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# Weekly Economic Review



# This week's markets

*At the close, on Thursday*



## ▶ Canadian bonds

- ▶ FTSE TMX Universe: **-0.20%**
- ▶ FTSE TMX Long: **-0.43%**
- ▶ Corps (BBB): **-0.15%**

## ▶ Equities (total return)

- ▶ S&P/TSX: **+1.59%**
- ▶ S&P 500: **+1.89%** (+1.54% in CAD)
- ▶ EAFE: **+1.51%** (+1.75% in CAD)
- ▶ MSCI-Emerging: **+0.77%** (+0.56% in CAD)

What caught our eye this week

- ▶ Canada:
  - ▶ A balanced budget in 2015-16
- ▶ U.S.:
  - ▶ Retail sales decline
- ▶ Emerging countries:
  - ▶ An update

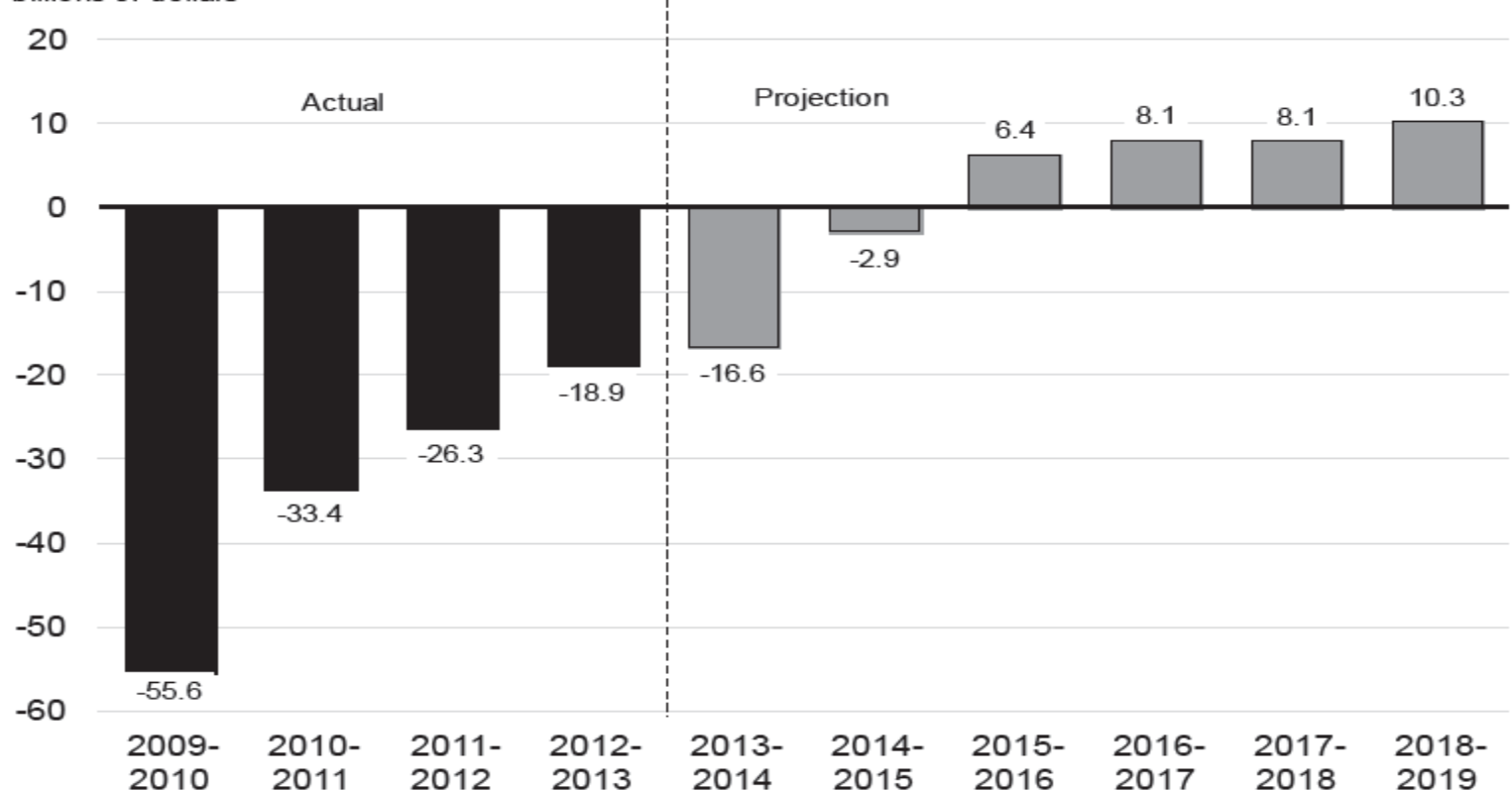


# Canada: A balanced budget in 2015-16

## The Government remains on track to return to balanced budgets in 2015

Chart 1.3  
**Budgetary Balance After Measures**

billions of dollars



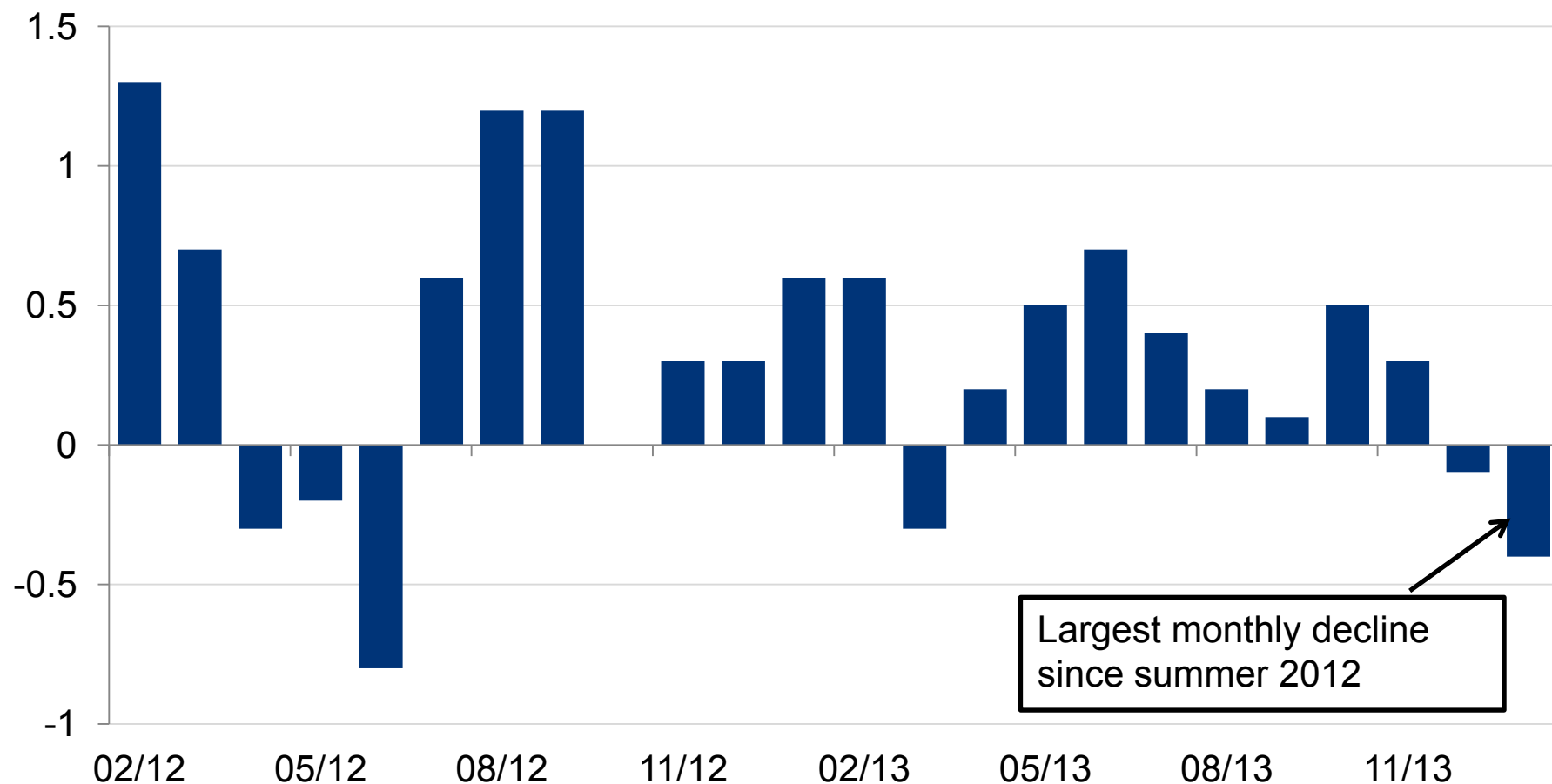
Sources: *Public Accounts of Canada*; Department of Finance.



# U.S.: Retail sales hurt by the weather

## U.S.: Retail sales are off to a rough start

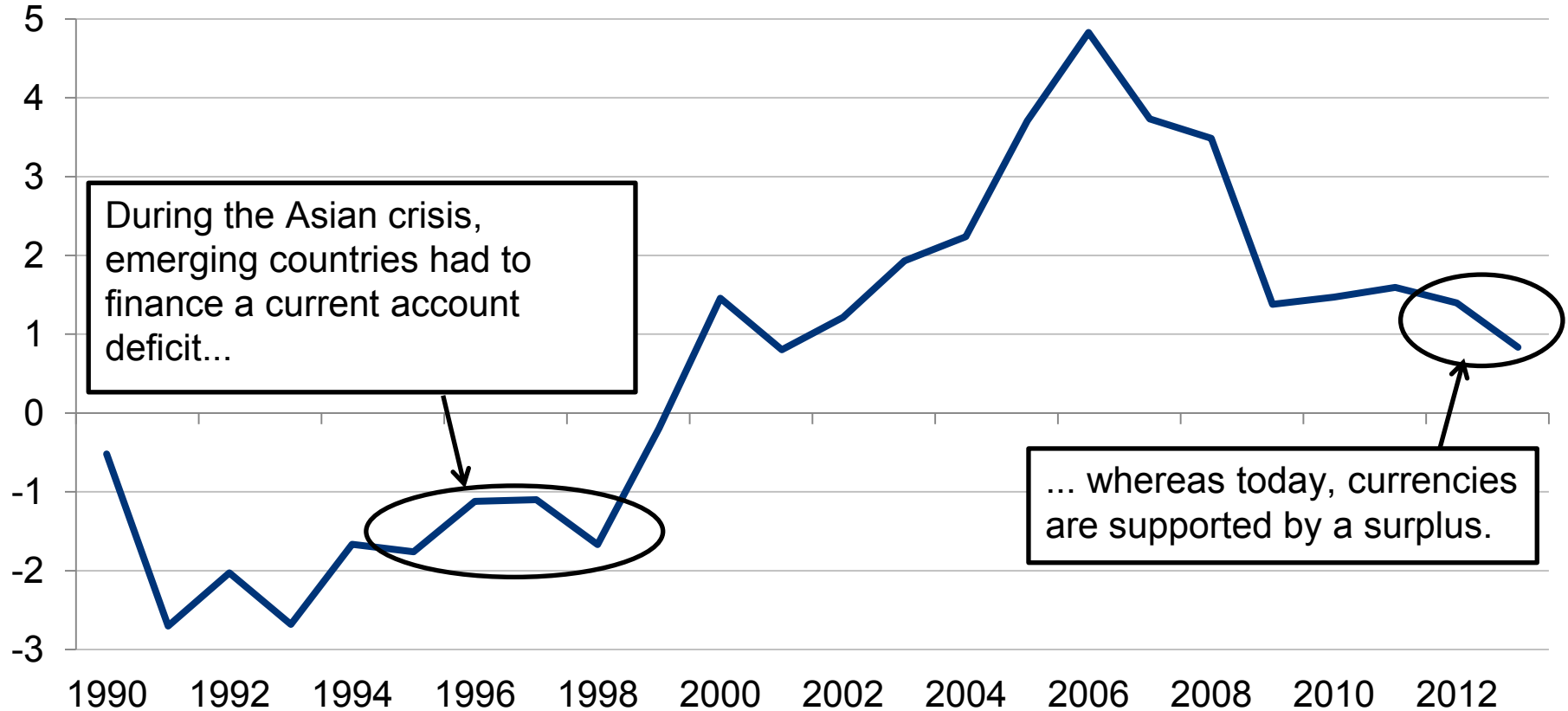
Monthly growth rate, %



# Emerging countries: An update

## Emerging countries: Less vulnerable than in the late 90s

Current account balance, % of GDP





# What we'll be watching next week

- ▶ Canada:
  - ▶ Inflation (consensus: +1.2%)
- ▶ U.S.:
  - ▶ Building permits (consensus: 975K)
  - ▶ Housing starts (consensus: 950K)
  - ▶ Inflation (consensus: +1.6%)



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