

WEEKLY NEWSLETTER

Rebound of U.S. Economic Indicators Loses Steam

HIGHLIGHTS

- ▶ Willing to accept higher inflation, the Federal Reserve signals its intent to keep rates at their effective lower bound for some time.
- ▶ United States: Retail sales and industrial output ease.
- ▶ Canada: The total annual inflation rate is still very low.
- ▶ Canada: The existing property market remains lively.
- ▶ Canada: July saw higher manufacturing, wholesale and retail sales.

A LOOK AHEAD

- ▶ United States: Home sales should remain high.

FINANCIAL MARKETS

- ▶ The stock markets struggle to make gains after two weeks of decline.
- ▶ Oil prices are up 10%.
- ▶ The Canadian dollar manages to hold at close to US\$0.76.

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Key Statistics of the Week

UNITED STATES

- ▶ The Federal Reserve (Fed) has kept the target range for federal funds between 0.00% and 0.25%. The decision to keep key interest rates unchanged came as no surprise. The Fed provided a few more details about the conditions under which it could begin to normalize its monetary policy. They reflect the Fed's newly revamped long-term objectives, which include full employment, as well as a desire for inflation to momentarily exceed the target of 2%.
- ▶ Retail sales increased 0.6% in August after climbing 0.9% in July and jumping 8.6% in June and 18.3% in May. Motor vehicle sales ticked up a mere 0.2% after a 1.0% decline in July. The value of service station sales rose 0.4%. Excluding motor vehicles and gas, sales were up 0.7%.
- ▶ U.S. consumer confidence improved according to September's preliminary version of the University of Michigan index, climbing from 74.1 to 78.9. However, this is still a far cry from its level of 101.1 posted in February.
- ▶ Industrial output inched up just 0.4% in August after seeing gains of 3.5% in July and 6.1% in June. It remains 7.3% below February's level. Manufacturing output increased 0.7%, hampered by a 3.7% drop in motor vehicle production. Mining activity decreased 2.5%, while energy production retreated 0.4%.
- ▶ Housing starts fell 5.1% in August following a total increase of 59.7% from April to July, climbing from 934,000 units in April to 1,492,000 in July and 1,416,000 in August. This is still below the recent peak of 1,617,000 units reached in January. The decline in building permits was less dramatic in August, dipping 0.9%.
- ▶ The first regional manufacturing indexes of September have taken diverging paths. The Federal Reserve Bank of New York's Empire index jumped from 3.7 to 17.0. In contrast, the Federal Reserve Bank of Philadelphia's manufacturing index edged down from 17.2 to 15.0.
- ▶ The Conference Board's U.S. leading indicator rose 1.2% in August after gaining 2.0% in July and posting two consecutive increases of 3.1% in May and June.

Francis Généreux, Senior economist

CANADA

- ▶ The consumer price index (CPI) slipped 0.1% in August, while the consensus forecast was expecting a 0.1% increase in the month. The total annual inflation rate stayed at 1.0%. Contrary to our expectations, total inflation is struggling to gain momentum in the country. The annual variation in the price of goods remained slightly negative in August, but the decrease is far less steep than in April, when the full brunt of the sudden drop in gasoline prices was felt. This is fairly consistent with our scenario in general. The recent low inflation therefore stems more from services. The annual variation in service prices continues to slow and rose to just +0.5% in August, compared to +2.2% in February. This is a reflection of weaker demand in some activity sectors, as a number of restrictive measures are still in place to stop the spread of the virus.
- ▶ The existing properties market remained very lively in August. Sales grew 6.2% over the course of the month, bringing the annual variation to 33.5%. The number of months of inventory for properties available on the market fell to 2.6 in August, its lowest level since this figure began to be published in 2003. These extremely tight market conditions are starting to put upward pressure on prices. The existing home price index posted annual growth of 9.4%.
- ▶ Manufacturing sales continued to climb in July with a 7.0% increase. Almost 85% of the ground lost during the March and April lockdown has now been recovered.
- ▶ The value of retail sales climbed 0.6% in July, fairly close to Statistics Canada's preliminary estimate of +0.7%. According to Statistics Canada, preliminary data indicate that August ended with a 1.1% increase in the value of retail sales.
- ▶ Wholesale sales rose 4.3% in July, slightly beating expectations. As a result, wholesale sales are now 0.6% higher than the pre-COVID-19 level recorded in February 2020.

Benoit P. Durocher, Senior economist

Financial Markets

The message from the Federal Reserve Did Not Reassure Markets

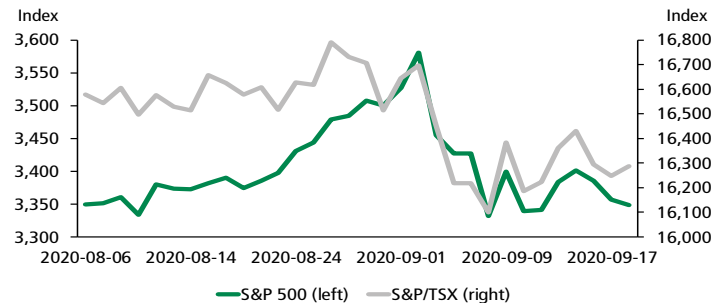
The week got off to a good start on the North American markets after two straight weeks of decline. However, these gains gave way to renewed declines on Wednesday following the Federal Reserve (Fed) meeting. The Fed continues to be fairly pessimistic about the economy, and the proposed measures don't appear to be enough to fuel other substantial stock market gains. The indexes continued to fall on Thursday, but did not completely wipe out the increase seen at the beginning of the week. The new downward movements recorded Friday morning would generate weekly gains of less than 0.5% on the Dow Jones, the S&P 500 and NASDAQ. The Canadian S&P/TSX index was also heading for a weekly gain of less than 0.5% at the time of writing. Despite this unimpressive performance by stock markets, the increase in oil prices hit nearly 10% this week. This surge is mainly due to production cuts announced by the Organization of the Petroleum Exporting Countries (OPEC) as well as the effect of hurricanes on U.S. crude production.

The week was significantly less volatile on the bond markets. Investors did seem to be seeking direction following the Fed's meeting as the initial gains of a few basis points on long-term bond yields quickly reversed on Thursday. The 10-year U.S. bond yields will end the week around 0.68%, up 1.5 basis points, while in Canada, the 10-year yield is 0.57%.

Mirroring the stock markets, the exchange rates experienced heightened volatility from the end of Wednesday to Thursday. The U.S. dollar temporarily appreciated against several currencies. In the wake of this, the euro fell to close to US\$1.175 and the Canadian dollar to US\$0.755. These two currencies returned to US\$1.18 and US\$0.76 respectively on Friday morning. The pound did better, boosted by renewed optimism with respect to the Brexit negotiations. It was just below US\$1.30 at the time of writing. The yen also fared well this week, benefiting from the uncertainty about the economic recovery. At ¥104/US\$, the Japanese exchange rate has returned to its March levels.

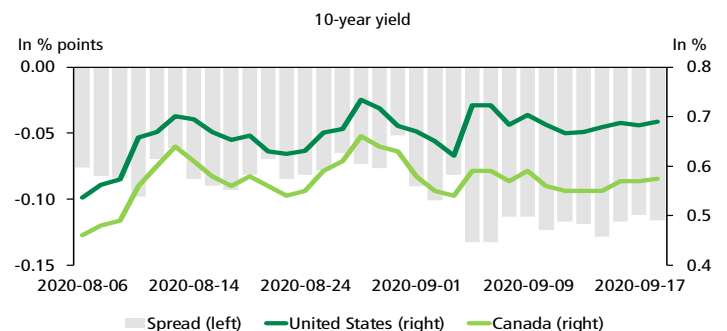
Hendrix Vachon, Senior Economist
Lorenzo Tessier-Moreau, Senior Economist

GRAPH 1
Stock markets



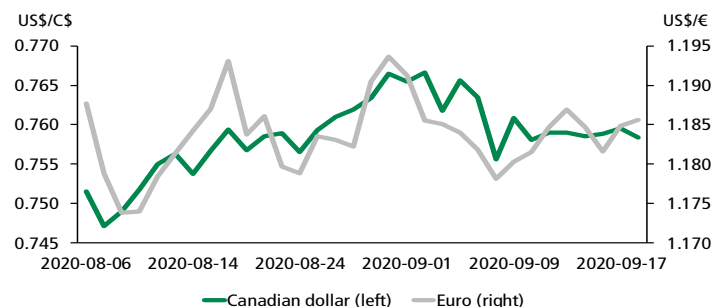
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

TUESDAY September 22 - 10:00

August	ann. rate
Consensus	6,000,000
Desjardins	6,100,000
July	5,860,000

THURSDAY September 24 - 10:00

August	ann. rate
Consensus	896,000
Desjardins	900,000
July	901,000

FRIDAY September 25 - 8:30

August	m/m
Consensus	1.2%
Desjardins	0.8%
July	11.4%

WEDNESDAY September 23 - 4:00

September	
Consensus	51.7
August	51.9

UNITED STATES

Existing home sales (August) – Sales of existing homes hit a peak in July not seen since 2006. They rose 24.7%, reaching 5,860,000 units. Another increase is expected for August. Pending home sales jumped 5.9% in July, signalling continued growth. In addition, mortgage applications in anticipation of a purchase remained high. Resales are expected to exceed 6,000,000 units.

New homes sales (August) – Sales of new homes also rose sharply in July, reaching their highest level since 2006 as well, or 901,000 units. However, sales are expected to be flat in August. The number of building permits granted remains below the recent developments in new homes. That said, the lofty builder confidence level presents an upside risk to this forecast.


New durable goods orders (August) – New durable goods orders continued to recover in July with a monthly gain of 11.4% after an increase of 15.0% in May and 7.7% in June. A new, but much more subdued, increase is expected for August. The transportation sector will rein in orders, as automobile production declined in August and new orders tied to aviation are likely to be negative again (cancellations still outweigh new orders). Excluding transportation, a 1.5% gain is expected in line with the “new orders” component of the ISM manufacturing index and the rise in industrial output, especially for machinery. In all, a 0.8% increase is forecast.


OVERSEAS

Euro zone: PMI index (September – preliminary) – In July, the PMI index in the euro zone fell to 51.9 from 54.9 in June. It remains above the 50 mark and is, of course, a huge improvement from the low of 13.9 reached in April. However, this drop suggests that the recovery in the euro zone may already be running out of steam; the data for September will offer more insight.

Economic Indicators

Week of September 21 to 25, 2020

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 21						
	---	---				
TUESDAY 22						
	10:00	Existing home sales (ann. rate)	Aug.	6,000,000	6,100,000	5,860,000
	10:00	Speech of the Chicago Fed President, C. Evans				
	10:30	Testimony of the Federal Reserve Chair, J. Powell, before a House committee				
WEDNESDAY 23						
	9:00	Speech of the Cleveland Fed President, L. Mester				
	10:00	Testimony of the Federal Reserve Chair, J. Powell, before a House committee				
	11:00	Speech of the Chicago Fed President, C. Evans				
	12:00	Speech of the Boston Fed President, E. Rosengren				
	14:00	Speech of a Federal Reserve Vice Chair, R. Quarles				
	15:00	Speech of the San Francisco Fed President, M. Daly				
THURSDAY 24						
	8:30	Initial unemployment claims	Sept. 14-18	840,000	825,000	860,000
	10:00	New home sales (ann. rate)	Aug.	896,000	900,000	901,000
	10:00	Testimony of the Federal Reserve Chair, J. Powell, before a Senate Committee				
	12:00	Speech of the St. Louis Fed President, J. Bullard				
FRIDAY 25						
	8:30	Durable goods orders (m/m)	Aug.	1.2%	0.8%	11.4%
	15:10	Speech of the New York Fed President, J. Williams				
CANADA						
MONDAY 21						
	8:30	New housing price index (m/m)	Aug.	n/a	0.6%	0.4%
TUESDAY 22						
	---	---				
WEDNESDAY 23						
	---	---				
THURSDAY 24						
	8:30	Average weekly earnings (y/y)	July	n/a	9.0%	9.4%
	8:30	Number of salaried employees (m/m)	July	n/a	6.0%	4.9%
FRIDAY 25						
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Note: Desjardins, Economic Studies are involved every week in the Bloomberg survey for Canada and the United States. Approximately 15 economists are consulted for the Canadian survey and a hundred or so for the United States. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. Following the quarter, the abbreviations f, s and t correspond to first estimate, second estimate and third estimate respectively. The times shown are Daylight Saving Time (GMT - 4 hours).  Forecast of Desjardins, Economic Studies of the Desjardins Group.

Economic Indicators

Week of September 21 to 25, 2020

Country	Hour	Indicator	Period	Consensus		Previous data	
				m/m (q/q)	y/y	m/m (q/q)	y/y
OVERSEAS							
MONDAY 21							
---	---	---					
TUESDAY 22							
Sweden	3:30	Bank of Sweden meeting	Sept.	0.00%		0.00%	
Euro zone	10:00	Consumer confidence – preliminary	Sept.	-14.6		-14.7	
Japan	20:30	PMI composite index – preliminary	Sept.	n/a		45.2	
Japan	20:30	PMI manufacturing index – preliminary	Sept.	n/a		47.2	
Japan	20:30	PMI services index – preliminary	Sept.	n/a		45.0	
New Zealand	22:00	Reserve Bank of New Zealand meeting	Sept.	0.25%		0.25%	
WEDNESDAY 23							
Japan	0:30	All industry activity index	July	1.3%		6.1%	
Germany	2:00	Consumer confidence	Oct.	-1.0		-1.8	
France	3:15	PMI composite index – preliminary	Sept.	51.9		51.6	
France	3:15	PMI manufacturing index – preliminary	Sept.	50.6		49.8	
France	3:15	PMI services index – preliminary	Sept.	51.5		51.5	
Germany	3:30	PMI composite index – preliminary	Sept.	54.0		54.4	
Germany	3:30	PMI manufacturing index – preliminary	Sept.	52.5		52.2	
Germany	3:30	PMI services index – preliminary	Sept.	52.9		52.5	
Euro zone	4:00	PMI composite index – preliminary	Sept.	51.7		51.9	
Euro zone	4:00	PMI manufacturing index – preliminary	Sept.	51.9		51.7	
Euro zone	4:00	PMI services index – preliminary	Sept.	50.5		50.5	
United Kingdom	4:30	PMI composite index – preliminary	Sept.	56.0		59.1	
United Kingdom	4:30	PMI manufacturing index – preliminary	Sept.	54.0		55.2	
United Kingdom	4:30	PMI services index – preliminary	Sept.	55.8		58.8	
THURSDAY 24							
France	2:45	Business confidence	Sept.	94		91	
France	2:45	Production outlook	Sept.	1		-3	
Switzerland	3:30	Swiss National Bank meeting	Sept.	-0.75%		-0.75%	
Germany	4:00	Ifo survey – Business climate	Sept.	93.8		92.6	
Germany	4:00	Ifo survey – Current situation	Sept.	89.5		87.9	
Germany	4:00	Ifo survey – Expectations	Sept.	98.0		97.5	
Norway	4:00	Bank of Norway meeting	Sept.	0.00%		0.00%	
Mexico	14:00	Bank of Mexico meeting	Sept.	4.25%		4.50%	
United Kingdom	19:01	Consumer confidence	Sept.	-27		-27	
FRIDAY 25							
Euro zone	4:00	Money supply M3	Aug.		10.1%		10.2%
Italy	4:00	Consumer confidence	Sept.	100.8		100.8	
Italy	4:00	Economic confidence	Sept.	n/a		80.8	

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 Q2	17,282	-31.7	-9.1	2.2	3.0	2.3
Consumption (2012 \$B)	2020 Q2	11,820	-34.1	-10.5	2.4	2.7	2.6
Government spending (2012 \$B)	2020 Q2	3,371	2.8	2.1	2.3	1.8	0.9
Residential investment (2012 \$B)	2020 Q2	566.1	-37.9	-4.9	-1.7	-0.6	4.0
Non-residential investment (2012 \$B)	2020 Q2	2,536	-26.0	-8.5	2.9	6.9	3.7
Business inventory change (2012 \$B) ¹	2020 Q2	-286.4	---	---	48.5	53.4	15.8
Exports (2012 \$B)	2020 Q2	1,943	-63.2	-23.2	-0.1	3.0	3.9
Imports (2012 \$B)	2020 Q2	2,704	-54.0	-22.4	1.1	4.1	4.7
Final domestic demand (2012 \$B)	2020 Q2	18,296	-27.7	-7.9	2.3	3.0	2.5
GDP deflator (2012 = 100)	2020 Q2	112.8	-2.0	0.6	1.8	2.4	1.9
Labor productivity (2012 = 100)	2020 Q2	110.9	10.1	2.8	1.7	1.4	1.2
Unit labor cost (2012 = 100)	2020 Q2	116.9	9.0	4.9	1.9	1.9	2.2
Employment cost index (Dec. 2005 = 100)	2020 Q2	140.7	2.0	2.7	2.7	2.8	2.4
Current account balance (\$B) ¹	2020 Q2*	-170.5	---	---	-480.2	-449.7	-365.3

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)	Aug.*	106.5	1.2	6.5	-4.7	-4.7
ISM manufacturing index ¹	Aug.	56.0	54.2	43.1	50.1	48.8
ISM non-manufacturing index ¹	Aug.	56.9	58.1	45.4	57.3	56.0
Cons. confidence Conference Board (1985 = 100) ¹	Aug.	84.8	91.7	85.9	132.6	134.2
Personal consumption expenditure (2012 \$B)	July	12,778	1.6	16.4	-4.8	-3.8
Disposable personal income (2012 \$B)	July	16,092	-0.1	-6.7	6.8	8.4
Consumer credit (\$B)	July	4,139	0.3	0.2	-1.2	0.7
Retail sales (\$M)	Aug.*	537,526	0.6	10.1	1.9	2.6
<i>Excluding automobiles (\$M)</i>	Aug.*	427,694	0.7	10.6	1.3	2.1
Industrial production (2012 = 100)	Aug.*	101.4	0.4	10.3	-7.3	-7.7
Production capacity utilization rate (%) ¹	Aug.*	71.4	71.1	64.7	76.9	77.8
New machinery orders (\$M)	July	466,082	6.4	21.9	-6.0	-6.2
New durable good orders (\$M)	July	231,128	11.4	38.0	-4.3	-4.8
Business inventories (\$B)	July*	1,914	0.1	-3.3	-5.4	-5.9
Housing starts (k) ¹	Aug.*	1,416	1,492	1,038	1,567	1,377
Building permits (k) ¹	Aug.*	1,470	1,483	1,216	1,438	1,471
New home sales (k) ¹	July	901.0	791.0	570.0	774.0	661.0
Existing home sales (k) ¹	July	5,860	4,700	4,330	5,420	5,390
Commercial surplus (\$M) ¹	July	-63,556	-53,461	-53,582	-43,364	-51,041
Nonfarm employment (k) ²	Aug.	140,914	1,371	7,886	-11,549	-10,246
Unemployment rate (%) ¹	Aug.	8.4	10.2	13.3	3.5	3.7
Consumer price (1982-1984 = 100)	Aug.	259.7	0.4	1.5	0.2	1.3
<i>Excluding food and energy</i>	Aug.	268.7	0.4	1.2	0.6	1.7
Personal cons. expenditure deflator (2012 = 100)	July	111.1	0.3	0.9	0.2	1.0
<i>Excluding food and energy</i>	July	113.5	0.3	0.9	0.5	1.3
Producer price (2009 = 100)	Aug.	118.4	0.3	0.8	-0.2	-0.2
Export prices (2000 = 100)	Aug.*	122.0	0.5	3.2	-1.9	-2.8
Import prices (2000 = 100)	Aug.*	123.2	0.9	3.5	-0.9	-1.4

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 Q2	1,820,369	-38.7	-13.0	1.7	2.0	3.2
Household consumption (2012 \$M)	2020 Q2	998,375	-43.0	-15.1	1.6	2.2	3.7
Government consumption (2012 \$M)	2020 Q2	416,091	-10.4	-2.2	2.1	3.0	2.3
Residential investment (2012 \$M)	2020 Q2	120,299	-47.6	-12.5	-0.6	-1.6	2.2
Non-residential investment (2012 \$M)	2020 Q2	147,549	-56.7	-19.8	0.4	1.4	3.9
Business inventory change (2012 \$M) ¹	2020 Q2	-37,851	---	---	15,077	13,025	17,951
Exports (2012 \$M)	2020 Q2	533,300	-55.6	-21.2	1.3	3.1	1.4
Imports (2012 \$M)	2020 Q2	499,728	-64.1	-25.2	0.6	2.6	4.2
Final domestic demand (2012 \$M)	2020 Q2	1,817,240	-37.4	-11.9	1.3	2.1	3.3
GDP deflator (2012 = 100)	2020 Q2	109.3	-4.6	-0.8	1.9	1.9	2.4
Labour productivity (2012 = 100)	2020 Q2	122.4	45.4	14.9	0.4	-0.1	2.1
Unit labour cost (2012 = 100)	2020 Q2	116.3	17.5	7.1	2.9	2.4	0.5
Current account balance (\$M) ¹	2020 Q2	-8,626	---	---	-47,005	-55,499	-60,193
Production capacity utilization rate (%) ¹	2020 Q2	70.3	---	---	81.9	83.0	81.5
Disposable personal income (\$M)	2020 Q2	1,474,308	50.9	14.5	4.5	3.8	5.0
Corporate net operating surplus (\$M)	2020 Q2	195,124	-67.8	-35.1	-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)	June	1,821,142	6.5	-1.4	-8.4	-7.8
Industrial production (2012 \$M)	June	350,280	7.5	-5.7	-11.6	-13.6
Manufacturing sales (\$M)	July*	53,127	7.0	47.0	-4.8	-6.9
Housing starts (k) ¹	Aug.	262.4	245.4	196.2	211.1	225.8
Building permits (\$M)	July	7,775	-3.0	24.6	-16.5	-9.6
Retail sales (\$M)	July*	52,859	0.6	49.5	1.9	2.7
<i>Excluding automobiles (\$M)</i>	July*	38,835	-0.4	28.5	2.6	3.2
Wholesale trade sales (\$M)	July*	64,968	4.3	31.3	1.5	0.7
Commercial surplus (\$M) ¹	July	-2,451	-1,589	-4,899	-2,075	-1,457
<i>Exports (\$M)</i>	July	45,428	11.1	41.6	-4.7	-7.8
<i>Imports (\$M)</i>	July	47,879	12.7	29.5	-3.7	-5.6
Employment (k) ²	Aug.	18,092	245.8	539.1	-183.0	-85.1
Unemployment rate (%) ¹	Aug.	10.2	10.9	13.7	5.6	5.7
Average weekly earnings (\$)	June	1,119	-1.8	6.7	7.1	9.4
Number of salaried employees (k) ²	June	14,368	666.5	-577.7	-448.4	-213.7
Consumer price (2002 = 100)	Aug.*	137.0	-0.1	0.7	-0.3	0.1
<i>Excluding food and energy</i>	Aug.*	131.9	0.0	0.3	-0.2	0.5
<i>Excluding 8 volatile items</i>	Aug.*	135.5	0.0	0.4	0.0	0.8
Industrial product price (2010 = 100)	July	114.6	0.7	2.0	-2.4	-2.3
Raw materials price (2010 = 100)	July	93.4	3.0	28.8	-10.3	-12.1
Money supply M1+ (\$M)	July	1,276,987	1.9	7.8	18.2	22.7

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		
	Sep. 18	Sep. 11	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
United States									
Federal funds – target	0.25	0.25	0.25	0.25	0.25	2.00	2.00	0.98	0.25
Treasury bill – 3 months	0.09	0.11	0.10	0.15	0.05	1.87	1.90	0.78	-0.05
Treasury bonds – 2 years	0.13	0.13	0.15	0.19	0.36	1.72	1.72	0.80	0.11
– 5 years	0.28	0.25	0.27	0.32	0.52	1.63	1.76	0.89	0.19
– 10 years	0.69	0.67	0.62	0.69	0.94	1.75	1.94	1.15	0.50
– 30 years	1.44	1.42	1.35	1.46	1.56	2.20	2.42	1.74	1.03
S&P 500 index (level)	3,348	3,341	3,397	3,098	2,305	2,992	3,581	3,092	2,237
DJIA index (level)	27,835	27,666	27,930	25,871	19,174	26,935	29,551	26,513	18,592
Gold price (US\$/ounce)	1,953	1,948	1,940	1,741	1,487	1,504	2,053	1,662	1,451
CRB index (level)	151.07	146.41	149.96	137.97	123.89	177.34	187.39	155.02	106.29
WTI oil (US\$/barrel)	41.29	37.30	42.67	38.84	25.91	58.09	63.29	43.37	-37.63
Canada									
Overnight – target	0.25	0.25	0.25	0.25	0.75	1.75	1.75	0.97	0.25
Treasury bill – 3 months	0.14	0.15	0.15	0.20	0.42	1.63	1.71	0.87	0.14
Treasury bonds – 2 years	0.26	0.26	0.28	0.30	0.56	1.57	1.73	0.89	0.25
– 5 years	0.36	0.35	0.36	0.38	0.76	1.42	1.70	0.90	0.30
– 10 years	0.57	0.55	0.54	0.53	0.87	1.39	1.70	0.99	0.43
– 30 years	1.10	1.06	1.07	1.00	1.28	1.54	1.76	1.33	0.71
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.00	0.00	0.00	0.00	0.50	-0.25	0.50	-0.01	-0.25
Treasury bill – 3 months	0.05	0.04	0.05	0.05	0.37	-0.24	0.53	0.09	-0.27
Treasury bonds – 2 years	0.13	0.13	0.13	0.11	0.20	-0.15	0.31	0.08	-0.14
– 5 years	0.09	0.10	0.09	0.06	0.24	-0.21	0.29	0.02	-0.20
– 10 years	-0.12	-0.12	-0.08	-0.16	-0.07	-0.36	0.09	-0.16	-0.36
– 30 years	-0.35	-0.36	-0.28	-0.46	-0.28	-0.66	0.06	-0.41	-0.69
S&P/TSX index (level)	16,287	16,222	16,518	15,474	11,852	16,900	17,944	16,028	11,228
Exchange rate (C\$/US\$)	1.3186	1.3176	1.3177	1.3606	1.4365	1.3261	1.4513	1.3450	1.2965
Exchange rate (C\$/€)	1.5634	1.5609	1.5545	1.5207	1.5363	1.4611	1.5903	1.5035	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\$/€)	1.1856	1.1847	1.1797	1.1177	1.0695	1.1018	1.1937	1.1182	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.10	0.10	0.75	0.75	0.41	0.10
Bonds – 10 years	0.18	0.14	0.17	0.19	0.49	0.55	0.86	0.41	0.04
FTSE index (level)	6,025	6,032	6,002	6,293	5,191	7,345	7,675	6,600	4,994
Exchange rate (US\$/£)	1.2957	1.2796	1.3090	1.2358	1.1643	1.2479	1.3383	1.2744	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.49	-0.48	-0.54	-0.45	-0.34	-0.52	-0.17	-0.43	-0.84
DAX index (level)	13,170	13,203	12,765	12,331	8,929	12,468	13,789	12,313	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)	23,360	23,406	22,920	22,479	16,553	22,079	24,084	22,102	16,553
Exchange rate (US\$/¥)	104.36	106.16	105.80	106.89	110.82	107.57	112.13	107.92	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.