

# WEEKLY NEWSLETTER

## Hints of an Acceleration in U.S. Inflation Remain Scarce

### HIGHLIGHTS

- ▶ United States: Core inflation was weaker than expected.
- ▶ U.S. consumer confidence fell in February.
- ▶ Canada: Wholesale sales lost ground in December.

### A LOOK AHEAD

- ▶ U.S. retail sales are expected to rebound.
- ▶ United States: The upward trend in housing starts likely continued in January.
- ▶ Canada: Total annual inflation could climb from 0.7% to 0.9%.
- ▶ Canada: Housing starts should remain high in January.
- ▶ Canada: Retail sales could drop in December due to public health restrictions.

### FINANCIAL MARKETS

- ▶ Stock markets take a break after strong gains.
- ▶ Bond yields continue to rise.
- ▶ The currency market seems hesitant.

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## Key Statistics of the Week

### UNITED STATES

- ▶ The consumer price index (CPI) rose 0.3% in January after advancing 0.4% in December. Like the previous month, January's increase was primarily due to higher energy costs. This was particularly true for gasoline prices, which jumped 7.4%, the highest increase since June. Food prices ticked up a mere 0.1%. Excluding energy and food, the core CPI stagnated (0.0%), just like in December. This weak performance was in spite of a 2.2% gain in clothing prices and a 0.5% increase in medical service prices. New car prices dropped 0.5% and used car prices fell 0.9%. For the sixth month running, housing-related costs rose just 0.1%. The annual variation in total CPI held at 1.4%, while core inflation, which excludes food and energy, fell from 1.6% to 1.4%.
- ▶ The University of Michigan consumer confidence index declined in February, although it was expected to rise. The index went from 79.0 in January to 76.2 according to the preliminary February version, its lowest level since August. The University of Michigan attributes the index's drop in February to a deterioration in the outlook for the personal finances of low-income households. The decrease stemmed mainly from the consumer expectations component (-4.2 points), while the current situation component saw a smaller drop (-0.5 points).
- ▶ Following a significant increase early in the year, new jobless claims are now on a downward slope, falling from 812,000 the previous week to 793,000.

**Francis Généreux**, Senior economist

### CANADA

- ▶ Wholesale sales declined 1.3% in December, a slightly less dramatic drop than suggested in the month's preliminary results (-1.7%). This is the first monthly decrease since April, and was particularly strong for automotive products and machinery, equipment and supplies. In constant dollars, wholesale sale fell 1.1%. Meanwhile, inventories grew 0.1%, which will partly offset the negative impact of the drop in sales on December's economic growth.

**Benoit P. Durocher**, Senior economist

# Financial Markets

## A Calmer Week on Financial Markets

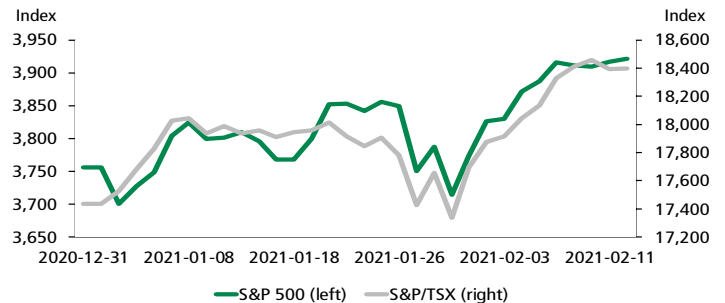
A certain calm returned to the stock markets after last week's sharp rebound. The volatility measured by the VIX index remained low, but gains were also a lot more subdued on North American markets. Even though the main indexes continued their momentum with increases Monday, they were then flat or slightly down for the rest of the week, as investors seemed more inclined to take profits rather than risks. Stock markets were nonetheless posting weekly gains at the time of writing. All three U.S. indexes, the S&P 500, Dow Jones and NASDAQ, gained just under 1%, whereas the Canadian S&P/TSX was slightly above this mark. Movements in the price of oil were also more moderate during the week, with a barrel of WTI (West Texas Intermediate) seeing an increase of about 3% Friday morning, a sign that there is still optimism about demand.

Bond markets largely reflected the movements in stock markets. The gradual steepening continued, but at a slower pace, as 10-year government bond yields rose around 2.5 basis points both in Canada and in the United States. However, the yield increase was sharper Friday morning, even though stock markets were down, as concerns about inflation seemed to reemerge once more.

After a good run over the past few weeks, the U.S. dollar fell against most currencies at the beginning of the week. Last week's job numbers, combined with slightly weaker-than-expected U.S. inflation, seemed to have somewhat assuaged fears of a rise in inflation that could force the Federal Reserve (Fed) to change its rhetoric. Jerome Powell also reiterated that the Fed would be very patient and would not let itself be influenced by a temporary acceleration in inflation. Despite that, the greenback picked up steam at the end of the week, just like bond yields, reducing its weekly loss. Friday morning, the euro fell back down slightly below US\$1.21, but was still posting a gain of about 0.5% for the week, a result similar to that of the pound. Despite new gains for oil, the Canadian dollar was quite steady during the week at around US\$0.785.

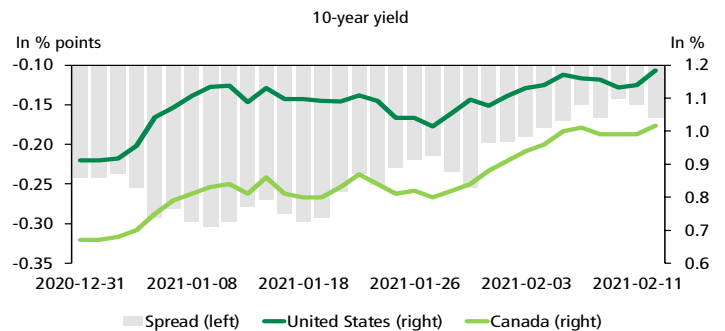
**Mathieu D'Anjou, CFA**, Deputy Chief Economist  
**Lorenzo Tessier-Moreau**, Senior Economist

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



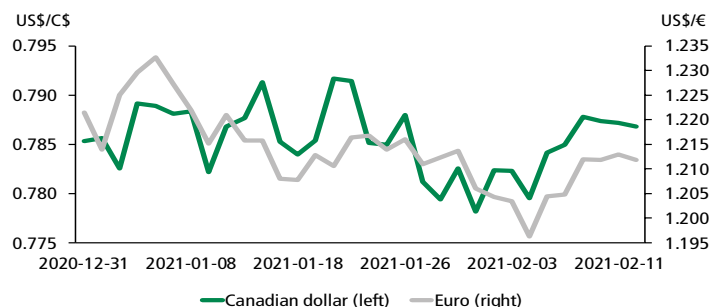
Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

## WEDNESDAY February 17 - 8:30

<b>January</b>	<b>m/m</b>
Consensus	0.9%
Desjardins	1.4%
<b>December</b>	<b>-0.7%</b>

## WEDNESDAY February 17 - 9:15

<b>January</b>	<b>m/m</b>
Consensus	0.4%
Desjardins	0.0%
<b>December</b>	<b>1.6%</b>

## THURSDAY February 18 - 8:30

<b>January</b>	
Consensus	1,658,000
Desjardins	1,675,000
<b>December</b>	<b>1,669,000</b>

## FRIDAY February 19 - 10:00

<b>January</b>	
Consensus	6,660,000
Desjardins	6,650,000
<b>December</b>	<b>6,760,000</b>

## MONDAY February 15 - 8:15

<b>January</b>	<b>In thousands</b>
Consensus	n/a
Desjardins	240.0
<b>December</b>	<b>228.3</b>

## MONDAY February 15 - 8:30

<b>January</b>	<b>m/m</b>
Consensus	n/a
Desjardins	0.6%
<b>November</b>	<b>-0.6%</b>

## WEDNESDAY February 17 - 8:30

<b>January</b>	<b>m/m</b>
Consensus	n/a
Desjardins	0.5%
<b>December</b>	<b>-0.2%</b>

## UNITED STATES

**Retail sales (January)** – December saw retail sales fall for the third month in a row. They may well rise in January, however, mainly due to federal government assistance measures that included a \$600 transfer per person. Some very short-term indicators suggest that the measure had a positive impact on consumer spending, despite the fact that commercial operations are still hampered by the health measures imposed in some of the States. The new motor vehicle sales figures published at the start of the month point to upward movement. A 4.0% hike in gas sales is also expected thanks to higher prices at the pump. Sales, including food services but not including motor vehicles and gas, have probably risen. Total retail sales should post a 1.4% increase in January.

**Industrial output (December)** – In December industrial output marked its highest growth since July. After that 1.6% gain we do expect a downtick for January, however. December's 6.2% surge in energy output should be followed by a significant drop, since the temperature was warmer than average last month. We also expect further growth in the mining sector. On the manufacturing side, the hours worked and the loss of 10,000 jobs indicate a certain weakness, especially linked to motor vehicles. Manufacturing output is expected to stagnate in January, as is total industrial output.

**Housing starts (January)** – Residential construction continued to rise in December, with a 5.8% increase in housing starts. The total increase since April's low is 78.7%, which led to 1,669,000 units in December, the highest level since September 2006. This trend likely continued in January. The number of residential construction jobs increased by 3,600. The number of building permits was also very high in December, reaching 1,709,000. Housing starts could reach 1,675,000 units.

**Existing home sales (January)** – After falling 2.2% in November (their first drop since May), resales went back up by 0.7% in December. We do expect a downtick in January, however, was signalled for some months by the decline and the level of pending home sales. That said, mortgage applications in anticipation of a purchase remained high. Resales are expected to reach 6,650,000 units.

## CANADA

**Housing starts (January)** – Housing starts are trending upward, and the six-month moving average rose to 239,052 units in December. Despite the imposition of some health measures at the end of 2020 and the beginning of 2021, residential construction continued to do well. In these circumstances, the number of housing starts could be close to 240,000 units in January.

**Manufacturing sales (December)** – According to Statistics Canada's interim results, manufacturing sales were up around 0.6% in December. The significant spike of exports of aviation products points to manufacturing sales rising nicely in that industry.

**Consumer price index (January)** – According to prices at the pump, gas went up about 5% in January, which should lead to a contribution of almost +0.2% to the monthly variation in the total consumer price index (CPI). Seasonal price fluctuations are usually up around +0.2% in January. Bottom line: we expect total CPI to increase around 0.5% in January. The total annual inflation rate could go from 0.7% to 0.9%.

**FRIDAY February 19 - 8:30**

<b>January</b>	<b>m/m</b>
Consensus	n/a
Desjardins	-2.6%
<b>November</b>	<b>1.3%</b>

**SUNDAY February 14 - 18:50**

<b>Q4 2020</b>	<b>q/q</b>
Consensus	2.4%
<b>Q3 2020</b>	<b>5.3%</b>

**FRIDAY February 19 - 4:00**

<b>February</b>	
Consensus	48.0
<b>January</b>	<b>47.8</b>

**Retail sales (December)** – According to Statistics Canada’s interim results, retail sales were down 2.6% in January. Holiday spending seems to have been lower this year, since the health measures prevented festive social gatherings. The imposition of new health measures at the end of December forced several Québec and Ontario merchants to close, which also put a brake on retail spending.


### OVERSEAS


**Japan: Real GDP (Q4)** – The growth of Japan’s real GDP during the first three quarters of 2020 was a little less volatile than in most other advanced countries. In Q3 Japan’s real GDP had slumped 3.9% since the end of 2019. The consensus expects growth for Q4 because the second COVID-19 wave was less severe in Japan. November and December did see monthly declines in industrial output and retail sales, but they should not be enough to reverse a quite positive upward growth curve.

**Euro zone: PMI index (January – preliminary)** – The euro zone’s PMI composite index dipped in January since health measures were still in effect in several countries. It was only a modest slide, however, from 49.1 to 47.8. The euro zone’s manufacturing PMI remained quite high at 54.8. Fewer COVID-19 cases should bolster the composite PMI index in February, although not by much, especially in light of the disappointing vaccine rollouts in Europe. The preliminary estimate of the euro zone’s national accounts for Q4 will be released on Tuesday.

# Economic Indicators

## Week of February 15 to 19, 2021

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 15</b>	---	Markets closed (President's Day)				
<b>TUESDAY 16</b>	8:30	Empire manufacturing index	Feb.	6.7	9.0	3.5
	16:00	Net foreign security purchases (US\$B)	Dec.	n/a	n/a	149.2
<b>WEDNESDAY 17</b>	8:30	Producer price index				
		Total (m/m)	Jan.	0.4%	0.5%	0.3%
		Excluding food and energy (m/m)	Jan.	0.2%	0.3%	0.1%
	8:30	Retail sales				
		Total (m/m)	Jan.	0.9%	1.4%	-0.7%
		Excluding automobiles (m/m)	Jan.	0.9%	1.4%	-1.4%
	9:15	Industrial production (m/m)	Jan.	0.4%	0.0%	1.6%
	9:15	Production capacity utilization rates	Jan.	74.8	74.6	74.5%
	10:00	NAHB housing market index	Feb.	83	n/a	83
	10:00	Business inventories (m/m)	Dec.	0.5%	0.5%	0.5%
	14:00	Minutes of the Federal Reserve meeting				
<b>THURSDAY 18</b>	8:30	Initial unemployment claims	Feb. 8-12	760,000	775,000	793,000
	8:30	Philadelphia Fed index	Feb.	20.0	18.0	26.5
	8:30	Housing starts (ann. rate)	Jan.	1,658,000	1,675,000	1,669,000
	8:30	Building permits (ann. rate)	Jan.	1,668,000	1,650,000	1,709,000
	8:30	Export prices (m/m)	Jan.	0.9%	0.6%	1.1%
	8:30	Import prices (m/m)	Jan.	1.0%	0.7%	0.9%
<b>FRIDAY 19</b>	10:00	Existing home sales (ann. rate)	Jan.	6,660,000	6,650,000	6,760,000
<b>CANADA</b>						
<b>MONDAY 15</b>	---	Markets closed (Family Day except for Quebec)				
	8:15	Housing starts (ann. rate)	Jan.	n/a	240.0	228.3
	8:30	Manufacturing sales (m/m)	Dec.	n/a	-0.6%	-0.6%
	9:00	Existing home sales				
<b>TUESDAY 16</b>	8:30	International transactions in securities (\$B)	Dec.	n/a	4.00	11.78
<b>WEDNESDAY 17</b>	8:30	Consumer price index				
		Total (m/m)	Jan.	n/a	0.5%	-0.2%
		Excluding food and energy (m/m)	Jan.	n/a	0.3%	-0.4%
		Total (y/y)	Jan.	n/a	0.9%	0.7%
		Excluding food and energy (y/y)	Jan.	n/a	1.2%	1.1%
<b>THURSDAY 18</b>	8:30	New housing price index (m/m)	Jan.	n/a	0.3%	0.3%
<b>FRIDAY 19</b>	8:30	Retail sales				
		Total (m/m)	Dec.	n/a	-2.6%	1.3%
		Excluding automobiles (m/m)	Dec.	n/a	-3.8%	2.1%

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

# Economic Indicators

## Week of February 15 to 19, 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 14</b>								
Japan	18:50	Real GDP – preliminary	Q4	2.4%		5.3%		
<b>MONDAY 15</b>								
Euro zone	5:00	Trade balance (€B)	Dec.	25.0		25.1		
Japan	23:30	Tertiary industry activity index	Dec.	n/a		-0.7%		
<b>TUESDAY 16</b>								
France	1:30	ILO unemployment rate	Q4	9.2%		9.0%		
Italy	4:00	Trade balance (€M)	Dec.	n/a		6,766		
Euro zone	5:00	Net change in employment – preliminary	Q4	n/a	n/a	1.0%	-2.3%	
Euro zone	5:00	Real GDP – preliminary	Q4	-0.7%	-5.1%	-0.7%	-5.1%	
Germany	5:00	ZEW survey – Current situation	Feb.	-66.5		-66.4		
Germany	5:00	ZEW survey – Expectations	Feb.	59.5		61.8		
Japan	18:50	Trade balance (¥B)	Jan.	477.8		477.1		
<b>WEDNESDAY 17</b>								
United Kingdom	2:00	Consumer price index	Jan.	-0.4%	0.5%	0.3%	0.6%	
Euro zone	5:00	Construction	Dec.	n/a	n/a	1.4%	-1.3%	
<b>THURSDAY 18</b>								
Euro zone	10:00	Consumer confidence – preliminary	Jan.	-15.0		-15.5		
Japan	18:30	Consumer price index	Jan.		-0.7%		-1.2%	
United Kingdom	19:01	Consumer confidence	Feb.	-26		-28		
Japan	19:30	PMI composite index – preliminary	Feb.	n/a		47.1		
Japan	19:30	PMI manufacturing index – preliminary	Feb.	n/a		49.8		
Japan	19:30	PMI services index – preliminary	Feb.	n/a		46.1		
<b>FRIDAY 19</b>								
France	2:45	Consumer price index – final	Jan.	0.2%	0.2%	0.6%	0.6%	
France	3:15	PMI composite index – preliminary	Feb.	47.5		47.7		
France	3:15	PMI manufacturing index – preliminary	Feb.	51.5		51.6		
France	3:15	PMI services index – preliminary	Feb.	47.0		47.3		
Germany	3:30	PMI composite index – preliminary	Feb.	50.5		50.8		
Germany	3:30	PMI manufacturing index – preliminary	Feb.	56.5		57.1		
Germany	3:30	PMI services index – preliminary	Feb.	46.5		46.7		
Euro zone	4:00	Current account (€B)	Dec.	n/a		24.6		
Euro zone	4:00	PMI composite index – preliminary	Feb.	48.0		47.8		
Euro zone	4:00	PMI manufacturing index – preliminary	Feb.	54.3		54.8		
Euro zone	4:00	PMI services index – preliminary	Feb.	45.7		45.4		
United Kingdom	4:30	PMI composite index – preliminary	Feb.	43.0		41.2		
United Kingdom	4:30	PMI manufacturing index – preliminary	Feb.	53.1		54.1		
United Kingdom	4:30	PMI services index – preliminary	Feb.	42.0		41.2		

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	2020	2019	2018
Gross domestic product (2012 \$B)	2020 Q4	18,780	4.0	-2.5	-3.5	2.2	3.0
Consumption (2012 \$B)	2020 Q4	13,005	2.5	-2.6	-3.9	2.4	2.7
Government spending (2012 \$B)	2020 Q4	3,317	-1.2	-0.6	1.1	2.3	1.8
Residential investment (2012 \$B)	2020 Q4	693.9	33.5	13.7	5.9	-1.7	-0.6
Non-residential investment (2012 \$B)	2020 Q4	2,746	13.8	-1.3	-4.0	2.9	6.9
Business inventory change (2012 \$B) <sup>1</sup>	2020 Q4	44.6	---	---	-81.8	48.5	53.4
Exports (2012 \$B)	2020 Q4	2,277	22.0	-11.0	-13.0	-0.1	3.0
Imports (2012 \$B)	2020 Q4	3,398	29.5	-0.6	-9.3	1.1	4.1
Final domestic demand (2012 \$B)	2020 Q4	19,776	4.4	-1.5	-2.7	2.3	3.0
GDP deflator (2012 = 100)	2020 Q4	114.4	2.0	1.3	1.2	1.8	2.4
Labor productivity (2012 = 100)	2020 Q4	111.1	-4.8	2.5	2.6	1.7	1.4
Unit labor cost (2012 = 100)	2020 Q4	117.6	6.8	5.2	4.3	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) <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)	Dec.	109.5	0.3	2.0	6.5	-1.7
ISM manufacturing index <sup>1</sup>	Jan.	58.7	60.5	58.8	53.7	51.1
ISM non-manufacturing index <sup>1</sup>	Jan.	58.7	57.7	56.2	56.6	55.9
Cons. confidence Conference Board (1985 = 100) <sup>1</sup>	Jan.	89.3	87.1	101.4	91.7	130.4
Personal consumption expenditure (2012 \$B)	Dec.	12,922	-0.6	-1.1	2.2	-3.3
Disposable personal income (2012 \$B)	Dec.	15,458	0.2	-2.1	-4.3	3.3
Consumer credit (\$B)	Dec.*	4,184	0.2	0.7	1.1	0.1
Retail sales (\$M)	Dec.	540,915	-0.7	-2.1	2.1	2.9
<i>Excluding automobiles (\$M)</i>	Dec.	425,693	-1.4	-2.8	1.5	1.1
Industrial production (2012 = 100)	Dec.	105.7	1.6	3.0	8.1	-3.6
Production capacity utilization rate (%) <sup>1</sup>	Dec.	74.5	73.4	72.3	68.9	77.2
New machinery orders (\$M)	Dec.	493,548	1.1	3.7	12.6	-0.8
New durable good orders (\$M)	Dec.	246,405	0.5	3.6	18.8	1.9
Business inventories (\$B)	Nov.	1,960	0.5	2.1	1.4	-3.2
Housing starts (k) <sup>1</sup>	Dec.	1,669	1,578	1,437	1,265	1,587
Building permits (k) <sup>1</sup>	Dec.	1,709	1,635	1,545	1,258	1,457
New home sales (k) <sup>1</sup>	Dec.	842.0	829.0	965.0	840.0	731.0
Existing home sales (k) <sup>1</sup>	Dec.	6,760	6,710	6,570	4,700	5,530
Commercial surplus (\$M) <sup>1</sup>	Dec.	-66,613	-69,005	-62,728	-51,850	-45,676
Nonfarm employment (k) <sup>2</sup>	Jan.	142,631	49.0	86.0	3,065	-9,603
Unemployment rate (%) <sup>1</sup>	Jan.	6.3	6.7	6.9	10.2	3.5
Consumer price (1982-1984 = 100)	Jan.*	262.2	0.3	0.7	1.4	1.4
<i>Excluding food and energy</i>	Jan.*	270.0	0.0	0.3	0.9	1.4
Personal cons. expenditure deflator (2012 = 100)	Dec.	112.2	0.4	0.5	1.2	1.3
<i>Excluding food and energy</i>	Dec.	114.4	0.3	0.3	1.1	1.5
Producer price (2009 = 100)	Dec.	119.7	0.3	0.8	1.8	0.8
Export prices (2000 = 100)	Dec.	125.2	1.1	2.0	4.1	0.2
Import prices (2000 = 100)	Dec.	124.6	0.9	1.0	3.3	-0.3

<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)	Nov.	1,934,643	0.7	2.0	12.1	-2.8
Industrial production (2012 \$M)	Nov.	378,417	1.9	3.2	13.4	-5.1
Manufacturing sales (\$M)	Nov.	53,664	-0.6	1.8	32.3	-4.8
Housing starts (k) <sup>1</sup>	Dec.	228.3	261.2	209.0	212.0	196.7
Building permits (\$M)	Dec.	9,083	-4.1	-4.9	12.6	1.7
Retail sales (\$M)	Nov.	55,193	1.3	3.2	28.8	7.5
<i>Excluding automobiles (\$M)</i>	Nov.	40,717	2.1	3.8	20.7	9.0
Wholesale trade sales (\$M)	Dec.*	66,502	-1.3	0.6	6.8	4.8
Commercial surplus (\$M) <sup>1</sup>	Dec.	-1,665	-3,560	-3,925	-1,576	-373.3
<i>Exports (\$M)</i>	Dec.	47,318	1.5	3.6	14.5	-4.1
<i>Imports (\$M)</i>	Dec.	48,983	-2.3	-1.3	14.2	-1.5
Employment (k) <sup>2</sup>	Jan.	18,272	-212.8	-70.3	78.2	-69.5
Unemployment rate (%) <sup>1</sup>	Jan.	9.4	8.8	9.0	10.9	5.6
Average weekly earnings (\$)	Nov.	1,110	0.6	0.1	-2.5	6.6
Number of salaried employees (k) <sup>2</sup>	Nov.	15,922	-79.5	155.3	370.0	-93.7
Consumer price (2002 = 100)	Dec.	137.4	-0.2	0.4	0.1	0.7
<i>Excluding food and energy</i>	Dec.	132.2	-0.4	0.2	0.1	1.1
<i>Excluding 8 volatile items</i>	Dec.	136.0	-0.4	0.2	0.3	1.5
Industrial product price (2010 = 100)	Dec.	101.8	1.5	1.0	3.9	1.8
Raw materials price (2010 = 100)	Dec.	100.5	3.5	4.6	11.2	-0.7
Money supply M1+ (\$M)	Nov.	1,395,122	1.1	4.5	13.3	30.0

<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		
	Feb. 12	Feb. 5	-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	0.35	0.25
Treasury bill – 3 months	0.04	0.03	0.09	0.09	0.10	1.55	1.55	0.18	-0.05
Treasury bonds – 2 years	0.11	0.11	0.13	0.18	0.15	1.42	1.42	0.22	0.11
– 5 years	0.48	0.46	0.46	0.40	0.30	1.41	1.41	0.40	0.19
– 10 years	1.18	1.17	1.10	0.88	0.69	1.59	1.59	0.81	0.50
– 30 years	1.98	1.97	1.85	1.65	1.44	2.04	2.04	1.52	1.03
S&P 500 index (level)	3,922	3,887	3,768	3,585	3,373	3,380	3,922	3,282	2,237
DJIA index (level)	31,410	31,148	30,814	29,480	27,931	29,398	31,438	27,133	18,592
Gold price (US\$/ounce)	1,828	1,808	1,825	1,893	1,948	1,582	2,053	1,808	1,475
CRB index (level)	183.90	181.39	175.25	151.86	149.21	172.96	184.22	147.89	106.29
WTI oil (US\$/barrel)	58.53	56.21	53.44	40.94	42.24	52.05	58.65	39.06	-37.63
<b>Canada</b>									
Overnight – target	0.25	0.25	0.25	0.25	0.25	1.75	1.75	0.37	0.25
Treasury bill – 3 months	0.07	0.06	0.05	0.11	0.16	1.64	1.64	0.24	0.05
Treasury bonds – 2 years	0.19	0.20	0.15	0.27	0.30	1.49	1.49	0.34	0.15
– 5 years	0.49	0.48	0.42	0.46	0.42	1.37	1.37	0.47	0.30
– 10 years	1.02	1.00	0.81	0.73	0.61	1.36	1.36	0.68	0.43
– 30 years	1.62	1.59	1.44	1.28	1.13	1.49	1.62	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	0.03	0.03	-0.04	0.02	0.06	0.09	0.53	0.06	-0.04
Treasury bonds – 2 years	0.08	0.09	0.02	0.09	0.15	0.07	0.31	0.11	0.00
– 5 years	0.02	0.02	-0.04	0.06	0.12	-0.04	0.29	0.06	-0.15
– 10 years	-0.17	-0.17	-0.29	-0.15	-0.08	-0.23	0.09	-0.13	-0.30
– 30 years	-0.36	-0.38	-0.41	-0.37	-0.31	-0.55	0.06	-0.32	-0.56
S&P/TSX index (level)	18,398	18,136	17,909	16,676	16,515	17,848	18,458	16,073	11,228
Exchange rate (C\$/US\$)	1.2710	1.2753	1.2735	1.3133	1.3268	1.3253	1.4513	1.3362	1.2632
Exchange rate (C\$/€)	1.5397	1.5360	1.5383	1.5542	1.5712	1.4355	1.5903	1.5414	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\$/€)	1.2118	1.2044	1.2080	1.1834	1.1843	1.0832	1.2327	1.1551	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.10	0.10	0.75	0.75	0.15	0.10
Bonds – 10 years	0.52	0.51	0.31	0.37	0.20	0.63	0.78	0.26	0.04
FTSE index (level)	6,571	6,489	6,736	6,316	6,090	7,409	7,457	6,160	4,994
Exchange rate (US\$/£)	1.3848	1.3735	1.3588	1.3188	1.3086	1.3047	1.3848	1.2913	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.43	-0.47	-0.57	-0.55	-0.45	-0.40	-0.17	-0.51	-0.84
DAX index (level)	14,042	14,057	13,788	13,077	12,901	13,744	14,060	12,381	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)	29,520	28,779	28,519	25,386	23,289	23,688	29,563	23,255	16,553
Exchange rate (US\$/¥)	104.95	105.38	103.89	104.64	106.61	109.76	112.13	106.12	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.