

# WEEKLY NEWSLETTER

## Employment Retreated in December

### HIGHLIGHTS

- ▶ United States: The job market slumped in December.
- ▶ United States: ISM indexes and motor vehicle sales improved.
- ▶ Canada: Employment backtracked in December.
- ▶ Canada: The merchandise trade balance improved slightly in November.

### A LOOK AHEAD

- ▶ United States: Motor vehicles and gas will prop up retail sales.
- ▶ Gas prices likely helped speed up U.S. inflation in December.
- ▶ The Bank of Canada will publish the most recent results of its establishment survey.

### FINANCIAL MARKETS

- ▶ Small-cap companies pull the stock indexes up.
- ▶ Bond yields jump following the Democratic victories in the Senate.
- ▶ The increase in bond yields buoys the U.S. dollar.

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# Key Statistics of the Week

## UNITED STATES

- ▶ The establishment survey indicates 140,000 fewer jobs in December, following gains of 336,000 in November (revised from 245,000) and 654,000 in October (revised from 610,000). There were 38,000 new jobs in manufacturing and 51,000 in construction, but there were 188,000 net job losses in private sector services, despite a gain of 120,500 jobs in retailing. A further 372,000 jobs were lost in food services, 102,600 in arts and recreation and 23,600 in accommodations. The jobless rate remained steady at 6.7% in December.
- ▶ The ISM manufacturing index rose 3.2 points in December, climbing from 57.5 to 60.7, its lowest level since August 2018. December's gain was primarily due to performances by supplier deliveries (+5.9 points), current production (+4.0 points) and employment (+3.1 points). The price component also saw a sharp rise (+12.2 points).
- ▶ In addition, the ISM services index climbed from 55.9 to 57.2 in December. However, this is still below September's level (57.8). Given the public health measures reimposed in several states, which has further reined in services such as manufacturing, the ISM's growth is surprising. The main increases stemmed from inventories (+8.9 points) and supplier deliveries (+5.8 points).
- ▶ After dropping 4.4% in November, new motor vehicle sales bounced back, jumping 4.1% in December. Annualized sales climbed from 15,636,000 units in November to 16,271,000 in December.
- ▶ Construction spending was up 0.9% in November, after gaining 1.6% in October. Residential construction rose 2.6%. Private non-residential construction declined by 0.8% and public construction slid 0.2%.
- ▶ The balance of trade in goods and services worsened in November. It went from -US\$63.1B in October to -US\$68.1B in November. This is the worst deficit since 2006. Nominal exports were up 1.2% while imports grew 2.9%.

Francis Généreux, Senior economist

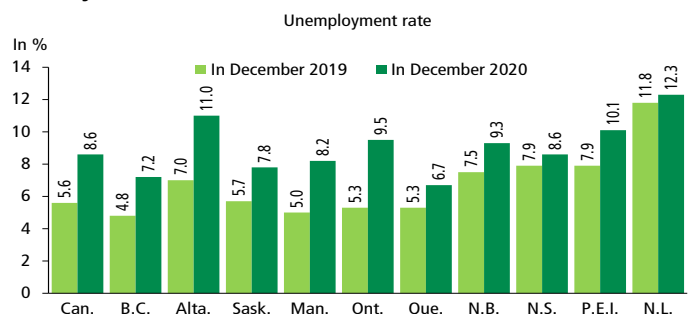
## CANADA

- ▶ The labour market lost 62,600 jobs in December, a decline that exceeded expectations. The unemployment rate rose from 8.5% to 8.6%. More job losses were expected for December, even if the exact number was difficult to predict given the significant volatility in the results of the workforce survey. This slump in employment is the result of the new restrictions introduced across the country between November's survey and that of December, i.e., between the weeks of November 8–14 and December 6–12. Nonetheless, stricter health measures were introduced in the second half of December and early January. Therefore, the labour market slump is not over yet, and new job losses are forecast for January.
- ▶ The value of merchandise exports ticked up 0.5% in November. Moreover, increases in energy products and metal ores and non-metallic minerals were offset by declines in automotive products, consumer goods and electronic equipment and parts. Nevertheless, the value of imports fell 0.3% in November. The merchandise trade balance therefore went from -\$3.73B to -\$3.34B. As for services, exports grew 1.0% in November to \$9.4B while imports slipped 0.1% to \$9.3B.

Benoit P. Durocher, Senior economist

## CANADA

**In 2020, the labour market deteriorated significantly across the country**



Sources: Statistics Canada and Desjardins, Economic Studies

# Financial Markets

## An Excellent Start to the Year for Investors

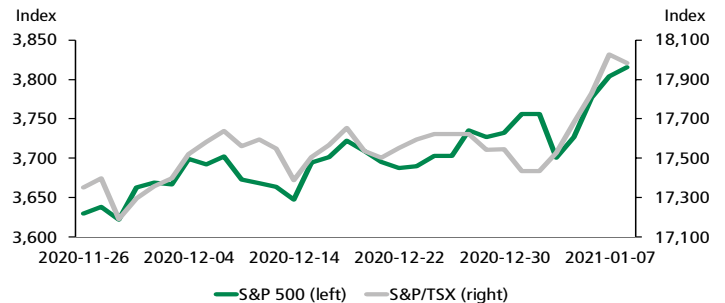
Optimism persisted in the markets over the holidays. A number of news items supported the markets, including the final signing of the Brexit deal, implementation of a U.S. government stimulus program, and victories for the Democrats in the Senate elections which will give them control over the three branches of government. However, COVID-19 continued to rage, new restrictions had to be imposed in many countries, and the emergence of new variants of the virus raised concern. Employment fell in December in both the United States and Canada, showing that the pandemic's winter wave is having a big impact on the economy. Investors, however, remain focused on what will happen after the pandemic, generating renewed interest for the securities of companies that are less capitalized and in the more traditional sectors of the economy. At the time of writing, the Dow Jones index was up by more than 1.5% for the week, while the S&P 500 and NASDAQ had gained 1.5% and 2.0% respectively. Canada's S&P/TSX index advanced by more than 3%, supported by optimism and the rise by WTI (West Texas Intermediate) oil, which went over US\$50/barrel.

Bond yields also gained several points, particularly in the United States, where the Democratic party's hold on power, suggests more government spending is on the way. The U.S. yield curve steepened substantially; the 10-year yields had increased more than 18 basis points to 1.10% on Friday morning. In Canada, it reached 0.80%, up 12.5 basis points over the week.

With respect to currencies, in recent weeks, the primary focus has been on the U.S. dollar's weakness. Initially, the Democrats' taking of the Senate intensified downside pressure on the greenback. Also capitalizing on the chaos in Washington, the euro closed in on US\$1.235 in the middle of the week. The dollar then turned around, helped by the big increase in U.S. bond yields. The euro wiped out its gains to return to around US\$1.225 on Friday morning. With the positive context on the markets, the yen was particularly hurt. Benefiting from the surge in oil prices, the loonie remains strong at close to US\$0.79.

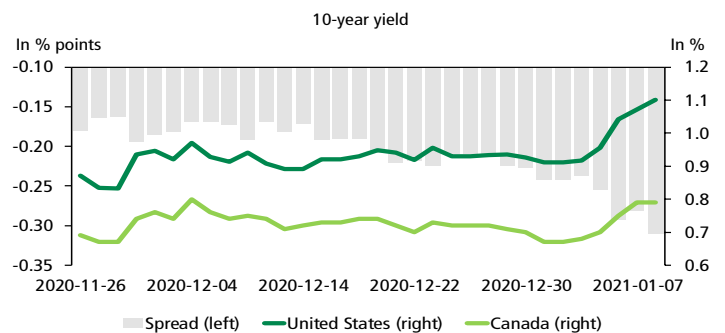
**Mathieu D'Anjou, CFA**, Deputy Chief Economist  
**Lorenzo Tessier-Moreau**, Senior Economist

**GRAPH 1**  
**Stock markets**



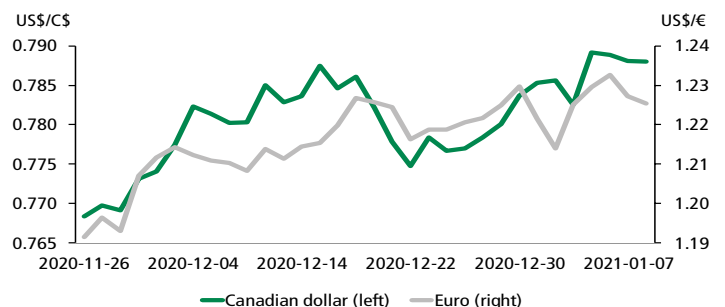
Sources: Datastream and Desjardins, Economic Studies

**GRAPH 2**  
**Bond markets**



Sources: Datastream and Desjardins, Economic Studies

**GRAPH 3**  
**Currency markets**



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

## WEDNESDAY January 13 - 8:30

<b>December</b>	<b>m/m</b>
Consensus	0.4%
Desjardins	0.5%
<b>November</b>	<b>0.2%</b>

## FRIDAY January 15 - 8:30

<b>December</b>	<b>m/m</b>
Consensus	0.0%
Desjardins	0.5%
<b>November</b>	<b>-1.1%</b>

## FRIDAY January 15 - 9:15

<b>December</b>	<b>m/m</b>
Consensus	0.5%
Desjardins	0.8%
<b>November</b>	<b>0.4%</b>

## FRIDAY January 15 - 10:00

<b>January</b>	
Consensus	80.0
Desjardins	83.0
<b>December</b>	<b>80.7</b>

## UNITED STATES

**Consumer price index (December)** – Starting last summer, inflation began to edge up in the United States. The annual variation in the consumer price index (CPI) moved from 0.7% in June to 1.4% in September before dropping to 1.2% in October and November. It could bounce back up to 1.4% in December. Energy prices should contribute positively to the annual and monthly variations in total CPI in December. Prices at the pump increased 4.5% during the last month of the year. The impact will be that much greater as a result of the seasonal adjustments, even though gasoline prices tend to fall in December. Food prices are also expected to climb somewhat after falling slightly in November. If we exclude food and energy, we can expect the index to rise 0.1%, as it did in November. The annual variation in total CPI should move from 1.2% to 1.4%. Core inflation should remain stable at 1.6%.

**Retail sales (December)** – November saw retail sales fall for the second month in a row. However, a slight increase is expected for December, but only in a few sectors, including car dealerships. The figures released a few days ago show new vehicle sales up 4.1%. A 4.5% hike in gas sales is also expected thanks to higher prices at the pump. Excluding motor vehicles and gas, sales probably fell. Food services are expected to have suffered another appreciable decline on the heels of the 4.0% pullback in November. Other types of spending are forecast to be down, with holiday shopping most likely lower because of the health restrictions imposed in some regions back in November. Total retail sales should post a 0.5% increase in December.

**Industrial output (December)** – Industrial output grew 0.4% in November after climbing 0.9% in October. November's gain occurred despite the drop in energy output and thanks mostly to the 0.8% uptick in manufacturing. Another increase is expected for December, with energy output probably up after November's 4.3% decline. We also expect healthy growth in the mining sector. As for manufacturing, the ISM manufacturing index's performance is a good sign. Hours worked in manufacturing are also up, except for motor vehicles. Therefore, manufacturing output should increase 0.6%. Overall, industrial output probably rose 0.8%.

**University of Michigan consumer confidence index (January – preliminary)** – After plunging in November, the University of Michigan consumer confidence index improved slightly in December. Still, the 3.8-point increase does not completely offset the 4.9-point decrease recorded in the previous month. Several factors may play a role in how the year starts. On the one hand, cases of COVID-19 are still high, and the number of hospitalizations and new deaths recorded daily continues to climb. The tumultuous end of Donald Trump's presidency could also negatively impact confidence and further darken the mood of Republican supporters. On the other hand, Democratic supporters may see their confidence continue to improve, especially after the senate election wins in Georgia. The new plan to provide US\$600 in aid to most people could also boost consumer morale. The stock markets are also up since the beginning of the year. It is difficult to assess the impact of the riot that took place at the U.S. Capitol on January 6. All things considered, we expect the Michigan index to climb to 83.0, but this forecast is subject to significant risks.

MONDAY January 11 - 10:30

WEDNESDAY January 13 - 5:00

<b>November</b>	<b>m/m</b>
Consensus	0.2%
<b>October</b>	<b>2.1%</b>

THURSDAY January 14 - 4:00

<b>2020</b>	<b>y/y</b>
Consensus	-5.1%
<b>2019</b>	<b>0.6%</b>

FRIDAY January 15 - 2:00

<b>November</b>	<b>m/m</b>
Consensus	-4.6%
<b>October</b>	<b>0.4%</b>

## CANADA

**Bank of Canada's Business Outlook Survey** – The results of the business survey should be taken with a grain of salt. As usually happens in the case of this winter survey, businesses probably responded to the Bank of Canada's questions between mid-November and mid-December. While some measures to stop the spread of COVID-19 had already been implemented in several regions during that time, the restrictions were tightened in late December/early January. This will inevitably have an impact on business confidence. Unfortunately, it won't appear in the survey.

## OVERSEAS


**Euro zone: Industrial output (November)** – Euroland manufacturing performed well in October, gaining 2.1%. However, this followed on the heels of slower growth in August (+0.5%) and September (+0.1%). The euro zone's economy appears to be struggling again in the fourth quarter following the introduction of new lockdown measures, but these are far less stringent for the manufacturing sector than they were in the spring. As a result, the Euroland PMI manufacturing indexes remain above the 50 mark. Furthermore, in November, industrial output grew 0.9% in Germany but shrunk 0.9% in France.

**Germany: Annual GDP (2020 – preliminary)** – Real GDP in Germany is clearly expected to have plunged overall in 2020. The quarterly variation in real GDP was -1.9% in the first quarter, before plummeting 9.8% in the second quarter and rebounding 8.5% in the third quarter. The average level for real GDP in the first three quarters is 5.8% lower than the annual level for 2019. GDP may drop further in the fourth quarter due to the new lockdown measures introduced in the fall.

**United Kingdom: Monthly GDP (November)** – Despite the reintroduction of certain health measures, real monthly GDP was up 0.4% in October. However, it may be down in November, when certain regions saw measures tighten.


# Economic Indicators

## Week of January 11 to 15, 2021

Day	Hour	Indicator	Period	Consensus		Previous data	
<b>UNITED STATES</b>							
<b>MONDAY 11</b>	12:00	Speech of the Atlanta Fed President, R. Bostic					
	18:00	Speech of the Dallas Fed President, R. Kaplan					
<b>TUESDAY 12</b>	9:35	Speech of a Federal Reserve Governor, L. Brainard					
	11:00	Speech of the Dallas Fed President, R. Kaplan					
	11:00	Speech of the Minneapolis Fed President, N. Kashkari					
	11:00	Speech of the Boston Fed President, E. Rosengren					
<b>WEDNESDAY 13</b>	8:30	Consumer price index					
		Total (m/m)	Dec.	0.4%	0.5%	0.2%	
		Excluding food and energy (m/m)	Dec.	0.2%	0.1%	0.2%	
		Total (y/y)	Dec.	1.3%	1.4%	1.2%	
	13:00	Speech of a Federal Reserve Governor, L. Brainard					
		Federal budget (US\$B)	Dec.	n/a	n/a	-145.3	
	14:00	Release of the <i>Beige Book</i>					
	14:00	Speech of the Philadelphia Fed President, P. Harker					
	15:00	Speech of a Federal Reserve Vice Chair, R. Clarida					
	<b>THURSDAY 14</b>	8:30	Initial unemployment claims	Jan. 4-8	785,000	775,000	787,000
8:30		Export prices (m/m)	Dec.	0.7%	0.7%	0.6%	
8:30		Import prices (m/m)	Dec.	0.6%	0.8%	0.1%	
9:00		Speech of the Boston Fed President, E. Rosengren					
11:00		Speech of the Atlanta Fed President, R. Bostic					
12:30		Speech of the Federal Reserve Chair, J. Powell					
<b>FRIDAY 15</b>	8:30	Producer price index					
		Total (m/m)	Dec.	0.4%	0.5%	0.1%	
	8:30	Excluding food and energy (m/m)	Dec.	0.1%	0.2%	0.1%	
		Empire manufacturing index	Jan.	6.0	4.0	4.9	
	8:30	Retail sales					
		Total (m/m)	Dec.	0.0%	0.5%	-1.1%	
	9:15	Excluding automobiles (m/m)	Dec.	-0.1%	-0.2%	-0.9%	
		Industrial production (m/m)	Dec.	0.5%	0.8%	0.4%	
	9:15	Production capacity utilization rates	Dec.	73.5%	73.9%	73.3%	
	10:00	Michigan's consumer sentiment index – preliminary	Jan.	80.0	83.0	80.7	
10:00	Business inventories (m/m)	Nov.	0.5%	0.5%	0.7%		

## CANADA

<b>MONDAY 11</b>	10:30	Release of the Bank of Canada <i>Business Outlook Survey</i>				
<b>TUESDAY 12</b>	---	---				
<b>WEDNESDAY 13</b>	---	---				
<b>THURSDAY 14</b>	---	---				
<b>FRIDAY 15</b>	9:00	Existing home sales	Dec.			

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 Eastern Standard Time (GMT - 5 hours).  Forecast of Desjardins, Economic Studies of the Desjardins Group.

# Economic Indicators

## Week of January 11 to 15, 2021

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
<b>OVERSEAS</b>								
<b>SUNDAY 10</b>								
China	20:30	Consumer price index	Dec.		0.0%		-0.5%	
China	20:30	Producer price index	Dec.		-0.7%		-1.5%	
<b>MONDAY 11</b>								
Japan	18:50	Current account (¥B)	Nov.	2,008.7		1,983.3		
<b>TUESDAY 12</b>								
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<b>WEDNESDAY 13</b>								
Italy	4:00	Industrial production	Nov.	0.0%	-2.6%	1.3%	-2.1%	
Euro zone	5:00	Industrial production	Nov.	0.2%	-3.2%	2.1%	-3.8%	
Japan	18:50	Producer price index	Dec.	0.2%	-2.2%	0.0%	-2.2%	
<b>THURSDAY 14</b>								
China	---	Trade balance (US\$B)	Dec.	72.00		75.43		
Germany	4:00	Annual real GDP	2020		-5.1%		0.6%	
Japan	23:30	Tertiary industry activity index	Nov.	0.3%		1.0%		
<b>FRIDAY 15</b>								
South Korea	---	Bank of Korea meeting	Jan.	0.50%		0.50%		
United Kingdom	2:00	Trade balance (£M)	Nov.	1,618		1,738		
United Kingdom	2:00	Construction	Nov.	0.8%	-7.7%	1.0%	-7.5%	
United Kingdom	2:00	Index of services	Nov.	-5.5%		0.2%		
United Kingdom	2:00	Monthly GDP	Nov.	-4.6%		0.4%		
United Kingdom	2:00	Industrial production	Nov.	0.5%	-4.2%	1.3%	-5.5%	
France	2:45	Consumer price index – final	Dec.	0.2%	0.0%	0.2%	0.0%	
Euro zone	5:00	Trade balance (€B)	Nov.	22.0		25.9		

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 Eastern Standard Time (GMT - 5 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 Q3	18,597	33.4	-2.8	2.2	3.0	2.3
Consumption (2012 \$B)	2020 Q3	12,925	41.0	-2.8	2.4	2.7	2.6
Government spending (2012 \$B)	2020 Q3	3,327	-4.8	0.3	2.3	1.8	0.9
Residential investment (2012 \$B)	2020 Q3	645.5	63.0	7.2	-1.7	-0.6	4.0
Non-residential investment (2012 \$B)	2020 Q3	2,659	22.9	-4.5	2.9	6.9	3.7
Business inventory change (2012 \$B) <sup>1</sup>	2020 Q3	-3.7	---	---	48.5	53.4	15.8
Exports (2012 \$B)	2020 Q3	2,167	59.6	-14.6	-0.1	3.0	3.9
Imports (2012 \$B)	2020 Q3	3,186	93.1	-8.6	1.1	4.1	4.7
Final domestic demand (2012 \$B)	2020 Q3	19,565	29.8	-2.1	2.3	3.0	2.5
GDP deflator (2012 = 100)	2020 Q3	113.8	3.5	1.1	1.8	2.4	1.9
Labor productivity (2012 = 100)	2020 Q3	112.3	4.6	4.0	1.7	1.4	1.2
Unit labor cost (2012 = 100)	2020 Q3	115.7	-6.6	4.0	1.9	1.9	2.2
Employment cost index (Dec. 2005 = 100)	2020 Q3	141.4	2.0	2.5	2.7	2.8	2.4
Current account balance (\$B) <sup>1</sup>	2020 Q3	-178.5	---	---	-480.2	-449.7	-365.3

<sup>1</sup> 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)	Nov.	109.1	0.6	2.2	9.3	-2.2
ISM manufacturing index <sup>1</sup>	Dec.*	60.7	57.5	55.4	52.6	47.8
ISM non-manufacturing index <sup>1</sup>	Dec.*	57.2	55.9	57.8	57.1	54.9
Cons. confidence Conference Board (1985 = 100) <sup>1</sup>	Dec.	88.6	92.9	101.3	98.3	128.2
Personal consumption expenditure (2012 \$B)	Nov.	13,041	-0.4	1.0	9.2	-2.4
Disposable personal income (2012 \$B)	Nov.	15,467	-1.3	-1.4	-6.0	3.1
Consumer credit (\$B)	Oct.	4,164	0.2	0.3	0.8	0.3
Retail sales (\$M)	Nov.	546,504	-1.1	0.6	11.9	4.1
<i>Excluding automobiles (\$M)</i>	Nov.	433,672	-0.9	0.3	12.2	3.6
Industrial production (2012 = 100)	Nov.	104.0	0.4	1.3	12.9	-5.5
Production capacity utilization rate (%) <sup>1</sup>	Nov.	73.3	73.0	72.3	64.8	77.6
New machinery orders (\$M)	Nov.	487,240	1.0	3.7	18.3	-0.4
New durable good orders (\$M)	Nov.	244,439	1.0	4.9	26.9	3.9
Business inventories (\$B)	Oct.	1,949	0.7	1.8	-1.6	-4.0
Housing starts (k) <sup>1</sup>	Nov.	1,547	1,528	1,373	1,038	1,371
Building permits (k) <sup>1</sup>	Nov.	1,635	1,544	1,476	1,216	1,510
New home sales (k) <sup>1</sup>	Nov.	841.0	945.0	977.0	698.0	696.0
Existing home sales (k) <sup>1</sup>	Nov.	6,690	6,860	5,980	3,910	5,320
Commercial surplus (\$M) <sup>1</sup>	Nov.*	-68,142	-63,111	-64,918	-55,594	-41,054
Nonfarm employment (k) <sup>2</sup>	Dec.*	142,624	-140.0	850.0	4,815	-9,374
Unemployment rate (%) <sup>1</sup>	Dec.*	6.7	6.7	7.8	11.1	3.6
Consumer price (1982-1984 = 100)	Nov.	260.8	0.2	0.4	2.0	1.2
<i>Excluding food and energy</i>	Nov.	269.9	0.2	0.4	1.7	1.7
Personal cons. expenditure deflator (2012 = 100)	Nov.	111.7	0.0	0.2	1.3	1.1
<i>Excluding food and energy</i>	Nov.	114.1	0.0	0.2	1.2	1.4
Producer price (2009 = 100)	Nov.	119.4	0.1	0.8	1.9	0.7
Export prices (2000 = 100)	Nov.	123.8	0.6	1.4	4.7	-1.1
Import prices (2000 = 100)	Nov.	123.4	0.1	0.2	3.7	-1.0

<sup>1</sup> Statistic shows the level of the month of the column; <sup>2</sup> 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 Q3	2,003,084	40.5	-5.2	1.9	2.4	3.0
Household consumption (2012 \$M)	2020 Q3	1,133,623	62.8	-4.5	1.6	2.5	3.8
Government consumption (2012 \$M)	2020 Q3	425,273	13.5	0.0	2.0	2.9	2.1
Residential investment (2012 \$M)	2020 Q3	157,232	187.3	9.5	-0.2	-1.7	2.3
Non-residential investment (2012 \$M)	2020 Q3	158,297	25.8	-14.8	1.1	3.1	1.9
Business inventory change (2012 \$M) <sup>1</sup>	2020 Q3	-35,960	---	---	18,766	15,486	19,200
Exports (2012 \$M)	2020 Q3	613,818	71.8	-9.7	1.3	3.7	1.4
Imports (2012 \$M)	2020 Q3	605,869	113.7	-9.9	0.4	3.4	4.6
Final domestic demand (2012 \$M)	2020 Q3	2,023,141	50.8	-3.2	1.4	2.5	3.3
GDP deflator (2012 = 100)	2020 Q3	111.6	10.7	1.5	1.7	1.8	2.5
Labour productivity (2012 = 100)	2020 Q3	111.8	-35.2	4.0	0.7	0.4	2.0
Unit labour cost (2012 = 100)	2020 Q3	115.0	-5.9	4.3	2.9	2.8	0.7
Current account balance (\$M) <sup>1</sup>	2020 Q3	-7,528	---	---	-47,384	-52,224	-59,999
Production capacity utilization rate (%) <sup>1</sup>	2020 Q3	76.5	---	---	82.6	83.7	80.8
Disposable personal income (\$M)	2020 Q3	1,416,188	-12.0	10.6	3.8	3.1	5.0
Corporate net operating surplus (\$M)	2020 Q3	285,368	182.9	-1.8	0.6	3.8	19.3

<sup>1</sup> 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)	Oct.	1,920,056	0.4	2.2	16.4	-3.5
Industrial production (2012 \$M)	Oct.	370,952	-0.4	0.9	16.8	-7.0
Manufacturing sales (\$M)	Oct.	54,126	0.3	0.9	49.0	-5.2
Housing starts (k) <sup>1</sup>	Nov.	246.0	215.1	261.6	195.0	204.8
Building permits (\$M)	Nov.	9,424	12.9	16.8	24.2	16.2
Retail sales (\$M)	Oct.	54,590	0.4	2.9	54.4	7.5
<i>Excluding automobiles (\$M)</i>	Oct.	39,861	0.0	2.4	31.9	6.8
Wholesale trade sales (\$M)	Oct.	66,717	1.0	1.9	34.8	5.2
Commercial surplus (\$M) <sup>1</sup>	Nov.*	-3,340	-3,728	-3,089	-1,719	-129.0
<i>Exports (\$M)</i>	Nov.*	46,763	0.5	3.6	38.3	-4.7
<i>Imports (\$M)</i>	Nov.*	50,103	-0.3	3.9	41.0	1.8
Employment (k) <sup>2</sup>	Dec.*	18,553	-62.6	27.7	187.6	-47.6
Unemployment rate (%) <sup>1</sup>	Dec.*	8.6	8.5	9.0	12.3	5.6
Average weekly earnings (\$)	Oct.	1,106	-0.1	-0.7	-1.0	5.9
Number of salaried employees (k) <sup>2</sup>	Oct.	15,995	183.7	289.4	292.1	-87.2
Consumer price (2002 = 100)	Nov.	137.7	0.1	0.5	1.2	1.0
<i>Excluding food and energy</i>	Nov.	132.7	0.2	0.6	0.9	1.3
<i>Excluding 8 volatile items</i>	Nov.	136.6	0.2	0.8	1.2	1.5
Industrial product price (2010 = 100)	Nov.*	99.8	-0.6	-0.3	1.9	0.0
Raw materials price (2010 = 100)	Nov.*	96.9	0.6	-0.8	13.1	-1.7
Money supply M1+ (\$M)	Oct.	1,379,967	1.6	5.9	16.0	29.2

<sup>1</sup> Statistic shows the level of the month of the column; <sup>2</sup> 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		
	Jan. 8	Jan. 1	-1 month	-3 months	-6 months	-1 year	Higher	Average	Lower
<b>United States</b>									
Federal funds – target	0.25	0.25	0.25	0.25	0.25	1.75	1.75	0.49	0.25
Treasury bill – 3 months	0.08	0.09	0.08	0.10	0.13	1.51	1.56	0.32	-0.05
Treasury bonds – 2 years	0.14	0.13	0.12	0.16	0.16	1.57	1.59	0.35	0.11
– 5 years	0.48	0.35	0.36	0.33	0.29	1.64	1.65	0.50	0.19
– 10 years	1.10	0.91	0.89	0.78	0.63	1.83	1.85	0.86	0.50
– 30 years	1.87	1.64	1.63	1.57	1.33	2.29	2.31	1.54	1.03
S&P 500 index (level)	3,815	3,756	3,663	3,477	3,185	3,265	3,815	3,232	2,237
DJIA index (level)	31,049	30,606	30,046	28,587	26,075	28,824	31,049	26,950	18,592
Gold price (US\$/ounce)	1,863	1,898	1,846	1,926	1,801	1,560	2,053	1,781	1,475
CRB index (level)	172.88	167.80	161.25	151.74	141.52	184.13	183.64	147.66	106.29
WTI oil (US\$/barrel)	51.67	48.28	46.78	41.04	39.62	59.06	58.54	39.00	-37.63
<b>Canada</b>									
Overnight – target	0.25	0.25	0.25	0.25	0.25	1.75	1.75	0.51	0.25
Treasury bill – 3 months	0.06	0.06	0.13	0.09	0.18	1.64	1.65	0.39	0.05
Treasury bonds – 2 years	0.18	0.20	0.25	0.26	0.28	1.65	1.66	0.47	0.18
– 5 years	0.43	0.39	0.44	0.38	0.36	1.60	1.61	0.56	0.30
– 10 years	0.79	0.67	0.71	0.63	0.55	1.59	1.61	0.73	0.43
– 30 years	1.40	1.21	1.27	1.23	1.07	1.70	1.71	1.20	0.71
<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	-0.02	-0.03	0.05	-0.01	0.05	0.13	0.53	0.07	-0.04
Treasury bonds – 2 years	0.05	0.07	0.13	0.10	0.12	0.08	0.31	0.11	-0.01
– 5 years	-0.04	0.04	0.08	0.05	0.07	-0.04	0.29	0.06	-0.15
– 10 years	-0.31	-0.24	-0.18	-0.15	-0.08	-0.24	0.09	-0.14	-0.32
– 30 years	-0.47	-0.43	-0.36	-0.34	-0.26	-0.59	0.06	-0.34	-0.64
S&P/TSX index (level)	17,983	17,433	17,549	16,563	15,714	17,234	18,028	16,034	11,228
Exchange rate (C\$/US\$)	1.2690	1.2729	1.2774	1.3120	1.3594	1.3052	1.4513	1.3405	1.2672
Exchange rate (C\$/€)	1.5552	1.5452	1.5473	1.5516	1.5361	1.4516	1.5903	1.5329	1.4286
<b>Overseas</b>									
<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\$/€)	1.2254	1.2139	1.2113	1.1826	1.1300	1.1122	1.2327	1.1447	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.10	0.10	0.75	0.75	0.21	0.10
Bonds – 10 years	0.29	0.24	0.19	0.31	0.10	0.77	0.78	0.28	0.04
FTSE index (level)	6,862	6,461	6,547	6,017	6,095	7,588	7,675	6,245	4,994
Exchange rate (US\$/£)	1.3590	1.3673	1.3225	1.3048	1.2622	1.3061	1.3676	1.2849	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.52	-0.58	-0.64	-0.53	-0.51	-0.23	-0.17	-0.49	-0.84
DAX index (level)	14,053	13,719	13,114	13,051	12,634	13,483	14,053	12,340	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)	28,139	27,444	26,653	23,620	22,291	23,851	28,139	22,774	16,553
Exchange rate (US\$/¥)	103.81	103.21	104.03	105.61	106.91	109.48	112.13	106.62	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.