7	-0.2
<i>Excluding food and energy</i>	April	131.8	-0.3	0.6	0.3	1.3
<i>Excluding 8 volatile items</i>	April	135.1	-0.4	0.4	0.1	1.2
Industrial product price (2010 = 100)	April*	112.3	-2.3	-4.3	-4.3	-6.0
Raw materials price (2010 = 100)	April*	72.4	-13.4	-30.5	-29.1	-36.7
Money supply M1+ (\$M)	April*	1,186,022	4.1	9.7	11.1	16.9

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 29	May 22	-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	1.64	0.25
Treasury bill – 3 months	0.14	0.12	0.12	1.25	1.56	2.30	2.30	1.37	-0.05
Treasury bonds – 2 years	0.16	0.17	0.20	0.91	1.63	2.00	1.93	1.28	0.13
– 5 years	0.31	0.33	0.37	0.93	1.64	1.94	1.92	1.32	0.29
– 10 years	0.66	0.65	0.64	1.15	1.79	2.14	2.14	1.52	0.50
– 30 years	1.44	1.36	1.28	1.66	2.20	2.58	2.64	2.04	1.03
S&P 500 index (level)	3,016	2,955	2,831	2,954	3,141	2,752	3,386	2,993	2,237
DJIA index (level)	25,196	24,465	23,724	25,409	28,051	24,815	29,551	26,381	18,592
Gold price (US\$/ounce)	1,734	1,736	1,692	1,587	1,462	1,300	1,746	1,532	1,320
CRB index (level)	128.96	129.53	117.63	159.45	176.66	175.36	187.39	164.83	106.29
WTI oil (US\$/barrel)	33.60	34.22	18.84	47.09	55.17	53.50	63.29	48.19	-37.63
Canada									
Overnight – target	0.25	0.25	0.25	1.75	1.75	1.75	1.75	1.43	0.25
Treasury bill – 3 months	0.19	0.25	0.25	1.46	1.65	1.68	1.71	1.32	0.18
Treasury bonds – 2 years	0.28	0.29	0.30	1.14	1.58	1.43	1.73	1.25	0.27
– 5 years	0.39	0.37	0.37	1.07	1.49	1.36	1.70	1.21	0.36
– 10 years	0.53	0.51	0.52	1.12	1.46	1.49	1.70	1.25	0.49
– 30 years	1.12	1.06	1.07	1.30	1.55	1.77	1.79	1.50	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	-0.20	-0.75
Treasury bill – 3 months	0.05	0.13	0.13	0.21	0.09	-0.62	0.53	-0.04	-0.63
Treasury bonds – 2 years	0.12	0.12	0.10	0.23	-0.05	-0.57	0.31	-0.04	-0.50
– 5 years	0.08	0.04	0.00	0.14	-0.15	-0.58	0.29	-0.11	-0.57
– 10 years	-0.14	-0.14	-0.12	-0.03	-0.33	-0.65	0.09	-0.28	-0.68
– 30 years	-0.33	-0.30	-0.21	-0.36	-0.65	-0.81	0.06	-0.54	-0.89
S&P/TSX index (level)	15,147	14,914	14,620	16,263	17,040	16,037	17,944	16,141	11,228
Exchange rate (C\$/US\$)	1.3805	1.3996	1.4086	1.3399	1.3277	1.3514	1.4513	1.3400	1.2965
Exchange rate (C\$/€)	1.5356	1.5258	1.5473	1.4774	1.4627	1.5094	1.5832	1.4817	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\$/€)	1.1123	1.0902	1.0985	1.1027	1.1017	1.1169	1.1449	1.1060	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.75	0.75	0.75	0.75	0.61	0.10
Bonds – 10 years	0.18	0.13	0.21	0.42	0.70	0.89	0.90	0.56	0.13
FTSE index (level)	6,084	5,993	5,763	6,581	7,347	7,162	7,687	6,979	4,994
Exchange rate (US\$/£)	1.2339	1.2166	1.2504	1.2821	1.2934	1.2633	1.3331	1.2616	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.45	-0.49	-0.59	-0.61	-0.35	-0.20	-0.17	-0.42	-0.84
DAX index (level)	11,625	11,074	10,862	11,890	13,236	11,727	13,789	12,131	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)	21,878	20,388	19,619	21,143	23,294	20,601	24,084	21,618	16,553
Exchange rate (US\$/¥)	107.70	107.63	106.95	108.09	109.52	108.28	112.13	108.19	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.