

January 14, 2016

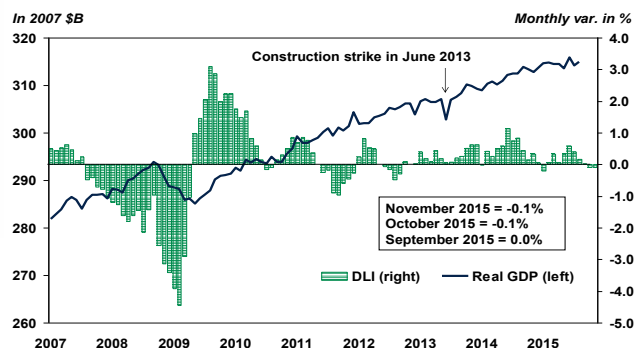
The DLI ticks down another 0.1% in November

The Desjardins Leading Index fell in November for a second month in a row. The DLI has been weak since August, auguring more modest economic growth for Quebec over the next three to six months.

- **Consumers component:** It recovered in November after falling for two straight months. The upswing is primarily due to a sharp rebound by consumer confidence. It will, however, take more than a single month of growth to confirm that consumers' contribution to the province's economic growth will strengthen on a lasting basis.
- **Housing component:** It fell for a second straight month in November after posting several consecutive increases in prior months, primarily due to the pullback by housing starts. The "housing" component should make a smaller contribution to the Quebec economy in the next few months.
- **Business component:** It continued to trend down in November. As entrepreneurs' confidence continues to be weak and the Canadian leading index is still sliding, along with the Quebec IQ-30 stock index, the "business" component's contribution to Quebec's economy should be subdued over the coming months.

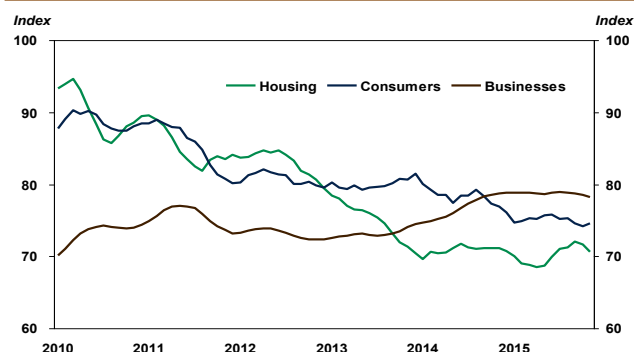
Chantal Routhier
Economist

Growth of the Desjardins Leading Index (DLI)



Sources: Institut de la statistique du Québec and Desjardins, Economic Studies

Growth of the three DLI components



Source: Desjardins, Economic Studies

Trends in the components

Monthly var. in %	September	October	November
DLI	0.0	-0.1	-0.1
Consumers	-0.9	-0.6	0.6
Housing	1.1	-0.5	-1.5
Businesses	-0.2	-0.2	-0.4

Source: Desjardins, Economic Studies

A composite index that allows market players to monitor shifts in Quebec's economy that may indicate an imminent recession or recovery.

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