

# WEEKLY NEWSLETTER

## More Positive Economic News for the United States and Canada

### HIGHLIGHTS

- ▶ United States: Jobs rebound in February.
- ▶ United States: The ISM manufacturing index climbed in January, but the ISM services index fell further than anticipated.
- ▶ Canada: Real GDP growth beat expectations for the fourth quarter of 2020.
- ▶ Canada: Labour productivity fell in the fourth quarter of 2020.
- ▶ Canada: The merchandise trade balance improved in January.

### A LOOK AHEAD

- ▶ United States: Energy prices will help speed up inflation again.
- ▶ U.S. consumer confidence is expected to rise.
- ▶ The Bank of Canada will leave the target for the overnight rate at 0.25% and will continue its quantitative purchases.
- ▶ Canada: The labour market is expected to rebound in February.

### FINANCIAL MARKETS

- ▶ The NASDAQ index is nearing a correction brought on by higher yields.
- ▶ Bond yields continued to climb quickly.
- ▶ New appreciation of the U.S. dollar.

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# Key Statistics of the Week

## UNITED STATES

- ▶ The establishment survey indicates that there were 379,000 net hires in February, following a gain of 166,000 jobs in January (revised from +49,000) and a loss of 306,000 jobs in December (revised from -227,000). There were 21,000 net hires in manufacturing, but 61,000 losses in construction. Private-sector services created 513,000 jobs. Most hires come from the food services sector, which saw 285,900 new positions added. The jobless rate edged down to 6.2% in February from 6.3% in January.
- ▶ After losing 1.8 points in January, the ISM manufacturing index gained 2.1 points in February to reach 60.8, its highest level since February 2018. The components with the biggest increases were order backlogs, prices paid, supplier deliveries and new orders. The prices paid component is now at 86.0, its highest level since the summer of 2008, when oil prices exceeded US\$100 a barrel. Order backlogs are at their highest level since April 2004.
- ▶ The ISM services index fell further than expected in February, dropping from 58.7 to 55.3, the lowest it has been since May. Only four of the ten components declined, but decreases in new orders (-9.9 points) and current production (-4.4 points) were particularly sharp.
- ▶ After two months of strong gains, new motor vehicle sales fell 5.7% in February. Annualized sales dropped from 16,620,000 units in January to 15,670,000, the lowest level since August.
- ▶ Construction spending was up 1.7% in January after gaining 1.1% in December. Residential construction rose 2.5%. Private non-residential construction climbed 0.4%, its first increase since June. Public construction increased 1.6%.
- ▶ The balance of trade in goods and services worsened, going from US\$67.0B in December to US\$68.2B in January. Nominal exports were up 1.2%, and imports grew 1.2%.

**Francis Généreux**, Senior economist

## CANADA

- ▶ Real GDP rose 2.3% between the third and fourth quarter of 2020 to post a 9.6% quarterly annualized gain. The Canadian economy clearly demonstrated significant resilience during the second wave of COVID-19. On the one hand, real GDP growth beat expectations for the fourth quarter of 2020. On the other hand, the preliminary data released by Statistics Canada indicate that real GDP by industry may have risen by approximately 0.5% in January. This kind of growth was completely unexpected, since the restrictive measures introduced to combat the second wave were at their peak in January.
- ▶ Labour productivity continued to see upheavals in the fourth quarter of 2020 after climbing 5.5% in the first quarter and jumping 12.3% in the second quarter. It began to return to normal in the third quarter, posting a drop of 10.6%. This adjustment continued into the fourth quarter, with labour productivity declining 2.0%, in line with expectations. However, unit labour costs remained the same due to a reduction in hourly wages.
- ▶ The value of merchandise exports jumped 8.1% in January, far exceeding expectations. All the main industries saw gains in exports over the month. Aerospace (+72.3%), metal ores and non-metallic minerals (+12.7%), consumer goods (+11.6%) and forestry products and building and packaging materials (+10.7%) stood out in particular. Imports rose 0.9%, leading to a strong improvement in the trade balance, which went from -\$1.98B to +\$1.41B.

**Benoit P. Durocher**, Senior economist

# Financial Markets

## The Markets Are Unhappy with Jerome Powell's Message

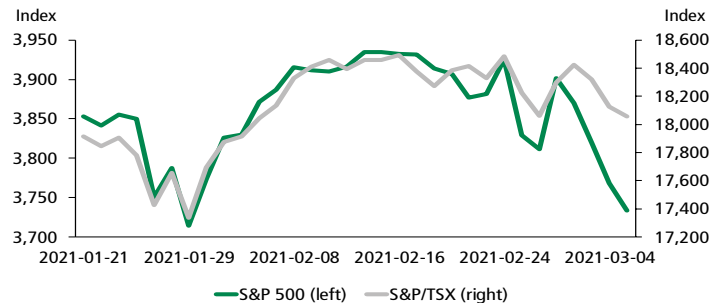
It was another difficult week for the stock markets despite the strong rebound of the main indexes on Monday. Inflation fears and increases in bond yields seemed to have calmed down at the beginning of the week, but then made a strong return on Thursday after comments by Federal Reserve (Fed) Chair Jerome Powell. By maintaining a very tolerant approach towards a potential surge in inflation, the Fed is fuelling concerns about the economy overheating, which is heavily penalizing the bond markets and highly valued stocks. At the time of writing, the NASDAQ, which is made up of a lot of highly valued tech stocks, had lost more than 4% for the second week in a row, nearing a correction level compared with its previous high. The S&P 500, which is also very sensible to the technology sector, lost about 1%, while the Dow Jones and S&P/TSX posted gains in the neighbourhood 0.5%. The economic news are good, however, which is supporting more conventional stocks and the price of oil. The price of WTI (West Texas Intermediate) oil reached a record high of US\$66 a barrel on Friday morning following the continuation of supply limitations announced at the meeting of the Organization of the Petroleum Exporting Countries and its partners (OPEC+).

One could have hoped to see calm restored to the bond markets after the drop in bond yields on Monday. However, concerns quickly returned to the markets, and yields jumped on Thursday, after comments by Jerome Powell. On Friday morning, U.S. and Canadian 10-year yields were posting significant increases for the week of about 12 and 15 basis points respectively.

The U.S. dollar maintained a bullish trend during the week with a greater appreciation on Thursday. In principle, inflation fears in the United States could result in a weaker U.S. dollar, but at the same time, the outlook for strong economic growth and faster increase of interest rates in the United States are supporting the currency. All in all, the euro fell back below US\$1.20. The pound slipped below US\$1.39, but still made some gains against the euro. The Canadian dollar did much better than most of the other major currencies. At the time of writing, the loonie was trading at close to US\$0.79, up a bit from its level at the beginning of the week.

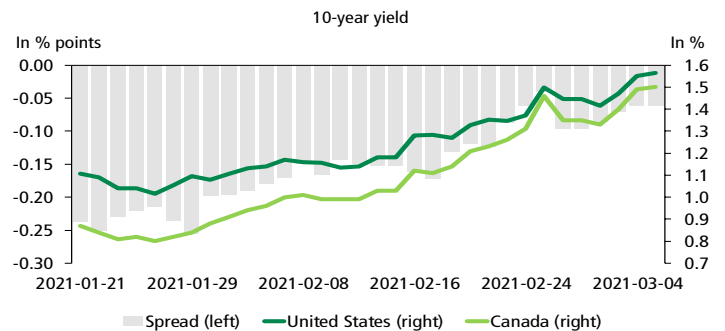
**Hendrix Vachon**, Senior Economist  
**Lorenzo Tessier-Moreau**, Senior Economist

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



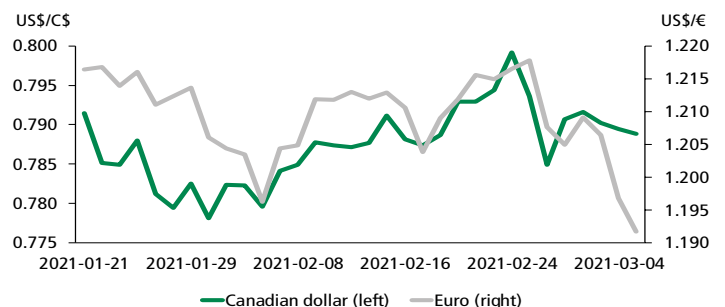
Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

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



Sources: Datastream and Desjardins, Economic Studies

# A Look Ahead

## WEDNESDAY March 10 - 8:30

<b>February</b>	<b>m/m</b>
Consensus	0.4%
Desjardins	0.4%
<b>January</b>	<b>0.3%</b>

## FRIDAY March 12 - 10:00

<b>March</b>	
Consensus	78.0
Desjardins	85.0
<b>February</b>	<b>76.8</b>

## WEDNESDAY March 10 - 10:00

<b>March</b>	
Consensus	0.25%
Desjardins	0.25%
<b>January 20</b>	<b>0.25%</b>

## FRIDAY March 12 - 8:30

<b>Q4 2020</b>	
Consensus	77.5%
Desjardins	77.9%
<b>Q3 2020</b>	<b>76.5%</b>

## FRIDAY March 12 - 8:30

<b>February</b>	
Consensus	37,500
Desjardins	195,000
<b>January</b>	<b>-212,800</b>

## UNITED STATES

**Consumer price index (February)** – U.S. inflation is still rising due to the increase in energy prices. In January the annual variation in the consumer price index (CPI) reached its highest rate since March 2020. Energy prices should again contribute strongly to total CPI monthly growth. Prices at the pump rose 7.5% in February and electricity prices probably surged as the very cold weather hit a large swath of the United States in mid-February. But we expect food prices to increase only slightly. Excluding food and energy, price increases should again be relatively weak after two monthly variations of 0.0%. The annual variation in total CPI will edge up from 1.4% to 1.7%. The CPI variation excluding food and energy should go down from 1.4% to 1.2%.

**University of Michigan consumer confidence index (March – preliminary)** – Consumer confidence deteriorated in the first two months of 2021 according to the University of Michigan index, which lost a total of 3.9 points. That contrasts with the other confidence indexes, which indicate renewed consumer interest, especially in February. We therefore expect the University of Michigan index to get a jump start during March. That would be in line with the Conference Board index uptick in February, the TIPP uptick in March and the gains of the weekly Langer (formerly Bloomberg) index over the past few weeks. The decline in COVID-19 cases, the accelerating pace of the vaccination rollout and the easing of restrictive health measures are all confidence-boosting factors. The only clouds on the horizon are the decline in the stock market since mid-February and the sharp rise in gas prices. The University of Michigan index should be close to 85.

## CANADA

**Meeting of the Bank of Canada (March)** – Even though the Canadian economy is showing resilience during the second wave of the pandemic, uncertainty remains very high. In the circumstances we should expect the Bank of Canada to stand pat, either by maintaining the overnight rate target at 0.25% or by continuing its program of quantitative purchases.

**Industrial capacity utilization rate (Q4)** – Industrial production continued its rebound in the fourth quarter of 2020 with an increase of 2.3%. Even though everything indicates that production capacity also rose slightly, the industrial capacity utilization rate should increase. That said, it still has quite a way to go before returning to pre-pandemic levels (82.1%).

**Labour force survey (February)** – In February the labour market should make up for many of the jobs lost in December and January. Several restrictive measures were relaxed gradually in February, especially for shops, which should allow many employees to return to work. The unemployment rate should start going down again; it should reach 8.8% compared to 9.4% in January.

**THURSDAY March 11 - 7:45**

<b>March</b>	
Consensus	0.00%
Desjardins	0.00%
<b>January 21</b>	<b>0.00%</b>

**FRIDAY March 12 - 2:00**

<b>January</b>	<b>m/m</b>
Consensus	-5.0%
<b>December</b>	<b>1.2%</b>


**OVERSEAS**


**Euro zone: Meeting of the European Central Bank (March)** – The European Central Bank (ECB) should stay on the sidelines at its next meeting. The vaccinations are underway in Europe, raising hopes of a gradual deconfinement in the coming months. That said, the ECB should not be talking about exit strategies either. It is still too early to think about withdrawing support measures. Among the indicators to be released this week, Tuesday will see the final version of the GDP for the fourth quarter of 2020, which will provide details about the growth of the different components of the demand. January's figures on industrial output will come out on Monday for Germany, Wednesday for France and Friday for the entire euro zone.

**United Kingdom: Monthly GDP (January)** – The easing of national lockdown measures as of December 2 boosted monthly real GDP by 1.2% in December. However, a new lockdown starting January 6 is sure to have dragged the GDP way down in January. We already know that retail sales plunged 8.2% during the first month of 2021.

# Economic Indicators

## Week of March 8 to 12, 2021

Day	Hour	Indicator	Period	Consensus		Previous data
<b>UNITED STATES</b>						
<b>MONDAY 8</b>						
	10:00	Wholesale inventories – final (m/m)	Jan.	1.3%	1.3%	1.3%
<b>TUESDAY 9</b>						
	---	---				
<b>WEDNESDAY 10</b>						
	8:30	Consumer price index				
		Total (m/m)	Feb.	0.4%	0.4%	0.3%
		Excluding food and energy (m/m)	Feb.	0.2%	0.1%	0.0%
		Total (y/y)	Feb.	1.7%	1.7%	1.4%
		Excluding food and energy (y/y)	Feb.	1.4%	1.2%	1.4%
	14:00	Federal budget (US\$B)	Feb.	n/a	n/a	-162.8
<b>THURSDAY 11</b>						
	8:30	Initial unemployment claims	March 1-5	725,000	725,000	745,000
<b>FRIDAY 12</b>						
	8:30	Producer price index				
		Total (m/m)	Feb.	0.4%	0.7%	1.3%
		Excluding food and energy (m/m)	Feb.	0.2%	0.7%	1.2%
	10:00	Michigan's consumer sentiment index – preliminary	March	78.0	85.0	76.8
<b>CANADA</b>						
<b>MONDAY 8</b>						
	---	---				
<b>TUESDAY 9</b>						
	---	---				
<b>WEDNESDAY 10</b>						
	10:00	Bank of Canada meeting	March	0.25%	0.25%	0.25%
<b>THURSDAY 11</b>						
	13:30	Speech of a Bank of Canada Deputy Governor, L. Schembri				
<b>FRIDAY 12</b>						
	8:30	National balance sheet	Q4			
	8:30	Net change in employment	Feb.	37,500	195,000	-212,800
	8:30	Unemployment rate	Feb.	9.3%	8.8%	9.4%
	8:30	Industrial capacity utilization rate	Q4	77.5%	77.9%	76.5%
	8:30	Wholesale sales (m/m)	Jan.	2.6%	5.3%	-1.3%
	8:30	Wholesale inventories (m/m)	Jan.	n/a	-0.3%	-0.1%

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 March 8 to 12, 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 7</b>								
Japan	18:50	Current account (¥B)	Jan.	2,207.2		2,278.4		
<b>MONDAY 8</b>								
Japan	0:00	Leading indicator – preliminary	Jan.	96.8		95.3		
Japan	0:00	Coincident indicator – preliminary	Jan.	91.6		88.3		
Germany	2:00	Industrial production	Jan.	-0.3%	-3.7%	0.0%	-1.0%	
Japan	18:50	Real GDP – final	Q4	3.0%		3.0%		
<b>TUESDAY 9</b>								
Germany	2:00	Trade balance (€B)	Jan.	14.5		14.8		
Germany	2:00	Current account (€B)	Jan.	21.8		28.2		
Italy	4:00	Industrial production	Jan.	0.8%	-4.1%	-0.2%	-2.0%	
Euro zone	5:00	Net change in employment – final	Q4	n/a	n/a	0.3%	-2.0%	
Euro zone	5:00	Real GDP – final	Q4	-0.6%	-5.0%	-0.6%	-5.0%	
China	20:30	Consumer price index	Feb.		-0.3%		-0.3%	
China	20:30	Producer price index	Feb.		1.4%		0.3%	
<b>WEDNESDAY 10</b>								
France	2:45	Industrial production	Jan.	0.5%	-2.4%	-0.8%	-3.0%	
Japan	18:50	Producer price index	Feb.	0.5%	-0.7%	0.4%	-1.6%	
<b>THURSDAY 11</b>								
Euro zone	7:45	European Central Bank meeting	March	0.00%		0.00%		
<b>FRIDAY 12</b>								
United Kingdom	2:00	Trade balance (£M)	Jan.	-4,563		-6,202		
United Kingdom	2:00	Construction	Jan.	-1.0%	-4.8%	-2.9%	-3.9%	
United Kingdom	2:00	Index of services	Jan.	-5.5%		1.7%		
United Kingdom	2:00	Monthly GDP	Jan.	-5.0%		1.2%		
United Kingdom	2:00	Industrial production	Jan.	-0.6%	-4.0%	0.2%	-3.3%	
Germany	2:00	Consumer price index – final	Feb.	0.7%	1.3%	0.7%	1.3%	
Euro zone	5:00	Industrial production	Jan.	0.3%	-2.1%	-1.6%	-0.8%	

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	18,784	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) <sup>1</sup>	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) <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)	Jan.	110.3	0.5	1.8	5.1	-1.5
ISM manufacturing index <sup>1</sup>	Feb.*	60.8	58.7	57.7	55.6	50.3
ISM non-manufacturing index <sup>1</sup>	Feb.*	55.3	58.7	56.8	57.2	56.7
Cons. confidence Conference Board (1985 = 100) <sup>1</sup>	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)	Dec.	4,184	0.2	0.7	1.1	0.1
Retail sales (\$M)	Jan.	568,215	5.3	2.9	6.0	7.4
<i>Excluding automobiles (\$M)</i>	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 (%) <sup>1</sup>	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) <sup>1</sup>	Jan.	1,580	1,680	1,530	1,487	1,617
Building permits (k) <sup>1</sup>	Jan.	1,886	1,704	1,544	1,483	1,536
New home sales (k) <sup>1</sup>	Jan.	923.0	885.0	965.0	979.0	774.0
Existing home sales (k) <sup>1</sup>	Jan.	6,690	6,650	6,730	5,900	5,410
Commercial surplus (\$M) <sup>1</sup>	Jan.*	-68,213	-66,969	-63,978	-62,110	-44,379
Nonfarm employment (k) <sup>2</sup>	Feb.*	143,048	379.0	239.0	1,899	-9,475
Unemployment rate (%) <sup>1</sup>	Feb.*	6.2	6.3	6.7	8.4	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)	Jan.	112.5	0.3	0.7	1.2	1.5
<i>Excluding food and energy</i>	Jan.	114.7	0.3	0.6	1.1	1.5
Producer price (2009 = 100)	Jan.	121.3	1.3	1.7	2.6	1.8
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

<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 Q3	76.5	---	---	82.6	83.7	80.8
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)	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) <sup>1</sup>	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)	Dec.	66,502	-1.3	0.6	6.8	4.8
Commercial surplus (\$M) <sup>1</sup>	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) <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 (\$)	Dec.	1,112	0.2	0.3	-0.5	6.4
Number of salaried employees (k) <sup>2</sup>	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

<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		
	Mar. 5	Feb. 26	-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	1.25	1.25	0.27	0.25
Treasury bill – 3 months	0.03	0.04	0.03	0.09	0.11	0.45	0.43	0.11	-0.05
Treasury bonds – 2 years	0.14	0.15	0.11	0.16	0.15	0.48	0.53	0.17	0.11
– 5 years	0.80	0.77	0.46	0.42	0.30	0.58	0.81	0.38	0.19
– 10 years	1.56	1.45	1.17	0.97	0.72	0.71	1.56	0.82	0.50
– 30 years	2.28	2.19	1.97	1.73	1.47	1.21	2.32	1.54	1.03
S&P 500 index (level)	3,734	3,811	3,887	3,699	3,427	2,972	3,935	3,322	2,237
DJIA index (level)	30,867	30,932	31,148	30,218	28,133	25,865	31,962	27,363	18,592
Gold price (US\$/ounce)	1,697	1,727	1,808	1,834	1,921	1,668	2,053	1,816	1,475
CRB index (level)	192.45	190.43	181.39	159.89	149.69	155.85	195.13	149.23	106.29
WTI oil (US\$/barrel)	65.67	63.53	56.83	46.26	39.77	41.28	65.67	39.76	-37.63
<b>Canada</b>									
Overnight – target	0.25	0.25	0.25	0.25	0.25	1.25	1.25	0.29	0.25
Treasury bill – 3 months	0.11	0.13	0.06	0.12	0.15	0.76	0.68	0.17	0.05
Treasury bonds – 2 years	0.29	0.30	0.20	0.28	0.27	0.70	0.69	0.28	0.15
– 5 years	0.91	0.88	0.48	0.50	0.38	0.66	0.93	0.44	0.30
– 10 years	1.50	1.35	1.00	0.80	0.59	0.72	1.50	0.69	0.43
– 30 years	1.91	1.76	1.59	1.34	1.10	0.96	1.91	1.23	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	0.08	0.09	0.03	0.03	0.04	0.31	0.53	0.06	-0.04
Treasury bonds – 2 years	0.15	0.15	0.09	0.12	0.12	0.22	0.31	0.11	0.00
– 5 years	0.11	0.11	0.02	0.08	0.08	0.08	0.29	0.07	-0.15
– 10 years	-0.06	-0.10	-0.17	-0.17	-0.13	0.01	0.09	-0.13	-0.30
– 30 years	-0.37	-0.43	-0.38	-0.39	-0.37	-0.25	0.06	-0.32	-0.49
S&P/TSX index (level)	18,058	18,060	18,136	17,521	16,218	16,175	18,493	16,142	11,228
Exchange rate (C\$/US\$)	1.2677	1.2741	1.2753	1.2783	1.3062	1.3425	1.4513	1.3323	1.2513
Exchange rate (C\$/€)	1.5108	1.5386	1.5360	1.5495	1.5465	1.5151	1.5903	1.5452	1.5093
<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\$/€)	1.1917	1.2076	1.2044	1.2122	1.1840	1.1286	1.2327	1.1615	1.0692
<u>United Kingdom</u>									
BoE – Base rate	0.10	0.10	0.10	0.10	0.10	0.75	0.75	0.11	0.10
Bonds – 10 years	0.75	0.86	0.51	0.37	0.22	0.21	0.86	0.28	0.04
FTSE index (level)	6,640	6,483	6,489	6,550	5,799	6,463	6,873	6,139	4,994
Exchange rate (US\$/£)	1.3811	1.3934	1.3735	1.3440	1.3284	1.3050	1.4141	1.2973	1.1487
<u>Germany</u>									
Bonds – 10 years	-0.30	-0.29	-0.47	-0.54	-0.48	-0.73	-0.17	-0.50	-0.84
DAX index (level)	13,933	13,786	14,057	13,299	12,843	11,542	14,109	12,453	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)	28,864	28,966	28,779	26,751	23,205	20,750	30,468	23,688	16,553
Exchange rate (US\$/¥)	108.23	106.60	105.38	104.16	106.25	105.32	111.23	105.95	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.