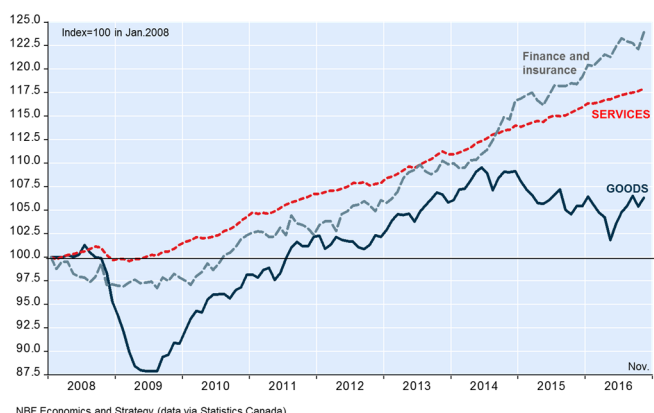


- **What we'll be watching** (p. 3)
- **Calendar of upcoming releases** (p. 5)
- **Annex – Economic tables** (A1)

Week in review

Canada – Real gross domestic product rose 0.4% in November, more than recouping the prior month's losses (October's slump was revised from -0.3% to -0.2%). November's increase was the fifth in the past six months. Goods producing industries saw output jump 0.9% as gains in manufacturing, mining, oil and gas, and construction more than offset decreases for agriculture and utilities. Industrial production grew 0.9% as a result. Output in the services sector swelled 0.2% thanks to gains in retailing, transportation/warehousing, education, health and finance/insurance. (This last category reached an all-time peak.) After nine consecutive months of positive growth, the services sector's output stood at a record high. November's overall output gains put the economy in a good position to expand further in Q4 after a strong third quarter. Assuming no change in December, Q4 GDP growth could come in around 1.6% annualized, close to the Bank of Canada's estimate of 1.5% for the quarter.

Canada: Finance/insurance push services sector output to record
Real GDP by industry



Bank of Canada Governor **Stephen Poloz** held a Q&A session at the University of Alberta in Edmonton in which he highlighted the divergence between the Canadian and the U.S. economies. He described the latter as operating at close to full capacity,

unlike the former where, in his opinion, significant slack remained. Poloz deplored the fact that, despite this state of affairs, the Canadian dollar continued to appreciate against most non-USD currencies. He referred to the loonie's ascent as a "headwind" for the economy. In an attempt to set things straight, he made it clear that Canada's monetary policy was set to deviate from the United States' in the foreseeable future. The governor also drew the crowd's attention to rising mortgage rates, which were affecting an already weak housing sector in Canada. As for the possible implementation of protectionist trade measures by the new U.S. administration, he described it as a risk but also said that "[w]e can't model them without knowing what they will be."

United States – Non farm payrolls rose 227K in January. The private sector added 237K jobs, with gains in both goods and services. Goods sector employment jumped 45K with gains in construction, manufacturing and even mining. The 192K increase for private services sector employment was driven by education/health (+24K), leisure/hospitality (+34K), business services (+39K), and trade/transportation (+44K almost entirely due to retailing). Government cut 10K positions as declines at the state/municipal levels more than offset gains at the federal level. Average hourly earnings rose 0.1% in the month and was up 2.5% on a year-on-year basis (down from 2.8% the prior month). Hours worked rose 0.2% while the private sector employment diffusion index fell to 58.8. The employment report points to continued strength in the U.S. labour market. Particularly encouraging is the increase in cyclical sectors such as manufacturing and construction (the latter is the best in months) reflecting an economy comfortably in expansion mode.

The other U.S. employment report, **the household survey** (similar methodology to Canada's LFS) showed employment falling 30K in January, as losses for part-timers more than offset gains for full-time positions. The two-tick increase in the participation rate to 62.9%, helped push up the jobless rate to 4.8%. The increase in the jobless rate is not necessarily bad news because it reflects the increase in labour force participation, possibly a result of increased confidence by previously discouraged unemployed Americans.

The **ADP employment report**, a gauge of the private sector component of non-farm payrolls, showed that 246K jobs were created in January. Those were split as follows: 83K for large firms (500+ employees), 62K for small firms (<50 employees), and 102K for medium-sized firms.

WEEKLY ECONOMIC WATCH

The **ISM Manufacturing Index** beat expectations in January by climbing to 56, its highest level since November 2014. Production, new orders and employment all grew at a swifter pace than in the prior month, which contributed to lift the overall index. According to the survey, factory employment expanded at its fastest pace since 2014. The ISM data is consistent with continued U.S. GDP expansion in Q1.

The **ISM Non-Manufacturing Index** remained stable at 56.5 for January. The business activity, new orders and inventory sub-indices declined while prices paid and employment made gains.

Construction spending fell 0.2% in December as a 0.4% gain in the residential sector was offset by a 0.7% drop in the non-residential segment.

Personal income rose 0.3% in December after increasing 0.1% the previous month. The jump was due to a rebound in wages and salary income, which sprang 0.4% after dipping 0.1% in November. **Personal spending** rose a consensus-matching 0.5% in the last month of 2016. Spending on goods was especially strong, surging 0.6% after declining 0.2% the month before. Spending on durable goods led the way with a 1.4% increase on the back of strong auto sales.

The **PCE deflator** posted a 0.2% increase in December, pulling the year-over-year figure up to 1.6% from 1.4% in November. Core PCE, the Fed's favoured inflation gauge, nudged up 0.1% after holding level the previous month. At 1.6% and 1.7%, respectively, the year-over-year headline and core PCE drew closer to the Fed's forecast for 2017 (1.9% and 1.8%) but remained below its 2% target.

As was widely expected following December's rate hike, the **Federal Reserve** left monetary policy unchanged. The target range for the fed funds rate was kept at 0.50-0.75% and the Fed maintained its policy of reinvesting principal payments from its holdings of agency debt and agency mortgage-backed securities (MBS) in agency MBS. The Fed also stated that it would continue to roll over maturing Treasury securities. It highlighted the improvement in consumer and business confidence and acknowledged the strengthening labour market, again referring to the job gains as "solid". It said that while inflation had increased in recent quarters, it was still below the FOMC's 2% longer-run objective, adding that market-based measures of inflation compensation remained low. Still, the Fed indicated that near-term risks to the economic outlook were "roughly balanced". The decision was unanimous.

World — In **Japan**, the **unemployment rate** stayed put at 3.1% in December. However, the job-to-applicant ratio rose from 1.41 in November to 1.43 (its highest level since July 1991), signaling a tightening of the labour market. Also in December, **real household spending** fell 0.3% year over year. This was much better than the 0.9% drop expected and a considerable improvement on the 1.5% decline recorded in November. **Industrial production** beat consensus as well, registering a

0.5% gain in December after its best showing in six months in November (1.5%). On a less positive note, **retail trade** retreated a sizeable 1.7% in December.

In this environment, the **Bank of Japan** decided to leave its monetary policy on hold, keeping its short-term interest rates slightly negative (-0.1%). It also vowed to continue to buy ¥80 trillion-worth of government debt per year in order to keep 10-year bond rates around its 0% target. The BoJ raised its GDP growth forecast from 1.0% to 1.4% for the fiscal year to March 2017, from 1.3% to 1.5% for the fiscal year to March 2018, and from 0.9% to 1.1% for the fiscal year to March 2019. The Bank's inflation forecast remained unchanged at 1.5% for fiscal 2017 and at 1.7% for the following year.

In the Eurozone, **GDP** grew 0.5% unannualized in Q4 after expanding 0.4% in Q3 (revised up from 0.3%). This progression, the best in 2016, meant that the European economy grew 1.7% in 2016, three ticks slower than it did in 2015. The flash estimate for January's **CPI annual inflation rate** was 1.8%, much higher than the 1.1% expected by consensus. Though the estimate approached the ECB's target of 2%, it need be said that it was driven up by energy prices. The core measure of inflation, estimated at 0.9% for January, remains muted.

In **China**, the **Manufacturing PMI** exceeded expectations, coming in at 51.3 for January. The **Non-Manufacturing PMI** reached 54.5, a gain of 0.1 point.

WEEKLY ECONOMIC WATCH

What we'll be watching



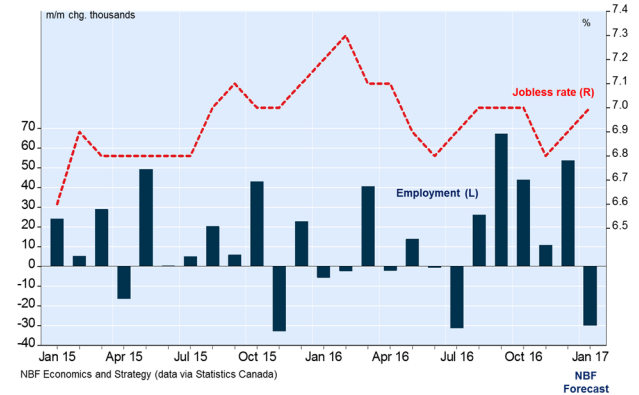
In Canada, the highlight of next week will be the **Labour Force Survey** for the month of January. A correction in employment should not come as a surprise after strong gains in earlier months. Professional, scientific and

technical services may be at risk after outsized gains in the past month, while employment in the public sector and other services could fall as well. All in all we expect a 30K net decline in employment. The latter could sway the jobless rate upwards one tick to 7.0%. The **merchandise trade surplus** likely dropped to C\$0.2bn in December due to weakening export growth and a rebound in imports. The provincial government of New Brunswick is scheduled to present its budget on Wednesday.

	Previous	NBF forecasts
LFS employment (January m/m chg.)	53.7K	-30.0K
Unemployment rate (January)	6.90%	7.00%
Merchandise trade balance (December)	C\$0.53b	C\$0.20b

Canada: Labour market due for a correction in January

Employment and jobless rate



In the U.S., there are no major releases this week.

WEEKLY ECONOMIC WATCH

What we'll be watching



Elsewhere in the world, China will have January data on currency reserves, trade and inflation. The European Economic Summit, a gathering of EU leaders, will be held on Friday.

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 Feb 6							Alacer Gold Corp	Aft-mkt	Q4 16	0.00	
							Toromont Industries Ltd	Aft-mkt	Q4 16	0.57	
							Newell Brands Inc	Bef-mkt	Q4 16	0.80	
							Sysco Corp	Bef-mkt	Q2 17	0.54	
							Loews Corp	Bef-mkt	Q4 16	0.63	
							Hasbro Inc	06:30	Q4 16	1.28	
							Tyson Foods Inc	07:30	Q1 17	1.27	
							Tesoro Corp	Aft-mkt	Q4 16	-0.10	
							FMC Corp	Aft-mkt	Q4 16	0.88	
							Twenty-First Century Fox Inc	16:00	Q2 17	0.49	
						Macerich Co/The	Aft-mkt	Q4 16	1.16		
Tuesday Feb 7	8:30	US	Trade Balance	Dec	-\$45.2b	-\$45.0b	-\$44.0b	WestJet Airlines Ltd	Bef-mkt	Q4 16	0.40
	8:30	CA	Int'l Merchandise Trade	Dec	0.53b	--	0.20b	Genworth MI Canada Inc	Aft-mkt	Q4 16	0.96
	8:30	CA	Building Permits MoM	Dec	-0.10%	--		Fidelity National Information Services Inc	Bef-mkt	Q4 16	1.14
	10:00	CA	Ivey Purchasing Managers Index SA	Jan	60.8	--		Emerson Electric Co	Bef-mkt	Q1 17	0.42
	15:00	US	Consumer Credit	Dec	\$24.532b	\$20.000b		Archer-Daniels-Midland Co	07:00	Q4 16	0.79
								S&P Global Inc	07:15	Q4 16	1.19
							General Motors Co	07:30	Q4 16	1.17	
							Intercontinental Exchange Inc	07:30	Q4 16	0.69	
							Regeneron Pharmaceuticals Inc	0:00	Q4 16	3.05	
							Mondelez International Inc	16:00	Q4 16	0.49	
							Walt Disney Co/The	Aft-mkt	Q1 17	1.49	
							Gilead Sciences Inc	Aft-mkt	Q4 16	2.55	
Wednesday Feb 8	7:00	US	MBA Mortgage Applications	Feb-03	-3.20%	--		ATS Automation Tooling Systems Inc	Bef-mkt	Q3 17	0.09
	8:15	CA	Housing Starts	Jan	207.0k	--	180.0k	Intact Financial Corp	07:00	Q4 16	1.74
								Canfor Corp	Aft-mkt	Q4 16	0.33
								Just Energy Group Inc	Aft-mkt	Q3 17	0.16
								ARC Resources Ltd	Aft-mkt	Q4 16	0.09
							Suncor Energy Inc	Aft-mkt	Q4 16	0.30	
							Home Capital Group Inc	17:00	Q4 16	1.00	
							Mullen Group Ltd	17:00	Q4 16	0.16	
							Allergan PLC	Bef-mkt	Q4 16	3.74	
							Exelon Corp	Bef-mkt	Q4 16	0.45	
							Time Warner Inc	Bef-mkt	Q4 16	1.19	
							Prudential Financial Inc	Aft-mkt	Q4 16	2.31	
Thursday Feb 9	8:30	CA	New Housing Price Index MoM	Dec	0.20%	--		Precision Drilling Corp	Bef-mkt	Q4 16	-0.15
	8:30	CA	New Housing Price Index YoY	Dec	3.00%	--		Manulife Financial Corp	06:00	Q4 16	0.51
	8:30	US	Initial Jobless Claims	Feb-04	246k	250k		TELUS Corp	Bef-mkt	Q4 16	0.58
	10:00	US	Wholesale Trade Sales MoM	Dec	0.40%	--		MEG Energy Corp	Bef-mkt	Q4 16	-0.34
							Uni-Select Inc	Bef-mkt	Q4 16	0.31	
							Thomson Reuters Corp	06:30	Q4 16	0.58	
							Brookfield Asset Management Inc	07:00	Q4 16	0.22	
							Canadian Real Estate Investment Trust	0:00	Q4 16	0.78	
							Great-West Lifeco Inc	0:00	Q4 16	0.68	
							Cameco Corp	Aft-mkt	Q4 16	0.25	
							Sierra Wireless Inc	Aft-mkt	Q4 16	0.16	
							Interfor Corp	Aft-mkt	Q4 16	0.19	
Friday Feb 10	8:30	CA	Unemployment Rate	Jan	6.90%	--	7.00%	Hydro One Ltd	Bef-mkt	Q4 16	0.24
	8:30	CA	Net Change in Employment	Jan	53.7k	--	-30.0k	FirstService Corp	07:30	Q4 16	0.32
	10:00	US	U. of Mich. Sentiment	Feb P	98.5	97.6		Computer Modelling Group Ltd	0:00	Q3 17	0.07
								Birchcliff Energy Ltd	0:00	Q4 16	0.04
								CAE Inc	0:00	Q3 17	0.23
							TransAlta Renewables Inc	0:00	Q4 16	0.24	
							I GM Financial Inc	0:00	Q4 16	0.80	
							Emera Inc	Aft-mkt	Q4 16	0.60	
							Aon PLC	06:30	Q4 16	2.48	
							CBRE Group Inc	06:59	Q4 16	0.81	
							DENTSPLY SIRONA Inc	0:00	Q4 16	0.65	
							Ventas Inc	0:00	Q4 16	1.02	

Source: Bloomberg

WEEKLY ECONOMIC WATCH



Annex - Economic tables

A division of National Bank of Canada

TABLE 1 - NORTH AMERICAN FINANCIAL INDICATORS

February 3, 2017										
Growth Rates Unless Otherwise Indicated	Reference Period	Level	Monthly Growth (%)			Annualized Growth			Year-to-date (3)	
			Past Month	Prev. Month	Month Before	Average of the last 3 Mos.	6 Mos.	12 Mos.	Since ref.	prec.
UNITED STATES										
<u>MONETARY AGGREGATES</u>										
M1	* Dec 2016	3329	-0.4	0.3	0.3	5.0	8.8	8.0	7.6	7.3
M2	* Dec 2016	13185	0.3	0.6	0.4	5.9	6.7	7.1	6.8	5.8
<u>CREDIT MEASURES</u>										
Consumer Credit	Nov 2016	3750	0.7	0.4	0.6	7.2	6.7	6.3	6.3	7.0
Mortgage (Banks)	* Dec 2016	4117	0.2	0.3	0.6	5.7	6.8	6.4	6.9	4.5
Business	* Dec 2016	2099	-0.3	0.2	0.8	5.7	6.3	7.3	9.3	11.6
CANADA										
<u>MONETARY AGGREGATES</u>										
M2+ gross	* Nov 2016	1883	0.5	0.9	0.7	8.6	8.0	7.6	6.6	4.8
Personal Deposits (Banks) (2)	* Dec 2016	915						7.2	7.2	4.0
<u>CREDIT MEASURES</u>										
Consumer	* Nov 2016	565	0.2	0.3	0.3	2.6	3.8	3.2	3.0	3.0
Mortgages	* Nov 2016	1423	0.4	0.4	0.6	5.9	5.8	6.0	6.3	5.7
Business (S.T. + L.T.)	* Dec 2016	1840	0.4	0.5	0.6	5.8	5.9	5.2	5.2	8.1
Private (Consumer+Business)	* Nov 2016	3820	0.4	0.5	0.4	5.4	5.4	5.3	5.2	6.5
Gov. of Canada securities outstanding	Dec 2016	687	-0.2	0.1	0.4	1.0	4.3	3.6	3.7	1.0
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
UNITED STATES										
<u>INTEREST RATES</u>										
Federal Funds Target Rate	* 2 Feb 17	0.75	0.75	0.75	0.65	0.58	0.54	0.50	0.50	0.50
Prime Rate	* 2 Feb 17	3.75	3.75	3.75	3.65	3.58	3.54	3.50	3.50	3.50
3-month Treasury Bills	* 2 Feb 17	0.51	0.50	0.51	0.49	0.40	0.33	0.37	0.26	0.29
2-year Bonds	* 2 Feb 17	1.21	1.21	1.23	1.15	0.97	0.86	0.82	0.65	0.72
5-year Bonds	* 2 Feb 17	1.92	1.96	1.95	1.88	1.54	1.38	1.26	1.03	1.25
10-year Bonds	* 2 Feb 17	2.47	2.51	2.46	2.42	2.04	1.88	1.81	1.50	1.86
30-year Bonds	* 2 Feb 17	3.08	3.09	3.04	3.05	2.72	2.62	2.60	2.25	2.70
Corp. High-yield (BofA ML Master II)	* 2 Feb 17	6.22	6.23	6.29	6.52	6.60	7.34	6.78	7.10	9.51
Corp. Invest. Grade (BofA ML Corp. BBB)	* 2 Feb 17	3.80	3.81	3.82	3.83	3.59	3.69	3.46	3.33	4.47
<u>Spread</u>										
Corp. High-yield - Treas. 10y.	* 2 Feb 17	3.75	3.72	3.83	4.10	4.56	5.46	4.97	5.60	7.65
Corp. Invest. grade - Treas. 10y.	* 2 Feb 17	1.33	1.30	1.36	1.41	1.55	1.82	1.65	1.83	2.60
Treasuries 30y. - 3-m. T.B.	* 2 Feb 17	2.57	2.59	2.53	2.56	2.33	2.29	2.23	1.99	2.41
<u>EXCHANGE RATE</u>										
FED Broad (Jan 97 = 100)	* 27 Jan 17	126.84	127.05	126.70	126.97	124.26	122.86	122.84	122.08	125.87
CANADA										
<u>INTEREST RATES</u>										
Prime Rate	* 2 Feb 17	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Target overnight rate	* 2 Feb 17	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
30-day commercial paper	* 2 Feb 17	0.94	0.94	0.94	0.91	0.89	0.89	0.84	0.86	0.85
3-month Treasury Bills	* 2 Feb 17	0.51	0.46	0.44	0.48	0.49	0.49	0.48	0.52	0.45
1-year Treasury Bills	* 2 Feb 17	0.61	0.61	0.63	0.60	0.58	0.56	0.53	0.56	0.43
5-year Bonds	* 2 Feb 17	1.12	1.17	1.15	1.06	0.87	0.77	0.68	0.65	0.61
10-year Bonds	* 2 Feb 17	1.76	1.82	1.76	1.66	1.38	1.30	1.18	1.10	1.15
30-year Bonds	* 2 Feb 17	2.41	2.46	2.37	2.28	2.00	1.95	1.83	1.67	1.97
<u>SPREADS</u>										
Prime - 30d. Commercial paper	* 2 Feb 17	1.76	1.76	1.76	1.79	1.81	1.81	1.86	1.84	1.85
Long Term - Short Term	* 2 Feb 17	1.90	2.00	1.93	1.79	1.51	1.46	1.35	1.15	1.52
<u>CANADA UNITED STATES SPREADS</u>										
3-month T-Bills	* 2 Feb 17	0.00	-0.04	-0.07	-0.01	0.10	0.16	0.11	0.26	0.16
Long Term Bonds	* 2 Feb 17	-0.67	-0.63	-0.66	-0.77	-0.72	-0.67	-0.77	-0.58	-0.73
<u>EXCHANGE RATE</u>										
US\$ /CDN\$ (GTIS)	* 2 Feb 17	0.7677	0.7640	0.7508	0.7511	0.7568	0.7612	0.7465	0.7682	0.7271
Trade-weighted (1990=100) G-10	* 2 Feb 17	90.5	90.0	88.7	88.7	88.8	89.1	87.3	89.4	85.7
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.)	* 2 Feb 17	19884.9	0.6	3.1	6.7	10.7	8.6	23.1	3.7	-8.9
S&P 500 (U.S.)	* 2 Feb 17	2280.9	1.9	2.1	4.5	8.7	5.7	19.9	4.1	-8.5
NASDAQ (U.S.)	* 2 Feb 17	5636.2	4.7	2.4	2.9	10.4	9.7	24.8	7.2	-11.8
S&P/TSX (Can.)	* 2 Feb 17	15399.1	0.7	1.6	3.1	5.5	6.4	23.8	2.3	-7.6
* 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										
February 3, 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	Dec 2016	0.5	0.1	0.2	2.1	2.0	1.2	1.5	1.2	4.4
Consumer Confidence Index (1985=100)	* Jan 2017	111.8	113.3	109.4	111.5	106.8	101.0	97.8	111.8	97.8
I.S.M. Manufacturing Index (level)	* Jan 2017	56.0	54.5	53.5	54.7	52.9	52.1	48.6	56.0	48.6
- Non-manufacturing (level)	* Jan 2017	60.3	60.9	60.3	60.5	58.6	58.5	54.4	60.3	54.4
DOMESTIC DEMAND										
Sales new autos & light trucks (000,000)	* Jan 2017	17.6	18.4	17.9	18.0	17.8	17.5	17.9	17.6	17.9
Retail Sales	Dec 2016	0.6	0.2	0.7	6.8	5.1	3.0	4.1	3.0	2.3
- Motor vehicle	Dec 2016	2.4	-0.2	0.8	11.6	9.3	3.5	6.8	3.5	6.6
- Other	Dec 2016	0.2	0.3	0.6	5.5	4.0	2.9	3.4	2.9	35.0
Consumer Spending: Total (\$ current)	* Dec 2016	0.5	0.2	0.4	-10.9	0.9	2.8	-7.8	2.8	3.5
Total (\$ constant)	* Dec 2016	0.3	0.2	0.1	2.5	3.2	2.7	2.8	2.7	3.2
Personal Income	* Dec 2016	0.3	0.1	0.5	3.8	4.4	3.5	3.5	3.5	4.4
Personal Savings Rate (3)	* Dec 2016	5.4	5.6	5.7	5.6	5.7	5.9	6.1	5.9	5.8
New Orders	* Dec 2016	1.3	-2.3	2.8	9.1	3.5	-1.6	3.6	-1.6	-6.3
- Non-Defence Capital Goods exc. Aircraft	* Dec 2016	0.7	1.7	0.5	5.3	1.9	-3.4	2.9	-3.4	-3.2
Unfilled Orders	* Dec 2016	-0.6	-0.2	0.8	0.9	-1.6	-1.7	-1.4	-1.7	1.6
Business Inventories	Nov 2016	0.7	-0.1	0.0	1.1	1.5	0.9	1.5	0.9	2.5
Inventories / Shipments Businesses	Nov 2016	1.38	1.37	1.38	1.38	1.38	1.39	1.39	1.39	1.38
Manufacturers' Shipments	* Dec 2016	2.2	0.3	0.2	7.5	3.6	-1.8	4.3	-1.8	-4.4
Manufacturers' Inventories	* Dec 2016	0.1	0.5	0.1	1.9	0.5	-2.3	-0.1	-2.3	-1.0
Inventories / Shipments Manuf.	* Dec 2016	1.31	1.34	1.34	1.33	1.34	1.35	1.37	1.35	1.36
Housing Starts (000) (1)	Dec 2016	1226	1102	1320	1216	1180	1168	1160	1168	1108
New Home Sales, single-family	Dec 2016	-10.4	4.7	0.5	-9.7	10.8	11.8	-0.4	11.8	14.2
Existing Home Sales, s.f. & condos	Dec 2016	-2.8	1.4	1.5	14.0	2.9	4.0	0.7	4.0	6.3
PRODUCTION										
Industrial Production	Dec 2016	0.8	-0.7	0.2	-0.6	0.5	-1.0	0.5	-1.0	0.3
- Consumer Goods	Dec 2016	1.1	-1.0	-0.2	-2.1	0.8	0.7	1.5	0.7	1.4
- Hitech goods	Dec 2016	0.3	-0.7	0.8	3.0	3.9	3.0	3.0	3.0	2.0
EXTERNAL AND FISCAL BALANCES										
Exports	Nov 2016	-0.2	-1.8	0.9	3.3	6.3	-3.1	1.2	-2.7	-4.6
Imports	Nov 2016	1.1	1.2	-1.2	2.0	5.5	-2.8	2.8	-2.4	-3.4
Merch. Trade Balance (\$ billions)	Nov 2016	-45.2	-42.4	-36.2	-41.3	-41.5	-41.3	-41.1	-41.3	-41.7
Real merchandise trade balance	Nov 2016	-63.6	-60.3	-54.2	-59.4	-59.7	-59.9	-60.4	-59.8	-59.2
Federal budget balance last 12 months (2)	Dec 2016	-580.1	-567.1	-495.0				-478.0	-580.1	-478.0
INFLATION AND COSTS										
Consumer Prices	Dec 2016	0.3	0.2	0.4	3.4	2.3	1.3	2.1	1.3	0.1
- Excluding Food and Energy	Dec 2016	0.2	0.2	0.1	2.0	2.0	2.2	2.2	2.2	1.8
PCE Deflator exc. Food and Energy	* Dec 2016	0.1	0.0	0.1	1.3	1.6	1.7	1.7	1.7	1.4
Producer price index for final demand	Dec 2016	0.3	0.4	0.0	1.8	1.4	0.4	1.6	0.4	-0.9
Average Hourly Earnings (4)	* Jan 2017						2.5	2.4	2.4	2.5
Industrial Capacity Utilization Rate	Dec 2016	75.5	74.9	75.4	75.3	75.4	75.4	75.4	75.4	76.7
Median Price, Single-Family Homes (5)	Dec 2016	-1.1	0.2	-0.5	-10.0	8.2	5.5	3.8	5.5	6.9
LABOUR MARKET										
New Jobs (000) (6)	* Jan 2017	227	157	164	183	183	195	2343	227	126
- Manufacturing (000)	* Jan 2017	5	11	0	5	-3	-4	-46	5	28
- Services (000)	* Jan 2017	182	142	129	151	168	190	2275	182	102
Average weekly hours (6)	* Jan 2017	0.3	0.3	0.1	2.1	1.7	1.5	1.5	1.5	2.0
Civilian Unemployment Rate (7)	* Jan 2017	4.8	4.7	4.6	4.7	4.8	4.8	4.9	4.8	4.9
NATIONAL ACCOUNTS AND OTHER										
QUARTERLY INDICATORS										
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2014	2013	2012
Real GDP Chained 2009 dollars		1.9	3.5	1.4	0.8	0.9	2.0	2.4	2.2	2.3
Consumption		2.5	3.0	4.3	1.6	2.3	2.7	2.7	3.2	2.9
Residential Construction		10.2	-4.1	-7.8	7.8	11.5	12.6	4.9	11.7	3.5
Business Investment		2.4	1.4	1.0	-3.4	-3.3	3.9	-0.4	2.1	6.0
Government Spending		1.2	0.8	-1.7	1.6	1.0	1.9	0.9	1.8	-0.9
Exports		-4.3	10.0	1.8	-0.7	-2.7	-2.8	0.4	0.1	4.3
Imports		8.2	2.2	0.2	-0.6	0.7	1.1	1.1	4.6	4.4
Change in Inventories (1) (2)		48.7	7.1	-9.5	40.7	56.9	70.9	21.8	84.0	57.7
GDP Deflator		2.1	1.4	2.3	0.5	0.9	1.2	1.3	1.1	1.8
Personal Disposable Income		1.5	2.6	2.9	2.1	3.0	3.3	2.7	3.5	3.5
Labour Productivity (4)	* Jan 2017	1.3	3.5	-0.2	-0.6	-2.4	2.0	0.2	0.9	0.8
Unit Labor Costs (4)	* Jan 2017	1.7	0.2	6.2	-0.3	5.7	0.8	2.6	2.0	2.1
Current Account (current \$)		-451.8	-473.1	-527.4	-453.6	-492.4	-447.6	-463.0	-392.1	-366.4
as a % of GDP		-2.4	-2.6	-2.9	-2.5	-2.7	-2.5	-2.6	-2.3	-2.2
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	
(2) \$ Billions					(6) Non-Farm Payroll Survey				preceding year, unless otherwise	
(3) Personal Savings as a % of Personal Disposable Income					(7) Household Survey				stated	
(4) Nonfarm Business					(8) Current \$ and before taxes					

Annex - Economic tables

TABLE 3 - CANADIAN ECONOMIC INDICATORS										
February 3, 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 ®	Jan 2017	-0.9	2.2	3.0	8.7	8.8	-0.2	10.7	10.7	-14.5
DOMESTIC DEMAND										
Retail Sales (\$ current)	Nov 2016	0.2	1.2	0.9	7.6	3.0	3.6	3.0	3.7	1.6
- Motor vehicle and parts dealers	Nov 2016	0.8	0.3	2.7	12.8	0.4	6.6	1.7	6.6	5.5
- Other	Nov 2016	0.1	1.4	0.3	6.0	4.0	2.6	3.4	2.8	22.6
Retail Sales (\$ constant)	Nov 2016	0.7	0.6	0.8	6.7	1.7	2.3	2.4	2.5	1.3
Manufacturer's Shipments (\$ current)	Nov 2016	1.5	-0.6	0.0	3.3	1.6	0.4	2.1	0.6	-1.7
New Orders	Nov 2016	0.5	0.8	2.1	3.2	5.2	-0.6	2.9	-0.1	-4.2
- Durables	Nov 2016	-2.0	2.4	4.7	2.5	4.3	-0.1	1.2	0.6	-2.2
Unfilled Orders	Nov 2016	0.0	0.6	-0.2	-3.3	0.3	-6.6	-4.2	-7.1	8.9
Manufacturer's Inventories	Nov 2016	-0.2	0.1	0.4	1.1	-0.5	-1.0	-2.2	-1.4	1.7
Inventories / Shipments Ratio	Nov 2016	1.35	1.38	1.37	1.37	1.37	1.38	1.41	1.38	1.40
Manufacturer's Shipments (\$ constant)	Nov 2016	1.2	-1.6	-0.6	-1.1	-0.9	0.8	1.2	1.1	-1.1
Housing Starts (000) (1)	Dec 2016	207.0	187.3	195.8	196.7	198.1	198.4	170.9	198.4	193.5
Number of existing homes sold (MLS)	Nov 2016	-5.3	2.0	1.5	-4.1	-2.7	6.9	-2.0	6.6	5.1
PRODUCTION										
Real Domestic Product	* Nov 2016	0.4	-0.2	0.4	2.8	1.6	1.0	1.6	1.1	1.0
- Manufacturing	* Nov 2016	1.4	-1.7	0.3	-0.6	0.0	0.4	0.6	0.5	0.3
- Construction	* Nov 2016	1.1	-0.6	0.8	1.3	-2.4	-3.7	-1.1	-3.4	-4.5
Services	* Nov 2016	0.2	0.1	0.1	1.6	1.8	2.0	1.9	2.0	2.2
EXTERNAL, FISCAL AND EXCHANGE BALANCES										
Exports	Nov 2016	4.3	0.6	-0.5	14.9	2.3	-0.8	5.2	-1.2	-1.0
Imports	Nov 2016	0.7	-6.2	4.2	2.9	0.5	0.2	-0.8	-0.1	4.6
- Capital Goods	* Dec 2016	-91.1	-3.2	-17.8	-82.7	-28.7	-9.1	-91.9	-9.1	17.8
Merch. Trade Balance (\$ millions)	Nov 2016	527	-1,024	-4,246	-1,581	-2,172	-2,361	-2,081	-2,361	-1,999
Change in Official Reserves	* Jan 2017	2,065	-412	-253	467	313	300	3,601	2,065	1,536
Level (US\$): \$84.8 billion										<u>Fiscal year</u>
Fed. budget balance last 12 months (\$ billions)	* Nov 2016	-15.7	-11.9	-11.3				7.0	-12.7	1.0
INFLATION AND COSTS										
Consumer Prices	Dec 2016	-0.2	-0.4	0.2	-0.3	1.2	1.4	1.5	1.4	1.1
- Excluding Food and Energy	Dec 2016	-0.4	-0.4	0.2	0.1	1.6	1.9	1.8	1.9	1.8
- Core inflation (4)	Dec 2016	-0.3	-0.5	0.2	-0.4	1.3	1.9	1.6	1.9	2.2
Average Hourly Earnings (2)	Dec 2016						2.1	1.6	2.1	2.8
Price of New Housing including land	Nov 2016	0.2	0.4	0.2	3.1	3.5	2.4	3.0	2.5	1.3
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	2.3	0.2	2.4	4.4	-0.7	11.4	7.5	11.4	7.9
Industrial Prices (1992=100)	* Dec 2016	0.4	0.4	0.7	5.2	3.4	-0.2	2.2	-0.2	-0.8
LABOUR MARKET										
Labour Force	* Dec 2016	0.3	-0.2	0.3	2.1	0.9	0.8	1.0	0.8	0.8
Job creation (000)	* Dec 2016	46.1	-2.4	46.9	30.2	27.5	19.1	229.0	229.0	152.4
- Manufacturing	* Dec 2016	1.9	-10.2	-6.9	-5.1	-0.3	-4.1	-49.6	-49.6	36.7
- Services	* Dec 2016	46.0	21.2	24.5	30.6	24.4	23.6	282.6	282.6	171.2
- Full Time	* Dec 2016	70.8	-15.0	-19.5	12.1	9.2	6.1	73.4	73.4	144.6
- Part Time	* Dec 2016	-24.7	12.6	66.4	18.1	18.3	13.0	155.6	155.6	7.8
Unemployment Rate	Dec 2016	6.9	6.8	7.0	6.9	7.0	7.0	7.1	7.0	6.9
NATIONAL ACCOUNTS AND OTHER										
Annualized Growth Rates										
QUARTERLY INDICATORS										
		Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	2015	2014	2013
GDP Chained (2007) \$		3.5	-1.3	2.7	0.5	2.3	-0.4	0.9	2.6	2.5
Household consumption		2.6	1.8	2.5	1.7	2.7	2.0	1.9	2.8	2.6
Business Investments, non-res., mach. & equip.		3.5	-0.9	-8.5	-13.7	-9.1	-15.1	-11.5	3.2	5.6
- Machinery and Equipment		-12.2	4.1	-2.2	-10.1	2.2	-10.8	-3.3	1.2	0.6
Residential Construction		-5.5	0.3	10.2	1.8	2.5	1.2	3.8	2.7	-0.3
Government Expenditures		-1.2	5.3	3.3	0.0	1.5	0.9	1.5	0.8	-0.7
Government Fixed Capital Formation		2.6	-0.9	2.7	-1.1	1.7	-5.5	5.8	-3.6	-7.4
Final Domestic Demand		0.9	2.0	1.8	-0.5	0.9	-0.7	0.3	1.9	1.6
Exports		8.9	-14.8	9.0	-2.1	5.7	5.2	3.4	5.8	2.7
Imports		3.3	1.4	2.3	-6.3	-4.3	-0.4	0.3	0.3	2.2
Change in Inventories, chained (2007) \$ (5)		4.6	1.0	-8.2	-3.1	-0.9	6.3	3.9	9.4	14.8
Real Disposable Income		7.4	3.4	-1.0	4.5	2.0	6.0	3.4	1.2	3.2
Personal savings Rate		5.8	4.8	4.5	5.6	4.8	5.3	5.0	3.7	5.0
GDP Price Deflator		2.5	1.1	0.0	-1.1	0.7	0.4	-0.8	1.9	1.6
Corporate Profits (nominal)		93.1	-34.4	2.6	-27.6	6.4	-18.6	-19.5	8.2	4.0
as a % of GDP		11.2	9.7	10.7	10.7	11.6	11.5	11.5	14.3	13.8
Indust. Capacity Utilization Rate		81.9	79.7	81.2	80.6	81.2	80.6	81.1	82.4	81.0
Labour Productivity, Business Sector		5.0	-0.9	1.7	0.0	0.7	-3.7	-0.6	2.7	1.5
Unit Labour Cost, Business Sector		-2.7	3.1	-0.9	3.0	-1.5	3.0	2.6	0.8	1.2
		Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	2015	2014	2013
Current Account (current \$) (5)		-73.2	-76.1	-68.2	-66.4	-65.3	-65.8	0.0	-67.6	-48.2
as a % of GDP		-3.6	-3.8	-3.4	-3.3	-3.3	-3.3	0.0	-3.4	-2.4

Sources: Thomson Reuters Datastream and Canadian Real Estate Association

* Update

(1) Annual Rate

(2) Not Seasonally Adjusted

(3) Current and before taxes

(4) C.P.I. excluding the 8 most volatile components and the effect of indirect taxes

(5) Annual rate, \$ billions

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

Annex - Economic tables

TABLE 4 - PROVINCIAL ECONOMIC INDICATORS

February 3, 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										
DOMESTIC DEMAND AND REVENUE										
Retail Sales	Nov 2016	0.3	0.8	1.2	8.2	3.9	4.1	4.5	4.3	0.5
Manufacturing Shipments	Nov 2016	3.0	-1.5	1.7	4.7	1.8	-1.2	1.9	-1.3	-1.1
Housing Starts (000) (2)	Dec 2016	41.4	37.5	39.2	39.4	39.4	38.7	41.4	38.7	36.7
Number of existing homes sold (MLS)	Nov 2016	-4.0	3.2	2.1	9.0	4.0	6.3	3.7	6.0	4.6
Wages and Salaries	Sept 2016	0.7	1.3	-1.0	3.4	3.7	2.9	3.9	3.3	2.3
Value of merchandise exports (1)	Nov 2016						-0.9	11.5	-1.8	7.8
CFIB Business Barometer ®	Jan 2017	4.3	3.1	-1.5	2.7	8.2	10.7	12.0	12.0	8.8
PRICES										
Consumer Price Index (1)	Dec 2016	-0.3	-0.2	0.1	0.0	0.0	0.7	0.6	0.7	1.1
Average Hourly Earnings (1)	Dec 2016						2.8	3.2	2.8	2.1
Price of New Housing inc. Land (1)	Nov 2016	0.0	0.0	0.3	1.5	0.7	0.7	0.6	0.7	0.1
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	0.2	-1.0	0.5	4.7	4.6	2.7	2.0	2.9	1.5
LABOR MARKET										
Job creation (000)	* Dec 2016	18.3	4.6	5.4	9.4	14.6	7.6	90.8	90.8	47.9
Unemployment rate	* Dec 2016	6.5	6.2	6.7	6.5	6.7	7.0	7.8	7.0	7.7
Participation rate	* Dec 2016	65.1	64.5	64.9	64.8	64.7	64.6	64.9	64.6	64.8
ONTARIO										
DOMESTIC DEMAND AND REVENUE										
Retail Sales	Nov 2016	0.5	1.6	0.9	9.5	3.5	4.9	3.5	4.9	4.2
Manufacturing Shipments	Nov 2016	0.0	-0.5	0.1	0.9	-1.1	4.0	0.4	4.1	1.6
Housing Starts (000) (2)	Dec 2016	80.1	59.1	84.8	74.7	74.2	75.1	53.8	75.1	69.0
Number of existing homes sold (MLS)	Nov 2016	-3.5	0.8	3.4	11.1	9.8	8.9	6.7	8.7	9.4
Wages and Salaries	Sept 2016	0.2	0.9	-1.0	1.1	3.7	4.3	4.0	4.2	4.1
Value of merchandise exports (1)	Nov 2016						6.5	3.4	5.6	10.5
CFIB Business Barometer ®	Jan 2017	-1.2	3.2	3.1	14.6	2.5	0.3	8.6	8.6	-13.9
PRICES										
Consumer Price Index (1)	Dec 2016	-0.2	-0.3	0.4	0.5	1.6	1.8	2.0	1.8	1.2
Average Hourly Earnings (1)	Dec 2016						2.2	0.9	2.2	3.1
Price of New Housing inc. Land (1)	Nov 2016	0.4	1.0	0.3	6.9	7.7	4.6	6.3	4.8	2.4
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	3.0	0.7	2.2	25.2	20.1	14.2	20.7	14.8	7.4
LABOR MARKET										
Job creation (000)	* Dec 2016	6.4	11.9	25.5	14.6	6.8	7.0	83.6	83.6	83.7
Unemployment rate	Dec 2016	6.4	6.2	6.4	6.3	6.5	6.6	6.7	6.6	6.7
Participation rate	* Dec 2016	64.9	64.8	64.9	64.9	64.8	65.0	65.2	65.0	65.2
NEWFOUNDLAND & LABRADOR										
DOMESTIC DEMAND AND REVENUE										
Retail Sales	Nov 2016	-0.4	-0.3	1.8	3.2	-0.8	0.9	-1.9	1.0	0.3
Manufacturing Shipments	Nov 2016	8.3	19.4	-13.0	1.5	1.9	-19.3	6.4	-19.4	-6.4
Housing Starts (000) (2)	Dec 2016	1.3	1.2	1.5	1.3	1.3	1.5	1.4	1.5	1.8
Number of existing homes sold (MLS)	Nov 2016	0.6	4.7	-5.6	-14.9	0.3	0.4	1.1	0.3	4.0
Wages and Salaries	Sept 2016	0.9	-1.5	0.5	-0.9	0.2	0.4	0.0	-0.2	3.4
Value of merchandise exports (1)	Nov 2016						-9.6	63.1	-10.0	-31.7
CFIB Business Barometer ®	Jan 2017	-3.5	12.7	-4.8	47.8	-18.6	-24.5	-27.2	-27.2	4.8
PRICES										
Consumer Price Index (1)	Dec 2016	-0.1	-0.7	0.3	0.2	5.4	2.7	4.1	2.7	0.4
Average Hourly Earnings (1)	Dec 2016						-0.6	1.3	-0.6	-1.3
Price of New Housing inc. Land (1)	Nov 2016	0.0	0.0	0.2	0.0	-0.5	0.2	-0.3	0.1	0.3
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	0.9	3.8	-1.1	4.5	0.3	-6.4	-3.1	-6.8	-2.9
LABOR MARKET										
Job creation (000)	* Dec 2016	-0.9	-1.0	-5.0	-2.3	-1.5	-0.5	-6.2	-6.2	-4.6
Unemployment	* Dec 2016	15.1	14.7	15.2	15.0	14.0	13.5	14.2	13.5	12.8
Participation rate	* Dec 2016	60.1	60.1	60.7	60.3	60.3	60.5	61.4	60.5	61.1
PRINCE EDWARD ISLAND										
DOMESTIC DEMAND AND REVENUE										
Retail Sales	Nov 2016	2.1	0.0	4.9	19.6	6.7	6.6	9.1	6.6	1.9
Manufacturing Shipments	Nov 2016	9.0	1.0	-9.1	-4.5	8.8	3.5	6.0	4.3	7.4
Housing Starts (000) (2)	Dec 2016	0.3	0.5	0.3	0.4	0.6	0.5	0.2	0.5	0.5
Number of existing homes sold (MLS)	Nov 2016	5.6	-13.4	-0.5	-9.5	19.4	23.2	11.1	22.3	19.5
Wages and Salaries	Sept 2016	1.1	0.7	-1.0	1.6	2.4	4.4	2.7	3.9	3.0
Value of merchandise exports (1)	Nov 2016						3.1	15.6	2.0	17.1
CFIB Business Barometer ®	Jan 2017	2.3	-11.6	8.6	-1.9	-3.8	2.4	7.1	7.1	-13.6
PRICES										
Consumer Price Index (1)	Dec 2016	-0.7	-0.1	1.0	2.4	0.9	1.2	1.3	1.2	-0.6
Average Hourly Earnings (1)	Dec 2016						1.3	0.0	1.3	2.4
Price of New Housing inc. Land (1)	Nov 2016	0.0	0.0	0.0	0.0	0.3	0.3	0.9	0.4	0.2
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	-13.9	13.5	-13.5	-26.2	11.0	8.5	-1.5	9.1	-0.8
LABOR MARKET										
Job creation (000)	* Dec 2016	0.6	0.1	-0.1	0.2	0.1	0.0	-0.3	-0.3	-0.6
Unemployment	* Dec 2016	10.5	10.6	11.5	10.9	10.8	10.8	10.0	10.8	10.4
Participation rate	* Dec 2016	65.8	65.4	66.0	65.8	65.7	65.8	66.3	65.8	67.5

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

Annex - Economic tables

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

February 3, 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	Nov 2016	2.0	0.4	1.4	13.4	4.4	4.1	4.3	4.3	-0.8	
Manufacturing Shipments	Nov 2016	6.7	-1.1	-3.5	1.3	2.1	5.3	7.3	4.5	4.4	
Housing Starts (000) (2)	Dec 2016	3.9	4.8	4.4	4.4	4.1	3.7	1.8	3.7	3.9	
Number of existing homes sold (MLS)	Nov 2016	-9.5	-2.9	4.8	6.3	4.8	4.2	-8.7	5.0	3.6	
Wages and Salaries	Sept 2016	0.4	0.2	-0.7	0.0	0.4	2.1	1.6	1.8	1.9	
Value of merchandise exports (1)	Nov 2016						-0.6	-3.4	-2.5	0.1	
CFIB Business Barometer ®	Jan 2017	0.4	0.1	-1.0	12.1	1.8	-3.6	-5.5	-5.5	6.3	
<u>PRICES</u>											
Consumer Price Index (1)	Dec 2016	-0.2	-0.5	0.0	-0.9	0.9	1.2	1.3	1.2	0.4	
Average Hourly Earnings (1)	Dec 2016						3.2	5.2	3.2	0.6	
Price of New Housing inc. Land (1)	Nov 2016	0.2	0.5	0.0	2.0	1.1	0.3	1.3	0.3	0.8	
<u>LABOR MARKET</u>											
Job creation (000)	* Dec 2016	0.4	2.7	1.6	1.6	0.3	0.3	3.3	3.3	-5.4	
Unemployment	Dec 2016	8.3	8.0	7.7	8.0	8.2	8.3	8.7	8.3	8.6	
Participation rate	* Dec 2016	61.9	61.7	61.1	61.6	61.5	61.7	62.0	61.7	62.4	
NEW BRUNSWICK											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales	Nov 2016	0.8	1.6	0.9	8.3	-0.7	3.3	-0.1	3.3	2.3	
Manufacturing Shipments	Nov 2016	-2.4	-1.6	-6.6	-12.9	-3.8	-5.2	10.1	-4.5	-9.8	
Housing Starts (000) (2)	Dec 2016	1.8	2.1	2.3	2.1	2.1	1.9	1.7	1.9	2.0	
Number of existing homes sold (MLS)	Nov 2016	3.0	7.1	-4.5	16.1	19.1	7.6	13.9	6.9	5.7	
Wages and Salaries	Sept 2016	1.5	0.3	-0.4	2.2	3.1	4.1	4.6	3.9	2.5	
Value of merchandise exports (1)	Nov 2016						-12.5	6.3	-13.1	-6.1	
CFIB Business Barometer ®	Jan 2017	5.2	1.7	5.9	11.6	2.6	-2.3	1.1	1.1	-2.1	
<u>PRICES</u>											
Consumer Price Index (1)	Dec 2016	-0.4	-0.4	0.0	-1.1	2.9	2.2	2.3	2.2	0.5	
Average Hourly Earnings (1)	Dec 2016						2.1	4.1	2.1	2.9	
Price of New Housing inc. Land (1)	Nov 2016	0.0	0.4	1.2	6.4	1.6	0.6	1.6	0.6	-0.2	
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	-1.8	1.8	-3.1	-4.3	6.3	1.0	2.4	1.1	-1.0	
<u>LABOR MARKET</u>											
Job creation (000)	* Dec 2016	0.5	0.2	-1.9	-0.4	0.7	0.3	3.0	3.0	1.3	
Unemployment	* Dec 2016	9.3	8.8	9.8	9.3	9.3	9.6	9.0	9.6	9.8	
Participation rate	* Dec 2016	62.8	62.3	63.0	62.7	62.7	62.4	62.1	62.4	62.7	
MANITOBA											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales	Nov 2016	0.8	0.3	-0.7	2.3	0.3	4.6	2.2	4.7	1.3	
Manufacturing Shipments	Nov 2016	2.8	1.8	-0.7	19.7	-0.2	0.8	1.9	1.1	-1.4	
Housing Starts (000) (2)	Dec 2016	4.3	6.8	5.5	5.5	5.7	5.3	4.9	5.3	5.6	
Number of existing homes sold (MLS)	Nov 2016	-7.9	5.3	0.3	-6.1	-5.1	4.2	-5.1	4.1	1.3	
Wages and Salaries	Sept 2016	1.2	0.5	-0.1	1.9	0.5	2.6	2.3	2.2	3.0	
Value of merchandise exports (1)	Nov 2016						-0.7	4.2	-2.1	1.1	
CFIB Business Barometer ®	Jan 2017	0.7	5.4	13.7	96.4	12.8	-1.7	9.4	9.4	7.5	
<u>PRICES</u>											
Consumer Price Index (1)	Dec 2016	-0.1	-1.2	0.3	-2.2	1.0	1.3	1.1	1.3	1.2	
Average Hourly Earnings (1)	Dec 2016						2.0	1.2	2.0	3.5	
Price of New Housing inc. Land (1)	Nov 2016	0.1	0.6	0.3	3.5	2.5	1.8	2.4	1.8	1.0	
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	2.3	-1.6	2.1	8.4	6.5	2.0	3.4	2.6	1.8	
<u>LABOR MARKET</u>											
Job creation (000)	* Dec 2016	1.1	-1.6	1.3	0.3	-0.5	-0.1	-0.6	-0.6	-0.7	
Unemployment	Dec 2016	6.3	6.1	6.5	6.3	6.3	6.2	6.0	6.2	5.6	
Participation rate	* Dec 2016	67.2	67.1	67.5	67.4	67.4	67.5	67.9	67.5	68.3	
SASKATCHEWAN											
<u>DOMESTIC DEMAND AND REVENUE</u>											
Retail Sales	Nov 2016	1.6	0.4	0.2	-1.7	0.8	0.8	2.5	1.0	-3.7	
Manufacturing Shipments	Nov 2016	1.3	-0.2	1.5	22.0	8.2	-0.3	12.2	0.0	-11.7	
Housing Starts (000) (2)	Dec 2016	5.3	4.1	4.7	4.7	5.3	4.9	4.9	4.9	5.2	
Number of existing homes sold (MLS)	Nov 2016	-8.6	4.5	-1.7	3.9	-3.7	-5.9	-13.3	-5.7	-11.0	
Wages and Salaries	Sept 2016	0.4	0.1	-0.3	-0.6	-1.1	0.3	0.3	-0.1	2.1	
Value of merchandise exports (1)	Nov 2016						-20.1	1.4	-20.1	-6.4	
CFIB Business Barometer ®	Jan 2017	1.9	5.4	-6.9	-9.0	12.7	-5.0	-6.3	-6.3	6.5	
<u>PRICES</u>											
Consumer Price Index (1)	Dec 2016	-0.2	-0.8	0.2	-1.9	0.2	1.1	0.6	1.1	1.6	
Average Hourly Earnings (1)	Dec 2016						3.3	2.2	3.3	2.5	
Price of New Housing inc. Land (1)	Nov 2016	-0.1	0.1	0.0	-0.8	-1.6	-1.6	-1.2	-1.6	-0.7	
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	3.8	-4.3	-1.3	-6.0	2.5	-0.8	-0.3	-0.8	-0.6	
<u>LABOR MARKET</u>											
Job creation (000)	* Dec 2016	-0.8	2.7	-3.2	-0.4	-0.3	-0.5	-5.7	-5.7	0.3	
Unemployment	* Dec 2016	6.6	6.8	7.0	6.8	6.7	6.4	5.7	6.4	5.0	
Participation rate	* Dec 2016	69.7	70.0	69.9	69.9	69.9	69.9	70.3	69.9	70.1	

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

Annex - Economic tables

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

		February 3, 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.							
ALBERTA											
DOMESTIC DEMAND AND REVENUE											
Retail Sales	Nov 2016	-0.5	0.9	0.5	3.8	-0.9	-2.3	-2.1	-1.9	-4.4	
Manufacturing Shipments	Nov 2016	3.9	-1.5	-0.4	3.9	8.4	-10.7	0.7	-9.9	-13.6	
Housing Starts (000) (2)	Dec 2016	26.8	25.2	25.6	25.8	25.3	24.6	25.5	24.6	37.5	
Number of existing homes sold (MLS)	Nov 2016	-13.2	6.9	4.1	6.2	12.5	-9.8	-8.9	-9.1	-21.7	
Wages and Salaries	Sept 2016	0.0	-0.8	1.3	1.8	-3.3	-3.8	-2.9	-3.8	0.2	
Value of merchandise exports (1)	Nov 2016						-18.4	13.1	-17.0	-23.3	
CFIB Business Barometer ®	Jan 2017	8.9	16.4	-10.2	-17.3	62.3	-3.9	63.8	63.8	-47.4	
PRICES											
Consumer Price Index (1)	Dec 2016	-0.1	-0.6	0.4	-1.1	0.7	1.1	1.0	1.1	1.2	
Average Hourly Earnings (1)	Dec 2016						1.9	1.7	1.9	3.4	
Price of New Housing inc. Land (1)	Nov 2016	0.2	-0.1	-0.2	-1.1	-1.2	-0.5	-0.8	-0.5	0.8	
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	0.3	-0.9	1.3	1.9	4.0	0.2	2.5	0.3	-2.3	
LABOR MARKET											
Job creation (000)	* Dec 2016	5.7	-12.4	8.7	0.7	2.9	-1.2	-14.4	-14.4	-20.1	
Unemployment	Dec 2016	8.5	9.0	8.6	8.7	8.7	8.2	7.0	8.2	6.0	
Participation rate	* Dec 2016	72.7	72.9	73.0	72.9	72.7	72.5	72.6	72.5	73.0	
BRITISH COLUMBIA											
DOMESTIC DEMAND AND REVENUE											
Retail Sales	Nov 2016	-0.7	1.6	1.0	8.7	6.8	6.4	5.5	6.5	6.1	
Manufacturing Shipments	Nov 2016	2.4	0.1	-0.5	10.6	10.1	3.2	9.2	3.7	3.1	
Housing Starts (000) (2)	Dec 2016	41.8	46.1	27.4	38.4	40.0	42.1	35.2	42.1	31.5	
Number of existing homes sold (MLS)	Nov 2016	-6.2	1.7	-3.9	-43.5	-33.9	14.4	-19.3	13.1	21.1	
Wages and Salaries	Sept 2016	0.6	0.7	0.3	3.7	4.9	4.2	4.8	4.2	4.0	
Value of merchandise exports	Nov 2016	10.4	3.5	-0.2	50.3	23.2	7.5	25.9	7.6	-0.3	
CFIB Business Barometer ®	Jan 2017	-6.1	0.7	5.2	20.3	3.2	-2.7	3.8	3.8	-12.4	
PRICES											
Consumer Price Index (1)	Dec 2016	0.0	-0.3	-0.1	-1.5	2.1	1.9	1.9	1.9	1.1	
Average Hourly Earnings (1)	Dec 2016						1.1	0.6	1.1	2.9	
Price of New Housing inc. Land (1)	Nov 2016	-0.3	0.3	0.3	2.4	5.4	4.3	4.5	4.5	0.7	
Avg. Price of Existing Homes Sold (MLS)	Nov 2016	2.6	2.0	3.8	-19.4	-21.6	9.7	-5.5	8.9	11.0	
LABOR MARKET											
Job creation (000)	* Dec 2016	14.8	-9.6	14.8	6.7	4.4	6.3	75.5	75.5	50.8	
Unemployment	Dec 2016	5.8	6.1	6.1	6.0	5.8	6.0	6.7	6.0	6.2	
Participation rate	* Dec 2016	64.7	64.5	64.8	64.7	64.5	64.4	64.1	64.4	63.4	
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 preceding year, unless otherwise stated											

WEEKLY ECONOMIC WATCH

Annex - Economic tables

TABLE 5 - INTERNATIONAL ECONOMIC INDICATORS

February 3, 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.	3 Mos.	6 Mos.	12 Mos.	2015	2014	2013
OECD leading index	Nov 2016	0.1	0.1	0.0	0.5	0.0	-0.5	0.0	-0.5	-0.3
JAPAN										
Consumer confidence - percentage (1)	* Jan 2017	43.0	42.5	40.5	42.0	42.3	41.8	42.1	43.0	42.1
Retail Sales (1)	* Dec 2016						-0.6	0.6	-0.6	-0.4
Industrial Production, Volume Index	* Dec 2016	0.5	1.5	0.0	8.5	5.1	-0.5	4.7	-0.5	-1.2
Exports	Dec 2016	1.8	3.9	2.0	25.5	2.8	-7.8	3.7	-7.8	3.5
Imports	Dec 2016	3.9	3.5	-0.2	18.3	-0.5	-15.9	-0.8	-15.9	-8.6
Merchandise trade bal. (Billions of ¥)	Nov 2016	6,225	5,546	5,350	5,707	5,314	4,108	1,738	48,189	-7,133
Current account (Billions of ¥)	Nov 2016	180	193	153	175	173	166	155	1,831	1,468
Inflation (CPI)	Dec 2016	-0.2	0.3	0.5	2.4	0.2	-0.1	0.3	-0.1	0.8
Job offers to applicants ratio	* Dec 2016	1.43	1.41	1.40	1.41	1.39	1.36	1.27	1.36	1.20
Unemployment Rate	* Dec 2016	3.1	3.1	3.0	3.1	3.1	3.1	3.3	3.1	3.4
		Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	2015	2014	2013
Gross Domestic Product (Constant Yen)		1.3	1.8	2.8	-1.8	0.8	-0.5	1.2	0.2	2.0
Euro-zone										
Volume Retail Sales	* Dec 2016	-0.3	-0.6	1.5	3.4	1.8	1.9	1.4	1.9	2.8
Industrial Production exc. Construction	Nov 2016	1.5	0.1	-0.8	3.6	1.6	1.3	3.0	1.3	2.1
Exports	Nov 2016	3.3	-0.2	-0.4	7.8	1.9	0.1	4.0	-0.2	5.0
Imports	Nov 2016	1.8	2.4	-1.1	8.7	2.8	-1.9	3.5	-2.3	2.3
Merch. Trade Bal. (Millions of euros)	Nov 2016	22,714	19,884	23,671	22,090	22,135	22,168	21,975	244,477	209,783
Inflation (CPI)	* Jan 2017	-0.8	0.5	-0.1	1.2	1.2	0.4	1.8	1.8	0.3
Unemployment Rate	* Dec 2016	9.6	9.7	9.7	9.7	9.8	10.0	10.5	10.0	10.9
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2013	2012	#VALUE!
Gross Domestic Product (Constant Euro)		2.0	1.8	1.2	2.0	2.0	1.1	-0.4	0.0	#VALUE!
UNITED KINGDOM										
Consumer Confidence (Diffusion index)	* Jan 2017	-5	-5	-7	-6	-5	-3	4	-5	4
Retail Sales	Dec 2016	-2.0	-0.1	2.0	5.2	6.1	4.9	4.3	4.9	4.3
Manufacturing, energy and mining output	Nov 2016	2.0	-1.2	-0.3	-2.3	1.9	0.7	1.9	0.8	1.3
Exports (1)	Nov 2016	2.8	6.7	-1.4	19.5	10.0	3.5	13.5	3.8	-1.9
Imports (1)	Nov 2016	8.4	-6.0	0.1	13.3	19.7	3.9	17.4	5.7	-0.7
Merchandise Trade Bal. (Millions of £)	Nov 2016	-12,163	-9,885	-13,832	-11,960	-12,391	-12,897	-11,923	-123,127	-111,752
Inflation (CPI harmonized) (1)	Dec 2016	0.5	0.2	0.0	2.5	2.2	1.3	1.6	1.3	1.1
Producer price index, manufacturing (1)	Dec 2016	0.1	0.1	0.7	4.0	3.2	0.4	2.7	0.4	-1.7
House prices	Dec 2016	1.7	0.6	1.5	10.5	3.6	7.7	6.7	7.7	8.9
Unemployment Rate (3-month mov. av.)	Nov 2016	4.8	4.8	4.8	4.8	4.9	5.0	5.1	4.9	5.5
		Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	2016	2015	2014
Gross Domestic Product (Constant £)		2.4	2.3	2.6	1.4	2.8	1.4	2.0	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	* 2 Feb 17	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
3-month Financing Bill Rate	* 2 Feb 17	-0.29	-0.27	-0.29	-0.34	-0.32	-0.28	-0.28	-0.23	-0.17
- Spread with U.S.	* 2 Feb 17	-0.80	-0.77	-0.80	-0.83	-0.71	-0.62	-0.65	-0.49	-0.46
Yield on 10-year Gov't Bonds	* 2 Feb 17	0.11	0.09	0.08	0.05	-0.01	-0.06	-0.06	-0.07	0.06
- Spread with U.S.	* 2 Feb 17	-2.36	-2.42	-2.38	-2.37	-2.05	-1.94	-1.87	-1.58	-1.80
Exchange Rate (¥/U.S.\$)	* 2 Feb 17	112.8	114.5	114.9	114.0	107.9	108.1	103.0	101.2	116.8
Euro Zone										
3-month Treasury Bills	* 2 Feb 17	-0.25	-0.25	-0.25	-0.25	-0.25	-0.24	-0.25	-0.25	-0.19
- Spread with U.S.	* 2 Feb 17	-0.76	-0.75	-0.76	-0.74	-0.64	-0.58	-0.62	-0.51	-0.48
Exchange Rate (U.S.\$/Euro)	* 2 Feb 17	1.08	1.07	1.07	1.06	1.09	1.10	1.11	1.11	1.12
(Yen/Euro)	* 2 Feb 17	121.40	122.40	122.23	121.15	117.71	119.65	114.25	112.66	131.49
(Euro / £)	* 2 Feb 17	1.16	1.17	1.16	1.17	1.16	1.21	1.13	1.18	1.31
UNITED KINGDOM										
3-month Treasury Bills (tender)	* 2 Feb 17	0.16	0.16	0.15	0.11	0.16	0.29	0.16	0.34	0.48
- Spread with U.S.	* 2 Feb 17	-0.35	-0.34	-0.36	-0.38	-0.24	-0.04	-0.21	0.08	0.19
Yield on 30-year Gov't Bonds	* 2 Feb 17	2.02	2.11	2.01	2.00	1.76	1.94	1.85	1.49	2.37
- Spread with U.S.	* 2 Feb 17	-1.07	-0.98	-1.02	-1.05	-0.97	-0.68	-0.75	-0.77	-0.33
Exchange Rate (U.S.\$ / £)	* 2 Feb 17	1.25	1.26	1.23	1.24	1.26	1.33	1.25	1.31	1.46
STOCK INDICES										
	Reference	Level	Monthly Growth (%)			Growth Over (%)			Since beginning of year	
			Past Month	Prev. Month	Month Before	3 Months	6 Months	1 Year	ref.	prec.
MSCI Eafe	* Feb 2017	227	3.2	2.5	-2.3	3.3	4.2	9.9	5.7	-9.5

* Update (1) Not Seasonally Adjusted

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

Source: Datastream

WEEKLY ECONOMIC WATCH



A division of National Bank of Canada

Annex - Economic tables

TABLE 6 - COMMODITY PRICES

February 3, 2017

	<u>Spot Price</u>		<u>Weekly Growth (%)</u>			<u>Annualized Growth (%)</u>			<u>Last Year</u>
	<u>Feb 2</u>	<u>Jan 26</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	431.3	429.8	0.3	0.2	-0.8	11.0	5.0	16.3	370.9
Energy	446.9	452.9	-1.3	2.1	-1.9	73.0	39.2	54.1	290.0
Grain	301.2	299.6	0.5	-0.7	1.7	21.1	22.3	3.9	290.0
Industrials	417.9	409.0	2.2	2.2	-0.9	82.1	26.4	27.0	329.0
Livestock & Meat	340.0	339.8	0.1	-1.8	1.2	110.6	18.6	-8.4	371.1
Precious Metals	800.6	780.4	2.6	0.2	-0.6	-14.7	-24.6	11.1	720.7
<u>PRECIOUS METALS</u>									
Gold (\$/ounce) (AM fixing London)	1224.05	1191.55	2.7	-1.0	-0.3	-19.7	-17.9	6.8	1146.25
Platinum (\$/ounce) (AM fixing London)	1003.0	981.0	2.2	1.8	-2.6	7.5	-24.6	12.7	890.0
Silver (\$/ounce) (Handy & Harman)	0.2	0.2	5.0	-0.9	0.4	-15.2	-26.4	17.9	0.1
Palladium (\$/ounce troy)	767.0	717.0	7.0	-4.5	-0.9	123.9	16.4	50.7	509.0
<u>OTHER METALS (LME)</u>									
Aluminum (\$/tonne)	1,818	1,819	-0.1	-0.8	2.4	22.6	27.2	18.4	1,535
Copper (\$/tonne)	5,871	5,838	0.6	2.2	-1.7	98.3	48.6	25.1	4,692
Zinc (\$/tonne)	2,841	2,751	3.2	-0.1	1.6	73.6	59.0	65.3	1,718
Nickel (\$/tonne)	10,341	9,353	10.6	-5.3	-3.4	-3.7	-4.2	21.6	8,507
Lead (\$/tonne)	2,341	2,330	0.5	1.4	4.7	61.2	72.3	29.7	1,805
Uranium (UxC-Ux U308 Spot \$/pound)	24.50	23.00	6.5	2.2	2.3	191.5	-12.9	-29.3	34.65
<u>OTHER COMMODITIES</u>									
Oil WTI (\$/barrel) future (NYMEX)	53.54	53.78	-0.4	4.7	-3.1	106.6	63.0	68.8	31.72
Oil (Spead with WTI \$/barrel) 1st future (West Canadian select - CME)	-16.00	-16.00	0.0	0.0	0.0	36.6	15.3	12.3	-14.25
Corn (¢/bushel) (Illinois #2)	3.5	3.5	1.2	-0.9	2.3	25.0	28.3	-3.3	3.6
Soy beans (¢/bushel) (Illinois #1)	10.1	10.2	-1.3	-2.1	2.8	26.8	7.8	16.3	8.7
Pork (¢/lb)	123.8	123.8	0.0	0.0	4.9	25.0	-23.4	-5.8	131.5
Beef (Cattle feeder index) (CME)	128.7	131.7	-2.3	-1.2	0.9	8.8	-21.9	-19.4	159.7
Soft Wood Pulp (HWWI) Index 2010 = 100	94	94	0.0	-0.3	-0.8	-8.8	-7.0	-3.0	97
Natural Gas (mmbtu) Henry Hub future NYMEX	3.10	3.42	-9.4	6.5	-3.3	197.7	15.1	51.2	2.05
Lumber 2X4	348	332	4.8	2.0	6.8	82.3	20.4	38.9	250
Iron ore (\$/metric ton)	84	84	0.0	2.5	0.0	156.2	90.5	86.4	45

All prices are in US dollars

Source: Thomson Reuters Datastream

WEEKLY ECONOMIC WATCH

ECONOMICS AND STRATEGY

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