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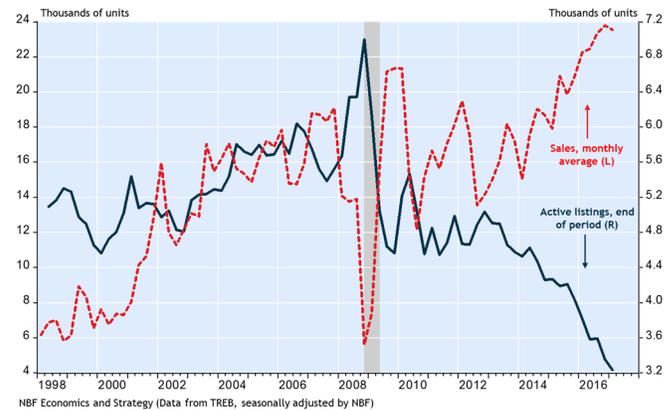
Week in review

CANADA: International securities transactions data showed foreign investors increased their holdings of Canadian securities by C\$6.2 billion in January. Net buying of bonds (+C\$10 billion) easily compensated for net selling of equities/investment funds (-C\$1.0 billion) and money market instruments (-C\$2.7 billion). The bond net inflows were largely due to corporates (+C\$12.7 billion, of which C\$9.7 billion were private) and ex-federal government bonds (+C\$2.9 billion). Alternatively, foreign investors reduced their holdings of federal government bonds by C\$5.6 billion, the largest such divestment since June 2016. After record-high foreign purchases of Canadian securities in 2016, net foreign investment moderated in the first month of 2017. Equities lost some of their shine as high valuations continued to be a concern. Similarly, money market instruments lost favour owing to the widening rate differential with the United States. Foreign demand for bonds remained strong, however, particularly for private corporate bonds. This suggests that foreigners remain confident about the outlook in Canada.

The Teranet-National Bank National Composite House Price Index™ rose 1.0% in February, the largest gain for that month in the index's 18-year history. This unusually large increase for the season was attributable primarily to three of the 11 metropolitan markets surveyed: Toronto (+1.9%), Hamilton (+1.4%) and Vancouver (+1.4%). While prices were also up in Ottawa-Gatineau (+0.9%), they declined elsewhere: Victoria (-0.1%), Montreal (-0.2%), Edmonton (-0.5%), Winnipeg (-0.5%), Quebec City (-0.9%), Calgary (-1.3%) and Halifax (-1.9%). Year over year, the national index sprang 13.4%, its sharpest 12-month upswing since November 2006. This surge was driven mostly by prices in three cities: Toronto (+23.0%, a record), Hamilton (+19.7%, also a record) and Victoria (+15.9%). The Toronto market has become especially worrisome. Historically low supply there contributed to a 20% hike in the price of dwellings other than condos in the past 12 months. In a city where apartments account for only 26% of sales, this has created an acute affordability problem. However, in spite of soaring

prices, sales for dwellings other than condos remain near their historical peak in Ontario's capital.

Toronto: Sales and active listings of dwellings other than condos
2017 Q1 so far (January and February)



In Canada, manufacturing shipments increased 0.6% in January. However, there was a slight downward revision to the prior month's reading from 2.3% to 2.1%. Interestingly, sales rose in 14 of the 21 broad industries in January. There was an 7.0% increase for petroleum and coal products (a fourth consecutive gain), a 2.5% gain for chemicals, and a 2.4% increase in fabricated metal products which more than offset declines in other categories. Transportation (-2.9%) was down due to a sharp decline in aerospace and railroads which contrasted with a 3.9% rise in the motor vehicles segment. In real terms, shipments increased 0.7%. The manufacturing sector is benefiting recently from the acceleration of the North-American economy and a competitive USD/CAD ratio. That being said, significant challenges remain, such as decreasing competitiveness against other trading partners than the U.S., declining capital stock due to lack of investments, and the potential introduction of protectionist measures.

UNITED STATES: The consumer price index edged up 0.1% in February as higher prices for food (+0.2%), apparel (+0.6%) and recreation (+0.6%) were in part offset by lower energy prices (-1.0%). Core inflation, which excludes food and energy, went up 0.2%. Core inflation has been relatively strong in the past three months, climbing an annualized 3.0%. Further gains for owners' equivalent rent (+0.3%) and medical care (+0.1%) lifted ex-energy services CPI 0.3%. Year over year, headline CPI rose 2.7%, its steepest jump since March 2012, while the core measure progressed 2.2%.

In February, retail sales advanced 0.1% in seasonally adjusted terms, their smallest gain in six months. Excluding motor vehicles and parts (-0.2%), sales increased 0.2%.

Month over month, advancing sales of building materials (+1.8%), non-store retailers (+1.2%) and healthcare (+0.7%) more than offset retreats in electronics (-2.8%), gasoline stations (-0.6%), and clothing (-0.5%). Overall, sales increased in only four of the 13 major retail categories. However, February's lacklustre showing must be put into perspective. Indeed, it came on the heels of a really good performance in January, which saw sales and ex-auto sales increase 0.6% and 1.2%, respectively. February sales were also dragged down by slumping gasoline prices and delayed tax refunds. Nonetheless, so far in Q1 (based on January and February data), retail sales growth is still running at a very decent annualized pace of 5.7%, after clocking in at a healthy 7.2% the prior quarter. Discretionary spending is robust as well, growing at a brisk 5.4%. This reflects the strength of the labour market and the high level of consumer confidence.

Industrial production was flat in February compared to a month earlier. The seasonally-adjusted +0.0% reading followed an upwardly-revised -0.1% monthly figure in January. The lukewarm result was due to a 5.7% slump in utilities output explained by abnormally warm weather in the U.S. for that time of the year. Manufacturing output, which accounts for 75% of overall industrial production and 12% of GDP, actually performed very well, increasing by 0.5% for a second consecutive month, the best back-to-back postings in three years. Mining production progressed 2.7% as oil production in the U.S. picks up pace. February's industrial production numbers translated into a one tick retreat in **capacity utilization** to 75.4%. Yet again, the overall figure was hampered by a 4.4% m/m drop in the utilities segment. Looking at the manufacturing sector in isolation, capacity utilization gained a balmy 0.3% m/m and now sits at 75.6%, its highest level since October 2015. In the mining sector capacity utilization nudged up from 78.4% in January to 80.5% in February.

Housing starts jumped 3.0% in February to an annualized 1288K in seasonally adjusted terms, their highest level in four months. Starts of single-family houses grew 6.5%, their fastest pace since October 2007. Starts of multis, on the other hand, declined 3.7%. February's numbers were buoyed by abnormally warm weather, which allowed an early start to the spring construction season. Separately, **building permits** fell 6.2% to 1213K in February as a sharp drop in the multis category (-21.6%) more than offset a rise in the singles segment (+3.1%). Also, the **home builder sentiment index** spiked to 71 in March from 65 the prior month. Despite rising mortgage rates, the index is now at its highest level since June 2005. Also worthy of note, the measure of prospective buyer traffic shot up from 46 to 54.

In February, the **NFIB Small Business Optimism Index** slipped to 105.3 from 105.9 the prior month. Despite this small setback, the index remains near its post-recession high following an 11-point rally from October to January. According to the survey, the net percentage of firms

expecting the economic situation to improve stood at 47%, a mere 1 point lower than in the previous month but still 54 points ahead of October's level. In addition, a net 22% considered the actual environment as conducive to expansion, down from 25% in January. The net percentage of firms planning to hire decreased as well, sliding 3 points to 15%. Interestingly, a net 32% of small businesses reported not being able to fill vacant positions, the highest percentage since February 2001. This suggests that the labour market has tightened in the United States, all the more so in light of the fact that finding qualified workers has now overtaken government regulations as the second biggest problem for small firms next to taxes.

The **New York Fed's Empire State Manufacturing Index** slid 2.3 points to 16.4 in March after soaring 12.2 points in February. The decline was explained in part by a near 7-point drop in the shipments diffusion sub-index from 18.2 to 11.3. Overall, though, the index still conveys a high level of optimism in the manufacturing sector, with the new orders gauge reading 21.3, its highest level since April 2010. Employment indicators were strong as well, with the current number of employees index vaulting from 2.0 to 8.8 and the average workweek rocketing from 4.1 to 15.1.

The **Philadelphia Fed's Manufacturing Business Outlook Survey** plunged 10.5 points to 32.8 in March following an unsustainable 20-point increase that hoisted the index to a 33-year high the previous month. Despite the correction, the index is still far above its 2016 average of 4.8. The new orders component of the index continued its ascension, reaching 38.6, a level unseen since December 1987. Shipments moved up as well, gaining 4.3 points to 32.9. The labour components, too, were exceptionally strong with the average workweek going from 13.6 to 18.5 and the number of employees climbing 6.4 points to 17.5.

According to the Bureau of Labor Statistics, **job openings** rose to 5.626 million in January from 5.539 million a month earlier. The hiring rate stood at 3.7%, one-tenth of a point above December's level, while the quit rate went up by 0.1% to hit a post-recession high of 2.2%, suggesting workers were confident enough about their prospects of finding better jobs.

As expected, the **Federal Reserve** raised the fed funds rate 25 basis points. The rate's lower and upper bounds are now 0.75% and 1.00%. The FOMC was encouraged in its decision by the strength of the labour market and by the pick-up in business fixed investments. It pointed out, also, that headline inflation had increased in recent quarters and now stood close to its 2% objective. In the meantime, core inflation continued to run somewhat below 2%. The Fed expected economic activity to expand, the labour market to strengthen further, and inflation to stabilize towards its target. We were pleased to see Fed Chair Janet Yellen acknowledge the recent rise in the labour participation rate in her press conference and identify that trend as a factor that could limit wage inflation. This is consistent with our

current view that the Fed need not hike more than three times in 2017. The decision to tighten monetary policy was almost unanimous. Neel Kashkari was the sole FOMC member in favour of keeping rates unchanged.

The FOMC's median projections for the appropriate target range for the federal funds rate were left unchanged at 1.4% and 2.1% for 2017 and 2018, respectively, but was bumped up one tick to 3.0% for 2019. Nine of the 17 participants now fixed the midpoint of the fed funds range at 1.375% at the end of 2017, compared with six participants in December.

WORLD: In the Eurozone, industrial production expanded 0.9% m/m in January in seasonally adjusted terms, recouping some of the losses sustained in December (-1.2%). Capital goods production accounted for 0.8 percentage point of the headline figure, while energy added 0.3 percentage point. On the other hand, production of durable consumer goods, non-durable goods and intermediate goods reduced the headline figure by a cumulative 0.2 percentage point. Presently, industry is set to contribute to GDP growth in Q1 based on the fact that the index is currently standing 0.6% above its Q4 level.

In Japan, the central bank kept monetary policy on hold. Consequently, short-term interest rates will remain at -0.1% and the Bank of Japan will maintain its target rate for 10-year government bonds at about 0.0%. Asset purchases will continue unperturbed at a rate of approximately ¥80 trillion per year. In its statement, the BoJ acknowledged the moderate economic recovery in the country but underscored that inflation expectations remained weak. Core inflation, which turned positive year on year in January (+0.1%) for the first time since 2015, was still very low. The chances of seeing inflation firm up in the near future are faint given that wage growth continues to disappoint in spite of low unemployment levels.

Weekly Economic Watch

What We'll Be Watching



In Canada, the week will be highlighted by the publication of February's **consumer price index**. The sharp drop in gasoline prices (-3.9%) will limit headline price increase to 0.3%, which is below the historical norm for February. However, because of the base effect, the annual inflation rate could rise one tick to 2.2%. Even if we expect the underlying inflation to gain momentum over the next months, CPI-common should remain at a twenty-year low of 1.3% in February due to the base effect. Next week will also provide an update on **retail sales**, which likely rose in January as higher gasoline station receipts - on account of rising pump prices - probably offset weak auto sales. As a result, we anticipate ex-auto sales (+0.6%) to have grown faster than total sales (+0.2%). Data on **wholesale trade sales** for the first month of 2017 will also be available. Finally, the **federal budget** will be tabled on Wednesday.

	Previous	NBF forecasts
CPI (February y/y chg.)	2.1%	2.2%
Retail sales (January m/m chg.)	-0.5%	0.2%
ex-autos Retail sales (January m/m chg.)	-0.3%	0.6%

Canada: CPI could remain above 2% despite dropping gasoline prices

Total consumer price index and common component of CPI, year-on-year



NBF Economics and Strategy (data via Statistics Canada)



In the U.S., a light data week will nonetheless offer useful information regarding the housing market. **New home sales** may have slowed down slightly in February based on a retreat in the traffic of prospective buyers. Similarly, **existing home sales** likely moderated after rising for six consecutive months to a post-recession high. Weak data on pending home sales and rising average mortgage rates suggest a tapering in buyers' enthusiasm. In the meantime, **durable goods orders** probably continued their progression, in line with surging survey-based indicators for the manufacturing sector. **Markit's flash manufacturing PMI** for the month of March will also be published.

	Previous	NBF forecasts
Existing home sales (February, saar)	5690K	5450K
Durable Goods Orders (February, m/m chg.)	2.00%	2.00%

U.S.: Existing Home Sales Are In for a Moderation

Existing home sales vs. pending home sales index



NBF Economics and Strategy (data via Bloomberg)



Elsewhere in the world, a relatively quiet week will provide an update on the state of the manufacturing sector in the Eurozone and Japan thanks to Markit's flash factory PMIs for March. Japan's trade balance for the month of February will also be released.

Weekly Economic Watch

Economic Calendar - Canada & U.S.

Economic releases & events								Earnings announcements			
	Time	Country	Release	Period	Previous	Consensus Estimate	NBF Estimate	Company	Time	Qtr	Cons. EPS
Monday Mar 20	8:30	CA	Wholesale Trade Sales MoM	Jan	0.70%	--		Badger Daylighting Ltd	Bef-mkt	Q4 16	0.37
	8:30	US	Chicago Fed Nat Activity Index	Feb	-5.00%	--					
Tuesday Mar 21	8:30	CA	Retail Sales MoM	Jan	-0.50%	--	0.20%	Silver Wheaton Corp	Aft-mkt	Q4 16	0.16
	8:30	CA	Retail Sales Ex Auto MoM	Jan	-0.30%	--	0.60%	Lennar Corp	Bef-mkt	Q1 17	0.55
	8:30	US	Current Account Balance	4Q	-\$113.0b	-\$128.6b		General Mills Inc	07:00	Q3 17	0.71
								NIKE Inc	16:15	Q3 17	0.53
							FedEx Corp	16:15	Q3 17	2.62	
Wednesday Mar 22	7:00	US	MBA Mortgage Applications	Mar-17	3.10%	--		Amaya Inc	Bef-mkt	Q4 16	0.48
	10:00	US	Existing Home Sales	Feb	5.69m	5.59m	5.45m	Boyd Group Income Fund	Bef-mkt	Q4 16	0.79
	10:00	US	Existing Home Sales MoM	Feb	3.30%	-1.80%	-4.20%	Westshore Terminals Investment Corp	0:00	Q4 16	0.43
								New Flyer Industries Inc	0:00	Q4 16	0.57
							Franco-Nevada Corp	Aft-mkt	Q4 16	0.21	
							Detour Gold Corp	Aft-mkt	Q4 16	0.03	
							PVH Corp	Aft-mkt	Q4 17	1.19	
Thursday Mar 23	8:30	US	Initial Jobless Claims	Mar-18	241k	--		Power Financial Corp	0:00	Q4 16	0.76
	10:00	US	New Home Sales	Feb	555k	560k	545k	Klondex Mines Ltd	Aft-mkt	Q4 16	0.06
	10:00	US	New Home Sales MoM	Feb	3.70%	0.90%	-1.80%	Accenture PLC	06:59	Q2 17	1.30
							Conagra Brands Inc	07:30	Q3 17	0.44	
							Micron Technology Inc	Aft-mkt	Q2 17	0.84	
Friday Mar 24	8:30	CA	CPI NSA MoM	Feb	0.90%	--	0.30%	BRP Inc/CA	06:00	Q4 17	0.96
	8:30	CA	CPI YoY	Feb	2.10%	--	2.20%	Ivanhoe Mines Ltd	0:00	Q4 16	-0.01
	8:30	US	Durable Goods Orders	Feb P	2.00%	1.10%	2.00%	Power Corp of Canada	0:00	Q4 16	0.70
	8:30	US	Durables Ex Transportation	Feb P	0.00%	0.50%	1.00%				
	9:45	US	Markit US Manufacturing PMI	Mar P	54.2	54.5					

Source: Bloomberg

Weekly Economic Watch

Annex - Economic Tables

TABLE 1 - NORTH AMERICAN FINANCIAL INDICATORS

March 17, 2017										
Growth Rates Unless Otherwise Indicated	Reference Period	Level	Monthly Growth (%)			Annualized Growth			Year-to-date (3)	
			Past Month	Prev. Month	Month Before	Average of the last			Since	ref.
						3 Mos.	6 Mos.	12 Mos.		
UNITED STATES										
<u>MONETARY AGGREGATES</u>										
M1	* Feb 2017	(\$Billions) 3374	-0.6	2.0	-0.4	4.0	7.2	8.2	8.8	4.7
M2	* Feb 2017	13313	0.3	0.6	0.3	5.5	6.3	6.4	6.5	6.0
<u>CREDIT MEASURES</u>										
Consumer Credit	Jan 2017	3773	0.2	0.4	0.7	6.3	6.8	6.3	6.3	6.6
Mortgage (Banks)	* Feb 2017	4135	0.1	0.3	0.2	3.4	5.9	5.7	6.0	6.5
Business	* Feb 2017	2096	-0.1	0.0	-0.3	0.3	4.3	5.2	5.9	10.2
CANADA										
<u>MONETARY AGGREGATES</u>										
M2+ gross	Dec 2016	1890	0.4	0.7	0.7	7.6	8.1	7.6	6.7	4.8
Personal Deposits (Banks) (2)	Jan 2017	921						6.8	6.8	5.7
<u>CREDIT MEASURES</u>										
Consumer	Dec 2016	567	0.3	0.2	0.3	3.0	3.5	3.4	3.1	3.0
Mortgages	Dec 2016	1430	0.4	0.5	0.4	5.8	6.0	5.9	6.2	5.7
Business (S.T. + L.T.)	Jan 2017	1842	0.1	0.3	0.5	5.3	5.6	5.1	5.1	6.4
Private (Consumer+Business)	Dec 2016	3837	0.4	0.4	0.5	5.4	5.6	5.2	5.2	6.4
Gov. of Canada securities outstanding	Jan 2017	691	0.6	-0.2	0.1	1.8	3.7	2.6	2.6	3.4
INTEREST AND EXCHANGE RATES										
	Reference Thursday	Last day	1 week ago	2 w. ago	Average of last Thursdays			13 w. ago	26 w. ago	52 w. ago
					13 w.	26 w.	52 w.			
UNITED STATES										
<u>INTEREST RATES</u>										
Federal Funds Target Rate	* 16 March 17	1.00	0.75	0.75	0.77	0.64	0.57	0.75	0.50	0.50
Prime Rate	* 16 March 17	3.75	3.75	3.75	3.75	3.63	3.57	3.75	3.50	3.50
3-month Treasury Bills	* 16 March 17	0.72	0.72	0.66	0.55	0.46	0.37	0.50	0.29	0.29
2-year Bonds	* 16 March 17	1.33	1.37	1.32	1.23	1.09	0.92	1.27	0.74	0.88
5-year Bonds	* 16 March 17	2.03	2.12	2.03	1.96	1.73	1.46	2.07	1.19	1.38
10-year Bonds	* 16 March 17	2.52	2.60	2.49	2.47	2.24	1.96	2.58	1.70	1.90
30-year Bonds	* 16 March 17	3.14	3.18	3.08	3.06	2.90	2.67	3.15	2.47	2.69
Corp. High-yield (BofA ML Master II)	* 16 March 17	6.23	6.30	6.00	6.24	6.45	6.98	6.56	6.87	8.53
Corp. Invest. Grade (BofA ML Corp. BBB)	* 16 March 17	3.84	3.91	3.79	3.80	3.70	3.63	3.96	3.39	4.12
<u>Spread</u>										
Corp. High-yield - Treas. 10y.	* 16 March 17	3.71	3.71	3.51	3.78	4.20	5.02	3.98	5.17	6.63
Corp. Invest. grade - Treas. 10y.	* 16 March 17	1.31	1.31	1.30	1.33	1.45	1.67	1.38	1.69	2.22
Treasuries 30y. - 3-m. T.B.	* 16 March 17	2.42	2.46	2.42	2.51	2.44	2.30	2.65	2.18	2.40
<u>EXCHANGE RATE</u>										
FED Broad (Jan 97 = 100)	* 10 March 17	126.26	126.66	126.52	127.08	125.42	123.12	127.49	121.66	122.85
CANADA										
<u>INTEREST RATES</u>										
Prime Rate	* 16 March 17	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Target overnight rate	* 16 March 17	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
30-day commercial paper	* 16 March 17	0.88	0.87	0.88	0.92	0.89	0.89	0.91	0.87	0.87
3-month Treasury Bills	* 16 March 17	0.48	0.48	0.48	0.47	0.49	0.50	0.48	0.51	0.46
1-year Treasury Bills	* 16 March 17	0.62	0.62	0.60	0.62	0.59	0.57	0.62	0.57	0.53
5-year Bonds	* 16 March 17	1.25	1.26	1.17	1.14	0.98	0.83	1.16	0.73	0.73
10-year Bonds	* 16 March 17	1.81	1.81	1.70	1.73	1.53	1.36	1.78	1.19	1.31
30-year Bonds	* 16 March 17	2.46	2.50	2.40	2.38	2.18	2.00	2.38	1.83	2.08
<u>SPREADS</u>										
Prime - 30d. Commercial paper	* 16 March 17	1.82	1.83	1.82	1.78	1.81	1.81	1.79	1.83	1.83
Long Term - Short Term	* 16 March 17	1.98	2.02	1.92	1.91	1.69	1.51	1.90	1.32	1.62
<u>CANADA UNITED STATES SPREADS</u>										
3-month T-Bills	* 16 March 17	-0.24	-0.24	-0.18	-0.08	0.02	0.13	-0.02	0.22	0.17
Long Term Bonds	* 16 March 17	-0.68	-0.69	-0.68	-0.68	-0.72	-0.67	-0.77	-0.64	-0.61
<u>EXCHANGE RATE</u>										
US\$/CDN\$ (GTIS)	* 16 March 17	0.7508	0.7402	0.7468	0.7545	0.7532	0.7626	0.7499	0.7598	0.7708
Trade-weighted (1990=100) G-10	* 16 March 17	88.5	87.4	88.4	89.1	88.7	89.4	88.5	88.7	89.9
STOCK INDICES										
	Reference Thursday	Level	Past Month	Prev. Month	Month Before	Growth Over (%)			Year-to-date	
						3 Months	6 Months	1 Year	ref.	prec.
Dow Jones (U.S.)	* 16 March 17	20934.6	1.5	3.7	0.2	5.5	15.5	20.8	5.5	-2.4
S&P 500 (U.S.)	* 16 March 17	2381.4	1.5	3.2	0.7	5.5	11.3	17.5	5.5	-2.2
NASDAQ (U.S.)	* 16 March 17	5900.8	1.5	4.3	2.5	8.5	12.5	23.9	8.5	-6.1
S&P/TSX (Can.)	* 16 March 17	15562.4	-1.9	2.5	1.5	2.0	7.7	15.5	2.0	2.4

* Update (1) Commercial Banks (2) Not seasonally adjusted (3) compared to same period of the preceeding year, unless otherwise stated
Source: Thomson Reuters Datastream

Weekly Economic Watch

Annex - Economic Tables

TABLE 2 - UNITED STATES ECONOMIC INDICATORS

March 17, 2017										
Growth Rates Unless Otherwise Indicated	Reference Period	Monthly Growth (%)			Annualized Growth (%)			Since 12 Mos.	Year-to-date (9)	
		Past Month	Prev. Month	Month Before	Average of the last				ref.	prec.
					3 Mos.	6 Mos.	12 Mos.			
Index of 12 Leading Indicators	* Feb 2017	0.6	0.6	0.6	5.3	2.8	1.4	3.1	2.8	1.9
Consumer Confidence Index (1985=100)	Feb 2017	114.8	111.6	113.3	113.2	108.9	102.7	94.0	113.2	95.9
I.S.M. Manufacturing Index (level)	Feb 2017	57.7	56.0	54.5	56.1	54.2	52.8	49.7	56.9	49.2
- Non-manufacturing (level)	Feb 2017	63.6	60.3	60.9	61.6	60.5	59.0	58.3	62.0	56.4
DOMESTIC DEMAND										
Sales new autos & light trucks (000,000)	* Feb 2017	17.6	17.6	18.4	17.9	17.9	17.5	17.7	17.6	17.8
Retail Sales	* Feb 2017	0.1	0.6	1.0	7.2	6.2	3.5	5.7	5.8	3.0
- Motor vehicle	* Feb 2017	-0.2	-1.3	3.1	9.0	11.1	3.6	5.6	6.2	5.7
- Other	* Feb 2017	0.2	1.2	0.4	6.8	5.0	3.4	5.7	5.8	1.5
Consumer Spending: Total (\$ current)	Jan 2017	0.2	0.5	0.2	-11.2	0.7	2.9	-7.9	-7.9	3.5
Total (\$ constant)	Jan 2017	-0.3	0.3	0.2	2.5	3.0	2.7	2.8	2.8	2.4
Personal Income	Jan 2017	0.4	0.3	0.2	3.6	4.5	3.6	4.0	4.0	3.9
Personal Savings Rate (3)	Jan 2017	5.5	5.4	5.7	5.5	5.7	5.8	6.2	5.5	6.2
New Orders	Jan 2017	1.2	1.3	-2.3	3.9	4.9	-1.1	3.8	3.8	-2.5
- Non-Defence Capital Goods exc. Aircraft	Jan 2017	-0.1	0.8	1.7	8.7	3.6	-3.0	0.5	0.5	-5.2
Unfilled Orders	Jan 2017	-0.4	-0.8	-0.2	-1.6	-1.6	-1.7	-1.9	-1.9	-2.3
Business Inventories	* Jan 2017	0.3	0.4	0.8	4.3	2.0	1.1	2.3	2.3	1.4
Inventories / Shipments Businesses	* Jan 2017	1.35	1.35	1.38	1.36	1.37	1.39	1.41	1.35	1.41
Manufacturers' Shipments	Jan 2017	0.2	2.5	0.3	10.4	5.1	-1.1	4.9	4.9	-2.8
Manufacturers' Inventories	Jan 2017	0.2	0.3	0.5	3.3	1.1	-2.0	0.6	0.6	-2.6
Inventories / Shipments Manuf.	Jan 2017	1.31	1.31	1.34	1.32	1.33	1.35	1.37	1.31	1.37
Housing Starts (000) (1)	* Feb 2017	1288	1251	1275	1271	1223	1192	1213	1270	1171
New Home Sales, single-family	Jan 2017	3.7	-7.0	1.2	-6.9	-1.1	11.8	5.5	5.5	0.4
Existing Home Sales, s.f. & condos	Jan 2017	3.3	-1.6	1.3	11.7	4.9	3.4	3.8	3.8	10.5
PRODUCTION										
Industrial Production	* Feb 2017	0.0	-0.1	0.6	2.1	0.9	-0.7	0.3	0.2	-1.4
- Consumer Goods	* Feb 2017	-0.4	-0.1	1.2	1.1	0.2	0.5	0.0	0.2	1.0
- Hitech goods	* Feb 2017	0.2	-0.2	0.5	7.3	9.6	4.4	6.5	5.6	2.1
EXTERNAL AND FISCAL BALANCES										
Exports	Jan 2017	0.6	2.7	-0.2	3.0	8.0	-1.0	7.4	7.4	-6.9
Imports	Jan 2017	2.3	1.6	1.1	14.3	7.9	-0.7	8.3	8.3	-5.1
Merch. Trade Balance (\$ billions)	Jan 2017	-48.5	-44.3	-45.5	-46.1	-42.9	-42.1	-43.4	-48.5	-43.4
Real merchandise trade balance	Jan 2017	-65.3	-62.0	-63.9	-63.7	-60.6	-60.5	-62.0	-65.3	-62.0
Federal budget balance last 12 months (2)	* Feb 2017	-583.3	-583.9	-580.0				-405.5	-140.8	-137.4
INFLATION AND COSTS										
Consumer Prices	* Feb 2017	0.1	0.6	0.3	3.7	2.8	1.5	2.7	2.7	1.2
- Excluding Food and Energy	* Feb 2017	0.2	0.3	0.2	2.7	2.2	2.2	2.2	2.2	2.3
PCE Deflator exc. Food and Energy	Jan 2017	0.3	0.1	0.0	1.3	1.6	1.7	1.7	1.7	1.6
Producer price index for final demand	* Feb 2017	0.3	0.6	0.2	3.4	2.1	0.7	2.2	2.0	0.0
Average Hourly Earnings (4)	Feb 2017						2.5	2.5	2.4	2.5
Industrial Capacity Utilization Rate	* Feb 2017	75.4	75.5	75.6	75.5	75.4	75.3	75.6	75.4	75.7
Median Price, Single-Family Homes (5)	Jan 2017	-1.8	-0.6	0.2	-7.3	1.6	5.5	7.3	7.3	8.2
LABOUR MARKET										
New Jobs (000) (6)	Feb 2017	235	238	155	209	194	196	2350	473	363
- Manufacturing (000)	Feb 2017	28	11	18	19	7	1	7	39	16
- Services (000)	Feb 2017	140	184	123	149	155	180	2154	324	346
Average weekly hours (6)	Feb 2017	0.2	0.3	0.3	2.5	1.8	1.6	1.9	1.7	1.8
Civilian Unemployment Rate (7)	Feb 2017	4.7	4.8	4.7	4.7	4.8	4.8	4.9	4.8	4.9
NATIONAL ACCOUNTS AND OTHER										
Annualized Growth Rates										
QUARTERLY INDICATORS										
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2014	2013	2012
Real GDP Chained 2009 dollars		1.9	3.5	1.4	0.8	0.9	2.0	2.4	2.2	2.3
Consumption		3.0	3.0	4.3	1.6	2.3	2.7	2.7	3.2	2.9
Residential Construction		9.6	-4.1	-7.8	7.8	11.5	12.6	4.9	11.7	3.5
Business Investment		1.3	1.4	1.0	-3.4	-3.3	3.9	-0.5	2.1	6.0
Government Spending		0.3	0.8	-1.7	1.6	1.0	1.9	0.8	1.8	-0.9
Exports		-4.0	10.0	1.8	-0.7	-2.7	-2.8	0.4	0.1	4.3
Imports		8.5	2.2	0.2	-0.6	0.7	1.1	1.1	4.6	4.4
Change in Inventories (1) (2)		46.2	7.1	-9.5	40.7	56.9	70.9	21.1	84.0	57.7
GDP Deflator		2.0	1.4	2.3	0.5	0.9	1.2	1.3	1.1	1.8
Personal Disposable Income		2.0	2.9	2.9	2.1	3.0	3.3	2.8	3.5	3.5
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2014	2013	2012
Labour Productivity (4)		1.3	3.3	-0.1	-0.6	-2.0	1.8	0.2	0.9	0.8
Unit Labor Costs (4)		1.7	0.7	6.2	-0.3	5.7	0.8	2.6	2.0	2.1
		Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	2013	2012	2011
Current Account (current \$)		-451.8	-473.1	-527.4	-453.6	-492.4	-447.6	-463.0	-392.1	-366.4
as a % of GDP		-2.4	-2.6	-2.9	-2.5	-2.7	-2.5	-2.6	-2.3	-2.2
		Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	2013	2012	2011
Corporate Profits (8)		25.4	-2.4	14.1	-22.3	-3.2	-11.4	-3.0	5.9	1.7
as a % of GDP		11.5	11.0	11.1	10.8	11.6	11.7	11.6	12.0	12.5
* Update										
Source: Thomson-Reuters Datastream										
(1) Annual Rate			(5) Existing Homes Sold			(9) Computed to same period of the preceeding year, unless otherwise stated				
(2) \$ Billions			(6) Non-Farm Payroll Survey							
(3) Personal Savings as a % of Personal Disposable Income			(7) Household Survey							
(4) Nonfarm Business			(8) Current \$ and before taxes							

Weekly Economic Watch

Annex - Economic Tables

TABLE 3 - CANADIAN ECONOMIC INDICATORS

March 17, 2017										
Growth Rates Unless Otherwise Indicated	Reference Period	Monthly Growth (%)			Annualized Growth (%)			Since 12 Mos.	Year-to-c ref.	
		Past Month	Prev. Month	Month Before	Average of the last					
					3 Mos.	6 Mos.	12 Mos.			
CFIB Business Barometer ®	Feb 2017	4.7	-0.9	2.2	18.6	7.5	1.7	15.1	12.9	
DOMESTIC DEMAND										
Retail Sales (\$ current)	Dec 2016	-0.5	0.3	1.0	6.7	2.5	3.7	4.3	3.7	
- Motor vehicle and parts dealers	Dec 2016	-0.9	1.5	0.2	10.6	1.1	6.3	3.9	6.3	
- Other	Dec 2016	-0.3	-0.1	1.3	5.4	3.0	2.9	4.4	2.9	
Retail Sales (\$ constant)	Dec 2016	-1.0	0.7	0.5	4.5	1.2	2.5	3.0	2.5	
Manufacturer's Shipments (\$ current)	* Jan 2017	0.6	2.1	2.2	15.5	7.7	0.9	2.7	2.7	
New Orders	* Jan 2017	4.6	-0.5	-0.2	11.8	7.1	1.7	3.1	3.1	
- Durables	* Jan 2017	7.8	-3.1	-3.6	2.3	2.9	2.4	-2.1	-2.1	
Unfilled Orders	* Jan 2017	0.3	-1.9	-0.4	-4.1	-0.5	-6.5	-4.2	-4.2	
Manufacturer's Inventories	* Jan 2017	1.1	-0.1	-0.5	-0.3	0.4	-1.7	-0.6	-0.6	
Inventories / Shipments Ratio	* Jan 2017	1.31	1.30	1.33	1.31	1.34	1.36	1.35	1.31	
Manufacturer's Shipments (\$ constant)	* Jan 2017	0.7	2.1	1.6	9.4	3.4	1.2	1.2	1.2	
Housing Starts (000) (1)	Feb 2017	210.2	208.9	207.0	208.7	204.7	200.5	218.6	209.6	
Number of existing homes sold (MLS)	* Feb 2017	5.2	-0.2	2.5	5.4	-4.5	4.3	2.2	0.5	
PRODUCTION										
Real Domestic Product	Dec 2016	0.3	0.5	-0.2	2.4	2.3	1.2	2.0	1.2	
- Manufacturing	Dec 2016	0.4	1.9	-1.7	0.0	1.1	0.6	0.9	0.6	
- Construction	Dec 2016	1.0	1.2	-0.8	2.3	-2.1	-3.3	-0.3	-3.3	
Services	Dec 2016	0.2	0.2	0.2	2.1	1.9	2.1	2.1	2.1	
EXTERNAL, FISCAL AND EXCHANGE BALANCES										
Exports	Jan 2017	0.5	-0.3	5.5	25.9	15.0	-1.1	1.8	1.8	
Imports	Jan 2017	-0.3	1.6	-0.3	-5.7	2.7	-0.7	-2.1	-2.1	
- Capital Goods	Jan 2017	-3.1	6.4	-0.3	-13.3	2.9	-2.1	-2.4	-2.4	
Merch. Trade Balance (\$ millions)	Jan 2017	807	448	1,281	845	-791	-2,008	-1,004	807	
Change in Official Reserves	Feb 2017	-2,692	2,065	-412	-346	-278	67	801	-627	
Level (US\$): \$82.1 billion									Fiscal	
Fed. budget balance last 12 months (\$ billions)	Dec 2016	-19.2	-15.7	-11.9				5.9	-14.0	
INFLATION AND COSTS										
Consumer Prices	Jan 2017	0.9	-0.2	-0.4	-0.1	0.8	1.4	2.1	2.1	
- Excluding Food and Energy	Jan 2017	0.6	-0.4	-0.4	-0.9	1.1	1.9	2.2	2.2	
- Core inflation (4)	Jan 2017	0.5	-0.3	-0.5	-1.3	0.7	1.9	1.7	1.7	
Average Hourly Earnings (2)	Feb 2017						1.8	1.3	1.3	
Price of New Housing including land	Jan 2017	0.1	0.1	0.2	2.6	3.3	2.6	3.1	3.1	
Avg. Price of Existing Homes Sold (MLS)	* Feb 2017	3.7	0.3	-2.1	4.0	1.1	8.1	2.7	1.8	
Industrial Prices (1992=100)	Jan 2017	0.4	0.3	0.5	6.3	4.1	-0.2	2.3	2.3	
LABOUR MARKET										
Labour Force	Feb 2017	-0.1	0.2	0.3	1.3	1.5	0.8	0.9	1.0	
Job creation (000)	Feb 2017	15.3	48.3	46.1	36.6	36.5	24.0	288.1	63.6	
- Manufacturing	Feb 2017	-5.2	-0.6	1.9	-1.3	-2.5	-4.1	-49.6	-5.8	
- Services	Feb 2017	30.1	42.6	46.0	39.6	36.0	30.4	365.3	72.7	
- Full Time	Feb 2017	105.1	15.9	70.8	63.9	32.4	19.6	235.4	121.0	
- Part Time	Feb 2017	-89.8	32.4	-24.7	-27.4	4.1	4.4	52.7	-57.4	
Unemployment Rate	Feb 2017	6.6	6.8	6.9	6.8	6.9	6.9	7.2	6.7	
NATIONAL ACCOUNTS AND OTHER										
QUARTERLY INDICATORS										
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2016	2015	2014
GDP Chained (2007) \$		2.6	3.8	-1.2	2.7	0.5	2.3	1.4	0.9	2.6
Household consumption		2.6	2.7	2.1	2.3	1.7	2.7	2.2	1.9	2.8
Business Investments, non-res., mach. & equip.		-17.4	3.0	-3.6	-8.6	-13.7	-9.1	-8.4	-11.5	3.2
- Machinery and Equipment		-10.3	-12.5	1.5	-2.5	-10.1	2.2	-5.0	-3.3	1.2
Residential Construction		4.8	-4.7	-0.1	10.3	1.8	2.5	2.9	3.8	2.7
Government Expenditures		2.1	-1.9	5.9	3.3	0.0	1.5	2.0	1.5	0.8
Government Fixed Capital Formation		5.2	4.9	-2.3	3.4	-1.1	1.7	2.2	5.8	-3.6
Final Domestic Demand		0.4	0.9	1.8	1.8	-0.5	0.9	0.9	0.3	1.9
Exports		1.3	9.4	-14.8	9.3	-2.1	5.7	1.1	3.4	5.8
Imports		-13.5	4.8	1.1	3.5	-6.3	-4.3	-1.0	0.3	2.2
Change in Inventories, chained (2007) \$ (5)		-4.4	7.4	0.4	-7.5	-3.1	-0.9	-1.0	3.9	9.4
Real Disposable Income		4.4	5.8	2.5	-0.2	4.5	2.0	2.8	3.4	1.2
Personal savings Rate		5.8	5.5	5.0	4.7	5.6	4.8	5.3	5.0	3.7
GDP Price Deflator		4.3	2.5	0.7	0.0	-1.1	0.7	0.6	-0.8	1.9
Corporate Profits (nominal)		28.8	82.6	-35.4	3.5	-27.6	6.4	-4.5	-19.5	8.2
as a % of GDP		11.6	11.1	9.7	10.8	10.7	11.6	10.8	11.5	14.3
Indust. Capacity Utilization Rate		82.2	81.6	79.4	80.9	80.4	80.9	81.0	80.8	82.4
Labour Productivity, Business Sector		1.4	4.9	-1.5	1.6	0.7	0.1	0.7	-0.5	2.6
Unit Labour Cost, Business Sector		2.7	-3.4	3.3	-0.2	3.5	-1.7	0.9	2.2	0.9
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2016	2015	2014
Current Account (current \$) (5)		-42.9	-79.0	-77.6	-71.3	-66.4	-65.3	-67.7	-67.6	-48.2
as a % of GDP		-2.1	-3.9	-3.9	-3.6	-3.3	-3.3	-3.3	-3.3	-2.4

Sources: Thomson Reuters Datastream and Canadian Real Estate Association

* Update

(1) Annual Rate (4) C.P.I. excluding the 8 most volatile components and the effect of indirect taxes
 (2) Not Seasonally Adjusted (5) Annual rate, \$ billions
 (3) Current and before taxes (6) Compared to same period of the preceeding year, unless otherwise stated

Weekly Economic Watch

Annex - Economic Tables

TABLE 4 - PROVINCIAL ECONOMIC INDICATORS

		March 17, 2017									
Growth Rates Unless Otherwise Indicated	Reference Period	Monthly Growth (%)			Annualized Growth (%)			Since 12 Mos.	Year-to-date (3)		
		Past Month	Prev. Month	Month Before	Average of the last				ref.	prec.	
		3 Mos.	6 Mos.	12 Mos.							
QUEBEC											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales											
Manufacturing Shipments	*	Dec 2016	-1.1	0.3	0.7	5.2	2.6	4.3	4.9	4.3	0.5
Housing Starts (000) (2)		Jan 2017	-1.5	4.0	4.0	26.2	9.7	-0.4	3.5	3.5	2.6
Number of existing homes sold (MLS)	*	Feb 2017	45.4	38.7	41.0	41.7	41.8	38.9	43.6	42.0	40.4
Wages and Salaries		Feb 2017	3.7	0.0	0.7	2.4	4.6	4.8	6.8	4.8	9.3
Value of merchandise exports (1)		Dec 2016	0.7	1.0	-0.7	4.5	3.3	3.6	5.1	3.6	2.3
CFIB Business Barometer ®		Jan 2017						-1.9	2.4	2.4	-0.3
		Feb 2017	-2.9	4.3	3.1	11.3	10.0	9.5	0.4	6.0	11.2
<u>PRICES</u>											
Consumer Price Index (1)		Jan 2017	0.8	-0.3	-0.2	0.0	-0.1	0.7	1.3	1.3	1.6
Average Hourly Earnings (1)		Feb 2017						2.9	3.3	3.0	2.9
Price of New Housing inc. Land (1)		Jan 2017	0.1	0.0	0.0	0.5	0.7	0.7	0.7	0.7	0.6
Avg. Price of Existing Homes Sold (MLS)	*	Feb 2017	-1.0	0.4	0.8	2.5	4.5	3.2	3.2	3.4	2.9
<u>LABOR MARKET</u>											
Job creation (000)		Feb 2017	-11.1	3.4	18.3	3.5	8.8	6.9	83.0	-7.7	0.1
Unemployment rate		Feb 2017	6.4	6.2	6.5	6.4	6.5	6.8	7.5	6.3	7.6
Participation rate		Feb 2017	64.8	64.9	65.1	64.9	64.8	64.6	64.7	64.8	64.7
ONTARIO											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales		Dec 2016	-0.9	0.4	1.4	7.3	3.3	4.8	4.2	4.8	4.2
Manufacturing Shipments	*	Jan 2017	1.0	2.2	0.6	9.1	4.1	2.9	-1.1	-1.1	12.5
Housing Starts (000) (2)		Feb 2017	86.5	101.1	81.1	89.6	80.6	79.0	79.5	93.8	71.4
Number of existing homes sold (MLS)	*	Feb 2017	7.4	-0.3	1.2	9.3	9.1	9.5	12.8	10.1	11.3
Wages and Salaries		Dec 2016	1.5	1.0	0.5	8.4	3.3	4.2	5.3	4.2	4.2
Value of merchandise exports (1)		Jan 2017						2.1	-8.2	-8.2	18.5
CFIB Business Barometer ®		Feb 2017	2.0	-1.2	3.2	21.6	2.5	0.7	6.4	7.5	-6.8
<u>PRICES</u>											
Consumer Price Index (1)		Jan 2017	0.6	-0.2	-0.3	0.4	1.0	1.8	2.3	2.3	2.0
Average Hourly Earnings (1)		Feb 2017						1.6	0.2	0.4	3.9
Price of New Housing inc. Land (1)		Jan 2017	0.3	0.1	0.4	5.5	7.2	5.2	6.5	6.5	3.3
Avg. Price of Existing Homes Sold (MLS)	*	Feb 2017	6.8	2.5	-1.3	21.2	22.7	17.2	24.1	22.1	11.8
<u>LABOR MARKET</u>											
Job creation (000)		Feb 2017	4.6	28.8	6.4	13.3	16.0	9.0	107.5	33.4	9.5
Unemployment rate		Feb 2017	6.2	6.4	6.4	6.3	6.4	6.5	6.7	6.3	6.7
Participation rate		Feb 2017	65.0	65.1	64.9	65.0	64.9	65.0	65.2	65.1	65.3
NEWFOUNDLAND & LABRADOR											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales		Dec 2016	-0.2	-0.3	-0.3	3.8	-3.1	1.1	1.8	1.1	0.2
Manufacturing Shipments	*	Jan 2017	5.6	4.6	13.6	214.9	33.5	-11.1	39.1	39.1	-13.0
Housing Starts (000) (2)		Feb 2017	1.5	1.3	1.3	1.4	1.4	1.4	2.0	1.4	2.5
Number of existing homes sold (MLS)	*	Feb 2017	-5.4	2.0	0.0	-12.1	-24.4	-6.7	-16.4	-13.3	3.9
Wages and Salaries		Dec 2016	0.1	1.2	0.8	8.2	2.6	0.3	2.1	0.3	3.1
Value of merchandise exports (1)		Jan 2017						-3.5	45.5	45.5	-22.1
CFIB Business Barometer ®		Feb 2017	-5.1	-3.5	12.7	33.0	-4.8	-25.6	-18.4	-23.2	0.2
<u>PRICES</u>											
Consumer Price Index (1)		Jan 2017	1.0	-0.1	-0.7	-0.1	4.4	2.9	4.7	4.7	2.4
Average Hourly Earnings (1)		Feb 2017						0.5	4.9	4.9	-1.6
Price of New Housing inc. Land (1)		Jan 2017	-0.4	0.0	0.0	-0.3	-0.6	0.0	-0.7	-0.7	0.4
Avg. Price of Existing Homes Sold (MLS)	*	Feb 2017	0.9	-0.7	-4.9	-16.7	-4.4	-6.8	-9.6	-6.2	-8.5
<u>LABOR MARKET</u>											
Job creation (000)		Feb 2017	-3.8	2.2	-0.9	-0.8	-1.6	-0.5	-6.4	-1.6	-1.4
Unemployment		Feb 2017	14.2	13.8	15.1	14.4	14.5	13.5	13.9	14.0	14.1
Participation rate		Feb 2017	59.0	59.7	60.1	59.6	60.1	60.3	60.7	59.4	60.8
PRINCE EDWARD ISLAND											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales		Dec 2016	-1.1	2.2	-0.1	15.1	6.5	6.6	7.1	6.6	2.3
Manufacturing Shipments	*	Jan 2017	17.5	-8.3	0.4	9.3	12.1	5.7	18.1	18.1	11.1
Housing Starts (000) (2)		Feb 2017	0.4	0.6	0.3	0.5	0.5	0.6	0.2	0.5	0.4
Number of existing homes sold (MLS)	*	Feb 2017	3.3	4.2	-16.8	-39.9	-17.8	18.5	-6.1	-0.3	18.1
Wages and Salaries		Dec 2016	1.9	1.1	-0.1	9.3	4.2	3.6	4.3	3.6	3.7
Value of merchandise exports (1)		Jan 2017						1.3	4.9	4.9	2.2
CFIB Business Barometer ®		Feb 2017	2.3	2.3	-11.6	-13.7	-8.2	3.4	0.8	3.8	-11.5
<u>PRICES</u>											
Consumer Price Index (1)		Jan 2017	1.1	-0.7	-0.1	1.9	0.7	1.2	2.5	2.5	1.9
Average Hourly Earnings (1)		Feb 2017						1.7	2.4	2.1	-0.2
Price of New Housing inc. Land (1)		Jan 2017	0.0	0.0	0.0	0.0	-0.3	0.5	0.9	0.9	-0.2
Avg. Price of Existing Homes Sold (MLS)	*	Feb 2017	9.8	1.9	11.0	85.9	0.4	12.6	25.0	27.2	2.6
<u>LABOR MARKET</u>											
Job creation (000)		Feb 2017	0.3	0.6	0.6	0.5	0.3	0.1	1.4	0.9	-0.8
Unemployment		Feb 2017	10.0	9.8	10.5	10.1	10.5	10.7	11.1	9.9	10.4
Participation rate		Feb 2017	66.0	65.8	65.8	65.9	65.8	65.8	66.4	65.9	66.2

Sources: Thomson Reuters Datastream and Canadian Real estate Association

* Update (1) Not Seasonally Adjusted (2) Annual Rate (3) Compared to same period of the preceding year, unless otherwise stated

Weekly Economic Watch

Annex - Economic Tables

TABLE 4 - PROVINCIAL ECONOMIC INDICATORS (Continues from page A4)

March 17, 2017										
Growth Rates Unless Otherwise Indicated	Reference Period	Monthly Growth (%)			Annualized Growth (%)			Since 12 Mos.	Year-to-date (3)	
		Past Month	Prev. Month	Month Before	Average of the last				ref.	prec.
					3 Mos.	6 Mos.	12 Mos.			
NOVA SCOTIA										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	Dec 2016	-1.4	1.2	0.2	7.0	4.6	4.1	3.7	4.1	-0.6
Manufacturing Shipments	* Jan 2017	-5.3	-1.1	6.8	7.1	4.3	3.1	0.6	0.6	8.9
Housing Starts (000) (2)	Feb 2017	5.6	3.7	3.7	4.3	4.5	3.9	4.8	4.6	3.3
Number of existing homes sold (MLS)	* Feb 2017	-3.6	-3.0	1.9	-22.7	-6.2	5.3	-7.5	-6.0	9.6
Wages and Salaries	Dec 2016	0.6	0.8	-0.7	2.5	1.3	1.7	1.6	1.7	2.2
Value of merchandise exports (1)	Jan 2017						-2.6	-5.6	-5.6	-1.5
CFIB Business Barometer ®	Feb 2017	0.0	0.4	0.1	7.0	5.8	-3.7	-2.5	-4.0	2.5
<u>PRICES</u>										
Consumer Price Index (1)	Jan 2017	0.8	-0.2	-0.5	-1.2	0.6	1.2	1.8	1.8	2.0
Average Hourly Earnings (1)	Feb 2017						3.9	4.4	4.0	0.4
Price of New Housing inc. Land (1)	Jan 2017	0.2	0.0	0.2	2.4	1.6	0.4	1.3	1.3	0.5
<u>LABOR MARKET</u>										
Job creation (000)	Feb 2017	-6.8	4.2	0.4	-0.7	0.1	0.1	1.7	-2.6	-1.0
Unemployment	Feb 2017	8.1	7.7	8.3	8.0	8.0	8.2	9.1	7.9	8.9
Participation rate	Feb 2017	61.4	62.1	61.9	61.8	61.5	61.7	62.1	61.7	61.8
NEW BRUNSWICK										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	Dec 2016	-0.5	1.4	1.5	16.7	-2.1	3.3	2.8	3.3	2.4
Manufacturing Shipments	* Jan 2017	4.0	0.9	1.6	6.1	7.6	-4.5	-3.6	-3.6	9.3
Housing Starts (000) (2)	Feb 2017	1.0	2.1	1.7	1.6	2.1	1.9	1.1	1.6	1.4
Number of existing homes sold (MLS)	* Feb 2017	17.9	-5.7	-5.7	-2.7	10.7	8.0	29.6	10.7	6.9
Wages and Salaries	Dec 2016	1.1	0.0	1.5	11.3	5.2	3.9	5.0	3.9	3.0
Value of merchandise exports (1)	Jan 2017						-11.1	12.4	12.4	-12.0
CFIB Business Barometer ®	Feb 2017	1.9	5.2	1.7	36.1	2.4	-1.3	6.2	3.6	-4.0
<u>PRICES</u>										
Consumer Price Index (1)	Jan 2017	1.3	-0.4	-0.4	-0.4	2.1	2.3	3.3	3.3	2.4
Average Hourly Earnings (1)	Feb 2017						2.8	4.9	4.7	0.3
Price of New Housing inc. Land (1)	Jan 2017	0.2	0.0	0.0	2.8	2.9	0.9	1.9	1.9	0.3
Avg. Price of Existing Homes Sold (MLS)	* Feb 2017	0.1	2.0	1.4	9.1	2.1	3.5	8.1	7.9	-4.6
<u>LABOR MARKET</u>										
Job creation (000)	Feb 2017	0.0	-3.0	0.5	-0.8	-0.1	0.5	5.9	-3.0	-5.9
Unemployment	Feb 2017	8.9	8.9	9.3	9.0	9.2	9.5	9.8	8.9	9.6
Participation rate	Feb 2017	61.9	62.0	62.8	62.2	62.5	62.4	61.6	61.9	61.9
MANITOBA										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	Dec 2016	-0.1	0.7	0.2	2.7	-0.6	4.5	3.1	4.5	1.5
Manufacturing Shipments	* Jan 2017	1.7	-4.1	5.6	14.8	8.4	0.7	0.6	0.6	6.8
Housing Starts (000) (2)	Feb 2017	7.2	9.5	4.3	7.0	6.4	5.9	4.9	8.3	5.2
Number of existing homes sold (MLS)	* Feb 2017	4.3	0.5	4.9	5.3	-2.0	2.3	-0.9	-1.3	7.5
Wages and Salaries	Dec 2016	0.6	0.7	-0.6	2.5	1.6	1.9	1.1	1.9	3.3
Value of merchandise exports (1)	Jan 2017						-2.1	5.3	5.3	5.4
CFIB Business Barometer ®	Feb 2017	-0.2	0.7	5.4	78.8	23.5	-2.0	8.8	9.1	10.2
<u>PRICES</u>										
Consumer Price Index (1)	Jan 2017	1.4	-0.1	-1.2	-2.4	0.7	1.3	2.1	2.1	2.1
Average Hourly Earnings (1)	Feb 2017						1.4	0.8	1.1	4.6
Price of New Housing inc. Land (1)	Jan 2017	0.3	0.0	0.1	2.7	2.8	1.9	2.5	2.5	1.8
Avg. Price of Existing Homes Sold (MLS)	* Feb 2017	2.2	1.3	-1.4	4.5	6.8	2.8	4.4	2.9	4.1
<u>LABOR MARKET</u>										
Job creation (000)	Feb 2017	3.4	1.3	1.1	1.9	0.7	0.6	6.6	4.7	-2.5
Unemployment	Feb 2017	5.8	6.1	6.3	6.1	6.2	6.2	6.0	6.0	6.1
Participation rate	Feb 2017	67.2	67.2	67.2	67.3	67.3	67.5	67.5	67.2	67.5
SASKATCHEWAN										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	Dec 2016	1.2	1.5	0.5	7.4	-1.0	1.2	3.5	1.2	-3.5
Manufacturing Shipments	* Jan 2017	3.4	4.8	0.8	29.0	23.7	2.7	12.6	12.6	-4.9
Housing Starts (000) (2)	Feb 2017	5.3	4.2	5.3	4.9	4.8	4.8	5.3	4.7	4.9
Number of existing homes sold (MLS)	* Feb 2017	-1.1	-2.4	7.3	6.4	0.2	-4.5	0.2	-1.1	-1.0
Wages and Salaries	Dec 2016	0.9	0.1	0.2	2.7	0.1	-0.2	-0.1	-0.2	1.9
Value of merchandise exports (1)	Jan 2017						-16.0	15.6	15.6	-23.0
CFIB Business Barometer ®	Feb 2017	4.8	1.9	5.4	16.6	12.7	-4.1	10.1	1.4	2.7
<u>PRICES</u>										
Consumer Price Index (1)	Jan 2017	1.3	-0.2	-0.8	-1.4	-0.2	1.0	1.6	1.6	2.2
Average Hourly Earnings (1)	Feb 2017						2.8	1.2	0.5	3.9
Price of New Housing inc. Land (1)	Jan 2017	-0.1	0.3	-0.1	0.3	-1.0	-1.6	-1.1	-1.1	-1.4
Avg. Price of Existing Homes Sold (MLS)	* Feb 2017	-1.9	-1.7	-0.2	-4.0	-2.4	-0.4	-0.3	-0.7	-3.1
<u>LABOR MARKET</u>										
Job creation (000)	Feb 2017	8.0	-0.7	-0.8	2.2	1.1	0.7	8.8	7.3	-7.2
Unemployment	Feb 2017	6.0	6.4	6.6	6.3	6.6	6.4	6.0	6.2	5.8
Participation rate	Feb 2017	70.1	69.5	69.7	69.8	69.9	69.9	69.7	69.8	69.9

Sources: Thomson Reuters Datastream and Canadian Real Estate Association

* Update (1) Not Seasonally Adjusted (2) Annual Rate (3) Compared to same period of the preceding year, unless otherwise stated

Weekly Economic Watch

Annex - Economic Tables

TABLE 4 - PROVINCIAL ECONOMIC INDICATORS (Continues from page A5)

		March 17, 2017								
		Monthly Growth (%)			Annualized Growth (%)			Since 12 Mos.	Year-to-date (3)	
Growth Rates Unless Otherwise Indicated	Reference Period	Past Month	Prev. Month	Month Before	Average of the last				ref.	prec.
					3 Mos.	6 Mos.	12 Mos.			
ALBERTA										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales		1.1	0.2	1.0	7.8	0.4	-1.6	1.8	-1.6	-4.6
Manufacturing Shipments	* Jan 2017	2.7	2.0	4.2	24.6	13.2	-6.1	14.8	14.8	-16.0
Housing Starts (000) (2)	Feb 2017	26.7	19.0	26.7	24.1	25.4	24.6	22.8	22.8	23.0
Number of existing homes sold (MLS)	* Feb 2017	7.0	1.8	17.5	47.3	11.3	-3.0	27.5	21.6	-9.8
Wages and Salaries	Dec 2016	0.5	0.5	-0.3	0.0	-0.5	-3.4	-1.7	-3.4	-0.9
Value of merchandise exports (1)	Jan 2017						-11.5	16.4	16.4	-21.7
CFIB Business Barometer ®	Feb 2017	5.4	8.9	16.4	55.1	40.6	5.5	86.7	74.8	-46.1
<u>PRICES</u>										
Consumer Price Index (1)	Jan 2017	1.6	-0.1	-0.6	-0.1	0.6	1.1	2.5	2.5	2.1
Average Hourly Earnings (1)	Feb 2017						1.4	0.1	0.5	3.2
Price of New Housing inc. Land (1)	Jan 2017	0.0	0.2	0.1	0.4	-0.8	-0.6	-0.7	-0.7	-0.3
Avg. Price of Existing Homes Sold (MLS)	* Feb 2017	-1.0	-1.5	0.9	-2.0	1.8	0.9	1.0	1.9	-0.9
<u>LABOR MARKET</u>										
Job creation (000)	Feb 2017	1.3	0.2	5.7	2.4	2.7	-0.4	-5.3	1.5	-7.6
Unemployment	Feb 2017	8.3	8.8	8.5	8.5	8.7	8.3	7.9	8.6	7.7
Participation rate	Feb 2017	72.5	72.9	72.7	72.7	72.8	72.5	72.9	72.7	72.7
BRITISH COLUMBIA										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	Dec 2016	-0.3	-0.7	1.4	5.5	5.6	6.4	7.2	6.4	6.0
Manufacturing Shipments	* Jan 2017	-0.3	-1.6	1.7	3.1	10.7	4.6	7.0	7.0	0.4
Housing Starts (000) (2)	Feb 2017	30.7	28.7	41.7	33.7	37.1	39.6	54.4	29.7	44.5
Number of existing homes sold (MLS)	* Feb 2017	0.9	-0.5	-0.2	-15.6	-39.8	-2.1	-28.9	-27.5	42.2
Wages and Salaries	Dec 2016	1.1	0.8	0.1	6.8	5.2	4.4	5.8	4.4	4.0
Value of merchandise exports	^ Jan 2017	-7.9	1.6	10.6	64.9	43.4	10.8	20.6	15.6	4.1
CFIB Business Barometer ®	Feb 2017	-2.3	-6.1	0.7	1.3	0.0	-1.4	4.3	4.0	-11.9
<u>PRICES</u>										
Consumer Price Index (1)	Jan 2017	0.7	0.0	-0.3	-0.9	1.4	1.9	2.3	2.3	2.3
Average Hourly Earnings (1)	Feb 2017						1.1	2.0	1.2	1.6
Price of New Housing inc. Land (1)	Jan 2017	-0.1	0.0	-0.3	-0.1	3.4	4.6	3.7	3.7	2.9
Avg. Price of Existing Homes Sold (MLS)	* Feb 2017	5.1	-6.7	2.7	7.3	-16.3	0.1	-12.3	-15.4	24.6
<u>LABOR MARKET</u>										
Job creation (000)	Feb 2017	19.4	11.2	14.8	15.1	8.5	7.1	84.9	30.6	21.2
Unemployment	Feb 2017	5.1	5.6	5.8	5.5	5.7	5.8	6.5	5.4	6.6
Participation rate	Feb 2017	64.9	64.8	64.7	64.8	64.6	64.5	64.4	64.8	64.2

Sources: Thomson-Reuters Datastream, Canadian Real estate Association and BCStats

* Update (1) Not Seasonally Adjusted (2) Annual Rate (3) Compared to same period of the preceeding year, unless otherwise stated

Weekly Economic Watch

Annex - Economic Tables

TABLE 5 - INTERNATIONAL ECONOMIC INDICATORS

March 17, 2017										
Growth Rates Unless Otherwise Indicated	Reference Period	Monthly Growth (%)			Annualized Growth (%)			Since 12 Mos.	Year-to-date (2)	
		Past Month	Prev. Month	Month Before	Average of the last				ref.	prec.
					3 Mos.	6 Mos.	12 Mos.			
OECD leading index	Jan 2017	0.1	0.1	0.1	0.8	0.3	-0.3	0.3	0.3	-0.7
JAPAN										
Consumer confidence - percentage (1)	Feb 2017	42.7	43.0	42.5	42.7	42.3	42.0	39.7	42.9	40.9
Retail Sales (1)	* Jan 2017						-0.5	1.0	1.0	-0.2
Industrial Production, Volume Index	* Jan 2017	-0.4	0.7	1.5	8.5	7.1	-0.1	1.9	1.9	-2.6
Exports	Jan 2017	0.7	1.8	3.8	30.4	7.5	-6.6	4.1	4.1	-11.0
Imports	Jan 2017	3.7	3.6	3.7	37.4	7.3	-14.4	4.2	4.2	-15.8
Merchandise trade bal. (Billions of ¥)	Jan 2017	1,461	5,883	6,187	4,510	5,042	4,413	1,677	1,461	1,677
Current account (Billions of ¥)	Jan 2017	126	166	175	156	165	166	155	126	155
Inflation (CPI)	Jan 2017	0.1	-0.2	0.3	2.2	0.5	-0.1	0.5	0.5	-0.1
Job offers to applicants ratio	Jan 2017	1.43	1.43	1.41	1.42	1.40	1.37	1.29	1.43	1.29
Unemployment Rate	Jan 2017	3.0	3.1	3.1	3.1	3.1	3.1	3.2	3.0	3.2
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2016	2015	2014
Gross Domestic Product (Constant Yen)		1.2	1.2	2.2	1.9	-1.0	0.6	1.0	1.2	0.2
Euro-zone										
Volume Retail Sales	Jan 2017	-0.1	-0.5	-0.2	0.8	1.4	1.8	1.0	1.0	2.1
Industrial Production exc. Construction	* Jan 2017	0.9	-1.2	1.5	3.5	3.1	1.2	0.5	0.5	3.7
Exports	* Jan 2017	-0.6	1.8	3.2	16.5	7.5	0.7	6.1	6.1	1.1
Imports	* Jan 2017	4.1	1.5	2.0	25.3	10.9	-0.7	10.7	10.7	1.8
Merch. Trade Bal. (Millions of euros)	* Jan 2017	15,679	23,068	22,184	20,310	21,671	21,748	22,290	15,679	21,182
Inflation (CPI)	Feb 2017	0.4	-0.8	0.5	0.5	1.0	0.5	2.0	1.9	0.1
Unemployment Rate	Jan 2017	9.6	9.6	9.7	9.6	9.8	10.0	10.4	9.6	10.4
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2016	2015	#VALUE!
Gross Domestic Product (Constant Euro)		1.6	1.7	1.3	2.1	2.0	1.1	-0.4	0.0	#VALUE!
UNITED KINGDOM										
Consumer Confidence (Diffusion index)	Feb 2017	-4	-5	-5	-5	-4	-4	1	-5	2
Retail Sales	Jan 2017	-0.3	-2.1	-0.3	-1.9	4.9	4.7	1.5	1.5	4.9
Manufacturing, energy and mining output	Jan 2017	-0.4	0.9	2.3	7.8	1.4	1.4	3.2	3.2	0.4
Exports (1)	Jan 2017	1.6	2.4	2.7	46.2	20.1	6.7	20.7	20.7	-2.2
Imports (1)	Jan 2017	0.9	0.7	7.2	12.9	18.5	9.4	19.8	19.8	-9.0
Merchandise Trade Bal. (Millions of £)	Jan 2017	-10,833	-10,915	-11,308	-11,019	-10,548	-11,628	-12,384	-10,833	-9,210
Inflation (CPI harmonized) (1)	* Jan 2017	-1.0	0.5	0.2	1.2	1.9	1.4	1.6	1.6	1.2
Producer price index, manufacturing (1)	Jan 2017	0.6	0.2	0.1	3.8	3.3	0.8	3.5	3.5	-1.0
House prices	Feb 2017	0.1	-1.1	1.6	7.0	4.3	6.7	4.8	4.1	9.6
Unemployment Rate (3-month mov. av.)	* Jan 2017	4.7	4.8	4.8	4.8	4.8	4.9	5.1	4.7	5.1
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2016	2015	2014
Gross Domestic Product (Constant £)		2.9	2.3	2.3	0.6	2.8	0.6	1.8	2.2	3.1
INTEREST AND EXCHANGE RATES										
	Reference Thursday	Current Week	Prev. Week	Week Before	Average of last Thursdays			13 w. ago	26 w. ago	52 w. ago
					13 W.	26 W.	52 W.			
JAPAN										
Prime Rate	* 16 March 17	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
3-month Financing Bill Rate	* 16 March 17	-0.33	-0.41	-0.41	-0.33	-0.33	-0.31	-0.40	-0.37	-0.10
- Spread with U.S.	* 16 March 17	-1.05	-1.13	-1.07	-0.88	-0.79	-0.68	-0.90	-0.66	-0.39
Yield on 10-year Gov't Bonds	* 16 March 17	0.06	0.08	0.07	0.07	0.03	-0.05	0.07	-0.05	-0.06
- Spread with U.S.	* 16 March 17	-2.46	-2.52	-2.42	-2.39	-2.22	-2.01	-2.51	-1.75	-1.96
Exchange Rate (¥/U.S.\$)	* 16 March 17	113.3	114.9	114.4	114.5	110.8	108.2	118.2	102.1	111.4
Euro Zone										
3-month Treasury Bills	* 16 March 17	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
- Spread with U.S.	* 16 March 17	-0.97	-0.97	-0.91	-0.80	-0.71	-0.62	-0.75	-0.54	-0.54
Exchange Rate (U.S.\$/Euro)	* 16 March 17	1.08	1.06	1.05	1.06	1.07	1.10	1.04	1.12	1.13
(Yen/Euro)	* 16 March 17	121.55	120.95	120.24	121.39	119.15	119.09	123.03	114.98	126.28
(Euro / £)	* 16 March 17	1.15	1.15	1.17	1.17	1.16	1.19	1.20	1.17	1.28
UNITED KINGDOM										
3-month Treasury Bills (tender)	* 16 March 17	-0.03	0.01	0.03	0.08	0.12	0.25	0.09	0.21	0.44
- Spread with U.S.	* 16 March 17	-0.75	-0.71	-0.63	-0.47	-0.34	-0.12	-0.41	-0.08	0.15
Yield on 30-year Gov't Bonds	* 16 March 17	1.86	1.83	1.82	1.93	1.88	1.89	2.11	1.58	2.30
- Spread with U.S.	* 16 March 17	-1.28	-1.36	-1.26	-1.14	-1.02	-0.79	-1.03	-0.89	-0.39
Exchange Rate (U.S.\$ / £)	* 16 March 17	1.24	1.22	1.23	1.24	1.24	1.31	1.24	1.32	1.45
STOCK INDICES										
	Reference	Monthly Growth (%)			Growth Over (%)			Since beginning of year		
		Level	Month	Month	Before	3 Months	6 Months	1 Year	ref.	prec.
MSCI Eafe	* March 2017	231	0.8	1.4	1.0	3.2	4.5	8.4	3.2	-5.5

* Update (1) Not Seasonally Adjusted

(2) Compared to same period of the preceeding year, unless otherwise stated

Source: Datastream

Weekly Economic Watch

Annex - Economic Tables

TABLE 6 - COMMODITY PRICES

March 17, 2017

	Spot Price		Weekly Growth (%)			Annualized Growth (%)			Last Year
	March 16	March 9	Last Week	Prev. Week	Week Before	For the Last			
						13 W.	26 W.	52 W.	
INDICES THOMSON-REUTERS									
Total	420.6	416.6	1.0	-2.1	-0.6	1.8	3.3	6.7	394.2
Energy	408.1	415.7	-1.8	-1.9	-0.3	-30.6	7.0	26.3	323.1
Grain	297.6	300.7	-1.0	-2.4	2.9	12.7	18.5	2.3	291.0
Industrials	420.4	412.0	2.0	-1.4	1.4	28.2	44.3	25.6	334.6
Livestock & Meat	346.4	339.0	2.2	-0.3	0.8	25.7	50.2	-10.3	386.1
Precious Metals	789.8	774.3	2.0	-3.9	-1.9	37.3	-14.7	0.7	784.3
PRECIOUS METALS									
Gold (\$/ounce) (AM fixing London)	1225.60	1204.60	1.7	-3.1	0.5	37.2	-13.8	-3.5	1269.60
Platinum (\$/ounce) (AM fixing London)	962.0	948.0	1.5	-6.2	1.6	18.5	-13.4	-2.1	983.0
Silver (\$/ounce) (Handy & Harman)	0.2	0.2	1.4	-5.2	-0.6	40.4	-17.7	8.1	0.2
Palladium (\$/ounce troy)	769.0	754.0	2.0	-2.6	-0.6	25.2	37.4	30.6	589.0
OTHER METALS (LME)									
Aluminum (\$/tonne)	1,887	1,855	1.7	-2.5	2.3	37.4	46.4	25.1	1,508
Copper (\$/tonne)	5,890	5,673	3.8	-4.1	1.3	12.2	52.8	15.6	5,096
Zinc (\$/tonne)	2,811	2,670	5.3	-3.7	-0.5	1.7	60.8	53.5	1,831
Nickel (\$/tonne)	10,162	10,092	0.7	-5.9	1.9	-33.4	10.6	14.7	8,858
Lead (\$/tonne)	2,231	2,249	-0.8	0.1	0.7	-16.6	32.0	23.0	1,814
Uranium (UxC-Ux U308 Spot \$/pound)	24.50	25.50	-3.9	14.6	-9.2	191.5	-6.6	-14.8	28.75
OTHER COMMODITIES									
Oil WTI (\$/barrel) future (NYMEX)	48.75	49.28	-1.1	-6.3	-3.4	-15.9	23.3	21.3	40.20
Oil (Spread with WTI \$/barrel) 1st future (West Canadian select - CME)	-15.95	-15.95	0.0	0.0	0.0	0.0	25.3	23.6	-12.90
Corn (\$/bushel) (Illinois #2)	3.4	3.4	-2.0	-3.4	2.3	-2.3	19.0	-6.4	3.6
Soy beans (\$/bushel) (Illinois #1)	9.7	9.7	-0.6	-2.5	1.8	-15.0	4.1	9.5	8.8
Pork (\$/lb)	140.4	176.5	-20.5	42.6	0.0	97.2	18.2	6.8	131.5
Beef (Cattle feeder index) (CME)	127.6	127.2	0.3	0.6	-0.6	-10.2	-8.6	-21.0	161.5
Soft Wood Pulp (HWWI) Index 2010 = 100	105	105	0.0	-1.9	-0.6	34.1	19.2	7.4	97
Natural Gas (mmbtu) Henry Hub future NYMEX	2.85	2.83	0.7	9.3	-0.4	-58.5	-6.7	56.6	1.82
Lumber 2X4	364	349	4.3	-2.0	-2.0	80.7	48.0	21.0	300
Iron ore (\$/metric ton)	91	86	6.4	-7.1	-2.6	71.7	159.4	66.7	55

All prices are in US dollars

Source: Thomson Reuters Datastream

Weekly Economic Watch

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