

# WEEKLY NEWSLETTER

## Federal Reserve May Soon Consider a Reduction of Its Support Measures

### HIGHLIGHTS

- ▶ U.S. housing starts and home resales were down in April.
- ▶ Canada: The total annual inflation rate surpassed the target range.
- ▶ Canada: The housing market caught its breath in April, with housing starts and existing home sales both down.
- ▶ Canada: Retail sales surged again in March.

### A LOOK AHEAD

- ▶ United States: Consumption should increase despite a drop in personal income.
- ▶ United States: New home sales are expected to decline slightly.
- ▶ Canada: The annual growth in weekly earnings should continue to accelerate in March.

### FINANCIAL MARKETS

- ▶ The stock markets had another tumultuous week, but the NASDAQ fared better.
- ▶ Bond yields dropped a few points despite the Federal Reserve's meeting minutes.
- ▶ The Canadian dollar temporarily rose above US\$0.83.

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## Key Statistics of the Week

### UNITED STATES

- ▶ Even though a modest variation was expected, housing starts actually plunged 9.5% in April. This comes on the heels of a 19.8% hike in March and a 11.0% decline in February. On an annualized basis, housing starts hit a high of 1,569,000 units in April, which is still much better than the recent low of 1,447,000 recorded in February. Single-family homes, which posted a 13.4% decline, accounted for most of the pullback. The increase in the cost of materials, which forced builders to delay some projects, is one of the reasons suggested for April's drop. Building permits were up 0.3% to reach 1,760,000 units.
- ▶ Existing home sales dropped for the third straight month in April. After falling 6.6% in February and 3.7% in March, they slumped a further 2.7% in April. They went from 6,010,000 units annualized in March to 5,850,000 in April, their lowest point since June 2020. Existing single-family homes, which fell 3.2%, were mostly behind the pullback, while condominium resales increased 1.4%.
- ▶ The Federal Reserve Bank of Philadelphia's manufacturing index moved lower in May, from 50.2 to 31.5, which is still relatively high. The Federal Reserve Bank of New York's Empire index was also down in May—albeit much more moderately—from 26.3 to 24.3.
- ▶ The Conference Board's leading indicator gained 1.6% in April after advancing 1.3% in March and retreating 0.1% in February. The decrease in jobless claims contributed to half of this monthly hike since July 2020. The other main contributors were the stock market, interest rate spreads and the ISM manufacturing index's new orders, but, in the end, all the components contributed positively.
- ▶ First-time jobless claims fell once again last week, dropping from 478,000 to 444,000, which is less than half of January's claims.

### CANADA

- ▶ The consumer price index (CPI) rose 0.5% in April. The total annual inflation rate went from 2.2% to 3.4%. With gasoline prices compared to the very low levels seen at this time last year, the annual change in the total CPI was expected to increase significantly in April. That being said, the rise in inflation noted over the last few months is not solely the result of gasoline price fluctuations. No fewer than 70.3% of the CPI's components are recording annual price increases that are higher than three months ago, a percentage not seen in the last ten years. Without a doubt, the upward pressure on prices reflects the imbalances that currently exist between supply and demand for some goods and services.
- ▶ After hitting the historic high of 334,759 units in March, housing starts slowed more than anticipated in April, dropping back to 268,631 units. That being said, housing starts are still very lively. On the one hand, April's level is still historically high despite the decline. On the other hand, the trend for housing starts based on a 6-month moving average continued to follow an upward trajectory.
- ▶ After reaching a historic high of 69,702 units in March, existing home sales slumped 12.5% in April, falling to 60,967 units. A sign that this market is still strong despite this decrease, existing-home price index continued to climb in April (+2.4%) to reach \$723,500, a new all-time high.
- ▶ The value of retail sales increased 3.6% in March, which beat the preliminary result. This comes on the heels of a 5.8% gain in February. Housing-related spending is very strong, with furniture and furnishings posting a monthly gain of 8.7%, and building materials and gardening materials and supplies posting a monthly gain of 19.8%. The strength of the housing market in recent months is clearly having an impact on retailing. In real terms, sales were up 3.2% in March.

# Financial Markets

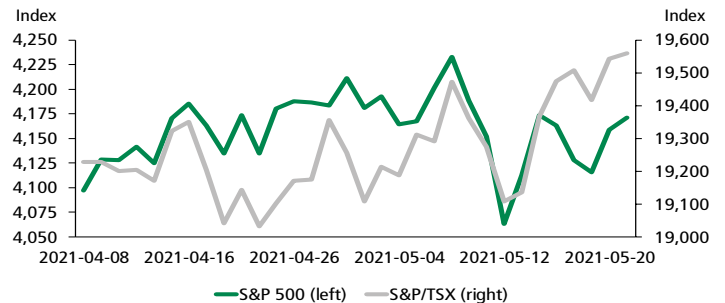
## Concerns Grow over Highly Volatile Speculative Assets

The stock markets had another roller-coaster week, plunging on Wednesday before rebounding on Thursday and Friday. Concerns over strong volatility and the true value behind certain crypto assets spread to the rest of the markets on Wednesday. The release of the minutes of the last Federal Reserve (Fed) meeting added fuel to the fire by sending the first signal that a slowdown in asset purchases could be up for discussion in the next few months. At the time of writing, the NASDAQ and S&P/TSX were performing fairly well, with the rebounds on Thursday and Friday morning leading to weekly gains of about 1%. However, the Dow Jones lost nearly 0.5%, and the S&P 500 remained fairly stable over the week. The progress of negotiations over Iran's nuclear weapons took a toll on oil prices, pushing a barrel of WTI (West Texas Intermediate) down to US\$63 on Friday morning. The lifting of some sanctions on Iran could boost oil supply in the coming months.

Government bond yields lost a few points over last week. U.S. 5-year and 10-year yields jumped on Wednesday in the wake of the release of the Fed's meeting minutes, but the effect had already worn off by Friday. Greater market volatility also appears to be increasing demand for secure assets, such as government bonds. In the United States and Canada, 10-year bonds were posting yields of 1.62% and 1.54%, respectively, at the time of writing.

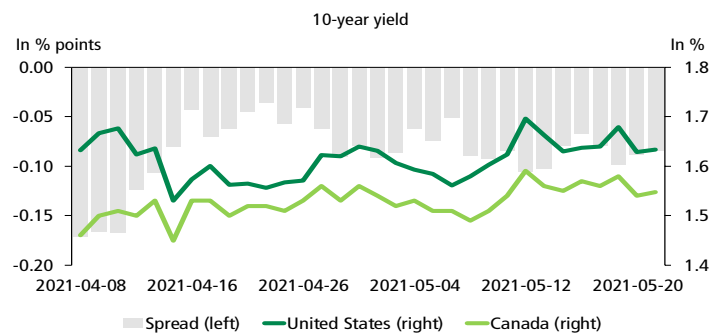
The U.S. dollar appreciated against most other currencies on Wednesday but was unable to hold onto its gains. Overall, a number of advanced market currencies had a positive week against the U.S. dollar. However, emerging country currencies encountered a little more difficulties. At the time of writing, the euro was trading at over US\$1.215 and the pound at over US\$1.415. The Canadian dollar climbed above US\$0.83 on Tuesday before depreciating on Wednesday. It then rose again but failed to reach a new cyclical peak.

**GRAPH 1**  
Stock markets



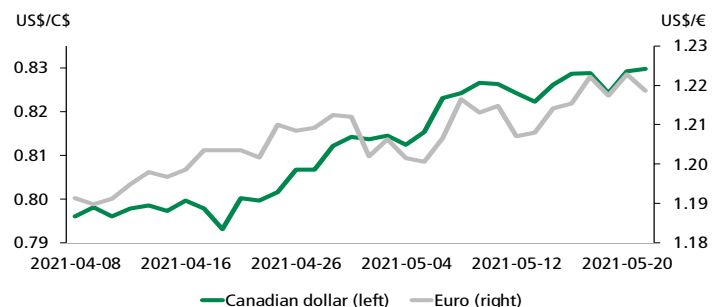
Sources: Datastream and Desjardins, Economic Studies

**GRAPH 2**  
Bond markets



Sources: Datastream and Desjardins, Economic Studies

**GRAPH 3**  
Currency markets



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

TUESDAY May 25 - 9:00

<b>March</b>	<b>y/y</b>
Consensus	12.25%
Desjardins	12.60%
<b>February</b>	<b>11.94%</b>

TUESDAY May 25 - 10:00

<b>May</b>	
Consensus	119.5
Desjardins	118.0
<b>April</b>	<b>121.7</b>

TUESDAY May 25 - 10:00

<b>April</b>	<b>ann. rate</b>
Consensus	950,000
Desjardins	980,000
<b>March</b>	<b>1,021,000</b>

THURSDAY May 27 - 8:30

<b>April</b>	<b>m/m</b>
Consensus	0.7%
Desjardins	-0.6%
<b>March</b>	<b>0.8%</b>

FRIDAY May 28 - 8:30

<b>April</b>	<b>m/m</b>
Consensus	0.5%
Desjardins	1.0%
<b>March</b>	<b>4.2%</b>

## UNITED STATES

**S&P/Case-Shiller index of existing home prices (March)** – Growth in existing home prices has been red hot in the United States, with monthly gains of 1.2% or more for seven consecutive months already. A similar result is expected for March. Monthly growth of 1.2% would bring the annual variation in the S&P/Case-Shiller index to 12.6%, the highest it has been since February 2014.

**Conference Board consumer confidence index (May)** – The Conference Board consumer confidence index improved significantly in the last two months, gaining 18.6 points in March and 12.7 points in April. Now at 121.7, it has recouped more than three-quarters of the loss it suffered during the pandemic. We expect to see a slight drop for May, however. The University of Michigan confidence index declined, according to the preliminary version. The TIPP index also slipped slightly. The recent rise in gas prices and stock market hesitation since mid-April could also curb confidence. The easing of public health restrictions is, however, a positive aspect that will limit the effects of bearish factors. An uptick in the Langer (formerly Bloomberg) weekly index is also noted. Nevertheless, we expect the Conference Board index to inch down to 118.0.

**New home sales (April)** – Sales of new single-family homes bounced back 20.7% in March after falling 16.2% in February. They climbed to 1,021,000 units on an annualized basis, their highest level since August 2006. A fairly modest drop is nonetheless expected for April. This is signalled by the 3.8% pullback in building permits for single-family homes. This would also be in line with the decline in mortgage applications in view of a purchase observed in previous months. The homebuilder confidence index also retreated, although it is still very high. We therefore expect new home sales to fall back down below 1,000,000 units.

**New durable goods orders (April)** – New durable goods orders were up 0.8% in March owing mainly to solid growth in orders excluding transportation. This sector should further affect the increase in new orders in April, as the auto sector is still struggling, as signalled by the 4.8% decrease in its production over the past month. We also expect another decline in aircraft orders, but a much smaller one than the 25.6% in March. Excluding transportation, a 0.7% gain is expected, which will not be enough to fully offset transportation's negative effect. The forecast is for a decline of 0.6%.

**Consumer spending (April)** – U.S. real household consumption jumped 3.6% in March as a result of the 23.0% increase in real disposable income due to the federal assistance approved in the middle of the month. Some pullback is expected after this jump. It will be particularly noticeable in the consumption of goods, as signalled by the stagnation in retail sales in April. However, the auto sector (the number of new vehicles sold increased 3.1% in April) should have a positive impact. This will also be the case for services, which have undoubtedly been boosted by the easing of public health restrictions. Food services also saw growth of 3.5%. A 0.4% gain in real consumption is therefore expected. The surge in the consumer price index in April should be reflected in the consumption expenditure deflator and, consequently, in the monthly variation of nominal consumption, which could reach 1.0%. The annual variation of the deflator should increase from 2.3% to 3.4%, which would be the highest since September 2008. After its strong gain in March, personal income is expected to fall 11.8% in April.

**THURSDAY May 27 - 8:30**

<b>March</b>	<b>m/m</b>
Consensus	n/a
Desjardins	1.5%
<b>February</b>	<b>0.3%</b>

**FRIDAY May 28 - 5:00**
**May**
**CANADA**


**Number of employees (March)** – On Thursday, Statistics Canada will release the labour market results for March according to the establishment survey. Based on the household survey results already published, employment growth continued in March. An increase of about 1.5% in the number of employees is therefore expected for the month, which means a gain of around 43,000 positions. The annual variation in weekly earnings should continue to climb, going from 9.0% to 9.3%.

**OVERSEAS**

**Euro zone: Confidence indicators (May)** – Most confidence indicators improved over the past few months in the eurozone, including in April. With the wave of COVID-19 cases now ebbing and with public health restrictions being eased in many regions, May should see a further positive trend in confidence. Another advance would obviously be encouraging, signalling an improvement in the economy and a recovery from the recession caused by the second and third waves of the pandemic. The increase in the Euroland consumer confidence index according to May's preliminary version (from -8.1 to -5.1) and very solid PMI index performance in the same month (composite index moved up from 53.8 to 56.9) are very good signs.


# Economic Indicators

## Week of May 24 to 28, 2021

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 24</b>	9:00	Speech of a Federal Reserve Governor, L. Brainard				
	11:00	Speech of the Cleveland Fed President, L. Mester				
	12:00	Speech of the Atlanta Fed President, R. Bostic				
	17:30	Speech of the Kansas City Fed President, E. George				
<b>TUESDAY 25</b>	7:40	Speech of the Chicago Fed President, C. Evans				
	9:00	S&P/Case-Shiller home price index (y/y)	March	12.25%	12.60%	11.94%
	10:00	Consumer confidence	May	1119.5	118.0	121.7
	10:00	New home sales (ann. rate)	April	950,000	980,000	1,021,000
	10:00	Testimony of a Federal Reserve Vice Chair, R. Quarles, before a Senate Committee				
<b>WEDNESDAY 26</b>	10:00	Speech of a Federal Reserve Vice Chair, R. Quarles				
	15:00	Speech of a Federal Reserve Vice Chair, R. Quarles				
<b>THURSDAY 27</b>	8:30	Initial unemployment claims	May 17-21	425,000	425,000	444,000
	8:30	Real GDP (ann. rate)	Q1s	6.4%	6.4%	6.4%
	8:30	Durable goods orders (m/m)	April	0.7%	-0.6%	0.8%
	10:00	Pending home sales (m/m)	April	0.5%	n/a	1.9%
<b>FRIDAY 28</b>	8:30	Personal income (m/m)	April	-14.8%	-11.8%	21.1%
	8:30	Personal consumption expenditures (m/m)	April	0.5%	1.0%	4.2%
	8:30	Personal consumption expenditures deflator				
		Total (m/m)	April	0.6%	0.5%	0.5%
		Excluding food and energy (m/m)	April	0.6%	0.6%	0.4%
		Total (y/y)	April	3.5%	3.4%	2.3%
		Excluding food and energy (y/y)	April	3.0%	2.9%	1.8%
	8:30	Goods trade balance – preliminary (US\$B)	April	-92.5	-90.1	-90.6
	8:30	Retail inventories – preliminary (m/m)	April	n/a	n/a	-1.4%
	8:30	Wholesale inventories – preliminary (m/m)	April	n/a	n/a	1.3%
	9:45	Chicago PMI index	May	69.0	67.0	72.1
10:00	Michigan's consumer sentiment index – final	May	83.0	82.8	82.8	

## CANADA

<b>MONDAY 24</b>	---	Markets closed (Victoria Day)				
<b>TUESDAY 25</b>	---					
<b>WEDNESDAY 26</b>	---					
<b>THURSDAY 27</b>	8:30	Average weekly earnings (y/y)	March	n/a	9.3%	9.0%
	8:30	Number of salaried employees (m/m)	March	n/a	1.5%	0.3%
<b>FRIDAY 28</b>	---					

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 May 24 to 28, 2021

Country	Hour	Indicator	Period	Consensus		Previous data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
<b>OVERSEAS</b>								
<b>MONDAY 24</b>								
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<b>TUESDAY 25</b>								
Germany	2:00	Real GDP – final	Q1	-1.7%	-3.0%	-1.7%	-3.0%	
Germany	4:00	Ifo survey – Business climate	May	98.1		96.8		
Germany	4:00	Ifo survey – Current situation	May	95.6		94.1		
Germany	4:00	Ifo survey – Expectations	May	101.0		99.5		
New Zealand	22:00	Reserve Bank of New Zealand meeting	May	0.25%		0.25%		
<b>WEDNESDAY 26</b>								
South Korea	---	Bank of Korea meeting	May	0.50%		0.50%		
Japan	1:00	Leading indicator – final	March	n/a		103.2		
Japan	1:00	Coincident indicator – final	March	n/a		93.1		
France	2:45	Consumer confidence	May	97		94		
France	2:45	Business confidence	May	97		95		
France	2:45	Production outlook	May	5		2		
<b>THURSDAY 27</b>								
Germany	2:00	Consumer confidence	June	-5.2		-8.8		
Italy	4:00	Consumer confidence	May	104.0		102.3		
Italy	4:00	Economic confidence	May	n/a		97.3		
Japan	19:30	Consumer price index – Tokyo	May		-0.5%		-0.6%	
Japan	19:30	Unemployment rate	April	2.7%		2.6%		
<b>FRIDAY 28</b>								
France	2:45	Personal consumption expenditures	April	-4.3%	34.1%	-1.1%	18.7%	
France	2:45	Consumer price index – preliminary	May	0.3%	1.4%	0.1%	1.2%	
France	2:45	Real GDP – final	Q1	0.4%	1.5%	0.4%	1.5%	
Euro zone	5:00	Consumer confidence – preliminary	May	n/a		-5.1		
Euro zone	5:00	Industrial confidence	May	11.1		10.7		
Euro zone	5:00	Services confidence	May	6.3		2.1		
Euro zone	5:00	Economic confidence	May	112.3		110.3		

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)	2021 Q1	19,088	6.4	0.4	-3.5	2.2	3.0
Consumption (2012 \$B)	2021 Q1	13,334	10.7	1.6	-3.9	2.4	2.7
Government spending (2012 \$B)	2021 Q1	3,372	6.3	0.7	1.1	2.3	1.8
Residential investment (2012 \$B)	2021 Q1	716.0	10.8	12.3	6.1	-1.7	-0.6
Non-residential investment (2012 \$B)	2021 Q1	2,807	9.9	2.7	-4.0	2.9	6.9
Business inventory change (2012 \$B) <sup>1</sup>	2021 Q1	-85.5	---	---	-77.4	48.5	53.4
Exports (2012 \$B)	2021 Q1	2,272	-1.1	-8.9	-12.9	-0.1	3.0
Imports (2012 \$B)	2021 Q1	3,448	5.7	5.0	-9.3	1.1	4.1
Final domestic demand (2012 \$B)	2021 Q1	20,244	9.8	2.0	-2.7	2.3	3.0
GDP deflator (2012 = 100)	2021 Q1	115.6	4.1	1.9	1.2	1.8	2.4
Labor productivity (2012 = 100)	2021 Q1	112.7	5.4	4.1	2.6	1.8	1.4
Unit labor cost (2012 = 100)	2021 Q1	116.2	-0.3	1.6	3.8	1.9	1.9
Employment cost index (Dec. 2005 = 100)	2021 Q1	143.7	3.7	2.7	2.6	2.8	2.8
Current account balance (\$B) <sup>1</sup>	2020 Q4	-188.5	---	---	-647.2	-480.2	-449.7

<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)	April*	113.3	1.6	2.8	4.7	17.0
ISM manufacturing index <sup>1</sup>	April	60.7	64.7	58.7	58.8	41.7
ISM non-manufacturing index <sup>1</sup>	April	62.7	63.7	58.7	56.2	41.6
Cons. confidence Conference Board (1985 = 100) <sup>1</sup>	April	121.7	109.0	88.9	101.4	85.7
Personal consumption expenditure (2012 \$B)	March	13,597	3.6	5.5	4.1	8.5
Disposable personal income (2012 \$B)	March	19,336	23.0	25.7	23.0	29.3
Consumer credit (\$B)	March	4,242	0.6	1.3	1.9	0.9
Retail sales (\$M)	April	619,923	0.0	7.5	12.7	51.2
<i>Excluding automobiles (\$M)</i>	April	480,438	-0.8	5.3	10.2	40.6
Industrial production (2012 = 100)	April	106.3	0.7	-0.5	2.3	16.5
Production capacity utilization rate (%) <sup>1</sup>	April	74.9	74.4	75.3	73.2	64.2
New machinery orders (\$M)	March	486,580	1.1	3.9	8.4	20.8
New durable good orders (\$M)	March	248,803	1.0	4.8	9.8	35.9
Business inventories (\$B)	March	2,014	0.3	1.5	3.6	0.0
Housing starts (k) <sup>1</sup>	April*	1,569	1,733	1,625	1,514	938.0
Building permits (k) <sup>1</sup>	April*	1,760	1,755	1,883	1,595	1,094
New home sales (k) <sup>1</sup>	March	1,021	846.0	949.0	965.0	612.0
Existing home sales (k) <sup>1</sup>	April*	5,850	6,010	6,660	6,730	4,370
Commercial surplus (\$M) <sup>1</sup>	March	-74,448	-70,518	-66,969	-63,224	-47,243
Nonfarm employment (k) <sup>2</sup>	April	144,308	266.0	1,572	1,763	14,147
Unemployment rate (%) <sup>1</sup>	April	6.1	6.0	6.3	6.9	14.8
Consumer price (1982-1984 = 100)	April	266.8	0.8	1.8	2.4	4.2
<i>Excluding food and energy</i>	April	273.7	0.9	1.4	1.6	3.0
Personal cons. expenditure deflator (2012 = 100)	March	113.3	0.5	1.0	1.5	2.3
<i>Excluding food and energy</i>	March	115.1	0.4	0.6	0.9	1.8
Producer price (2009 = 100)	April	123.8	0.6	2.1	3.7	6.1
Export prices (2000 = 100)	April	135.2	0.8	4.9	9.9	14.4
Import prices (2000 = 100)	April	130.7	0.7	3.3	6.0	10.6

<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	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) <sup>1</sup>	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) <sup>1</sup>	2020 Q4	-7,261	---	---	-42,673	-47,384	-52,224
Production capacity utilization rate (%) <sup>1</sup>	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

<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)	Feb.	1,958,342	0.4	1.2	3.7	-2.2
Industrial production (2012 \$M)	Feb.	383,527	-1.2	1.0	4.5	-3.9
Manufacturing sales (\$M)	March	57,842	3.5	5.9	7.5	14.8
Housing starts (k) <sup>1</sup>	April*	268.6	334.8	307.5	227.3	164.6
Building permits (\$M)	March	10,903	5.7	17.2	12.8	44.9
Retail sales (\$M)	March*	57,609	3.6	9.7	6.6	23.7
<i>Excluding automobiles (\$M)</i>	March*	42,827	4.3	10.3	8.1	13.4
Wholesale trade sales (\$M)	March	70,901	2.8	5.6	7.0	12.8
Commercial surplus (\$M) <sup>1</sup>	March	-1,140	1,421	-1,917	-3,769	-4,464
<i>Exports (\$M)</i>	March	50,618	0.3	6.5	10.5	14.4
<i>Imports (\$M)</i>	March	51,758	5.5	4.7	4.4	6.3
Employment (k) <sup>2</sup>	April	18,627	-207.1	118.4	24.0	207.1
Unemployment rate (%) <sup>1</sup>	April	8.1	7.5	9.4	9.0	13.1
Average weekly earnings (\$)	Feb.	1,140	0.7	2.7	2.7	9.0
Number of salaried employees (k) <sup>2</sup>	Feb.	15,884	43.4	-14.8	71.1	-96.4
Consumer price (2002 = 100)	April*	140.3	0.5	1.5	2.0	3.4
<i>Excluding food and energy</i>	April*	134.2	0.6	1.1	1.3	1.8
<i>Excluding 8 volatile items</i>	April*	138.2	0.5	1.1	1.4	2.3
Industrial product price (2010 = 100)	March	108.8	1.6	6.7	7.9	10.0
Raw materials price (2010 = 100)	March	115.3	2.3	15.0	20.0	34.7
Money supply M1+ (\$M)	March*	1,460,600	1.1	5.1	7.9	28.0

<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.

**UNITED STATES, CANADA, OVERSEAS**
**Major financial indicators**

IN % (EXPECTED IF INDICATED)	ACTUAL	PREVIOUS DATA					LAST 52 WEEKS		
	May 21	May 14	-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	0.25	0.25	0.25	0.25
Treasury bill – 3 months	0.00	0.01	0.03	0.04	0.07	0.12	0.19	0.08	0.00
Treasury bonds – 2 years	0.15	0.15	0.16	0.11	0.17	0.17	0.23	0.15	0.11
– 5 years	0.83	0.80	0.81	0.58	0.38	0.33	0.92	0.46	0.19
– 10 years	1.63	1.63	1.57	1.33	0.82	0.65	1.75	1.01	0.51
– 30 years	2.34	2.37	2.25	2.15	1.54	1.36	2.48	1.75	1.19
S&P 500 index (level)	4,171	4,174	4,180	3,907	3,558	2,955	4,233	3,607	2,955
DJIA index (level)	34,347	34,382	34,043	31,494	29,263	24,465	34,778	29,601	24,465
Gold price (US\$/ounce)	1,874	1,837	1,776	1,785	1,874	1,736	2,053	1,838	1,681
CRB index (level)	200.79	203.29	196.06	188.63	156.16	129.53	207.96	163.95	129.16
WTI oil (US\$/barrel)	63.65	65.37	62.14	60.49	41.97	33.55	66.27	48.29	32.81
<b>Canada</b>									
Overnight – target	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Treasury bill – 3 months	0.09	0.09	0.09	0.09	0.11	0.25	0.26	0.12	0.05
Treasury bonds – 2 years	0.33	0.32	0.32	0.23	0.27	0.29	0.35	0.26	0.15
– 5 years	0.93	0.94	0.93	0.64	0.42	0.37	1.03	0.53	0.30
– 10 years	1.55	1.55	1.51	1.21	0.66	0.51	1.61	0.87	0.43
– 30 years	2.16	2.18	2.05	1.80	1.17	1.06	2.19	1.40	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	0.00	0.00	0.00
Treasury bill – 3 months	0.09	0.08	0.06	0.05	0.04	0.13	0.14	0.04	-0.04
Treasury bonds – 2 years	0.17	0.17	0.16	0.12	0.10	0.12	0.18	0.11	0.01
– 5 years	0.11	0.14	0.12	0.06	0.05	0.04	0.21	0.07	-0.04
– 10 years	-0.09	-0.08	-0.06	-0.12	-0.16	-0.14	-0.04	-0.14	-0.30
– 30 years	-0.18	-0.19	-0.20	-0.35	-0.37	-0.30	-0.17	-0.35	-0.49
S&P/TSX index (level)	19,560	19,367	19,102	18,384	17,019	14,914	19,560	17,231	15,051
Exchange rate (C\$/US\$)	1.2051	1.2104	1.2476	1.2612	1.3098	1.3996	1.3986	1.2975	1.2051
Exchange rate (C\$/€)	1.4687	1.4697	1.5096	1.5284	1.5528	1.5258	1.5903	1.5350	1.4646
<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\$/€)	1.2186	1.2142	1.2100	1.2119	1.1855	1.0902	1.2327	1.1839	1.0900
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Bonds – 10 years	0.84	0.89	0.78	0.73	0.33	0.13	0.93	0.39	0.04
FTSE index (level)	7,016	7,044	6,939	6,624	6,351	5,993	7,130	6,387	5,577
Exchange rate (US\$/£)	1.4162	1.4098	1.3876	1.4016	1.3284	1.2166	1.4191	1.3308	1.2190
<u>Germany</u>									
Bonds – 10 years	-0.13	-0.12	-0.30	-0.35	-0.58	-0.49	-0.11	-0.46	-0.64
DAX index (level)	15,442	15,417	15,280	13,993	13,137	11,074	15,460	13,471	11,391
<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)	28,318	28,084	29,021	30,018	25,527	20,388	30,468	25,797	20,742
Exchange rate (US\$/¥)	108.96	109.36	107.93	105.45	103.86	107.63	110.73	106.25	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.