

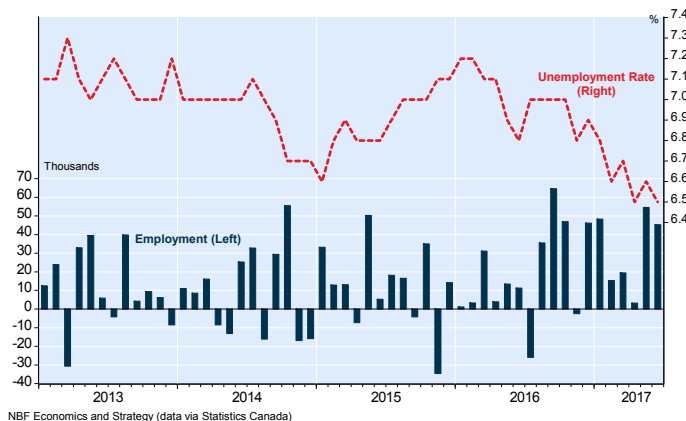
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Week in review

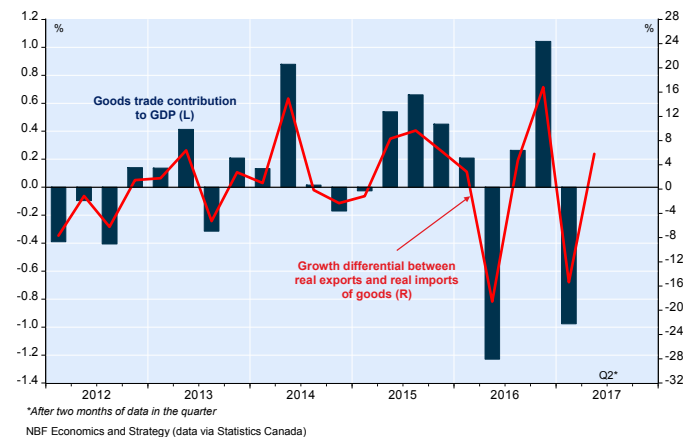
CANADA: Employment increased 45K in June according to the Labour Force Survey, well above consensus which was looking for a rise of only 10K. Thanks to this strong gain, the jobless rate dropped one tick to 6.5% despite the participation rate increasing from 65.8% to 65.9%. The increase in June employment was due to both paid jobs (+24K) and self-employed (+21K). Among paid jobs, the private sector posted a strong 18K gain while government showed an increase as well (+6K). The goods sector rose by 16K and the services sector by 29K. Although not stellar, an 8K rise in full-time employment was still surprising as it followed a massive 77K increase in the prior month. Part-time employment, on the other hand, surged 37K. Furthermore, total hours worked were up 0.4% in the month, translating into a 4.6% annualised increase in Q2, the largest quarterly advance in 14 years. On a year-to-date basis, the Canadian labour market has generated a massive 186K jobs (best performance in 7 years) thanks to a surge in full-time employment (best performance in 10 years). This has driven the unemployment rate down to its lowest level in the current cycle, indicating a labour market essentially at full-employment (i.e. at NAIRU). June's employment report was consistent with our view that the Bank of Canada will raise rates as soon as next week.

Canada: Perspective on labour market
Canada Employment and unemployment rate



In May, the merchandise trade deficit rose to C\$1.09 billion from C\$0.55 billion in April. The deterioration was due to imports (+2.4%) rising faster than exports (+1.3%). Most export categories saw increases in the month, with gains in metal products (+11.1%), industrial machinery (+9.0%), agricultural products (+7.6%) and aircrafts (+5.5%), among others, outweighing declines in energy products (-9.0%) and metal ores and non-metallic minerals (-7.5%). Imports, too, were up in several categories, led by aircrafts (+45.9%) and energy (+6.5%). The higher energy imports widened the energy trade deficit to C\$6.2 billion from C\$5.2 billion the month before. Alternatively, the non-energy trade deficit diminished to C\$6.3 billion, its lowest figure in four months. In addition, the terms of trade deteriorated for a fourth consecutive month owing to soft energy prices and a sagging Canadian dollar. The trade balance picture was more favourable in volume terms, as real exports (+2.0% m/m) expanded at a faster pace than real imports (+1.7%) for a second month in a row. This suggests trade will contribute to GDP growth in Q2 after detracting from it the prior quarter.

Canada: Trade should provide a lift to economy in Q2
Real exports and imports of goods vs goods trade contribution to GDP



Still in May, the value of building permit applications jumped 8.9% month on month in seasonally adjusted terms to C\$7.7 billion, the third highest figure ever. The prior month, applications had edged up 0.5% (revised from -0.2%). The value of building permits issued in the residential segment spiked 10.8% as both the single-family and multi-unit sectors registered gains (7.4% and 15.0% m/m, respectively). Non-residential permits, for their part, swelled 5.6% in value terms, boosted by strong showings in the industrial (+9.8% m/m) and commercial (+12.9% m/m) segments. At the national level, permit applications increased in 7 of the 10 provinces, led by Ontario, which registered a hefty 12.3% monthly gain. On a 12-month basis, permit applications

nationwide were up 10.8%, driven by a 14.0% surge in the residential sector.

Markit's manufacturing PMI slid 0.4 point to 54.7 in June as new orders and employment expanded at a slower pace than previously. Despite dipping since hitting a six-year high of 55.9 in April, the overall index remained significantly above its June 2016 level of 51.8 and has now signaled growth in the manufacturing sector for 16 consecutive months.

UNITED STATES: The establishment survey showed non-farm payrolls expanding a consensus-beating 222K in June. Adding to the good news were upward revisions to prior months that increased payrolls by 47K. The private sector added 187K jobs with gains in both the goods (+25K) and services (+162K) segments. Goods sector employment rose in construction (+16K) and mining (+8K) and stayed roughly flat in manufacturing (+1K). Private services sector employment was up in financial activities, professional services, leisure & hospitality, and education & health services. Meanwhile government added 35K positions. Average hourly earnings rose 0.2% in June, or 2.5% on a year-on-year basis (up one tick compared with May's print). In addition, the private sector employment diffusion index climbed to 59.6 (from 54.8 the prior month), indicating that job gains in June were distributed more evenly across sectors.

The other employment report, the **household survey**, showed employment increasing 245K in June after posting a -233K print in May. Full-time jobs were up a robust 355K on the month for a cumulative gain of 1.7 million so far in 2017. The increase in jobs during the month was offset by a one tick increase in the participation rate to 62.8%, causing the **unemployment rate** to add one tenth of a percentage point at 4.4%. Overall, the job reports support our view of above-potential growth in the coming months and hint in the direction of another hike by the Fed in September.

In May, **factory orders** fell 0.8% on a monthly basis after sinking a downwardly revised 0.3% the prior month. Orders in the transportation segment were down 3.0% as bookings for defence and civilian aircrafts plummeted 30.8% and 11.6%, respectively. Excluding transportation, factory orders retreated 0.3%, ending a 15-month streak without a negative posting. Although total factory orders were still up a decent 4.2% on a 12-month basis, they have shown signs of weakening in the first two months of the second quarter. Indeed, assuming a flat print in June, orders will rise an annualized 1.1% in Q2, compared with 6.7% in Q1 and 11.1% in Q4 2016. Total shipments, for their part, inched up 0.1% on a monthly basis. Shipments of non-defence capital goods ex-aircraft, a proxy for business capital spending, nudged up 0.1% as well. Finally, the inventory-to-shipments ratio held steady at 1.38.

The **ISM manufacturing index** sprang 2.9 points to a 35-month high of 57.8 in June. This was its largest monthly upswing since January 2013. Several sub-indicators registered sizeable

gains. For instance, the output tracker recorded its steepest jump since June 2006, climbing 5.3 points to 62.4. The new orders sub-index, for its part, progressed 4.0 points to 61.8. Job creation, too, accelerated in the sector as the employment gauge vaulted 3.7 points to 55.3. All of these sub-components, as well as the overall index, stood above their six-month moving average. For Q2 as a whole, the ISM manufacturing index has averaged 55.8, suggesting a more moderate—though still very healthy—rate of expansion relative to Q1 (57.0).

Separately the **ISM non-manufacturing index** moved up to 57.4 in June from 56.9 the prior month. The index was lifted by the new-orders subcategory, which soared to 60.5 from a six-month low of 57.7. The employment sub-index retreated from a 22-month high of 57.8 in May to a still convincing figure of 55.8.

In May, the **trade deficit** narrowed 2.3% to \$46.5 billion as nominal exports expanded 0.4% to \$192.0 billion (their highest mark in two years) and nominal imports retraced 0.1% to \$238.5 billion. Exports were boosted by the automotive and consumer goods sectors. Coincidentally, imports were weakened by the same two segments. Interestingly, imports of capital goods were up 2.4% month on month and 8.4% on a 12-month basis, a good sign for business investment. Moreover, the goods deficit shrank 1.3% on a monthly basis to \$67.5 billion while the services surplus expanded 1.0% to \$21.0 billion. Excluding the petroleum deficit, which grew 13.7%, the overall trade shortfall narrowed 4.3% to \$40.3 billion. In real terms, exports were up 1.0% while imports notched up 0.1%. With two months of data available, real exports are on pace to decrease by an annualized 0.9% in Q2. Alternatively, imports are on track to expand 1.8% on an annualized basis. Assuming nothing changes in June, trade will thus be a drag on GDP growth in Q2.

Construction spending was flat month on month in seasonally adjusted term in May after contracting 0.7% in April. The monthly decline was driven by the residential sector, which pulled back 0.5%. Alternatively, the non-residential segment advanced 0.3%, albeit after a significant drop the prior month (-1.5%). Meanwhile construction fell 0.6% in the private sector but expanded 2.1% in the public sector. Year on year, overall construction spending was up 4.5%, with the residential segment posting a sizeable 10.9% gain.

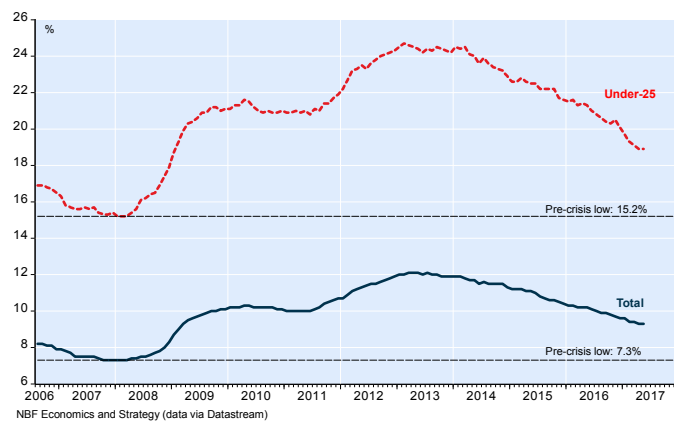
The **minutes of the June 13-14 FOMC meeting**, after which the Fed decided to raise interest rates 25 basis points, highlighted a division among participants as to when to begin the process of normalizing the balance sheet. Some favoured an announcement within a couple of months while others wanted to defer the decision until later in the year, fearing that progress towards the inflation target had slowed and that recent inflation softness might persist. Given that Fed Chair Janet Yellen stated in her post-meeting press conference that the timing of balance sheet normalization depended on the

FOMC's confidence in the economic outlook, it appears unlikely to us that the Fed will decide to put off another hike while simultaneously announcing the start of normalization. If they did, it would send a mixed message concerning the Fed's assessment of the outlook. Instead, we expect a rate hike announcement to come with a notice that the phasing-out of reinvestment will start the following month. Yellen might offer more clues on the Fed's approach next Wednesday when she delivers her semi-annual report on the economy and monetary policy before the House of Representatives Financial Services Committee.

WORLD: In the Eurozone, the seasonally adjusted unemployment rate remained at its lowest level since March 2009, pegging in at 9.3% in May, unchanged from the prior month. While the jobless rate stayed put in Germany (3.9%), it slipped a tick in Spain (to 17.7%) but added one in France (to 9.6%) and Italy (to 11.3%). While the situation has clearly improved since aggregate Eurozone unemployment peaked at 12.0% in 2013, gains have been unevenly spread across regions and age groups. For instance, the unemployment rate for Europeans under 25 years of age remains at a shocking 18.9%.

Eurozone: Labour market improving, but under-25s still suffering

Total unemployment rate vs. under-25 unemployment rate



In China, the Caixin/Markit Composite PMI fell from 51.4 in May to 51.1 in June, signalling the slowest rate of business activity in a year. The decline was driven by the services sector, which saw its PMI decrease from 52.8 to 51.6 on slower job creation and softer new orders. Alternatively, the manufacturing index crawled back into expansionary territory, gaining 0.8 point to 50.4 as output and new orders expanded at a faster pace than a month earlier. On a less positive note, payrolls in the manufacturing sector continued to decline in June.

Weekly Economic Watch

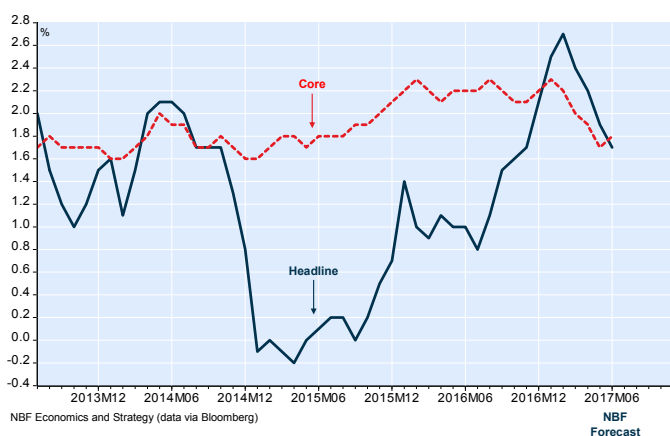
What We'll Be Watching

In the U.S., the release of June's consumer price index will attract the most attention. The headline figure could have been flat in the month as the variation in gasoline prices was below historical norms. As a result, we expect the year-on-year rate to decline two ticks to 1.7%. Furthermore, in the context of a tighter labour market, and accounting for a weakening U.S. dollar, the annual core inflation rate could have risen one tick to 1.8% on the back of a 0.2% monthly rise. In other news, if the production tracker of the ISM manufacturing index is any guide, factories should have contributed significantly to industrial production in June. The mining sector also got a boost based on a higher rig count in the country. All told industrial output may have risen 0.5% in the month. Also in June, retail sales probably rebounded somewhat after suffering their worst monthly contraction in 16 months (-0.3% m/m), helped by decent auto sales and a rebound in the electronics segment. That being said, lackluster sales at gasoline stations, on account of lower pump prices, could have hampered ex-auto sales. On Wednesday (July 12th) Janet Yellen, the Fed's Chair, will deliver her semi-annual report on the economy and monetary policy before the House of Representatives Financial Services Committee. In addition, the latest edition of the Fed's beige book will be published. We'll also keep an eye on the release of the JOLTS report for May and the NBF Small Businesses Optimism Index for June.

	Previous	NBF forecasts
CPI (June y/y chg.)	1.9%	1.7%
Core CPI (June y/y chg.)	1.7%	1.8%
Industrial production (June m/m chg.)	0.0%	0.5%
Retail sales (June m/m chg.)	-0.3%	0.2%
ex-autos Retail sales (June m/m chg.)	-0.3%	0.0%

U.S: Headline inflation may drop two ticks on lower pump prices

Consumer price index

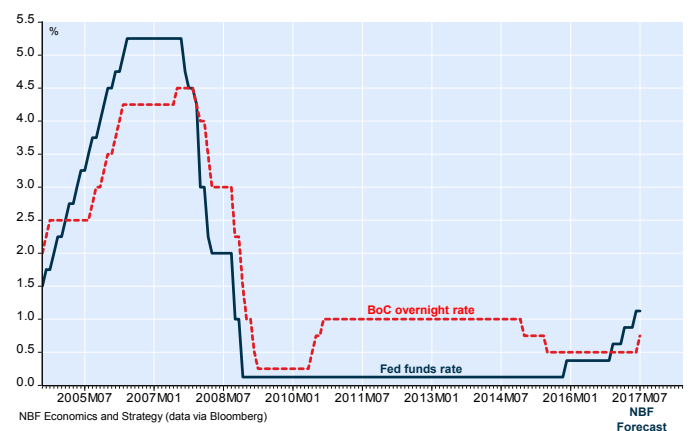


In Canada, the week will be highlighted by the Bank of Canada's statement on monetary policy, due on Wednesday. In a recent interview with CNBC, Governor Stephen Poloz downplayed soft inflation data - the latest CPI report showed headline inflation advancing a paltry 1.3% year over year in May - and instead emphasized the Canadian economy's positive outlook. Poloz also judged that "extraordinarily low" interest rates had done their job in keeping the economy afloat in the aftermath of the 2014 oil shock. Those comments, taken together with the broad-based improvement in business sentiment reported in the summer edition of the BoC Business Outlook Survey, leads us to expect the Bank to raise its policy rate 25 bps to 0.75%, a hike that should be replicated in October, bringing the policy rate to 1.00% at year-end. The BoC will also issue the latest edition of its Monetary Policy Report containing its updated economic forecasts. The housing starts report for the month of June is due on Wednesday too. After suffering their largest two-month drop in more than 8 years (-22.73%), we expect starts to bounce back somewhat and stabilise at 205K. Finally, June's iteration of the Teranet/National Bank Home Price Index will be issued.

	Previous	NBF forecasts
Bank of Canada overnight rate	0.50%	0.75%
Housing starts (June, saar)	194.6K	205K

Canada: BoC to raise rate for the first time in almost 7 years?

Bank of Canada overnight rate vs. Fed funds rate (mid-point)



Elsewhere in the world, industrial production data for the month of May will be available for the Eurozone. In China, we'll get June's update on CPI and trade balance.

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 Jul 10	15:00	US	Consumer Credit	May	\$8.197b	\$12.000b					
Tuesday Jul 11	6:00	US	NFIB Small Business Optimism	Jun	104.5	104.5		Jean Coutu Group PJC Inc/The	07:00	Q1 18	0.23
	8:15	CA	Housing Starts	Jun	194.7k	--	205k	PepsiCo Inc	06:00	Q2 17	1.40
	10:00	US	Wholesale Trade Sales MoM	May	-0.40%	--					
Wednesday Jul 12	7:00	US	MBA Mortgage Applications	Jul-07	1.40%	--		Alimentation Couche-Tard Inc	Bef-mkt	Q4 17	0.46
	8:30	CA	Teranet/National Bank HPI MoM	Jun	2.20%	--		Fastenal Co	07:00	Q2 17	0.50
	8:30	CA	Teranet/National Bank HPI YoY	Jun	13.90%	--					
	10:00	CA	Bank of Canada Rate Decision	Jul-12	0.50%	0.75%	0.75%				
Thursday Jul 13	8:30	CA	New Housing Price Index MoM	May	0.80%	--		Cogeco Communications Inc	Aft-mkt	Q3 17	1.42
	8:30	CA	New Housing Price Index YoY	May	3.90%	--		Delta Air Lines Inc	0:00	Q2 17	1.64
	8:30	US	PPI Final Demand MoM	Jun	0.00%	0.00%					
	8:30	US	PPI Ex Food and Energy MoM	Jun	0.30%	0.20%					
	8:30	US	PPI Final Demand YoY	Jun	2.40%	1.90%					
	8:30	US	PPI Ex Food and Energy YoY	Jun	2.10%	2.00%					
	8:30	US	Initial Jobless Claims	Jul-08	248k	245k					
Friday Jul 14	8:30	US	CPI MoM	Jun	-0.10%	0.10%	0.00%	JPMorgan Chase & Co	07:00	Q2 17	1.60
	8:30	US	CPI Ex Food and Energy MoM	Jun	0.10%	0.20%	0.20%	Wells Fargo & Co	08:00	Q2 17	1.01
	8:30	US	CPI YoY	Jun	1.90%	1.70%	1.70%	Citigroup Inc	08:00	Q2 17	1.22
	8:30	US	CPI Ex Food and Energy YoY	Jun	1.70%	1.80%	1.80%	PNC Financial Services Group Inc/The	0:00	Q2 17	2.02
	8:30	US	Retail Sales Advance MoM	Jun	-0.30%	0.10%	0.20%				
	8:30	US	Retail Sales Ex Auto MoM	Jun	-0.30%	0.20%	0.00%				
	9:15	US	Industrial Production MoM	Jun	0.00%	0.30%	0.50%				
	9:15	US	Capacity Utilization	Jun	76.60%	76.80%					
	10:00	US	U. of Mich. Sentiment	Jul P	95.1	95.0					

Source: Bloomberg

Weekly Economic Watch

Annex - Economic Tables

TABLE 1 - NORTH AMERICAN FINANCIAL INDICATORS

July 7, 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.						
UNITED STATES										
<u>MONETARY AGGREGATES</u>										
M1	* May 2017	(\$Billions) 3505	2.2	-0.3	2.1	11.8	6.7	8.0	8.2	6.0
M2	* May 2017	13496	0.5	0.4	0.6	5.8	5.7	5.9	6.2	6.3
<u>CREDIT MEASURES</u>										
Consumer Credit	April 2017	3821	0.2	0.5	0.4	4.8	6.1	5.8	6.2	6.5
Mortgage (Banks)	* May 2017	4181	0.3	0.4	0.3	3.9	4.3	4.9	5.5	6.5
Business	* May 2017	2098	0.1	0.5	-0.6	-1.0	1.7	2.0	4.0	10.3
CANADA										
<u>MONETARY AGGREGATES</u>										
M2+ gross	April 2017	1935	0.9	0.7	-0.2	5.4	7.3	7.7	7.6	5.9
Personal Deposits (Banks) (2)	May 2017	936						6.1	6.4	6.5
<u>CREDIT MEASURES</u>										
Consumer	April 2017	578	0.4	0.3	0.4	4.0	3.6	3.7	3.9	3.0
Mortgages	April 2017	1462	0.5	0.6	0.3	5.7	6.2	6.2	6.1	6.4
Business (S.T. + L.T.)	May 2017	1931	0.8	0.7	1.7	14.8	8.1	8.5	7.0	5.5
Private (Consumer+Business)	April 2017	3956	0.6	1.1	0.9	8.9	6.3	6.7	6.0	5.5
Gov. of Canada securities outstanding	May 2017	707	1.3	1.7	-0.5	4.8	2.4	3.6	3.4	3.7
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	* 6 July 17	1.25	1.25	1.25	1.08	0.95	0.75	1.00	0.75	0.50
Prime Rate	* 6 July 17	4.25	4.25	4.25	4.08	3.95	3.75	4.00	3.75	3.50
3-month Treasury Bills	* 6 July 17	1.02	1.02	0.94	0.91	0.76	0.56	0.78	0.51	0.29
2-year Bonds	* 6 July 17	1.40	1.36	1.34	1.30	1.27	1.08	1.25	1.18	0.59
5-year Bonds	* 6 July 17	1.94	1.84	1.76	1.81	1.88	1.65	1.86	1.86	0.96
10-year Bonds	* 6 July 17	2.37	2.27	2.15	2.26	2.35	2.13	2.34	2.37	1.38
30-year Bonds	* 6 July 17	2.90	2.81	2.71	2.89	2.97	2.79	2.99	2.96	2.14
Corp. High-yield (BofA ML Master II)	* 6 July 17	6.14	6.04	6.09	6.06	6.13	6.42	6.17	6.31	7.36
Corp. Invest. Grade (BofA ML Corp. BBB)	* 6 July 17	3.65	3.57	3.53	3.61	3.69	3.61	3.72	3.76	3.36
<u>Spread</u>										
Corp. High-yield - Treas. 10y.	* 6 July 17	3.77	3.77	3.93	3.80	3.77	4.29	3.83	3.94	5.97
Corp. Invest. grade - Treas. 10y.	* 6 July 17	1.28	1.31	1.37	1.35	1.34	1.48	1.38	1.39	1.98
Treasuries 30y. - 3-m. T.B.	* 6 July 17	1.88	1.79	1.77	1.98	2.21	2.22	2.21	2.45	1.85
<u>EXCHANGE RATE</u>										
FED Broad (Jan 97 = 100)	* 30 June 17	121.54	121.56	121.63	123.68	125.07	124.18	124.37	128.68	119.87
CANADA										
<u>INTEREST RATES</u>										
Prime Rate	* 6 July 17	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Target overnight rate	* 6 July 17	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
30-day commercial paper	* 6 July 17	1.05	0.95	0.83	0.87	0.89	0.88	0.92	0.94	0.87
3-month Treasury Bills	* 6 July 17	0.74	0.71	0.57	0.52	0.50	0.50	0.48	0.45	0.48
1-year Treasury Bills	* 6 July 17	1.02	0.95	0.85	0.72	0.67	0.62	0.65	0.62	0.51
5-year Bonds	* 6 July 17	1.44	1.35	1.16	1.06	1.10	0.95	1.06	1.11	0.54
10-year Bonds	* 6 July 17	1.83	1.71	1.50	1.52	1.61	1.44	1.55	1.71	0.98
30-year Bonds	* 6 July 17	2.21	2.12	1.99	2.11	2.24	2.07	2.24	2.30	1.56
<u>SPREADS</u>										
Prime - 30d. Commercial paper	* 6 July 17	1.65	1.75	1.87	1.83	1.81	1.82	1.78	1.76	1.83
Long Term - Short Term	* 6 July 17	1.47	1.41	1.42	1.59	1.74	1.57	1.76	1.85	1.08
<u>CANADA UNITED STATES SPREADS</u>										
3-month T-Bills	* 6 July 17	-0.28	-0.31	-0.37	-0.39	-0.27	-0.07	-0.30	-0.06	0.19
Long Term Bonds	* 6 July 17	-0.69	-0.70	-0.72	-0.78	-0.73	-0.72	-0.75	-0.66	-0.58
<u>EXCHANGE RATE</u>										
US\$ /CDN\$ (GTIS)	* 6 July 17	0.7705	0.7690	0.7556	0.7453	0.7501	0.7540	0.7455	0.7561	0.7691
Trade-weighted (1990=100) G-10	* 6 July 17	90.5	90.1	88.7	87.6	88.3	88.6	87.8	89.5	90.2
STOCK INDICES										
	Reference Thursday	Level	Monthly Growth (%)			Growth Over (%)			Year-to-date	
			Past Month	Prev. Month	Month Before	3 Months	6 Months	1 Year	ref.	prec.
Dow Jones (U.S.)	* 6 July 17	21320.0	0.9	0.6	1.7	3.2	6.8	19.0	10.7	0.4
S&P 500 (U.S.)	* 6 July 17	2409.8	-0.8	1.3	1.8	2.2	5.8	14.8	8.9	0.4
NASDAQ (U.S.)	* 6 July 17	6089.5	-3.0	2.9	3.8	3.6	10.3	25.3	14.2	-5.5
S&P/TSX (Can.)	* 6 July 17	15078.0	-2.5	-0.8	-0.7	-3.9	-2.7	6.0	-0.3	6.5

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

Weekly Economic Watch

Annex - Economic Tables

TABLE 2 - UNITED STATES ECONOMIC INDICATORS

July 7, 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	May 2017	0.3	0.2	0.4	4.3	3.9	1.9	3.5	3.0	1.5
Consumer Confidence Index (1985=100)	June 2017	118.9	117.6	119.4	118.6	118.1	111.2	97.4	118.1	95.4
I.S.M. Manufacturing Index (level)	* June 2017	57.8	54.9	54.8	55.8	56.4	54.3	52.8	56.4	50.8
- Non-manufacturing (level)	* June 2017	60.8	60.7	62.4	61.3	61.1	59.8	58.8	61.1	57.7
DOMESTIC DEMAND										
Sales new autos & light trucks (000,000)	* June 2017	16.5	16.7	16.9	16.7	17.0	17.4	16.8	17.0	17.3
Retail Sales	May 2017	-0.3	0.4	0.1	1.4	4.6	3.8	3.8	4.7	2.8
- Motor vehicle	May 2017	-0.2	0.5	-0.5	-6.7	4.2	4.2	3.7	4.5	3.8
- Other	May 2017	-0.3	0.4	0.3	3.6	4.8	3.7	3.8	4.8	2.3
Consumer Spending: Total (\$ current)	May 2017	0.1	0.4	0.4	-13.6	-0.2	3.2	-9.4	2.0	3.4
Total (\$ constant)	May 2017	0.1	0.2	0.6	2.7	2.4	2.9	2.7	2.9	2.5
Personal Income	May 2017	0.4	0.3	0.2	4.1	3.0	3.4	3.5	3.6	3.6
Personal Savings Rate (3)	May 2017	5.5	5.1	5.1	5.2	5.1	5.3	6.0	5.2	6.1
New Orders	* May 2017	-0.8	-0.3	1.0	5.0	7.5	1.5	4.2	5.2	-3.5
- Non-Defence Capital Goods exc. Aircraft	* May 2017	0.2	0.3	0.0	3.3	4.3	-1.2	5.5	2.7	-5.6
Unfilled Orders	* May 2017	-0.2	0.2	0.3	0.5	-0.9	-1.8	-1.6	-1.6	-1.8
Business Inventories	April 2017	-0.2	0.2	0.3	2.7	3.3	1.8	2.3	2.7	1.6
Inventories / Shipments Businesses	April 2017	1.37	1.37	1.37	1.37	1.37	1.39	1.42	1.37	1.42
Manufacturers' Shipments	* May 2017	0.1	0.0	-0.2	0.7	7.1	1.7	4.9	5.2	-3.9
Manufacturers' Inventories	* May 2017	-0.1	0.0	0.2	1.7	3.2	0.5	2.2	2.1	-1.0
Inventories / Shipments Manuf.	* May 2017	1.38	1.38	1.38	1.38	1.38	1.39	1.41	1.38	1.42
Housing Starts (000) (1)	May 2017	1092	1156	1189	1146	1205	1195	1119	1192	1149
New Home Sales, single-family	May 2017	2.9	-7.9	4.7	20.7	7.6	14.7	8.9	13.2	5.7
Existing Home Sales, s.f. & condos	May 2017	1.1	-2.5	4.2	5.1	4.9	3.4	2.7	3.8	5.0
PRODUCTION										
Industrial Production	May 2017	0.0	1.1	0.1	3.8	2.0	0.1	2.2	1.2	-1.9
- Consumer Goods	May 2017	0.2	1.7	0.3	2.3	-0.5	0.3	1.2	0.1	0.7
- Hitech goods	May 2017	0.0	1.3	0.8	5.4	6.8	6.1	7.0	6.6	2.0
EXTERNAL AND FISCAL BALANCES										
Exports	* May 2017	0.4	-0.1	-0.1	1.4	5.9	2.3	5.4	6.0	-5.5
Imports	* May 2017	-0.1	0.9	0.1	1.7	8.3	3.1	6.6	7.3	-4.7
Merch. Trade Balance (\$ billions)	* May 2017	-46.5	-47.6	-45.3	-46.5	-46.3	-44.3	-41.5	-46.6	-41.2
Real merchandise trade balance	* May 2017	-62.8	-63.8	-60.7	-62.4	-62.6	-62.0	-61.6	-62.7	-60.8
Federal budget balance last 12 months (2)	May 2017	-611.4	-575.5	-651.5				-479.3	-223.0	-191.5
INFLATION AND COSTS										
Consumer Prices	May 2017	-0.1	0.2	-0.3	0.2	2.5	1.8	1.9	2.4	1.1
- Excluding Food and Energy	May 2017	0.1	0.1	-0.1	0.7	2.0	2.1	1.7	2.0	2.2
PCE Deflator exc. Food and Energy	May 2017	0.1	0.1	-0.1	0.8	1.5	1.7	1.4	1.6	1.6
Producer price index for final demand	May 2017	0.0	0.5	-0.1	2.4	2.7	1.3	2.4	2.2	0.0
Average Hourly Earnings (4)	* June 2017							2.5	2.3	2.4
Industrial Capacity Utilization Rate	May 2017	76.6	76.7	75.9	76.4	76.1	75.9	75.6	76.2	75.7
Median Price, Single-Family Homes (5)	May 2017	3.4	3.5	3.6	29.2	-1.8	6.0	6.0	6.5	5.6
LABOUR MARKET										
New Jobs (000) (6)	* June 2017	222	152	207	194	180	187	2238	1079	1081
- Manufacturing (000)	* June 2017	1	-2	9	3	9	4	49	53	-12
- Services (000)	* June 2017	197	139	188	175	144	161	1936	866	1106
Average weekly hours (6)	* June 2017	0.4	-0.3	0.4	2.1	2.0	1.6	2.0	1.8	1.7
Civilian Unemployment Rate (7)	* June 2017	4.4	4.3	4.4	4.4	4.5	4.7	4.9	4.5	4.9
NATIONAL ACCOUNTS AND OTHER										
Annualized Growth Rates										
QUARTERLY INDICATORS										
	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q1 2016	2014	2013	2012	
Real GDP Chained 2009 dollars	1.4	2.1	3.5	1.4	0.8	0.9	2.4	2.2	2.3	
Consumption	1.1	3.5	3.0	4.3	1.6	2.3	2.7	3.2	2.9	
Residential Construction	12.9	9.6	-4.1	-7.8	7.8	11.5	4.9	11.7	3.5	
Business Investment	10.4	0.9	1.4	1.0	-3.4	-3.3	-0.5	2.1	6.0	
Government Spending	-0.9	0.2	0.8	-1.7	1.6	1.0	0.8	1.8	-0.9	
Exports	7.0	-4.5	10.0	1.8	-0.7	-2.7	0.4	0.1	4.3	
Imports	4.0	8.9	2.2	0.2	-0.6	0.7	1.2	4.6	4.4	
Change in Inventories (1) (2)	2.6	49.6	7.1	-9.5	40.7	56.9	22.0	84.0	57.7	
GDP Deflator	1.9	2.1	1.4	2.3	0.5	0.9	1.3	1.1	1.8	
Personal Disposable Income	1.7	-0.3	2.9	2.9	2.1	3.0	2.6	3.5	3.5	
	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	2014	2013	2012	
Labour Productivity (4)	0.0	1.8	3.3	-0.1	-0.7	-2.0	0.2	0.9	0.8	
Unit Labor Costs (4)	2.2	-4.6	0.7	6.2	-0.3	5.7	2.2	2.0	2.1	
	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	2014	2013	2012	
Current Account (current \$)	-467.1	-456.0	-441.1	-432.8	-476.8	-414.0	-451.7	-434.6	-373.8	
as a % of GDP	-2.5	-2.4	-2.4	-2.3	-2.6	-2.3	-2.4	-2.4	-2.1	
	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	2014	2013	2012	
Corporate Profits (8)	-8.7	2.1	25.4	-2.4	14.1	-22.3	-0.1	-3.0	5.9	
as a % of GDP	11.0	11.4	11.5	11.0	11.1	10.8	11.2	11.6	12.0	

* Update

Source: Thomson-Reuters Datastream

(1) Annual Rate

(5) Existing Homes Sold

(9) Computed to same period of the

(2) \$ Billions

(6) Non-Farm Payroll Survey

preceeding year, unless otherwise

(3) Personal Savings as a % of Personal Disposable Income

(7) Household Survey

stated

(4) Nonfarm Business

(8) Current \$ and before taxes

Weekly Economic Watch

Annex - Economic Tables

TABLE 3 - CANADIAN ECONOMIC INDICATORS

July 7, 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				ref.	prec.
					3 Mos.	6 Mos.	12 Mos.			
CFIB Business Barometer®	June 2017	-7.8	2.6	2.3	12.0	13.5	7.1	1.5	11.4	-7.2
DOMESTIC DEMAND										
Retail Sales (\$ current)	April 2017	0.8	0.5	-0.3	8.1	8.5	5.1	7.0	6.5	6.6
- Motor vehicle and parts dealers	April 2017	-1.0	2.3	-1.5	7.2	14.0	6.7	8.7	6.8	15.2
- Other	April 2017	1.5	-0.1	0.1	8.4	6.6	4.6	6.4	6.3	4.0
Retail Sales (\$ constant)	April 2017	0.3	1.1	0.2	7.8	6.8	3.9	5.6	4.5	4.8
Manufacturer's Shipments (\$ current)	April 2017	1.1	0.8	-0.2	5.6	10.3	2.7	7.6	6.0	1.2
New Orders	April 2017	0.4	2.0	1.1	19.1	9.3	4.7	8.4	9.6	-3.1
- Durables	April 2017	-1.0	4.3	2.6	34.7	5.5	4.9	6.8	8.9	-3.4
Unfilled Orders	April 2017	1.0	1.5	0.7	5.5	-1.4	-3.7	3.4	0.0	-0.6
Manufacturer's Inventories	April 2017	0.9	1.3	1.6	15.1	4.3	-0.4	5.6	2.9	-9.3
Inventories / Shipments Ratio	April 2017	1.35	1.35	1.34	1.35	1.33	1.35	1.38	1.34	1.38
Manufacturer's Shipments (\$ constant)	April 2017	0.5	-0.2	0.0	2.9	5.8	1.5	1.9	2.3	2.0
Housing Starts (000) (1)	May 2017	194.6	213.5	251.9	220.0	214.6	207.4	187.0	216.1	194.6
Number of existing homes sold (MLS)	April 2017	-1.7	1.5	5.2	28.1	0.2	2.4	-1.0	0.5	13.0
PRODUCTION										
Real Domestic Product	April 2017	0.2	0.5	0.1	3.9	4.0	1.9	3.3	2.8	1.0
- Manufacturing	April 2017	-0.9	1.0	-0.6	1.9	4.4	1.2	2.0	2.1	0.5
- Construction	April 2017	0.1	0.5	0.4	5.6	3.5	-1.7	1.4	0.7	-4.1
Services	April 2017	0.3	0.4	0.2	4.0	3.1	2.4	3.0	2.7	2.1
EXTERNAL, FISCAL AND EXCHANGE BALANCES										
Exports	* May 2017	1.3	2.2	3.5	16.8	16.0	3.8	17.8	10.6	-0.6
Imports	* May 2017	2.4	1.9	1.9	21.5	8.0	2.0	10.2	5.5	0.3
- Capital Goods	* May 2017	2.8	-0.9	4.6	21.8	6.8	-0.6	7.0	2.3	-1.8
Merch. Trade Balance (\$ millions)	* May 2017	-1,086	-552	-715	-784	-540	-1,322	-3,841	-717	-2,744
Change in Official Reserves	* June 2017	-963	879	2,156	691	318	92	1,105	1,908	2,068
Level (US\$): \$84.6 billion										
Fed. budget balance last 12 months (\$ billions)	March 2017	-21.8	-20.9	-19.0				-3.8		-2.0
INFLATION AND COSTS										
Consumer Prices	May 2017	0.1	0.4	0.2	3.3	1.3	1.5	1.3	1.7	1.6
- Excluding Food and Energy	May 2017	0.2	0.0	0.3	3.6	1.1	1.9	1.4	1.8	1.8
- Core inflation (4)	May 2017	0.1	0.0	0.3	3.0	0.7	1.6	0.9	1.3	2.0
Average Hourly Earnings (2)	* June 2017						1.4	1.3	1.1	2.7
Price of New Housing including land	April 2017	0.8	0.2	0.4	3.6	2.9	3.0	3.9	3.4	1.9
Avg. Price of Existing Homes Sold (MLS)	April 2017	1.1	4.2	4.4	32.2	9.6	7.2	9.1	5.2	15.5
Industrial Prices (1992=100)	May 2017	-0.2	0.6	0.8	6.0	5.3	2.0	4.9	4.4	-0.8
LABOUR MARKET										
Labour Force	* June 2017	0.1	0.4	-0.2	0.8	1.3	0.9	1.5	1.1	1.0
Job creation (000)	* June 2017	45.3	54.5	3.2	34.3	31.0	29.2	350.8	186.0	64.2
- Manufacturing	* June 2017	2.9	25.3	-0.6	9.2	7.7	3.7	44.2	46.2	-47.6
- Services	* June 2017	29.2	31.3	-1.0	19.8	21.6	23.0	276.2	129.8	136.2
- Full Time	* June 2017	8.2	76.8	-31.1	18.0	32.2	20.7	248.3	193.3	18.4
- Part Time	* June 2017	37.1	-22.3	34.3	16.4	-1.2	8.5	102.5	-7.3	45.8
Unemployment Rate	* June 2017	6.5	6.6	6.5	6.5	6.6	6.8	6.8	6.6	7.1
NATIONAL ACCOUNTS AND OTHER										
QUARTERLY INDICATORS										
		Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	2016	2015	2014
GDP Chained (2007) \$		3.7	2.7	4.2	-1.4	2.8	0.5	1.5	0.9	2.6
Household consumption		4.3	3.0	3.0	2.3	2.4	1.7	2.4	1.9	2.8
Business Investments, non-res., mach. & equip.		10.3	-22.0	9.5	-4.4	-10.3	-13.7	-8.6	-11.5	3.2
-Machinery and Equipment		25.3	-3.2	-15.8	1.4	-3.6	-10.1	-5.3	-3.3	1.2
Residential Construction		15.7	6.3	-5.1	1.1	9.8	1.8	3.0	3.8	2.7
Government Expenditures		0.5	1.3	-1.7	4.7	3.9	0.0	2.0	1.5	0.8
Government Fixed Capital Formation		0.4	6.5	4.7	-2.9	4.2	-1.1	2.5	5.8	-3.6
Final Domestic Demand		4.7	0.1	1.7	1.8	1.8	-0.5	1.0	0.3	1.9
Exports		-0.3	0.8	9.2	-13.6	8.4	-2.1	1.0	3.4	5.8
Imports		13.7	-11.3	4.3	1.4	3.5	-6.3	-0.9	0.3	2.2
Change in Inventories, chained (2007) \$ (5)		12.3	-2.5	5.4	1.3	-5.9	-3.1	-0.4	3.9	9.4
Real Disposable Income		0.4	2.8	5.2	2.0	0.3	4.5	2.7	3.4	1.2
Personal savings Rate		4.3	5.3	5.3	4.9	4.8	5.6	5.1	5.0	3.7
GDP Price Deflator		4.3	4.7	2.9	0.7	-0.4	-1.1	0.6	-0.8	1.9
Corporate Profits (nominal)		50.6	42.5	92.5	-36.9	-0.4	-27.6	-4.5	-19.5	8.2
as a % of GDP		12.9	11.8	11.0	9.5	10.7	10.7	10.8	11.5	14.3
Indust. Capacity Utilization Rate		83.3	81.8	81.2	79.1	80.6	80.4	80.7	80.8	82.4
Labour Productivity, Business Sector		5.6	1.5	5.4	-1.7	1.7	0.7	0.7	-0.5	2.6
Unit Labour Cost, Business Sector		-1.5	1.5	-3.6	3.0	-0.2	3.5	0.8	2.2	0.9
		Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	2016	2015	2014
Current Account (current \$) (5)		-56.2	-47.1	-74.6	-75.4	-70.8	-66.4	-67.0	-67.6	-48.2
as a % of GDP		-2.7	-2.3	-3.7	-3.8	-3.5	-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

July 7, 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	April 2017	1.6	-1.0	-0.4	5.0	7.5	6.3	6.8	6.6	6.2
Manufacturing Shipments	April 2017	2.6	-0.8	2.4	9.3	15.1	3.0	12.7	9.1	-1.5
Housing Starts (000) (2)	May 2017	34.6	43.4	60.3	46.1	43.4	41.2	39.0	44.0	37.8
Number of existing homes sold (MLS)	April 2017	-4.8	1.7	4.2	16.4	3.9	4.8	1.7	5.2	7.3
Wages and Salaries	March 2017	0.4	0.1	0.3	4.9	4.3	3.4	3.0	3.5	3.3
Value of merchandise exports (1)	* May 2017							1.9	18.0	8.4
CFIB Business Barometer ®	June 2017	1.3	-1.2	0.1	-8.4	3.6	8.6	6.9	5.5	8.8
<u>PRICES</u>										
Consumer Price Index (1)	May 2017	0.1	0.2	0.1	3.0	1.2	0.7	0.7	1.0	1.0
Average Hourly Earnings (1)	* June 2017							2.8	3.4	2.9
Price of New Housing inc. Land (1)	April 2017	0.1	-0.1	0.2	0.9	0.8	0.8	0.7	0.7	0.6
Avg. Price of Existing Homes Sold (MLS)	April 2017	0.3	2.2	-1.1	4.0	4.0	3.8	5.5	4.4	2.3
<u>LABOR MARKET</u>										
Job creation (000)	* June 2017	28.3	14.9	-3.8	13.1	5.7	10.1	121.7	34.1	3.2
Unemployment rate	* June 2017	6.0	6.0	6.6	6.2	6.3	6.5	6.9	6.3	7.3
Participation rate	* June 2017	65.0	64.6	64.8	64.8	64.8	64.7	64.2	64.8	64.5
ONTARIO										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	April 2017	1.1	0.6	-0.1	7.5	9.0	6.2	8.3	6.9	9.6
Manufacturing Shipments	April 2017	0.1	0.9	-1.2	2.2	6.2	2.2	3.6	2.1	8.0
Housing Starts (000) (2)	May 2017	53.8	73.7	90.0	72.5	81.3	78.5	69.8	81.2	73.7
Number of existing homes sold (MLS)	April 2017	-5.7	1.7	7.3	29.1	9.6	9.4	5.5	9.7	10.9
Wages and Salaries	March 2017	0.3	0.2	-0.3	4.1	4.5	3.8	3.3	3.8	4.1
Value of merchandise exports (1)	* May 2017							-1.0	13.0	-0.5
CFIB Business Barometer ®	June 2017	-15.0	-0.7	4.7	2.4	9.6	3.6	-5.6	6.1	-4.3
<u>PRICES</u>										
Consumer Price Index (1)	May 2017	-0.1	0.5	0.2	3.4	1.5	1.8	1.4	2.0	1.8
Average Hourly Earnings (1)	* June 2017							0.8	0.7	0.4
Price of New Housing inc. Land (1)	April 2017	1.6	0.3	0.8	7.3	6.3	6.1	8.1	7.1	3.5
Avg. Price of Existing Homes Sold (MLS)	April 2017	-1.7	3.7	6.2	43.5	25.4	19.5	23.8	23.8	11.7
<u>LABOR MARKET</u>										
Job creation (000)	* June 2017	-6.1	19.9	-1.6	4.1	5.7	6.3	75.1	34.4	42.9
Unemployment rate	* June 2017	6.4	6.5	5.8	6.2	6.3	6.4	6.3	6.3	6.7
Participation rate	* June 2017	64.8	65.0	64.5	64.7	64.9	64.9	65.0	64.9	65.2
NEWFOUNDLAND & LABRADOR										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	April 2017	-0.1	-1.0	-1.3	2.3	5.0	0.2	1.5	2.4	2.3
Manufacturing Shipments	April 2017	13.8	-3.2	-4.3	-6.0	53.7	-3.1	25.6	24.8	-17.2
Housing Starts (000) (2)	May 2017	1.2	0.9	0.9	1.0	1.1	1.2	1.6	1.1	1.7
Number of existing homes sold (MLS)	April 2017	-2.5	7.5	-5.8	-2.6	-17.6	-9.6	-19.6	-14.8	2.4
Wages and Salaries	March 2017	0.4	0.9	-0.1	3.1	3.6	1.5	3.0	3.2	0.4
Value of merchandise exports (1)	* May 2017							17.5	42.9	46.3
CFIB Business Barometer ®	June 2017	6.5	3.6	3.7	17.7	4.5	-20.8	5.4	-10.5	-14.0
<u>PRICES</u>										
Consumer Price Index (1)	May 2017	-0.1	0.2	0.2	2.1	1.5	3.6	3.0	3.9	1.7
Average Hourly Earnings (1)	* June 2017							2.3	4.6	-1.1
Price of New Housing inc. Land (1)	April 2017	0.0	-0.1	0.0	-1.3	-0.7	-0.2	-0.7	-0.7	0.4
Avg. Price of Existing Homes Sold (MLS)	April 2017	0.6	1.7	1.1	0.9	-5.4	-6.1	-1.0	-3.9	-7.4
<u>LABOR MARKET</u>										
Job creation (000)	* June 2017	-1.4	-1.7	1.9	-0.4	-0.5	-1.0	-11.9	-2.8	2.9
Unemployment	* June 2017	14.9	14.8	14.0	14.6	14.4	14.2	12.0	14.4	12.9
Participation rate	* June 2017	59.1	59.4	59.3	59.3	59.3	59.8	60.4	59.3	60.6
PRINCE EDWARD ISLAND										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	April 2017	0.3	3.1	-1.8	12.1	12.7	7.6	9.6	9.2	9.6
Manufacturing Shipments	April 2017	2.4	13.4	-10.5	16.6	4.4	7.6	17.5	10.6	2.1
Housing Starts (000) (2)	May 2017	0.9	0.6	1.5	1.0	0.8	0.7	0.9	0.9	0.5
Number of existing homes sold (MLS)	April 2017	-16.7	8.1	7.3	11.6	-18.2	8.8	-17.6	-3.7	37.4
Wages and Salaries	March 2017	0.9	-0.8	-1.0	1.9	5.3	3.4	4.1	4.1	5.0
Value of merchandise exports (1)	* May 2017							1.5	20.1	7.1
CFIB Business Barometer ®	June 2017	-0.5	12.4	2.9	14.3	-9.0	1.3	-0.7	-3.5	-4.4
<u>PRICES</u>										
Consumer Price Index (1)	May 2017	0.1	0.6	0.7	4.3	1.5	1.4	1.4	1.7	1.3
Average Hourly Earnings (1)	* June 2017							2.0	3.3	1.7
Price of New Housing inc. Land (1)	April 2017	0.0	0.0	0.0	0.0	0.0	0.3	-0.4	0.0	0.4
Avg. Price of Existing Homes Sold (MLS)	April 2017	-3.4	-12.0	12.5	32.3	11.2	14.0	8.4	17.1	1.2
<u>LABOR MARKET</u>										
Job creation (000)	* June 2017	-0.5	1.5	0.8	0.6	0.4	0.3	3.2	2.4	-1.1
Unemployment	* June 2017	10.2	10.0	10.3	10.2	10.1	10.5	10.9	10.1	10.8
Participation rate	* June 2017	67.0	67.3	66.4	66.9	66.4	66.0	65.7	66.4	65.9

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 A4)

July 7, 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	April 2017	-0.2	4.7	-5.2	-3.1	6.8	3.2	5.0	4.2	8.5
Manufacturing Shipments	April 2017	0.3	7.0	-4.6	-18.0	-0.1	2.1	3.6	0.7	6.9
Housing Starts (000) (2)	May 2017	4.6	6.4	1.8	4.2	4.5	4.4	4.8	4.6	3.0
Number of existing homes sold (MLS)	April 2017	-0.1	3.6	0.4	5.3	-8.7	1.5	-3.3	-4.0	16.4
Wages and Salaries	March 2017	1.0	-0.3	0.1	3.6	2.2	1.4	1.6	1.5	2.4
Value of merchandise exports (1)	May 2017	*						-3.0	0.8	3.0
CFIB Business Barometer ®	June 2017	-1.4	-2.8	0.6	-4.3	6.8	-2.9	3.3	-0.3	0.4
<u>PRICES</u>										
Consumer Price Index (1)	May 2017	0.2	0.2	0.3	2.4	0.4	1.2	0.5	1.1	1.2
Average Hourly Earnings (1)	June 2017	*						4.2	1.1	1.5
Price of New Housing inc. Land (1)	April 2017	-0.2	0.0	0.0	0.3	1.7	0.7	1.1	1.3	0.2
<u>LABOR MARKET</u>										
Job creation (000)	June 2017	* -1.9	0.2	-0.5	-0.7	0.0	0.1	1.5	-0.2	1.6
Unemployment	June 2017	* 8.8	7.9	8.3	8.3	8.2	8.2	8.1	8.2	8.5
Participation rate	June 2017	* 62.1	61.7	62.0	62.0	61.9	61.7	61.7	61.9	61.9
NEW BRUNSWICK										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	April 2017	1.0	1.8	0.6	16.0	9.2	0.9	5.8	4.1	7.3
Manufacturing Shipments	April 2017	2.9	3.0	-1.5	23.3	15.3	2.5	6.5	9.1	-7.7
Housing Starts (000) (2)	May 2017	2.2	1.2	1.6	1.7	1.7	1.8	3.0	1.6	1.7
Number of existing homes sold (MLS)	April 2017	-1.3	-3.6	15.1	23.2	5.0	9.7	10.9	11.6	4.5
Wages and Salaries	March 2017	1.0	-1.0	-0.9	-2.2	5.0	3.8	3.3	3.6	3.3
Value of merchandise exports (1)	May 2017	*						3.6	22.3	20.5
CFIB Business Barometer ®	June 2017	5.6	-5.3	-0.4	-9.7	10.1	2.5	-2.1	6.4	-3.9
<u>PRICES</u>										
Consumer Price Index (1)	May 2017	0.0	0.5	0.4	4.6	1.8	2.6	2.4	2.8	1.8
Average Hourly Earnings (1)	June 2017	*						4.2	2.7	0.0
Price of New Housing inc. Land (1)	April 2017	0.0	0.0	-0.1	0.1	2.5	1.2	1.8	1.9	0.4
Avg. Price of Existing Homes Sold (MLS)	April 2017	0.3	-0.2	-0.7	4.4	1.6	3.9	3.3	5.8	-1.5
<u>LABOR MARKET</u>										
Job creation (000)	June 2017	* -0.1	0.7	-2.0	-0.5	-0.4	0.1	1.7	-2.7	-1.4
Unemployment	June 2017	* 8.1	8.4	8.7	8.4	8.6	9.0	10.1	8.6	9.8
Participation rate	June 2017	* 61.4	61.6	61.7	61.6	61.7	62.2	62.5	61.7	62.1
MANITOBA										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	April 2017	1.9	0.6	-0.4	8.7	5.5	2.9	5.7	3.0	7.0
Manufacturing Shipments	April 2017	-0.2	-1.5	-0.4	-7.0	8.8	0.7	-1.2	1.3	2.6
Housing Starts (000) (2)	May 2017	10.9	5.7	8.3	8.3	8.3	7.1	5.8	9.1	4.8
Number of existing homes sold (MLS)	April 2017	2.1	-1.8	4.0	23.7	-0.8	0.9	-1.6	-1.1	7.4
Wages and Salaries	March 2017	0.8	1.2	-0.2	6.4	3.6	1.9	3.6	2.8	2.8
Value of merchandise exports (1)	May 2017	*						-2.4	10.4	1.4
CFIB Business Barometer ®	June 2017	1.2	4.5	-1.6	-3.1	25.8	5.4	16.2	13.3	-0.5
<u>PRICES</u>										
Consumer Price Index (1)	May 2017	0.0	0.2	0.3	3.6	0.7	1.4	1.0	1.7	1.4
Average Hourly Earnings (1)	June 2017	*						1.5	2.6	3.3
Price of New Housing inc. Land (1)	April 2017	0.8	0.0	0.2	2.7	2.8	2.2	3.1	2.7	1.7
Avg. Price of Existing Homes Sold (MLS)	April 2017	0.5	-1.4	2.1	7.2	6.2	3.7	6.1	4.1	2.0
<u>LABOR MARKET</u>										
Job creation (000)	June 2017	* 1.6	2.7	-0.5	1.3	1.9	0.7	8.4	11.3	2.3
Unemployment	June 2017	* 5.3	5.3	5.4	5.3	5.6	5.9	6.2	5.6	6.1
Participation rate	June 2017	* 67.2	67.1	67.0	67.1	67.1	67.3	67.9	67.1	67.7
SASKATCHEWAN										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	April 2017	-4.1	2.8	0.1	10.6	9.8	3.0	3.7	5.2	3.0
Manufacturing Shipments	April 2017	-6.0	-1.3	-0.3	1.8	22.4	8.5	10.7	16.0	-5.4
Housing Starts (000) (2)	May 2017	5.5	4.3	5.2	5.0	4.9	5.0	3.6	4.8	4.4
Number of existing homes sold (MLS)	April 2017	-8.6	-6.3	-0.8	-25.2	-7.9	-5.6	-15.1	-5.8	-2.5
Wages and Salaries	March 2017	1.1	-0.8	0.8	4.7	2.5	0.3	2.3	1.6	0.1
Value of merchandise exports (1)	May 2017	*						-3.9	38.3	16.6
CFIB Business Barometer ®	June 2017	5.6	-11.0	-2.1	-27.3	2.8	-1.7	-5.4	3.8	-0.9
<u>PRICES</u>										
Consumer Price Index (1)	May 2017	-0.2	0.9	0.1	3.8	0.8	1.0	0.9	1.2	1.5
Average Hourly Earnings (1)	June 2017	*						1.8	-0.5	3.2
Price of New Housing inc. Land (1)	April 2017	0.0	0.0	0.1	0.5	0.0	-1.3	-0.3	-0.7	-1.4
Avg. Price of Existing Homes Sold (MLS)	April 2017	-0.1	1.3	-0.7	-4.1	-1.1	-0.4	-0.6	-0.5	-1.6
<u>LABOR MARKET</u>										
Job creation (000)	June 2017	* -1.9	2.1	-2.2	-0.7	0.0	-0.1	-1.7	0.2	-3.8
Unemployment	June 2017	* 6.5	6.3	6.2	6.3	6.2	6.5	6.2	6.2	6.1
Participation rate	June 2017	* 69.3	69.4	69.2	69.3	69.5	69.7	70.0	69.5	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)

		July 7, 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	April 2017	0.5	-0.4	0.2	12.0	10.7	1.4	6.0	6.9	-0.9
Manufacturing Shipments	April 2017	3.0	2.0	1.4	22.4	18.2	1.3	15.8	15.4	-15.2
Housing Starts (000) (2)	May 2017	32.7	31.5	35.2	33.1	28.5	26.7	22.1	28.9	23.8
Number of existing homes sold (MLS)	April 2017	2.9	-3.7	4.6	44.7	9.5	0.7	12.7	16.6	-10.2
Wages and Salaries	March 2017	0.2	0.3	-0.3	1.9	0.8	-2.0	0.4	-0.3	-4.3
Value of merchandise exports (1)	* May 2017							12.1	59.1	-24.7
CFIB Business Barometer ®	June 2017	-0.3	6.8	4.4	100.3	63.1	44.3	44.9	77.9	-34.8
<u>PRICES</u>										
Consumer Price Index (1)	* May 2017	-0.1	0.4	0.1	2.8	1.5	1.2	1.2	1.8	1.6
Average Hourly Earnings (1)	* June 2017							0.4	0.1	3.0
Price of New Housing inc. Land (1)	April 2017	-0.1	0.0	0.0	0.1	-0.1	-0.6	-0.5	-0.5	-0.4
Avg. Price of Existing Homes Sold (MLS)	April 2017	-0.3	3.0	-1.1	0.2	1.0	1.7	2.5	2.5	-1.2
<u>LABOR MARKET</u>										
Job creation (000)	* June 2017	7.5	2.1	-0.3	3.1	5.2	4.0	48.5	31.2	-31.7
Unemployment	* June 2017	7.4	7.8	7.9	7.7	8.1	8.4	7.9	8.1	7.7
Participation rate	* June 2017	72.4	72.5	72.7	72.5	72.7	72.7	71.9	72.7	72.4
BRITISH COLUMBIA										
<u>DOMESTIC DEMAND AND REVENUE</u>										
Retail Sales	April 2017	0.3	2.4	-0.6	11.8	7.4	7.0	7.1	7.2	8.5
Manufacturing Shipments	April 2017	1.2	2.7	-1.5	0.0	5.4	6.2	8.8	7.0	0.4
Housing Starts (000) (2)	May 2017	48.3	45.9	47.1	47.1	40.2	40.7	36.5	39.9	43.1
Number of existing homes sold (MLS)	April 2017	9.9	5.5	2.1	41.3	-23.3	-11.2	-18.4	-24.3	39.4
Wages and Salaries	March 2017	0.4	0.4	0.1	6.3	5.8	4.8	5.6	5.6	3.6
Value of merchandise exports	Feb 2017	-14.8	-6.0	-0.9	-6.8	32.5	9.2	1.9	7.4	3.9
CFIB Business Barometer ®	June 2017	0.1	3.4	3.4	27.5	0.3	2.3	0.3	3.0	-9.3
<u>PRICES</u>										
Consumer Price Index (1)	* May 2017	0.5	0.2	0.5	4.2	1.2	2.0	1.9	2.1	1.8
Average Hourly Earnings (1)	* June 2017						1.1	0.8	0.9	0.9
Price of New Housing inc. Land (1)	April 2017	1.0	0.5	0.1	2.8	1.4	4.4	3.9	3.4	3.6
Avg. Price of Existing Homes Sold (MLS)	April 2017	6.3	1.9	5.3	20.9	-1.0	-4.0	-3.4	-11.2	21.7
<u>LABOR MARKET</u>										
Job creation (000)	* June 2017	19.7	12.3	11.3	14.4	13.0	8.7	104.3	78.1	49.3
Unemployment	* June 2017	5.1	5.6	5.5	5.4	5.4	5.6	5.9	5.4	6.2
Participation rate	* June 2017	65.9	65.8	65.4	65.7	65.3	64.9	64.5	65.3	64.3

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

July 7, 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	April 2017	0.0	0.0	0.0	0.5	0.7	0.0	0.5	0.4	-0.8
JAPAN										
Consumer confidence - percentage (1)	* June 2017	43.8	43.9	43.1	43.6	43.4	42.7	42.5	43.4	41.4
Retail Sales (1)	May 2017						0.5	2.0	1.7	-0.8
Industrial Production, Volume Index	May 2017	-3.3	4.0	-1.9	4.3	5.2	2.8	5.0	4.8	-2.5
Exports	May 2017	0.0	-0.3	-4.0	0.3	20.2	0.0	12.2	10.3	-9.2
Imports	May 2017	0.3	-0.6	3.5	15.1	25.1	-4.8	15.4	11.6	-17.3
Merchandise trade bal. (Billions of ¥)	April 2017	2,619	3,424	8,308	4,784	4,617	4,606	3,914	15,899	13,351
Current account (Billions of ¥)	April 2017	181	173	229	194	174	168	162	705	679
Inflation (CPI)	May 2017	-0.1	0.1	-0.1	-0.4	0.6	0.1	0.4	0.4	-0.1
Job offers to applicants ratio	May 2017	1.49	1.48	1.45	1.47	1.45	1.42	1.35	1.46	1.31
Unemployment Rate	May 2017	3.1	2.8	2.8	2.9	2.9	3.0	3.2	2.9	3.2
		Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	2016	2015	2014
Gross Domestic Product (Constant Yen)		1.0	1.4	1.0	1.6	2.5	-1.0	1.0	1.1	0.2
Euro-zone										
Volume Retail Sales	* May 2017	0.4	0.1	0.4	3.7	2.3	2.1	2.6	2.3	2.4
Industrial Production exc. Construction	April 2017	0.5	0.2	-0.1	0.0	3.0	1.4	1.4	1.4	1.6
Exports	April 2017	-2.1	2.2	0.8	6.1	11.6	2.7	5.5	6.7	-0.6
Imports	April 2017	-0.8	0.1	-1.1	6.8	16.3	3.1	9.9	10.2	-2.8
Merch. Trade Bal. (Millions of euros)	April 2017	19,646	22,171	18,390	20,069	18,616	18,923	20,029	75,494	89,745
Inflation (CPI)	June 2017	0.0	-0.1	0.4	4.0	1.7	1.1	1.3	1.6	0.0
Unemployment Rate	* May 2017	9.3	9.3	9.4	9.3	9.4	9.7	10.2	9.4	10.2
		Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	2016	2015	#VALUE!
Gross Domestic Product (Constant Euro)		2.3	2.1	1.8	1.4	2.1	1.8	-0.4	0.0	#VALUE!
UNITED KINGDOM										
Consumer Confidence (Diffusion index)	June 2017	-7	-6	-5	-6	-5	-5	-1	-5	1
Retail Sales	May 2017	-1.1	2.5	-1.4	2.6	-0.8	4.0	0.9	2.2	4.5
Manufacturing, energy and mining output	* May 2017	-0.1	0.2	-0.6	-4.6	1.1	1.4	-0.3	1.1	0.7
Exports (1)	* May 2017	0.9	-2.9	5.3	10.0	20.6	11.8	12.6	16.1	-0.5
Imports (1)	* May 2017	3.9	-5.6	6.8	12.2	10.5	13.3	18.6	14.0	-1.0
Merchandise Trade Bal. (Millions of £)	* May 2017	-11,863	-10,595	-12,048	-11,502	-11,179	-11,420	-11,042	-56,718	-51,993
Inflation (CPI harmonized) (1)	May 2017	0.3	0.5	0.4	4.2	2.2	1.7	2.6	2.1	1.3
Producer price index, manufacturing (1)	May 2017	0.1	0.4	0.4	3.8	3.9	2.3	3.6	3.6	-0.8
House prices	* June 2017	-1.0	0.3	0.0	-0.4	2.6	4.6	0.5	3.1	9.1
Unemployment Rate (3-month mov. av.)	April 2017	4.6	4.6	4.7	4.6	4.7	4.8	5.0	4.7	5.1
		Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	2016	2015	2014
Gross Domestic Product (Constant £)		0.9	2.7	2.0	2.4	0.6	2.4	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	* 6 July 17	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
3-month Financing Bill Rate	* 6 July 17	-0.09	-0.10	-0.10	-0.12	-0.20	-0.26	-0.14	-0.36	-0.31
- Spread with U.S.	* 6 July 17	-1.11	-1.12	-1.04	-1.03	-0.97	-0.82	-0.92	-0.87	-0.60
Yield on 10-year Gov't Bonds	* 6 July 17	0.10	0.06	0.06	0.05	0.06	0.00	0.06	0.06	-0.28
- Spread with U.S.	* 6 July 17	-2.27	-2.20	-2.10	-2.21	-2.29	-2.12	-2.28	-2.31	-1.66
Exchange Rate (¥/U.S.\$)	* 6 July 17	113.2	112.2	111.3	111.4	112.3	109.3	110.8	115.4	100.8
Euro Zone										
3-month Treasury Bills	* 6 July 17	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
- Spread with U.S.	* 6 July 17	-1.27	-1.27	-1.19	-1.16	-1.01	-0.81	-1.03	-0.76	-0.54
Exchange Rate (U.S.\$/Euro)	* 6 July 17	1.14	1.14	1.12	1.11	1.09	1.09	1.06	1.06	1.11
(Yen/Euro)	* 6 July 17	129.01	128.59	124.27	123.30	121.95	119.37	118.23	122.38	111.90
(Euro / £)	* 6 July 17	1.14	1.14	1.13	1.16	1.16	1.16	1.17	1.17	1.18
UNITED KINGDOM										
3-month Treasury Bills (tender)	* 6 July 17	0.13	0.09	0.06	0.07	0.08	0.14	0.06	0.01	0.40
- Spread with U.S.	* 6 July 17	-0.89	-0.93	-0.88	-0.84	-0.68	-0.43	-0.72	-0.50	0.11
Yield on 30-year Gov't Bonds	* 6 July 17	1.97	1.88	1.68	1.76	1.82	1.76	1.73	1.96	1.62
- Spread with U.S.	* 6 July 17	-0.94	-0.94	-1.03	-1.13	-1.15	-1.03	-1.26	-1.01	-0.52
Exchange Rate (U.S.\$ / £)	* 6 July 17	1.30	1.30	1.27	1.29	1.26	1.27	1.25	1.24	1.29
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	* July 2017	249	0.5	2.0	3.3	5.9	12.9	22.4	16.0	-11.8

* Update (1) Not Seasonally Adjusted

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

Source: Datastream

Weekly Economic Watch

Annex - Economic Tables

TABLE 6 - COMMODITY PRICES

July 7, 2017

	<u>Spot Price</u>		<u>Weekly Growth (%)</u>			<u>Annualized Growth (%)</u>			<u>Last Year</u>
	<u>July 6</u>	<u>June 29</u>	<u>Last</u>	<u>Prev.</u>	<u>Week</u>	<u>For the Last</u>			
			<u>Week</u>	<u>Week</u>	<u>Before</u>	<u>13 W.</u>	<u>26 W.</u>	<u>52 W.</u>	
<u>INDICES THOMSON-REUTERS</u>									
Total	403.1	395.0	2.0	2.4	-3.1	-13.5	-11.8	-5.6	426.8
Energy	392.6	394.6	-0.5	5.4	-3.9	-38.7	-24.3	1.2	388.0
Grain	323.4	297.4	8.7	1.6	-2.1	60.3	20.7	11.9	289.1
Industrials	390.1	388.2	0.5	0.1	-0.7	-18.4	-3.1	14.6	340.3
Livestock & Meat	354.1	350.5	1.0	1.9	-0.1	32.1	11.5	3.7	341.3
Precious Metals	754.8	771.8	-2.2	-0.1	-0.4	-24.2	-4.8	-15.5	893.5
<u>PRECIOUS METALS</u>									
Gold (\$/ounce) (AM fixing London)	1224.30	1246.60	-1.8	-0.4	-0.7	-9.1	8.9	-10.4	1367.10
Platinum (\$/ounce) (AM fixing London)	909.0	919.0	-1.1	-1.1	-0.5	-18.9	-8.8	-16.3	1086.0
Silver (\$/ounce) (Handy & Harman)	0.2	0.2	-4.2	0.4	-1.0	-41.7	-8.5	-19.0	0.2
Palladium (\$/ounce troy)	835.0	851.0	-1.9	-4.3	3.3	16.9	28.0	37.3	608.0
<u>OTHER METALS (LME)</u>									
Aluminum (\$/tonne)	1,933	1,911	1.2	2.7	0.0	-1.4	27.8	18.6	1,630
Copper (\$/tonne)	5,824	5,931	-1.8	3.6	1.5	-0.2	9.7	24.6	4,673
Zinc (\$/tonne)	2,783	2,756	1.0	2.2	8.4	12.7	14.5	33.0	2,092
Nickel (\$/tonne)	9,037	9,252	-2.3	3.2	2.0	-33.8	-22.1	-6.9	9,706
Lead (\$/tonne)	2,265	2,298	-1.4	5.1	5.5	-3.5	23.7	25.3	1,808
Uranium (UxC-Ux U308 Spot \$/pound)	20.10	20.10	0.0	0.5	0.8	-46.5	-1.5	-24.2	26.50
<u>OTHER COMMODITIES</u>									
Oil WTI (\$/barrel) future (NYMEX)	45.52	44.93	1.3	5.1	-3.9	-39.9	-28.3	0.8	45.14
Oil (Spead with WTI \$/barrel) 1st future (West Canadian select - CME)	-15.65	-15.65	0.0	0.0	0.0	0.0	0.0	9.8	-14.25
Corn (¢/bushel) (Illinois #2)	3.6	3.4	5.6	-0.9	-4.2	24.5	6.5	11.6	3.2
Soy beans (¢/bushel) (Illinois #1)	9.5	8.9	7.1	1.5	-3.4	23.5	-6.4	-7.5	10.3
Pork (¢/lb)	197.7	175.8	12.4	0.0	1.5	412.9	154.8	55.8	126.9
Beef (Cattle feeder index) (CME)	146.0	148.7	-1.8	1.1	-2.6	45.3	19.9	2.6	142.3
Soft Wood Pulp (HWWI) Index 2010 = 100	109	109	0.0	0.2	1.7	21.1	31.1	11.8	98
Natural Gas (mmbtu) Henry Hub future NYMEX	2.88	3.00	-4.0	5.3	-2.4	-36.8	-23.8	0.7	2.86
Lumber 2X4	362	366	-1.0	0.8	-0.7	-25.2	32.0	16.1	312
Iron ore (\$/metric ton)	63	64	-1.6	11.4	1.8	-63.7	-35.0	12.6	56

All prices are in US dollars

Source: Thomson Reuters Datastream

Weekly Economic Watch

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