

WEEKLY NEWSLETTER

North American Labour Market Starting to Improve

HIGHLIGHTS

- ▶ U.S. job market already starting to improve!
- ▶ United States: ISM indexes are up slightly.
- ▶ The Bank of Canada kept its key rate unchanged but cut back its market operations.
- ▶ Canada: The labour market has begun to regain lost ground.
- ▶ Canada: The international merchandise trade balance deteriorated in April.

A LOOK AHEAD

- ▶ U.S. inflation probably stabilized somewhat in May after falling in April.
- ▶ United States: Will consumer confidence improve once again?
- ▶ Canada: Housing starts should increase in May.
- ▶ Canada: The industrial capacity utilization rate will fall in the first quarter.

FINANCIAL MARKETS

- ▶ Another great week for stock markets.
- ▶ Renewed risk appetite penalizes the bond markets.
- ▶ The Canadian dollar approaches US\$0.75.

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

François Dupuis, Vice-President and Chief Economist • Mathieu D'Anjou, Deputy Chief Economist
 Benoit P. Durocher, Senior Economist • Francis Généreux, Senior Economist • Lorenzo Tessier-Moreau, 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.
 IMPORTANT: This document is based on public information and may under no circumstances be used or construed as a commitment by Desjardins Group. While the information provided has been determined on the basis of data obtained from sources that are deemed to be reliable, Desjardins Group in no way warrants that the information is accurate or complete. The document is provided solely for information purposes and does not constitute an offer or solicitation for purchase or sale. Desjardins Group takes no responsibility for the consequences of any decision whatsoever made on the basis of the data contained herein and does not hereby undertake to provide any advice, notably in the area of investment services. The data on prices or margins are provided for information purposes and may be modified at any time, based on such factors as market conditions. The past performances and projections expressed herein are no guarantee of future performance. The opinions and forecasts contained herein are, unless otherwise indicated, those of the document's authors and do not represent the opinions of any other person or the official position of Desjardins Group. Copyright © 2020, Desjardins Group. All rights reserved.

Key Statistics of the Week

UNITED STATES

- ▶ The establishment survey indicates that there were 2,509,000 net hires in May after 20,687,000 jobs were lost in April and 1,373,000 in March. This is clearly the biggest jobs increase since monthly data first started to be compiled and came mostly as a surprise as another decrease in the number of workers was expected. The unemployment rate fell from 14.7% to 13.3%.
- ▶ New unemployment insurance claims continue to fall, with 1,872,000 filed during the week ending May 30.
- ▶ After falling 9.6 points in total, the ISM manufacturing index rose from 41.5 in April to 43.1 in May. The components relating to current production (+5.7 points), prices paid (+5.5 points), new orders (+4.7 points) and employment (+4.6 points) saw the strongest growth.
- ▶ The ISM non-manufacturing index also improved, up from 41.8 in April to 45.4 in May. The index relating to current production advanced 15.0 points, up from 26.0 to 41.0. The other components that grew included new orders (+9.0 points) and export orders (+5.2 points).
- ▶ In April, the U.S. balance of trade in goods and services deteriorated again. The deficit went from US\$42.3B in March to US\$49.4B in April. Nominal exports plunged 20.5%, while imports shrank 13.7%. In both cases, this was the worst monthly decline since the data first started to be published in 1992.
- ▶ New car sales jumped 40.0% in May after falling 47.9% in total in March and April. As a result, annualized sales went from a historic low of 8,726,000 units in April to 12,210,000 in May.
- ▶ Construction spending declined 2.9% in April after stagnating in March (revised from +0.9%). Residential construction was down 4.5%. Private non-residential construction declined 1.3%, and public construction slipped 2.5%.

Francis Généreux, Senior economist

CANADA

- ▶ As we had forecast, employment returned to positive territory in May, following two months of historic declines. However, the 289,600 jobs created in May barely made a dent in compensating for the 3,004,500 jobs lost in March and April. Clearly, the labour market's recovery will be slow and gradual. Despite this job growth, the unemployment rate continued to climb in May, reaching 13.7%, its highest level since data began to be published in 1976.
- ▶ As expected, the Bank of Canada (BoC) kept its key rate at its effective lower bound. While it's clear that the economic conditions have deteriorated significantly in recent months, they did avoid the worst-case scenarios anticipated in the BoC's most recent *Monetary Policy Report*. With this in mind, the BoC announced today that it would be cutting back on the frequency of some of its operations. However, there is no need to fear that the BoC will quickly pull out of the markets. It will take several quarters before the economic recovery is well underway, and the BoC has reiterated its commitment to continue its purchases during the transition period.
- ▶ Canadian labour productivity rose 3.4% in the first quarter. This is the highest quarterly increase since these data first started being collected in 1981. Yet the reason for this hike is disappointing: the sharp drop in production in the first quarter was lower than the historic plunge in the number of hours worked during the period.
- ▶ The value of merchandise exports plummeted 29.7% in April. Practically all of the main sectors were seriously impacted by the disruptions caused by the lockdown measures in Canada and elsewhere in the world. Energy products, also affected by lower gas prices, recorded a huge decline. With imports down a little less (-25.1%), the trade balance deteriorated by \$1.7B during the month.

Benoit P. Durocher, Senior economist

Financial Markets

Stock Markets Boosted by Rebound in Employment in the United States

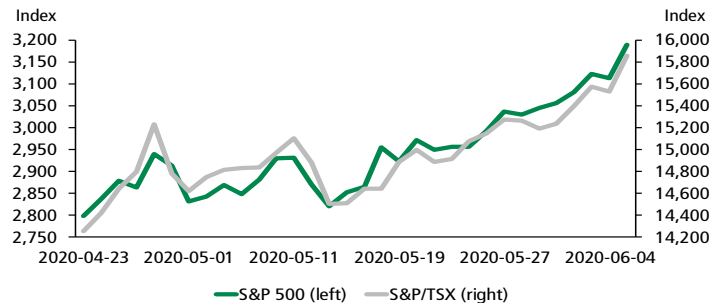
The employment figures released on Friday led to another great week for North American stock markets. May's rebound in employment in the United States, rather than the widely anticipated drop, surprised investors, who were already leaning toward optimism regarding the economic recovery. At the time of writing, the S&P 500 index had posted a weekly increase of 4.5%, more than 2.5% of which occurred on Friday following the release of employment data. Canada also saw major gains on the stock market during the week, with the S&P/TSX index recording weekly growth of 4.3% on Friday morning, thanks to an equally nice surprise for the Canadian labour market. The positive market sentiment buoyed oil prices, which also benefited on Friday from expectations over the meeting to be held by the expanded Organization of the Petroleum Exporting Countries (OPEC) aimed at setting further production cuts. At the time of writing, a barrel of WTI (West Texas Intermediate) stood at US\$39, up nearly 16% for the week.

Optimism was also felt on the bond markets, as many investors turned from secure assets to stocks. Long-term bond prices dropped over the week, causing interest rates on 10-year bonds to jump more than 25 basis points in the United States and nearly 20 basis points in Canada. Meanwhile, fluctuations in interest rates on short-term bonds were less dramatic, as investors anticipated few changes to monetary policies in the coming quarters.

The currency market felt the renewed optimism as well, and the U.S. dollar continued to slide. The euro stood at US\$1.13 on Friday morning, following the release of U.S. job figures. The European currency has appreciated approximately US\$0.05 over the last three weeks. The Canadian dollar has also rebounded significantly and is now approaching US\$0.75. It was around US\$0.71 three weeks ago. The loonie is now closer to its levels prior to the onset of the COVID-19 pandemic.

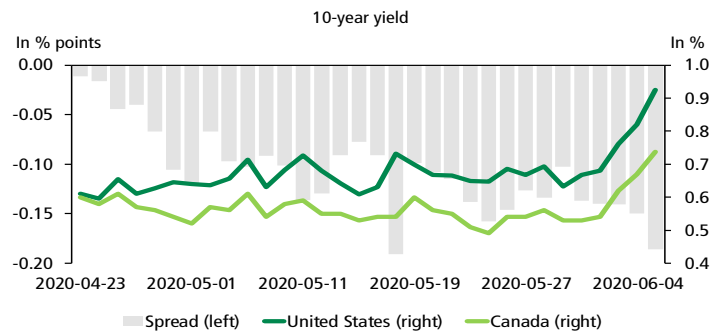
Hendrix Vachon, Senior Economist
Lorenzo Tessier-Moreau, Senior Economist

GRAPH 1
Stock markets



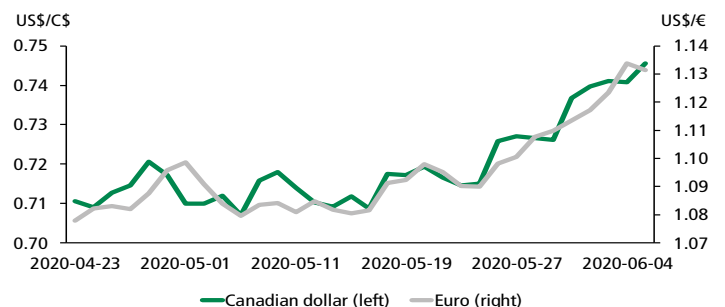
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

WEDNESDAY June 10 - 8:30

May	m/m
Consensus	0.0%
Desjardins	0.1%
April	-0.8%

WEDNESDAY June 10 - 14:00

June	
Consensus	0.25%
Desjardins	0.25%
April 29	0.25%

FRIDAY June 12 - 10:00

June	
Consensus	74.5
Desjardins	75.5
May	72.3

MONDAY June 8 - 8:15

May	ann. rate
Consensus	160,000
Desjardins	175,000
April	166,415

FRIDAY June 12 - 8:30

Q1 2020	
Consensus	80.0%
Desjardins	80.0%
Q4 2019	81.2%

UNITED STATES

Consumer price index (May) – The consumer price index (CPI) dropped 0.8% in April, the worst monthly pullback since December 2008. Most of this decline is due to the 32.0% drop in gas prices. Another much more modest decrease is expected in May, mostly because of seasonal adjustments. Food prices should be up again in May, but less than the 1.5% recorded in April, which was the highest monthly increase since August 1980. Excluding energy and food, the core CPI fell 0.4% in April. However, we expect to see stagnation for May. All things considered, total CPI should post a slight 0.1% uptick, with the annual variation in total CPI moving from 0.3% to 0.4%. Core inflation is expected to slide from 1.4% to 1.3%.

Federal Reserve meeting (June) – In addition to dropping its key rate in March to its lowest level, the Federal Reserve (Fed) also implemented a range of measures to help the financial markets and the economy. As in April, no new major announcements are expected at this meeting. Still, Jerome Powell and his colleagues may use it to review the actions taken since the pandemic began. They may also clarify their views on the future path of the measures already announced, especially with respect to asset purchases. Believing that the situation was too unpredictable in March, the Fed's leaders haven't published any economic forecasts since December 2019; an update of these forecasts is therefore expected.

University of Michigan consumer confidence index (June – preliminary) – U.S. household confidence improved ever so slightly in May. The University of Michigan index went from 71.8 to 72.3. This 0.5-point increase is modest compared to the total 29.2-point plunge in the two previous months, but it's still a step in the right direction. Moreover, another slight gain is expected for June. The continued easing of the lockdown throughout most of the states should be a positive factor. The stock market also continued to advance. The job market, although still struggling, is on a less negative slope as shown by the drop in new jobless claims and, more importantly, by the net increase of 2,509,000 in jobs created in May. Bloomberg's weekly confidence index also improved somewhat in recent weeks. Conversely, the increase in social unrest last week poses a risk. Nonetheless, we expect the University of Michigan index to go from 72.3 to 75.5.

CANADA

Housing starts (May) – Even if the unemployment rate is high, housing starts should begin to regain lost ground. Furthermore, with construction resuming in Quebec, housing starts should be up for May. In addition, the demand for housing seems to have stayed fairly strong against the backdrop of historically low interest rates.

Industrial capacity utilization rate (Q1) – Industrial output tumbled 5.7% (annualized) between the fourth quarter of 2019 and the first quarter of 2020. Under these conditions, the industrial capacity utilization rate is expected to decline significantly in the first quarter. Needless to say, the temporary closing of some businesses due to COVID-19 only made the problem worse during the period.

FRIDAY June 12 - 4:30


April	m/m
Consensus	-18.0%
March	-5.8%


OVERSEAS

United Kingdom: Monthly GDP (April) – Real GDP in the United Kingdom was down 1.7% (non-annualized) in the first quarter of 2020. This contraction was considerably less than that of most of the other European economies. It's true that the British government was slower to introduce strict lockdown measures. The impact was probably felt more acutely in April, with monthly real GDP expected to be down nearly 20%.

Economic Indicators

Week of June 8 to 12, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 8						
	---	---				
TUESDAY 9						
	10:00	Wholesale inventories – final (m/m)	April	0.4%	0.4%	0.4%
WEDNESDAY 10						
	8:30	Consumer price index				
		Total (m/m)	May	0.0%	0.1%	-0.8%
		Excluding food and energy (m/m)	May	0.0%	0.0%	-0.4%
		Total (y/y)	May	0.3%	0.4%	0.3%
		Excluding food and energy (y/y)	May	1.3%	0.3%	1.4%
	14:00	Federal budget (US\$B)	May	-600.0	n/a	-737.9
	14:00	Federal Reserve meeting	June	0.25%	0.25%	0.25%
	14:30	Speech of the Federal Reserve Chair, J. Powell				
THURSDAY 11						
	8:30	Initial unemployment claims	June 1-5	1,550,000	1,450,000	1,877,000
	8:30	Producer price index				
		Total (m/m)	May	0.1%	0.2%	-1.3%
		Excluding food and energy (m/m)	May	-0.1%	0.0%	-0.3%
FRIDAY 12						
	8:30	Export prices (m/m)	May	0.8%	1.0%	-3.3%
	8:30	Import prices (m/m)	May	0.6%	1.5%	-2.6%
	10:00	Michigan's consumer sentiment index – preliminary	June	74.5	75.5	72.3
CANADA						
MONDAY 8						
	8:15	Housing starts (ann. rate)	May	160,000	175,000	166,415
TUESDAY 9						
	---	---				
WEDNESDAY 10						
	---	---				
THURSDAY 11						
	---	---				
FRIDAY 12						
	8:30	National balance sheet	Q1			
	8:30	Industrial capacity utilization rate	Q1	80.0%	80.0%	81.2%

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 8 to 12, 2020

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
DURING THE WEEK								
China	---	Trade balance (US\$B)	May	41.40		45.34		
SUNDAY 7								
Japan	19:50	Current account (¥B)	April	331.6		942.3		
Japan	19:50	Real GDP – final	Q1	-0.5%		-0.9%		
MONDAY 8								
Germany	2:00	Industrial production	April	-16.8%	-24.9%	-9.2%	-11.6%	
TUESDAY 9								
Germany	2:00	Trade balance (€B)	April	11.6		17.4		
Germany	2:00	Current account (€B)	April	14.1		24.4		
France	2:45	Trade balance (€M)	April	-3,000		-3,343		
France	2:45	Current account (€B)	April	n/a		-3.3		
Euro zone	5:00	Net change in employment – final	Q1	n/a	n/a	-0.2%	0.3%	
Euro zone	5:00	Real GDP – final	Q1	-3.8%	-3.2%	-3.8%	-3.2%	
Japan	19:50	Producer price index	May	-0.3%	-2.4%	-1.5%	-2.3%	
China	21:30	Consumer price index	May		2.7%		3.3%	
China	21:30	Producer price index	May		-3.2%		-3.1%	
WEDNESDAY 10								
France	2:45	Industrial production	April	-20.0%	-33.3%	-16.2%	-17.3%	
THURSDAY 11								
Italy	4:00	Industrial production	April	-24.0%	-42.2%	-28.4%	-29.3%	
FRIDAY 12								
Japan	0:30	Industrial production – final	April	n/a	n/a	-9.1%	-14.4%	
United Kingdom	2:00	Trade balance (£M)	April	-5,500		-6,676		
United Kingdom	2:00	Construction	April	-25.0%	-32.9%	-5.9%	-7.1%	
United Kingdom	2:00	Index of services	April	-20.0%		-6.2%		
United Kingdom	2:00	Monthly GDP	April	-18.0%		-5.8%		
United Kingdom	2:00	Industrial production	April	-15.0%	-19.3%	-4.2%	-8.2%	
France	2:45	Consumer price index – final	May	0.0%	0.2%	0.0%	0.2%	
Euro zone	5:00	Industrial production	April	-20.0%	-28.3%	-11.3%	-12.9%	

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	108.0	-0.9	0.7	1.9	1.4	1.3
Unit labor cost (2012 = 100)	2020 Q1	113.4	5.1	1.9	1.8	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	May*	43.1	41.5	50.1	48.1	52.3
ISM non-manufacturing index ¹	May*	45.4	41.8	57.3	53.9	56.3
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)	April*	384,306	-13.0	-22.5	-22.3	-22.3
New durable good orders (\$M)	April	168,723	-17.7	-30.1	-30.2	-29.8
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	April*	-49,408	-42,340	-42,042	-43,029	-49,203
Nonfarm employment (k) ²	May*	132,912	2,509	-19,551	-18,902	-17,665
Unemployment rate (%) ¹	May*	13.3	14.7	3.5	3.5	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)	2020 Q1*	110.5	14.3	3.6	0.6	-0.1	2.1
Unit labour cost (2012 = 100)	2020 Q1*	112.1	4.3	3.8	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	April*	-3,251	-1,526	-1,799	-1,557	-1,332
<i>Exports (\$M)</i>	April*	32,658	-29.7	-31.8	-33.6	-35.2
<i>Imports (\$M)</i>	April*	35,909	-25.1	-27.7	-29.3	-30.5
Employment (k) ²	May*	16,475	289.6	-905.0	-437.1	-214.7
Unemployment rate (%) ¹	May*	13.7	13.0	5.6	5.9	5.4
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		
	June 5	May 29	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	0.25	0.25	0.25	1.25	1.75	2.50	2.50	1.59	0.25
Treasury bill – 3 months	0.15	0.14	0.12	0.45	1.50	2.23	2.24	1.33	-0.05
Treasury bonds – 2 years	0.22	0.17	0.15	0.48	1.64	1.85	1.93	1.25	0.13
– 5 years	0.48	0.31	0.32	0.58	1.68	1.86	1.92	1.29	0.29
– 10 years	0.92	0.63	0.68	0.71	1.84	2.08	2.14	1.50	0.50
– 30 years	1.74	1.39	1.38	1.21	2.28	2.57	2.64	2.02	1.03
S&P 500 index (level)	3,189	3,044	2,930	2,972	3,146	2,873	3,386	2,999	2,237
DJIA index (level)	27,155	25,383	24,331	25,865	28,015	25,984	29,551	26,396	18,592
Gold price (US\$/ounce)	1,680	1,732	1,714	1,668	1,460	1,346	1,746	1,539	1,326
CRB index (level)	138.18	132.24	124.74	155.85	181.19	174.42	187.39	164.09	106.29
WTI oil (US\$/barrel)	39.07	33.71	23.55	45.90	59.20	53.99	63.29	47.88	-37.63
Canada									
Overnight – target	0.25	0.25	0.25	1.25	1.75	1.75	1.75	1.41	0.25
Treasury bill – 3 months	0.18	0.18	0.22	0.76	1.65	1.66	1.71	1.30	0.17
Treasury bonds – 2 years	0.34	0.28	0.27	0.70	1.65	1.40	1.73	1.23	0.27
– 5 years	0.52	0.39	0.39	0.66	1.59	1.34	1.70	1.19	0.36
– 10 years	0.74	0.53	0.58	0.72	1.58	1.46	1.70	1.23	0.49
– 30 years	1.34	1.11	1.16	0.96	1.68	1.72	1.79	1.49	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	-0.19	-0.75
Treasury bill – 3 months	0.03	0.04	0.10	0.31	0.15	-0.57	0.53	-0.03	-0.56
Treasury bonds – 2 years	0.12	0.11	0.12	0.22	0.01	-0.45	0.31	-0.02	-0.46
– 5 years	0.04	0.08	0.07	0.08	-0.09	-0.52	0.29	-0.10	-0.52
– 10 years	-0.19	-0.10	-0.10	0.01	-0.26	-0.62	0.09	-0.27	-0.65
– 30 years	-0.40	-0.28	-0.22	-0.25	-0.60	-0.85	0.06	-0.53	-0.89
S&P/TSX index (level)	15,857	15,193	14,967	16,175	16,997	16,231	17,944	16,129	11,228
Exchange rate (C\$/US\$)	1.3412	1.3771	1.3927	1.3425	1.3257	1.3268	1.4513	1.3402	1.2965
Exchange rate (C\$/€)	1.5173	1.5284	1.5098	1.5151	1.4661	1.5036	1.5832	1.4819	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\$/€)	1.1313	1.1099	1.0841	1.1286	1.1059	1.1333	1.1449	1.1059	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.75	0.75	0.75	0.75	0.60	0.10
Bonds – 10 years	0.36	0.12	0.20	0.21	0.76	0.81	0.88	0.55	0.12
FTSE index (level)	6,456	6,077	5,936	6,463	7,240	7,332	7,687	6,961	4,994
Exchange rate (US\$/£)	1.2706	1.2346	1.2409	1.3050	1.3137	1.2736	1.3331	1.2614	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.27	-0.45	-0.53	-0.73	-0.29	-0.26	-0.17	-0.42	-0.84
DAX index (level)	12,788	11,587	10,904	11,542	13,167	12,045	13,789	12,137	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)	22,864	21,878	20,179	20,750	23,354	20,885	24,084	21,654	16,553
Exchange rate (US\$/¥)	109.68	107.79	106.67	105.32	108.61	108.20	112.13	108.20	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.