



March 24, 2017

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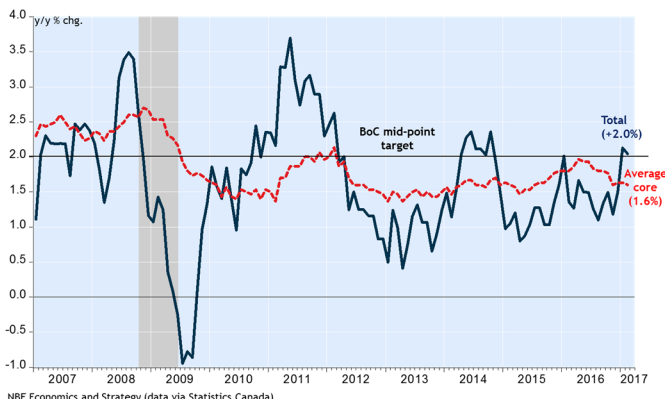
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## Week in review

**CANADA:** The consumer price index rose 0.2% in February, allowing the year-on-year inflation rate to decrease 1 tick to 2.0% compared with the previous month. In seasonally adjusted terms, CPI was down 0.2% as higher prices for recreation (+0.2%), alcohol/tobacco (+0.3%), healthcare (+0.1%) and clothing (+0.1%) were more than offset by the declines in transportation (-1.1%), household ops (-0.2%) and shelter (-0.1%). Food was flat. CPI excluding food and energy rose 0.4%, which caused the year-on-year core inflation rate to drop two ticks to 2.0%. In seasonally-adjusted terms, it was flat month over month. Turning to the Bank of Canada's favorite measures of the underlying inflation, February's data also looked weak. On an annual basis, the CPI-trim stood at 1.6% (down from 1.7%), CPI-Median at 1.9% (unchanged) and CPI-Common at 1.3% (unchanged). All three measures remained below the Bank of Canada's mid-point target of 2.0%, with the average lingering at a modest 1.6%. Nevertheless, we continue to expect core CPI to speed up in 2017 in line with the recent economic momentum. We think that stronger wage inflation and a renewed weakness in the Canadian dollar will revive inflation via import prices.

### Canada: Perspective on the consumer price index

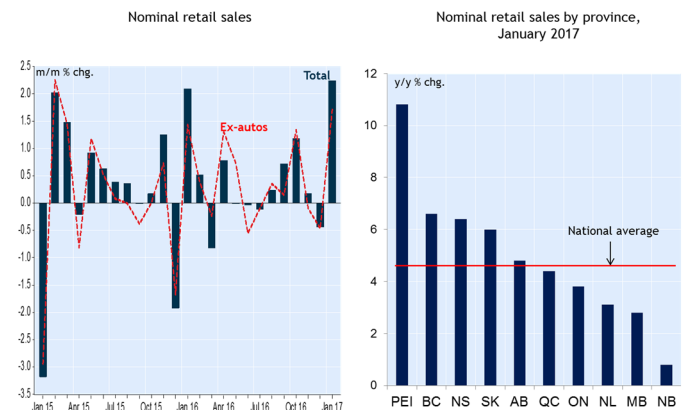
Headline CPI vs. the average of the three core measures preferred by the Bank of Canada



NBF Economics and Strategy (data via Statistics Canada)

**Retail sales** jumped 2.2% in January. Gains were registered in 10 of the 11 major industry categories, including motor vehicles and parts (+3.8%). Excluding autos, sales rose 1.7%. Discretionary spending (i.e., sales excluding gasoline, groceries and health/personal care items) climbed 2.5% to an all-time high. All provinces saw higher sales, with the big three continuing to perform well year on year: British Columbia (+6.6%), Quebec (+4.4%) and Ontario (+3.8%). Another hopeful sign was the recovery observed in energy-centric provinces such as Alberta (+4.8%) and Saskatchewan (+6.0%). Adding to the good news, sales were up a healthy 1.3% in real terms, which means that the impressive nominal gains were not caused simply by higher prices. Retail volumes are in fact showing encouraging signs; they are on track to grow about 3.0% in annualized terms in Q1. This is somewhat slower than in the previous quarter, but remains a brisk pace nevertheless. Overall, a high household savings rate, solid employment creation and a positive housing wealth effect converged in Q1 to offset higher-than-usual pump prices and boost spending.

### Canada: Retail spending bounced back in January



NBF Economics and Strategy (data via Statistics Canada)

**Wholesale trade** swelled 3.3% month on month in January (4.7% year on year), its highest monthly upswing since November 2009, and totalled an all-time high C\$59.1 billion. Trade was up in four of the nine main categories but was driven primarily by a 17.1% surge in the motor vehicles and parts component, which contributed 3.44 percentage points to overall sales growth. Ex-autos, trade was up 0.3% (3.9% year on year). Regarding the provinces, trade progressed in Ontario (+6.0% to a record C\$30.5 billion), Alberta (+2.0%) and British Columbia (+0.8% to a record \$5.9 billion). In volume terms, trade increased 3.4% over the previous month.

The **Federal Budget** was released on Wednesday. It estimated a deficit of C\$23.0 billion for the outgoing fiscal year, equivalent to 1.1% of GDP. Larger deficits are projected over the coming two years: C\$28.5 billion in 2017-18 (1.4% of GDP), and C\$27.4 billion in 2018-19 (1.2% of GDP). The country's debt-to-GDP ratio is thus set to clock in at 31.5% in the outgoing year before increasing one tick to 31.6% in each of the coming two years. The ratio is predicted to decrease below 31% by 2021-22. In terms of financing, the Canadian government is planning a record C\$142 billion-worth of bond auction in the year ahead. The bulk of supply, as well as 32 of the 44 planned auctions, will be in the 2-, 3- and 5-year sectors. In more general terms, the Liberal government's second budget stayed on message, reiterating a goal of inclusive growth and incorporating measures aimed at stimulating innovation, developing skills and communities, as well as advancing gender-related issues.

**UNITED STATES:** The **durables goods** report showed new orders rising 1.7% in February, following a 2.3% rise in the prior month (revised up from 2.0%). Orders rose sharply in February in the transportation category (+4.3%) thanks to gains for civilian aircrafts. Ex-transportation, orders rose 0.4%, driven by increases in electrical equipment and primary metals. It was the eight consecutive positive showing for that measure, an impressive feat consistent with surging survey-based indicators for the manufacturing sector. Also noteworthy, total shipments of non-defense capital goods ex-aircraft, a proxy for business investment spending, rose 1.0%.

The **current account deficit** shrank 3.1% quarter on quarter to \$112.4 billion in Q4 2016, its lowest level since Q2 2015. That number represented 2.4% of GDP, down one tick from Q3. The smaller shortfall reflected the fact that the primary income surplus increased \$19.9 billion to \$61.5 billion. On the other hand, the goods deficit widened \$17.5 billion to \$196.1 billion. Meanwhile the services surplus and the secondary income deficit remained largely unchanged at \$63.8 billion and \$41.5 billion, respectively. For 2016 as a whole, the current account deficit amounted to \$481.2 billion, up 3.9% from 2015.

In February, **new-home sales** grew 6.1% to an annualized 592K after increasing 5.3% the previous month. This was the strongest February showing since 2008. The weather was probably a key factor behind the performance, given that this past February was the second warmest on record. As only 266K new homes entered the market in the month, the supply of new homes sank to 5.4 months of sales, down from 5.6 months in January. Furthermore, the median sales price dropped 4.9% year on year to \$296,200.

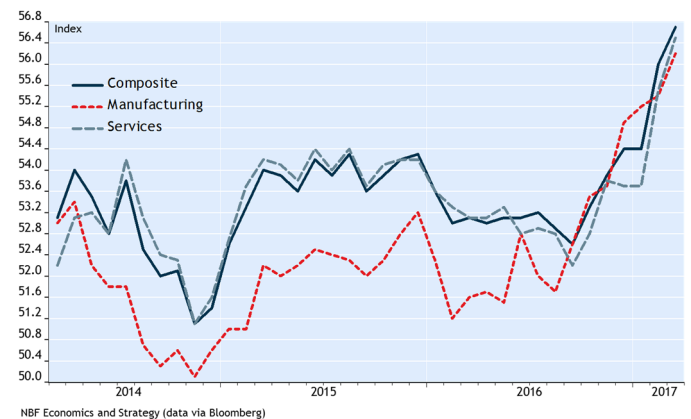
**Existing-home sales** fell 3.7% to 5.48 million in annualized terms in February after reaching their highest level in a decade in January at 5.69 million. Contract closings for single-family homes declined 3.0%, while those for multis dropped 9.2%. Both segments were hindered by the limited number of

properties on the market. Indeed, year on year, inventories were down 6.4% to 1.75 million units. The lower supply contributed in lifting the median sales price 7.7% year on year to \$228,400. A further sign of market tightness, the average time required to sell a property fell to 45 days, down from 50 the prior month and 59 a year earlier.

**Markit's flash composite PMI** came in at 53.2 in seasonally-adjusted terms, 0.9 point below its February level. The decrease was explained in part by a drop in the employment index from 53.1 to 51.4. The manufacturing PMI lost 0.8 point to 53.4 while the services index went from 53.8 in the previous month to 52.9 in March.

**WORLD:** In the **Eurozone**, the **Markit flash composite PMI** continued its progression, edging up from 56.0 in February to 56.7 in March (adjusted for seasonal effects). It now stands at a 71-month high. The overall index was pushed by positive results in the new orders, output prices and employment components. Both the manufacturing (56.2) and the services (56.5) indices posted better readings than in the previous month. National results showed France's composite PMI rising from 55.9 to 57.6 while Germany's index showed a 0.9 point progression to 57.0.

**Eurozone: Optimism is staging a comeback**  
Markit's PMI indices



In **Japan**, the **Markit flash manufacturing PMI** for the month of March ceded 0.7 point compared with the previous month to 52.6. The output component of the index declined from 54.1 to 53.4 but remained in expansionary territory for the eight consecutive month. The new orders sub-index also lost ground at 52.9 compared with 54.2 the previous month.

Also in Japan, the **trade balance** swung into surplus territory in February, posting a positive figure of ¥813.4 billion in non-seasonally adjusted terms. Exports soared 11.3% year on year, their fastest monthly increase in more than two years, while imports advanced 1.2%. In volume terms, exports were up 8.3% over the same month in 2016, while imports fell 4.3%.

# Weekly Economic Watch

## What We'll Be Watching

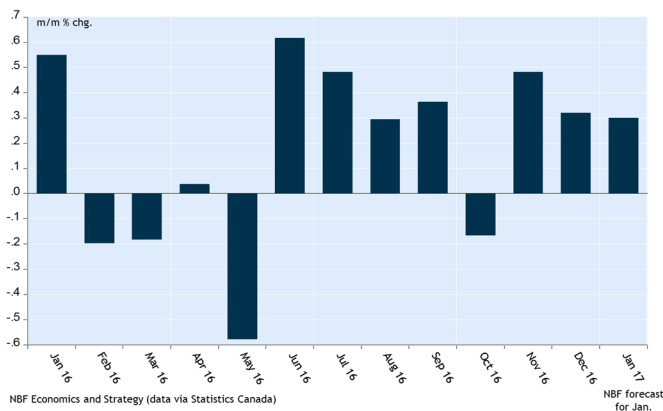


**In Canada**, a light week will feature **January GDP**. We expect growth of 0.3% month over month in light of earlier-reported strength in retail, wholesale, and manufacturing sectors. The **Survey of Employment, Payrolls and Hours (SEPH)** for the month of January will also be available. It will be

interesting to see whether or not the SEPH can follow the brisk pace set by the Labour Force Survey in the first month of the year (+48K jobs). **Industrial product price** for February will also be released. **Quebec's budget** will be presented on Tuesday.

	Previous	NBF forecasts
GDP (January m/m chg.)	0.3%	0.3%

Canada: Growth keeps the pace  
Real GDP

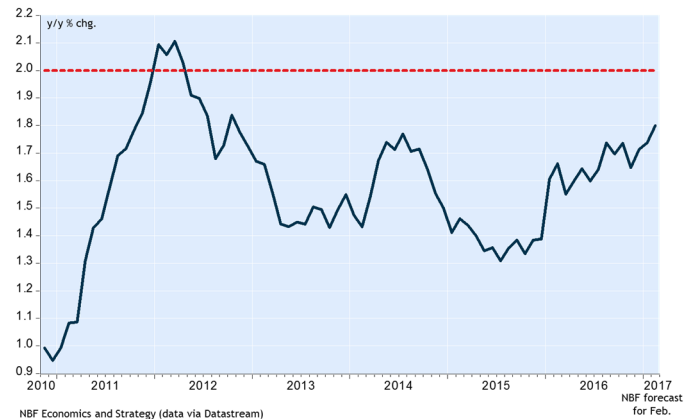


**In the U.S.**, the publication of February's **PCE deflator**, the Fed's preferred gauge of inflation, will be watched closely. We anticipate the annual core inflation rate to rise one tick to 1.8%, thus remaining safely below the Fed's 2% target. Also, both **personal income** and **personal spending** likely rose

further in February, stimulated by a solid labour market. A slight upward revision is likely for **fourth quarter GDP** as a result of a better performance from the services sector than was initially estimated by the BEA. We will also keep an eye on **Markit's services PMI** for March.

	Previous	NBF forecasts
PCE deflator (February y/y chg.)	1.9%	2.1%
Core PCE deflator (February y/y chg.)	1.7%	1.8%
GDP (Q4 q/q chg. saar, third est.)	1.9%	2.0%

U.S.: Core inflation remained below the Fed's 2% target  
Core PCE deflator



**Elsewhere in the world**, the first estimate of March's consumer price index in the Eurozone will be released. In Japan, February data will be available on inflation, employment, retail spending, housing starts and industrial production. Markit will publish March's manufacturing purchasing managers index for China. On the political scene, markets' attention will be focused on the UK where article 50, the first formal step in the long process that will take the country out of the European Union, will be invoked on Wednesday.

# 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
<b>Monday</b> Mar 27							Turquoise Hill Resources Ltd	Aft-mkt	Q4 16	-0.01
							Red Hat Inc	Aft-mkt	Q4 17	0.61
<b>Tuesday</b> Mar 28							Fortuna Silver Mines Inc	0:00	Q4 16	0.06
							Darden Restaurants Inc	Bef-mkt	Q3 17	1.27
							Carnival Corp	Bef-mkt	Q1 17	0.35
							McCormick & Co Inc/MD	Bef-mkt	Q1 17	0.74
<b>Wednesday</b> Mar 29	7:00	US	MBA Mortgage Applications	Mar-24	-2.70%	--	Kirkland Lake Gold Ltd	Bef-mkt	Q4 16	0.20
	10:00	US	Pending Home Sales MoM	Feb	-2.80%	2.20%	Paychex Inc	Bef-mkt	Q3 17	0.54
							Perrigo Co PLC	0:00	Q4 16	1.81
<b>Thursday</b> Mar 30	8:30	US	GDP Annualized QoQ	4Q T	1.90%	2.00%	Dollarama Inc	07:00	Q4 17	1.12
	8:30	US	Personal Consumption	4Q T	3.00%	--	MAG Silver Corp	0:00	Q4 16	-0.03
	8:30	CA	Industrial Product Price MoM	Feb	0.40%	--	ProMetic Life Sciences Inc	Aft-mkt	Q4 16	-0.04
	8:30	CA	Raw Materials Price Index MoM	Feb	1.70%	--				
	8:30	US	Initial Jobless Claims	Mar-25	258k	245k				
<b>Friday</b> Mar 31	8:30	CA	GDP MoM	Jan	0.30%	0.30%	BlackBerry Ltd	0:00	Q4 17	0.00
	8:30	US	Personal Income	Feb	0.40%	0.40%				
	8:30	US	Personal Spending	Feb	0.20%	0.20%				
	8:30	US	PCE Deflator YoY	Feb	1.90%	2.10%				
	8:30	US	PCE Core YoY	Feb	1.70%	1.70%				
	9:45	US	Chicago Purchasing Manager	Mar	57.4	56.7				
10:00	US	U. of Mich. Sentiment	Mar F	97.6	97.6					

Source: Bloomberg

# Weekly Economic Watch

## Annex - Economic Tables

**TABLE 1 - NORTH AMERICAN FINANCIAL INDICATORS**

March 24, 2017										
Growth Rates Unless Otherwise Indicated	Reference Period	Level	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.						
<b>UNITED STATES</b>										
<u>MONETARY AGGREGATES</u>										
M1	* Feb 2017	(\$Billions) 3372	-0.7	2.0	-0.4	3.9	7.1	8.1	8.7	4.7
M2	* Feb 2017	13311	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	2098	-0.1	0.1	-0.3	0.6	4.3	5.3	6.0	10.2
<b>CANADA</b>										
<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
<b>INTEREST AND EXCHANGE RATES</b>										
	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.			
<b>UNITED STATES</b>										
<u>INTEREST RATES</u>										
Federal Funds Target Rate	* 23 March 17	1.00	1.00	0.75	0.79	0.66	0.58	0.75	0.50	0.50
Prime Rate	* 23 March 17	4.00	4.00	3.75	3.79	3.66	3.58	3.75	3.50	3.50
3-month Treasury Bills	* 23 March 17	0.75	0.72	0.72	0.57	0.49	0.38	0.50	0.18	0.29
2-year Bonds	* 23 March 17	1.25	1.33	1.37	1.23	1.11	0.92	1.20	0.78	0.89
5-year Bonds	* 23 March 17	1.94	2.03	2.12	1.95	1.76	1.47	2.03	1.17	1.38
10-year Bonds	* 23 March 17	2.42	2.52	2.60	2.46	2.27	1.97	2.55	1.63	1.90
30-year Bonds	* 23 March 17	3.03	3.14	3.18	3.06	2.93	2.68	3.13	2.35	2.67
Corp. High-yield (BofA ML Master II)	* 23 March 17	6.33	6.23	6.30	6.23	6.43	6.94	6.51	6.72	8.60
Corp. Invest. Grade (BofA ML Corp. BBB)	* 23 March 17	3.75	3.84	3.91	3.79	3.71	3.62	3.91	3.33	4.04
<u>Spread</u>										
Corp. High-yield - Treas. 10y.	* 23 March 17	3.92	3.71	3.71	3.77	4.16	4.97	3.96	5.08	6.70
Corp. Invest. grade - Treas. 10y.	* 23 March 17	1.34	1.31	1.31	1.33	1.44	1.65	1.36	1.70	2.14
Treasuries 30y. - 3-m. T.B.	* 23 March 17	2.28	2.42	2.46	2.49	2.44	2.30	2.63	2.17	2.38
<u>EXCHANGE RATE</u>										
FED Broad (Jan 97 = 100)	* 17 March 17	124.88	125.12	126.01	127.06	125.65	123.21	126.81	120.66	121.96
<b>CANADA</b>										
<u>INTEREST RATES</u>										
Prime Rate	* 23 March 17	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Target overnight rate	* 23 March 17	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
30-day commercial paper	* 23 March 17	0.87	0.88	0.87	0.91	0.89	0.89	0.92	0.84	0.88
3-month Treasury Bills	* 23 March 17	0.48	0.48	0.48	0.47	0.48	0.50	0.48	0.51	0.45
1-year Treasury Bills	* 23 March 17	0.62	0.62	0.62	0.62	0.59	0.57	0.62	0.57	0.54
5-year Bonds	* 23 March 17	1.17	1.25	1.26	1.14	1.00	0.84	1.21	0.71	0.71
10-year Bonds	* 23 March 17	1.69	1.81	1.81	1.72	1.55	1.37	1.81	1.15	1.24
30-year Bonds	* 23 March 17	2.35	2.46	2.50	2.38	2.20	2.01	2.40	1.78	2.03
<u>SPREADS</u>										
Prime - 30d. Commercial paper	* 23 March 17	1.83	1.82	1.83	1.79	1.81	1.81	1.78	1.86	1.82
Long Term - Short Term	* 23 March 17	1.87	1.98	2.02	1.90	1.71	1.51	1.92	1.27	1.58
<u>CANADA UNITED STATES SPREADS</u>										
3-month T-Bills	* 23 March 17	-0.27	-0.24	-0.24	-0.10	0.00	0.12	-0.02	0.33	0.16
Long Term Bonds	* 23 March 17	-0.68	-0.68	-0.69	-0.68	-0.73	-0.67	-0.73	-0.57	-0.64
<u>EXCHANGE RATE</u>										
US\$/CDN\$ (GTIS)	* 23 March 17	0.7490	0.7508	0.7402	0.7551	0.7525	0.7625	0.7417	0.7668	0.7549
Trade-weighted (1990=100) G-10	* 23 March 17	88.3	88.5	87.4	89.2	88.6	89.4	87.9	89.4	88.2
<b>STOCK INDICES</b>										
	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.)	* 23 March 17	20656.6	-0.7	5.1	-0.7	3.6	13.1	18.0	3.6	-0.6
S&P 500 (U.S.)	* 23 March 17	2346.0	-0.8	4.4	0.1	3.6	8.4	15.2	3.6	-1.3
NASDAQ (U.S.)	* 23 March 17	5817.7	-0.3	5.1	1.7	6.5	9.6	22.0	6.5	-5.5
S&P/TSX (Can.)	* 23 March 17	15433.6	-2.2	1.9	1.0	0.7	5.0	15.4	0.7	0.7

\* 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 24, 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
<b>DOMESTIC DEMAND</b>										
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	Feb 2017	-0.1	0.1	0.8	9.1	3.8	-2.5	2.7	1.7	-4.3
Unfilled Orders	Jan 2017	0.0	-0.3	-0.8	-3.3	-1.7	-1.6	-1.4	-1.6	-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	Feb 2017	6.1	5.3	-7.5	-6.6	-1.3	13.3	12.8	9.4	-2.1
Existing Home Sales, s.f. & condos	Feb 2017	-3.7	3.3	-1.6	1.9	4.9	3.7	5.4	4.6	6.3
<b>PRODUCTION</b>										
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
<b>EXTERNAL AND FISCAL BALANCES</b>										
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
<b>INFLATION AND COSTS</b>										
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	Feb 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)	Feb 2017	0.5	-2.5	-0.6	-8.4	-4.2	5.6	7.6	7.0	6.5
<b>LABOUR MARKET</b>										
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
<b>NATIONAL ACCOUNTS AND OTHER</b>										
<b>Annualized Growth Rates</b>										
<b>QUARTERLY INDICATORS</b>										
	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	
	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2014	2013	2012	
Current Account (current \$)	-449.5	-464.0	-479.0	-532.3	-453.6	-492.4	-463.0	-392.1	-366.4	
as a % of GDP	-2.4	-2.5	-2.6	-2.9	-2.5	-2.7	-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 preceding 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 24, 2017										
Growth Rates Unless Otherwise Indicated	Reference Period	Monthly Growth (%)			Annualized Growth (%)			Since 12 Mos.	Year-to-date (6)	
		Past Month	Prev. Month	Month Before	Average of the last 3 Mos.	6 Mos.	12 Mos.		ref.	prec.
CFIB Business Barometer ®	Feb 2017	4.7	-0.9	2.2	18.6	7.5	1.7	15.1	12.9	-11.1
<b>DOMESTIC DEMAND</b>										
Retail Sales (\$ current)	* Jan 2017	2.2	-0.4	0.2	6.8	3.9	3.5	4.5	4.5	7.3
- Motor vehicle and parts dealers	* Jan 2017	3.8	-0.3	1.0	14.1	5.1	5.6	4.2	4.2	15.2
- Other	* Jan 2017	1.7	-0.5	-0.1	4.4	3.5	2.8	4.6	4.6	4.8
Retail Sales (\$ constant)	* Jan 2017	1.3	-1.0	0.6	4.0	2.0	2.3	2.1	2.1	4.5
Manufacturer's Shipments (\$ current)	Jan 2017	0.6	2.1	2.2	15.5	7.7	0.9	2.7	2.7	4.9
New Orders	Jan 2017	4.6	-0.5	-0.2	11.8	7.1	1.7	3.1	3.1	-10.2
- Durables	Jan 2017	7.8	-3.1	-3.6	2.3	2.9	2.4	-2.1	-2.1	-17.2
Unfilled Orders	Jan 2017	0.3	-1.9	-0.4	-4.1	-0.5	-6.5	-4.2	-4.2	-8.5
Manufacturer's Inventories	Jan 2017	1.1	-0.1	-0.5	-0.3	0.4	-1.7	-0.6	-0.6	1.6
Inventories / Shipments Ratio	Jan 2017	1.31	1.30	1.33	1.31	1.34	1.36	1.35	1.31	1.35
Manufacturer's Shipments (\$ constant)	Jan 2017	0.7	2.1	1.6	9.4	3.4	1.2	1.2	1.2	3.3
Housing Starts (000) (1)	Feb 2017	210.2	208.9	207.0	208.7	204.7	200.5	218.6	209.6	197.0
Number of existing homes sold (MLS)	* Feb 2017	5.2	-0.2	2.5	5.4	-4.5	4.3	2.2	0.5	13.9
<b>PRODUCTION</b>										
Real Domestic Product	Dec 2016	0.3	0.5	-0.2	2.4	2.3	1.2	2.0	1.2	0.9
- Manufacturing	Dec 2016	0.4	1.9	-1.7	0.0	1.1	0.6	0.9	0.6	0.2
- Construction	Dec 2016	1.0	1.2	-0.8	2.3	-2.1	-3.3	-0.3	-3.3	-4.7
Services	Dec 2016	0.2	0.2	0.2	2.1	1.9	2.1	2.1	2.1	2.1
<b>EXTERNAL, FISCAL AND EXCHANGE BALANCES</b>										
Exports	Jan 2017	0.5	-0.3	5.5	25.9	15.0	-1.1	1.8	1.8	6.8
Imports	Jan 2017	-0.3	1.6	-0.3	-5.7	2.7	-0.7	-2.1	-2.1	4.5
- Capital Goods	Jan 2017	-3.1	6.4	-0.3	-13.3	2.9	-2.1	-2.4	-2.4	-1.3
Merch. Trade Balance (\$ millions)	Jan 2017	807	448	1,281	845	-791	-2,008	-1,004	807	-1,004
Change in Official Reserves	Feb 2017	-2,692	2,065	-412	-346	-278	67	801	-627	3,493
Level (US\$): \$82.1 billion										
Fed. budget balance last 12 months (\$ billions)	* Jan 2017	-19.0	-19.2	-15.7				4.5	-12.7	4.3
<b>INFLATION AND COSTS</b>										
Consumer Prices	* Feb 2017	0.2	0.9	-0.2	1.1	0.6	1.5	2.0	2.1	1.7
- Excluding Food and Energy	* Feb 2017	0.4	0.6	-0.4	-0.2	1.0	2.0	2.0	2.1	1.7
- Core inflation (4)	* Feb 2017	0.4	0.5	-0.3	-0.5	0.5	1.8	1.7	1.7	2.0
Average Hourly Earnings (2)	Feb 2017						1.8	1.3	1.3	3.0
Price of New Housing including land	Jan 2017	0.1	0.1	0.2	2.6	3.3	2.6	3.1	3.1	1.7
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	16.7
Industrial Prices (1992=100)	Jan 2017	0.4	0.3	0.5	6.3	4.1	-0.2	2.3	2.3	1.8
<b>LABOUR MARKET</b>										
Labour Force	Feb 2017	-0.1	0.2	0.3	1.3	1.5	0.8	0.9	1.0	1.2
Job creation (000)	Feb 2017	15.3	48.3	46.1	36.6	36.5	24.0	288.1	63.6	4.5
- Manufacturing	Feb 2017	-5.2	-0.6	1.9	-1.3	-2.5	-4.1	-49.6	-5.8	-5.8
- Services	Feb 2017	30.1	42.6	46.0	39.6	36.0	30.4	365.3	72.7	-10.0
- Full Time	Feb 2017	105.1	15.9	70.8	63.9	32.4	19.6	235.4	121.0	-41.0
- Part Time	Feb 2017	-89.8	32.4	-24.7	-27.4	4.1	4.4	52.7	-57.4	45.5
Unemployment Rate	Feb 2017	6.6	6.8	6.9	6.8	6.9	6.9	7.2	6.7	7.2
<b>NATIONAL ACCOUNTS AND OTHER</b>										
<b>QUARTERLY INDICATORS</b>										
		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 preceding year, unless otherwise stated

# Weekly Economic Watch

## Annex - Economic Tables

**TABLE 4 - PROVINCIAL ECONOMIC INDICATORS**

		March 24, 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.			
<b>QUEBEC</b>										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	* Jan 2017	2.6	-1.1	0.1	4.8	3.8	4.1	4.4	4.4	6.8
Manufacturing Shipments	Jan 2017	-1.5	4.0	4.0	26.2	9.7	-0.4	3.5	3.5	2.6
Housing Starts (000) (2)	Feb 2017	45.4	38.7	41.0	41.7	41.8	38.9	43.6	42.0	40.4
Number of existing homes sold (MLS)	* Feb 2017	3.7	0.0	0.7	2.4	4.6	4.8	6.8	4.8	9.3
Wages and Salaries	Dec 2016	0.7	1.0	-0.7	4.5	3.3	3.6	5.1	3.6	2.3
Value of merchandise exports (1)	Jan 2017						-1.9	2.4	2.4	-0.3
CFIB Business Barometer ®	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)	* Feb 2017	0.3	0.8	-0.3	0.7	0.2	0.7	1.2	1.2	1.3
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
<b>ONTARIO</b>										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	* Jan 2017	1.7	-1.0	0.5	6.5	4.3	4.3	3.8	3.8	10.1
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)	* Feb 2017	0.3	0.6	-0.2	1.1	0.9	1.9	2.3	2.3	1.8
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
<b>NEWFOUNDLAND &amp; LABRADOR</b>										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	* Jan 2017	2.6	0.2	-0.2	5.0	-0.3	1.3	3.1	3.1	1.4
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)	* Feb 2017	-0.2	1.0	-0.1	0.8	3.5	3.1	4.2	4.4	2.0
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
<b>PRINCE EDWARD ISLAND</b>										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	* Jan 2017	4.3	-1.6	1.9	16.7	8.4	7.0	10.8	10.8	6.0
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)	* Feb 2017	-0.6	1.1	-0.7	0.4	0.7	1.3	1.5	2.0	1.5
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 24, 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.				
<b>NOVA SCOTIA</b>											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales	* Jan 2017	2.1	-0.9	1.0	7.7	6.0	4.1	6.4	6.4	7.4	
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)	* Feb 2017	-0.2	0.8	-0.2	-0.4	0.2	1.2	1.4	1.6	1.6	
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	
<b>NEW BRUNSWICK</b>											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales	* Jan 2017	0.1	-0.3	1.0	8.7	1.7	2.3	0.8	0.8	12.5	
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)	* Feb 2017	-0.1	1.3	-0.4	0.8	1.7	2.3	2.8	3.1	2.1	
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	
<b>MANITOBA</b>											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales	* Jan 2017	2.5	0.8	0.6	7.5	2.2	4.1	2.8	2.8	9.6	
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)	* Feb 2017	-0.1	1.4	-0.1	0.6	0.1	1.4	2.3	2.2	1.6	
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	
<b>SASKATCHEWAN</b>											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales	* Jan 2017	3.7	1.5	1.4	17.4	1.8	1.4	6.0	6.0	3.3	
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)	* Feb 2017	-0.2	1.3	-0.2	0.6	-0.4	1.0	1.4	1.5	1.8	
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 24, 2017								
		Monthly Growth (%)			Annualized Growth (%)			Since 12 Mos.	Year-to-date (3)	
<b>Growth Rates Unless Otherwise Indicated</b>	Reference Period	Past Month	Prev. Month	Month Before	Average of the last				ref.	prec.
					3 Mos.	6 Mos.	12 Mos.			
<b>ALBERTA</b>										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	* Jan 2017	2.4	1.4	0.0	11.2	2.9	-1.1	4.8	4.8	-0.6
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)	* Feb 2017	-0.2	1.6	-0.1	2.5	0.3	1.2	2.2	2.3	1.7
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
<b>BRITISH COLUMBIA</b>										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	* Jan 2017	2.9	-0.8	-0.9	3.1	5.6	6.1	6.6	6.6	10.3
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)	* Feb 2017	0.1	0.7	0.0	0.9	0.7	1.9	2.3	2.3	1.9
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 24, 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
<b>JAPAN</b>										
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	Feb 2017	6.1	1.1	2.3	39.2	15.7	-4.9	14.9	9.5	-8.9
Imports	Feb 2017	-1.6	4.1	3.2	36.9	13.4	-12.3	7.3	5.9	-17.4
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
		<b>Q4 2016</b>	<b>Q3 2016</b>	<b>Q2 2016</b>	<b>Q1 2016</b>	<b>Q4 2015</b>	<b>Q3 2015</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Gross Domestic Product (Constant Yen)		1.2	1.2	2.2	1.9	-1.0	0.6	1.0	1.2	0.2
<b>Euro-zone</b>										
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
		<b>Q4 2016</b>	<b>Q3 2016</b>	<b>Q2 2016</b>	<b>Q1 2016</b>	<b>Q4 2015</b>	<b>Q3 2015</b>	<b>2013</b>	<b>2012</b>	<b>#VALUE!</b>
Gross Domestic Product (Constant Euro)		1.6	1.7	1.3	2.1	2.0	1.1	-0.4	0.0	#VALUE!
<b>UNITED KINGDOM</b>										
Consumer Confidence (Diffusion index)	Feb 2017	-4	-5	-5	-5	-4	-4	1	-5	2
Retail Sales	Feb 2017	1.5	-0.5	-2.1	-5.7	3.9	4.6	3.7	2.4	4.6
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)	Feb 2017	0.8	-1.0	0.5	1.1	1.8	1.4	2.0	1.8	1.2
Producer price index, manufacturing (1)	Feb 2017	0.2	0.6	0.2	3.9	3.5	1.2	3.7	3.6	-1.1
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
		<b>Q4 2016</b>	<b>Q3 2016</b>	<b>Q2 2016</b>	<b>Q1 2016</b>	<b>Q4 2015</b>	<b>Q3 2015</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Gross Domestic Product (Constant £)		2.9	2.3	2.3	0.6	2.8	0.6	1.8	2.2	3.1
<b>INTEREST AND EXCHANGE RATES</b>										
	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.			
<b>JAPAN</b>										
Prime Rate	* 23 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	* 23 March 17	-0.34	-0.33	-0.41	-0.32	-0.33	-0.31	-0.45	-0.34	-0.12
- Spread with U.S.	* 23 March 17	-1.09	-1.05	-1.13	-0.89	-0.81	-0.69	-0.95	-0.52	-0.41
Yield on 10-year Gov't Bonds	* 23 March 17	0.06	0.06	0.08	0.07	0.03	-0.05	0.06	-0.02	-0.10
- Spread with U.S.	* 23 March 17	-2.36	-2.46	-2.52	-2.38	-2.25	-2.01	-2.50	-1.65	-2.00
Exchange Rate (¥/U.S.\$)	* 23 March 17	110.9	113.3	114.9	113.9	111.2	108.2	117.5	100.7	112.9
<b>Euro Zone</b>										
3-month Treasury Bills	* 23 March 17	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
- Spread with U.S.	* 23 March 17	-1.00	-0.97	-0.97	-0.82	-0.73	-0.63	-0.75	-0.43	-0.54
Exchange Rate (U.S.\$/Euro)	* 23 March 17	1.08	1.08	1.06	1.06	1.07	1.10	1.04	1.12	1.12
(Yen/Euro)	* 23 March 17	119.36	121.55	120.95	121.12	119.39	118.98	122.86	113.19	125.41
(Euro / £)	* 23 March 17	1.16	1.15	1.15	1.17	1.16	1.19	1.18	1.16	1.27
<b>UNITED KINGDOM</b>										
3-month Treasury Bills (tender)	* 23 March 17	0.04	-0.03	0.01	0.08	0.11	0.24	0.04	0.21	0.45
- Spread with U.S.	* 23 March 17	-0.71	-0.75	-0.71	-0.49	-0.37	-0.14	-0.46	0.03	0.16
Yield on 30-year Gov't Bonds	* 23 March 17	1.83	1.86	1.83	1.92	1.89	1.88	1.97	1.43	2.33
- Spread with U.S.	* 23 March 17	-1.20	-1.28	-1.36	-1.14	-1.03	-0.80	-1.16	-0.93	-0.34
Exchange Rate (U.S.\$ / £)	* 23 March 17	1.25	1.24	1.22	1.24	1.24	1.31	1.23	1.31	1.42
<b>STOCK INDICES</b>										
	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	232	0.6	1.8	3.1	5.6	5.0	7.8	5.6	-2.2

\* 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 24, 2017

	Spot Price		Weekly Growth (%)			Annualized Growth (%)			Last Year
	March 23	March 16	Last	Prev.	Week	For the Last			
			Week	Week	Before	13 W.	26 W.	52 W.	
<b>INDICES THOMSON-REUTERS</b>									
Total	421.8	420.6	0.3	1.0	-2.1	5.7	-2.2	9.3	386.0
Energy	411.2	408.1	0.8	-1.8	-1.9	-34.4	2.0	32.4	310.6
Grain	291.1	297.6	-2.2	-1.0	-2.4	15.9	8.8	-0.6	293.0
Industrials	415.8	420.4	-1.1	2.0	-1.4	38.0	31.2	26.8	328.0
Livestock & Meat	348.6	346.4	0.6	2.2	-0.3	20.6	54.1	-6.6	373.3
Precious Metals	799.6	789.8	1.2	2.0	-3.9	42.4	-18.3	6.3	752.3
<b>PRECIOUS METALS</b>									
Gold (\$/ounce) (AM fixing London)	1247.90	1225.60	1.8	1.7	-3.1	48.4	-12.3	2.6	1216.45
Platinum (\$/ounce) (AM fixing London)	962.0	962.0	0.0	1.5	-6.2	24.9	-15.4	1.1	952.0
Silver (\$/ounce) (Handy & Harman)	0.2	0.2	1.6	1.4	-5.2	49.7	-22.9	15.2	0.2
Palladium (\$/ounce troy)	803.0	769.0	4.4	2.0	-2.6	125.9	32.7	39.2	577.0
<b>OTHER METALS (LME)</b>									
Aluminum (\$/tonne)	1,923	1,887	1.9	1.7	-2.5	49.9	39.7	31.0	1,467
Copper (\$/tonne)	5,798	5,890	-1.6	3.8	-4.1	23.1	43.8	16.5	4,977
Zinc (\$/tonne)	2,795	2,811	-0.6	5.3	-3.7	30.5	49.7	56.4	1,787
Nickel (\$/tonne)	9,968	10,162	-1.9	0.7	-5.9	-24.0	-11.8	15.7	8,612
Lead (\$/tonne)	2,363	2,231	5.9	-0.8	0.1	59.8	48.2	34.8	1,753
Uranium (UxC-Ux U308 Spot \$/pound)	25.50	24.50	4.1	-3.9	14.6	151.5	6.2	-13.9	29.60
<b>OTHER COMMODITIES</b>									
Oil WTI (\$/barrel) future (NYMEX)	47.70	48.75	-2.2	-1.1	-6.3	-34.1	6.0	20.9	39.46
Oil (Spead with WII \$/barrel) 1st future (West Canadian select - CME)	-15.95	-15.95	0.0	0.0	0.0	0.0	23.5	20.4	-13.25
Corn (¢/bushel) (Illinois #2)	3.3	3.4	-1.5	-2.0	-3.4	3.7	13.3	-8.1	3.6
Soy beans (¢/bushel) (Illinois #1)	9.5	9.7	-1.3	-0.6	-2.5	-8.3	-1.7	6.5	9.0
Pork (¢/lb)	149.5	140.4	6.5	-20.5	42.6	112.5	160.0	13.7	131.5
Beef (Cattle feeder index) (CME)	131.6	129.3	1.8	1.6	0.6	-1.4	-6.5	-18.8	162.0
Soft Wood Pulp (HWWI) Index 2010 = 100	103	103	0.0	-1.9	-1.9	25.7	14.7	6.1	97
Natural Gas (mmbtu) Henry Hub future NYMEX	2.93	2.85	2.8	0.7	9.3	-54.6	-12.9	70.3	1.72
Lumber 2X4	377	364	3.6	4.3	-2.0	123.5	34.0	26.0	299
Iron ore (\$/metric ton)	93	91	1.6	6.4	-7.1	113.8	163.4	63.4	57

All prices are in US dollars

Source: Thomson Reuters Datastream

# Weekly Economic Watch

## Economics and Strategy

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