

WEEKLY NEWSLETTER

Employment in Canada Is Quickly Making Up for Recent Losses

HIGHLIGHTS

- ▶ United States: Energy prices are causing inflation to rise again.
- ▶ United States: Consumer confidence improved in March, according to the University of Michigan index.
- ▶ The Bank of Canada maintained the status quo.
- ▶ Canada: Employment rebounded strongly in February.

A LOOK AHEAD

- ▶ United States: After a strong showing in January, retail sales are expected to tumble.
- ▶ United States: The challenging weather probably hurt industrial production and housing starts.
- ▶ Canada: The total annual inflation rate should continue to climb.
- ▶ Canada: Housing starts could fall after hitting exceptional numbers in January.
- ▶ Canada: Manufacturing sales should rise again, while retail sales are expected to fall in January.

FINANCIAL MARKETS

- ▶ Optimism about the recovery is pulling stock markets up.
- ▶ Volatility remains high on the bond markets.
- ▶ The Canadian dollar crosses US\$0.80.

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Key Statistics of the Week

UNITED STATES

- ▶ The consumer price index (CPI) rose 0.4% in February after gaining 0.3% in January and 0.4% in December. As in previous months, February's monthly increase is mostly due to higher energy costs, which climbed 3.9%, with fuel oil up 9.9% and gas 6.4%. In contrast, electricity and natural gas price variations were lower than anticipated. Food prices were up 0.2%. Excluding food and energy, core CPI rose a mere 0.1% after stagnating for two months in a row. February also saw prices for used vehicles, clothing, medical goods and transportation decline. The annual variation in total CPI edged up from 1.4% to 1.7%, the highest rate in a year. Core inflation, which excludes food and energy, inched down from 1.4% to 1.3%.
- ▶ The University of Michigan consumer confidence index was up in March, moving from 76.8 in February (the lowest level since last August) to 83.0, according to the March preliminary version. This is its highest level in a year. The University of Michigan attributes the index's increase in March to the apparent success of the vaccination rollout and the anticipation surrounding President Joe Biden's relief package (which has now been passed and signed). The University of Michigan's index rose more as the result of consumer anticipation (+6.8 points) than the component relating to their current situation (+5.3 points). It appears that Republican supporters are feeling more confident for the first time since September.
- ▶ The U.S. federal government's monthly balance was -US\$311.0B in February, with the accumulated deficit reaching US\$1,047B since the start of the current fiscal year on October 1. The federal government's budgetary situation is expected to worsen in the very short term, if for no other reason than the new relief package signed by President Joe Biden on Thursday. According to the Congressional Budget Office, the budgetary cost of this package will be US\$1,164B by September 30.

Francis Généreux, Senior economist

CANADA

- ▶ On Wednesday, the Bank of Canada (BoC) announced that it would keep its target for the overnight rate at its effective lower bound of 0.25%. Quantitative easing program continues at its current pace of at least \$4B per week. However, the BoC could start to adopt a different tone concerning the way it's managing its monetary policy in the next few months. Of course, we won't see higher key interest rates and an end to its asset purchases in the short term, but the BoC could start to lay the groundwork.
- ▶ As expected, the gradual lifting of some public health measures starting in February led to a sharp improvement in employment and the unemployment rate. The labour market saw 259,200 new jobs added in February, recouping nearly all the positions lost in December (-52,700) and January (-212,800). The unemployment rate dropped from 9.4% to 8.2%.
- ▶ After declining in the first half of 2020, household debt started climbing again in the fourth quarter. As a result, the ratio of credit market debt to disposable income shifted to 175.0% from 170.8%. It is worth remembering that this ratio was 181.0% at the end of 2019. Most of the increase is clearly due to the strength of the housing market.
- ▶ The industrial capacity utilization rate rose to 79.2% in the fourth quarter of 2020 from 77.4% in the previous quarter. Except for forestry products, all the major sectors are still posting industrial capacity utilization rates lower than those recorded prior to the pandemic. This has somewhat eased concerns about inflationary pressures rising significantly in the coming months.

Benoit P. Durocher, Senior economist

Financial Markets

The Markets Are Regaining Confidence despite the Increase in Bond Yields

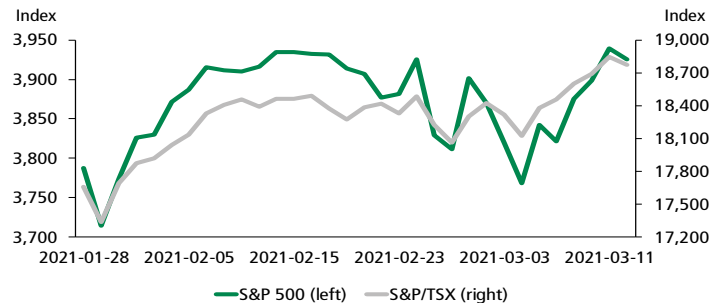
Optimism won out this week although long-term bond yields remained high. The North American stock indexes posted daily gains almost all week, excluding the NASDAQ, which seesawed, driven by volatile interest rates. The signing by President Joe Biden of the new US\$1.900B federal stimulus plan was not a surprise, but it confirms that the U.S. economy will enjoy major support in 2021, as vaccination efforts will continue to accelerate. While this positive outlook continues to fuel volatility on the bond markets, the stock markets seem to be benefiting from it a lot more. Despite new upward pressure on bond yields Friday morning, the Toronto stock exchange (S&P/TSX) and the S&P 500 posted weekly gains of a little over 2%, while the Dow Jones and the NASDAQ were up 3.5% and 2.5% respectively. The optimism did not have much impact on oil prices. A barrel of WTI (West Texas Intermediate) oil closed the week at about US\$66, not far from last Friday's level.

Volatility is still very much present on the bond markets, and although both the Federal Reserve and the Bank of Canada steer clear from announcing an eventual monetary tightening, market investors are perceiving the inflationary risk associated with the economy's rapid recovery. After a jump on Monday, bond yields pulled back in mid-week before surging again on Friday morning. The 10-year yield in the United States was above 1.60% at the time of writing, while its Canadian counterpart was 1.55%.

The U.S. dollar depreciated for much of the week, in tandem with renewed investor confidence, rising stock markets and decreasing bond yields. The trajectory reversed on Friday, however, as did the trajectory of stock markets and bond yields. After nearing US\$1.20 on Thursday, the euro was back at around US\$1.19 on Friday morning. The European Central Bank's decision on Thursday to temporarily boost its asset purchases to limit the increase in bond yields did not significantly affect the euro. The Canadian dollar was faring better on Friday. The solid Canadian employment numbers helped maintain the loonie's momentum, which rose to over US\$0.80.

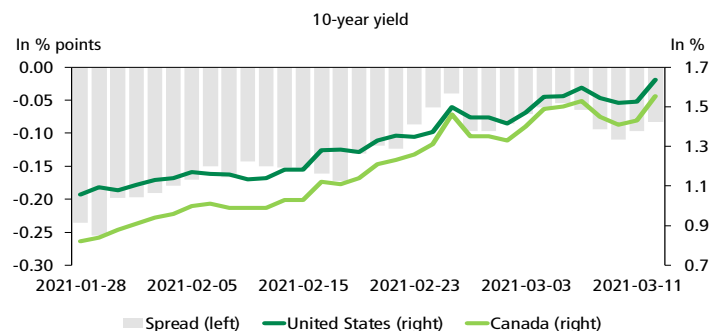
Hendrix Vachon, Senior Economist
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GRAPH 1
Stock markets



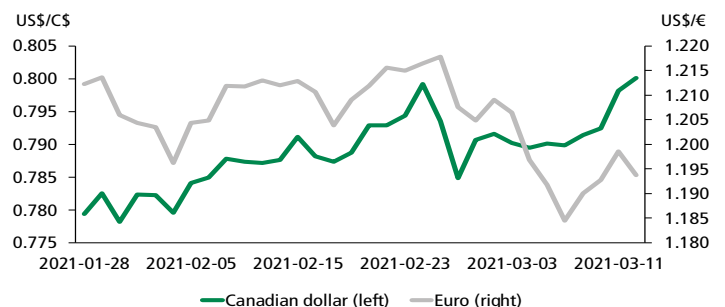
Sources: Datastream and Desjardins, Economic Studies

GRAPH 2
Bond markets



Sources: Datastream and Desjardins, Economic Studies

GRAPH 3
Currency markets



Sources: Datastream and Desjardins, Economic Studies

A Look Ahead

TUESDAY March 16 - 8:30

February	m/m
Consensus	-0.7%
Desjardins	-2.5%
January	5.3%

TUESDAY March 16 - 9:15

February	m/m
Consensus	0.4%
Desjardins	0.7%
January	0.9%

WEDNESDAY 17 - 8:30

February	ann. rate
Consensus	1,565,000
Desjardins	1,500,000
January	1,580,000

WEDNESDAY March 17 - 14:00

March	
Consensus	0.25%
Desjardins	0.25%
January 27	0.25%

THURSDAY March 18 - 10:00

February	m/m
Consensus	0.3%
Desjardins	0.4%
January	0.5%

UNITED STATES

Retail sales (February) – After a 3-month downswing at the end of 2020, leading to a total drop of 2.4%, retail sales bounced back in January, posting their strongest monthly gain since the post-confinement surge of spring 2020. The federal assistance package that provided US\$600 for individuals obviously had something to do with it. There may be a setback in February, even though some States reopened some services in that month. We know that sales of new motor vehicles declined 5.7% in February, but service station values rose along with gas prices. Excluding those two elements, sales could drop as the effect of the assistance cheques wanes. The extremely cold weather over much of the United States in mid-month, particularly in Texas, has to have affected sales negatively. Total sales, not including motor vehicles and gas, are expected to fall 2.5%. Of course, there should be a rebound in March after the new assistance cheques of US\$1,400 per person arrive on doorsteps some time during the month.

Industrial production (February) – Industrial production rose 0.9% in January. A more subdued advance is expected in February. There has been a significant drop in the number of hours worked in the motor vehicles sector, possibly due to problems with the supply of electronic parts. Hours were down in other manufacturing sectors too, but less drastically; that was probably due to the bad weather. Manufacturing is expected to stagnate, and the bitterly cold weather has also probably limited production in the mining sector. But the weather should have a strong positive effect on energy production (despite the disruptions in Texas). Overall, industrial production probably rose 0.7%.

Housing starts (February) – After a total increase of 22.4% during the last four months of 2020, housing starts dropped 6.0% in January. Nevertheless, the real estate market still seems to be booming, although mid-February's weather problems probably hindered construction. 61,000 sector jobs were lost in February and hours worked were down 4.7%. That points to a decline in housing starts last month. They could fall to 1,500,000 units, with the risk of an even greater slump. Applications for building permits should still remain very high, around 1,800,000 units in February, which indicates a surge in housing starts as of March.

Meeting of the Federal Reserve (March) – Since its meeting at the end of January, the Federal Reserve (Fed) and its Chair Jerome Powell have been cautious and disinclined to change the current monetary policy. Nor does the Fed seem to be concerned about recent market movements and the rapid rise in bond yields. The statement that will be released and the new economic forecasts that go with it may, however, mark a certain optimism in light of the new US\$1.900B federal assistance plan that President Joe Biden signed on Thursday. An upward revision of the forecast and a mention of the financial markets situation in the release could be seen as the first steps toward normalization of the monetary policy. However, with a shortfall of over 9,000,000 jobs compared to last year, the Fed will remain cautious.

Leading indicator (February) – In January the leading indicator posted its ninth monthly increase in a row, for a total gain of 13.8%. And yet the level is still below what it was a year ago. We expect the leading indicator to rise even further in February, mainly supported by the drop in initial jobless claims, which will generate their first positive contribution since November. The ISM manufacturing index and the interest rate spread will also shore up the leading indicator, which is expected to rise 0.4%.

MONDAY March 15 - 8:15

February	ann. rate
Consensus	247,500
Desjardins	210,000
January	282,400

MONDAY March 15 - 8:30

January	m/m
Consensus	2.7%
Desjardins	2.5%
December	0.9%

WEDNESDAY March 17 - 8:30

February	m/m
Consensus	0.7%
Desjardins	0.7%
January	0.6%

FRIDAY March 19 - 8:30

January	m/m
Consensus	-3.0%
Desjardins	-3.3%
December	-3.4%

THURSDAY March 18 - 8:00

March	
Consensus	0.10%
Desjardins	0.10%
February 4	0.10%

CANADA

Housing starts (February) – Residential construction got the new year off to a rousing start with 282,400 housing starts in January. This is a historically very high level, the third highest since record keeping began in 1976. Several builders seem to have started new projects in a rush, afraid they would be held back by new health measures in reaction to the second wave of the pandemic. That could lead to a downturn in February, with the number of housing starts dropping back down to 210,000 units. Nevertheless, the trend will remain very positive.

Manufacturing sales (January) – According to Statistics Canada’s interim results, manufacturing sales were up 2.5% in January. That is a very satisfying forecast when we recall that the new restrictions related to the second wave of COVID-19 were in full swing that month.

Consumer price index (February) – According to prices at the pump, gas prices went up about 6% in February, which should lead to a contribution of about +0.2% to the monthly variation in the total consumer price index (CPI). Seasonal price fluctuations are usually up around +0.35% in February. Bottom line: we expect total CPI to climb around 0.7% in January. The total annual inflation rate could rise from 1.0% to 1.3%.


Retail sales (January) – After falling 3.4% in December, Statistics Canada’s interim results indicate that the value of retail sales declined by a further 3.3% in January. Of course, the new, restrictive health measures in several provinces are the cause of the retailers’ difficulties.


OVERSEAS

United Kingdom: Meeting of the Bank of England (March) – It will be interesting to see whether the Bank of England will try to respond to the rise in bond yields. While the Federal Reserve seems non-committal, the European Central Bank has chosen to temporarily increase purchasing assets. Recent economic figures from the United Kingdom have been good. Despite a rather strict confinement, GDP declined only 2.9% in January, less than expected. We should see an upswing in economic activity as of February, and that trend should continue as the restrictive health measures are gradually eased and the vaccination rollout continues at a good clip.

Economic Indicators

Week of March 15 to 19, 2021

Day	Hour	Indicator	Period	Consensus		Previous data
UNITED STATES						
MONDAY 15	8:30	Empire manufacturing index	March	14.5	17.0	12.1
	16:00	Net foreign security purchases (US\$B)	Jan.	n/a	n/a	121.0
TUESDAY 16	8:30	Export prices (m/m)	Feb.	0.9%	0.8%	2.5%
	8:30	Import prices (m/m)	Feb.	1.0%	0.8%	1.4%
	8:30	Retail sales				
		Total (m/m)	Feb.	-0.7%	-2.5%	5.3%
		Excluding automobiles (m/m)	Feb.	0.2%	-1.9%	5.9%
	9:15	Industrial production (m/m)	Feb.	0.4%	0.7%	0.9%
	9:15	Production capacity utilization rates	Feb.	75.6%	76.1%	75.6%
	10:00	NAHB housing market index	March	84	n/a	84
10:00	Business inventories (m/m)	Jan.	0.3%	0.3%	0.6%	
WEDNESDAY 17	8:30	Housing starts (ann. rate)	Feb.	1,565,000	1,500,000	1,580,000
	8:30	Building permits (ann. rate)	Feb.	1,750,000	1,800,000	1,881,000
	14:00	Federal Reserve meeting	March	0.25%	0.25%	0.25%
	14:30	Speech of the Federal Reserve Chair, J. Powell				
THURSDAY 18	8:30	Initial unemployment claims	March 8-12	703,000	705,000	712,000
	8:30	Philadelphia Fed index	March	24.0	17.0	23.1
	10:00	Leading indicator (m/m)	Feb.	0.3%	0.4%	0.5%
FRIDAY 19	---	---				
CANADA						
MONDAY 15	8:15	Housing starts (ann. rate)	Feb.	247,500	210,000	282,400
	8:30	Manufacturing sales (m/m)	Jan.	2.7%	2.5%	0.9%
	9:00	Existing home sales	Feb.			
TUESDAY 16	8:30	International transactions in securities (\$B)	Jan.	n/a	10.00	5.08
	---	2021 New Brunswick Budget				
WEDNESDAY 17	8:30	Consumer price index				
		Total (m/m)	Feb.	0.7%	0.7%	0.6%
		Excluding food and energy (m/m)	Feb.	n/a	0.4%	0.5%
		Total (y/y)	Feb.	1.3%	1.3%	1.0%
	Excluding food and energy (y/y)	Feb.	n/a	1.0%	1.4%	
THURSDAY 18	8:30	New housing price index (m/m)	Feb.	n/a	0.8%	0.7%
FRIDAY 19	8:30	Retail sales				
		Total (m/m)	Jan.	-3.0%	-3.3%	-3.4%
		Excluding automobiles (m/m)	Jan.	-2.8%	-2.8%	-4.1%

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 March 15 to 19, 2021

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
OVERSEAS								
MONDAY 15								
Japan	0:30	Tertiary industry activity index	Jan.	-0.6%		-0.4%		
TUESDAY 16								
Japan	0:30	Industrial production – final	Jan.	n/a	n/a	4.2%	-5.3%	
France	3:45	Consumer price index – final	Feb.	-0.1%	0.4%	-0.1%	0.4%	
Germany	6:00	ZEW survey – Current situation	March	-61.5		-67.2		
Germany	6:00	ZEW survey – Expectations	March	74.0		71.2		
Japan	19:50	Trade balance (¥B)	Feb.	-200.0		392.8		
WEDNESDAY 17								
Euro zone	6:00	Construction	Jan.	n/a	n/a	-3.7%	-2.3%	
Euro zone	6:00	Consumer price index – final	Feb.	0.2%	0.9%	0.2%	0.9%	
Brazil	17:00	Bank of Brazil meeting	March	2.50%		2.00%		
THURSDAY 18								
Italy	5:00	Trade balance (€M)	Jan.	n/a		6,844		
Norway	5:00	Bank of Norway meeting	March	0.00%		0.00%		
Euro zone	6:00	Trade balance (€B)	Jan.	n/a		27.5		
United Kingdom	8:00	Bank of England meeting	March	0.10%		0.10%		
Japan	19:30	Consumer price index	Feb.		-0.4%		-0.6%	
United Kingdom	20:01	Consumer confidence	March	-19		-23		
FRIDAY 19								
Japan	---	Bank of Japan meeting	March	-0.10%		-0.10%		
Germany	3:00	Producer price index	Feb.	-0.8%	2.0%	1.4%	0.9%	
France	3:45	Wages – final	Q4	n/a		0.3%		
Russia	6:30	Bank of Russia meeting	March	4.25%		4.25%		

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	2020	2019	2018
Gross domestic product (2012 \$B)	2020 Q4	18,784	4.1	-2.4	-3.5	2.2	3.0
Consumption (2012 \$B)	2020 Q4	13,000	2.4	-2.6	-3.9	2.4	2.7
Government spending (2012 \$B)	2020 Q4	3,318	-1.1	-0.6	1.1	2.3	1.8
Residential investment (2012 \$B)	2020 Q4	696.8	35.8	14.1	6.0	-1.7	-0.6
Non-residential investment (2012 \$B)	2020 Q4	2,748	14.0	-1.2	-4.0	2.9	6.9
Business inventory change (2012 \$B) ¹	2020 Q4	48.0	---	---	-80.9	48.5	53.4
Exports (2012 \$B)	2020 Q4	2,276	21.8	-11.0	-13.0	-0.1	3.0
Imports (2012 \$B)	2020 Q4	3,399	29.6	-0.6	-9.3	1.1	4.1
Final domestic demand (2012 \$B)	2020 Q4	19,778	4.4	-1.5	-2.7	2.3	3.0
GDP deflator (2012 = 100)	2020 Q4	114.4	2.1	1.3	1.2	1.8	2.4
Labor productivity (2012 = 100)	2020 Q4	111.1	-4.2	2.4	2.5	1.8	1.4
Unit labor cost (2012 = 100)	2020 Q4	116.4	6.0	4.2	3.9	1.9	1.9
Employment cost index (Dec. 2005 = 100)	2020 Q4	142.4	2.9	2.5	2.6	2.7	2.8
Current account balance (\$B) ¹	2020 Q3	-178.5	---	---	-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)	Jan.	110.3	0.5	1.8	5.1	-1.5
ISM manufacturing index ¹	Feb.	60.8	58.7	57.7	55.6	50.3
ISM non-manufacturing index ¹	Feb.	55.3	58.7	56.8	57.2	56.7
Cons. confidence Conference Board (1985 = 100) ¹	Feb.	91.3	88.9	92.9	86.3	132.6
Personal consumption expenditure (2012 \$B)	Jan.	13,167	2.0	0.6	2.9	-1.9
Disposable personal income (2012 \$B)	Jan.	17,079	11.0	9.7	5.4	13.3
Consumer credit (\$B)	Jan.*	4,177	0.0	0.5	0.7	-0.2
Retail sales (\$M)	Jan.	568,215	5.3	2.9	6.0	7.4
Excluding automobiles (\$M)	Jan.	449,379	5.9	2.8	5.5	6.1
Industrial production (2012 = 100)	Jan.	107.2	0.9	3.1	5.2	-1.8
Production capacity utilization rate (%) ¹	Jan.	75.6	74.9	73.3	71.8	76.9
New machinery orders (\$M)	Jan.	509,373	2.6	5.6	9.1	2.8
New durable good orders (\$M)	Jan.	256,698	3.4	6.0	10.7	6.3
Business inventories (\$B)	Dec.	1,972	0.6	1.9	3.1	-2.6
Housing starts (k) ¹	Jan.	1,580	1,680	1,530	1,487	1,617
Building permits (k) ¹	Jan.	1,886	1,704	1,544	1,483	1,536
New home sales (k) ¹	Jan.	923.0	885.0	965.0	979.0	774.0
Existing home sales (k) ¹	Jan.	6,690	6,650	6,730	5,900	5,410
Commercial surplus (\$M) ¹	Jan.	-68,213	-66,969	-63,978	-62,110	-44,379
Nonfarm employment (k) ²	Feb.	143,048	379.0	239.0	1,899	-9,475
Unemployment rate (%) ¹	Feb.	6.2	6.3	6.7	8.4	3.5
Consumer price (1982-1984 = 100)	Feb.*	263.2	0.4	0.9	1.4	1.7
Excluding food and energy	Feb.*	270.3	0.1	0.2	0.6	1.3
Personal cons. expenditure deflator (2012 = 100)	Jan.	112.5	0.3	0.7	1.2	1.5
Excluding food and energy	Jan.	114.7	0.3	0.6	1.1	1.5
Producer price (2009 = 100)	Feb.*	121.9	0.5	2.1	3.0	2.8
Export prices (2000 = 100)	Jan.	128.7	2.5	4.6	5.9	2.3
Import prices (2000 = 100)	Jan.	126.3	1.4	2.4	3.4	0.9

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.

CANADA
Quarterly economic indicators

	REF. QUART.	LEVEL	VARIATION (%)		ANNUAL VARIATION (%)		
			Quart. ann.	1 year	2020	2019	2018
Gross domestic product (2012 \$M)	2020 Q4	2,045,925	9.6	-3.2	-5.4	1.9	2.4
Household consumption (2012 \$M)	2020 Q4	1,135,859	-0.4	-4.8	-6.1	1.6	2.5
Government consumption (2012 \$M)	2020 Q4	427,753	6.2	0.1	-1.1	2.0	2.9
Residential investment (2012 \$M)	2020 Q4	163,068	18.4	14.4	3.9	-0.2	-1.7
Non-residential investment (2012 \$M)	2020 Q4	158,899	4.2	-13.1	-13.1	1.1	3.1
Business inventory change (2012 \$M) ¹	2020 Q4	1,721	---	---	-15,533	18,766	15,486
Exports (2012 \$M)	2020 Q4	624,807	5.0	-7.1	-9.8	1.3	3.7
Imports (2012 \$M)	2020 Q4	627,163	10.8	-6.0	-11.3	0.4	3.4
Final domestic demand (2012 \$M)	2020 Q4	2,041,230	3.5	-2.5	-4.5	1.4	2.5
GDP deflator (2012 = 100)	2020 Q4	112.8	4.4	1.7	0.8	1.7	1.8
Labour productivity (2012 = 100)	2020 Q4	112.1	-7.7	3.8	8.8	1.0	0.6
Unit labour cost (2012 = 100)	2020 Q4	115.0	0.0	2.7	4.0	2.9	3.1
Current account balance (\$M) ¹	2020 Q4	-7,261	---	---	-42,673	-47,384	-52,224
Production capacity utilization rate (%) ¹	2020 Q4*	79.2	---	---	77.2	82.6	83.7
Disposable personal income (\$M)	2020 Q4	1,397,720	-3.8	7.7	10.0	3.8	3.1
Corporate net operating surplus (\$M)	2020 Q4	303,500	-2.7	4.3	-6.1	0.6	3.8

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)	Dec.	1,936,243	0.1	1.7	6.0	-3.0
Industrial production (2012 \$M)	Dec.	379,295	0.2	2.2	6.9	-4.7
Manufacturing sales (\$M)	Dec.	54,185	0.9	0.7	8.5	-3.9
Housing starts (k) ¹	Jan.	282.4	229.4	227.1	245.1	216.3
Building permits (\$M)	Jan.	9,904	8.2	17.7	24.4	6.4
Retail sales (\$M)	Dec.	53,378	-3.4	-1.8	1.9	3.3
<i>Excluding automobiles (\$M)</i>	Dec.	39,181	-4.1	-1.8	0.9	3.4
Wholesale trade sales (\$M)	Jan.*	69,202	4.0	3.5	5.7	8.1
Commercial surplus (\$M) ¹	Jan.	1,405	-1,983	-3,897	-2,544	-2,799
<i>Exports (\$M)</i>	Jan.	51,185	8.1	9.8	11.5	8.6
<i>Imports (\$M)</i>	Jan.	49,779	0.9	-1.5	2.8	-0.3
Employment (k) ²	Feb.*	18,531	259.2	-2.1	85.8	-49.9
Unemployment rate (%) ¹	Feb.*	8.2	9.4	8.6	10.2	5.7
Average weekly earnings (\$)	Dec.	1,112	0.2	0.3	-0.5	6.4
Number of salaried employees (k) ²	Dec.	15,981	44.2	56.6	269.0	-89.8
Consumer price (2002 = 100)	Jan.	138.2	0.6	0.5	0.7	1.0
<i>Excluding food and energy</i>	Jan.	132.8	0.5	0.2	0.7	1.4
<i>Excluding 8 volatile items</i>	Jan.	136.7	0.5	0.3	0.9	1.6
Industrial product price (2010 = 100)	Jan.	104.0	2.0	3.2	4.9	4.0
Raw materials price (2010 = 100)	Jan.	106.2	5.7	10.1	14.8	6.2
Money supply M1+ (\$M)	Dec.	1,392,808	-0.2	2.5	9.2	28.9

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		
	Mar. 12	Mar. 5	-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	1.25	0.25	0.25	0.25
Treasury bill – 3 months	0.03	0.04	0.04	0.08	0.11	0.27	0.26	0.10	-0.05
Treasury bonds – 2 years	0.15	0.15	0.11	0.12	0.13	0.49	0.53	0.17	0.11
– 5 years	0.85	0.78	0.48	0.36	0.25	0.78	0.85	0.38	0.19
– 10 years	1.64	1.55	1.18	0.89	0.67	0.95	1.64	0.83	0.51
– 30 years	2.40	2.29	2.01	1.63	1.42	1.57	2.40	1.56	1.16
S&P 500 index (level)	3,926	3,842	3,935	3,663	3,341	2,711	3,939	3,346	2,237
DJIA index (level)	32,626	31,496	31,458	30,046	27,666	23,186	32,626	27,536	18,592
Gold price (US\$/ounce)	1,707	1,696	1,827	1,846	1,948	1,531	2,053	1,818	1,475
CRB index (level)	193.66	193.45	185.29	161.25	146.41	140.84	195.13	150.15	106.29
WTI oil (US\$/barrel)	65.70	66.09	59.45	46.57	37.33	31.73	66.09	40.40	-37.63
Canada									
Overnight – target	0.25	0.25	0.25	0.25	0.25	1.25	0.75	0.27	0.25
Treasury bill – 3 months	0.11	0.11	0.07	0.13	0.15	0.61	0.49	0.16	0.05
Treasury bonds – 2 years	0.30	0.29	0.19	0.25	0.26	0.49	0.69	0.28	0.15
– 5 years	1.01	0.90	0.49	0.44	0.35	0.65	1.01	0.45	0.30
– 10 years	1.55	1.50	1.03	0.71	0.55	0.82	1.55	0.70	0.43
– 30 years	2.01	1.88	1.63	1.27	1.06	1.33	2.01	1.24	0.89
<u>Spread with the U.S. rate (% points)</u>									
Overnight – target	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.02	0.00
Treasury bill – 3 months	0.08	0.07	0.03	0.05	0.04	0.34	0.53	0.05	-0.04
Treasury bonds – 2 years	0.15	0.14	0.08	0.13	0.13	0.00	0.31	0.11	0.01
– 5 years	0.16	0.12	0.01	0.08	0.10	-0.13	0.29	0.07	-0.04
– 10 years	-0.08	-0.05	-0.15	-0.18	-0.12	-0.13	0.09	-0.13	-0.30
– 30 years	-0.39	-0.41	-0.38	-0.36	-0.36	-0.24	0.06	-0.32	-0.49
S&P/TSX index (level)	18,771	18,381	18,460	17,549	16,222	13,716	18,845	16,234	11,228
Exchange rate (C\$/US\$)	1.2498	1.2657	1.2696	1.2774	1.3176	1.3805	1.4513	1.3300	1.2498
Exchange rate (C\$/€)	1.4919	1.5085	1.5388	1.5473	1.5609	1.5332	1.5903	1.5442	1.4919
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\$/€)	1.1938	1.1918	1.2120	1.2113	1.1847	1.1107	1.2327	1.1628	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.10	0.10	0.25	0.25	0.10	0.10
Bonds – 10 years	0.83	0.78	0.54	0.19	0.14	0.38	0.86	0.29	0.04
FTSE index (level)	6,761	6,631	6,590	6,547	6,032	5,366	6,873	6,159	4,994
Exchange rate (US\$/£)	1.3895	1.3843	1.3846	1.3225	1.2796	1.2278	1.4141	1.2996	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.30	-0.34	-0.46	-0.64	-0.48	-0.58	-0.17	-0.49	-0.64
DAX index (level)	14,500	13,921	14,050	13,114	13,203	9,232	14,569	12,539	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)	29,718	28,864	29,520	26,653	23,406	17,431	30,468	23,883	16,553
Exchange rate (US\$/¥)	108.97	108.36	104.95	104.03	106.16	107.93	111.23	106.02	102.74

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.