



Sébastien Mc Mahon
Economist

Weekly Economic Review



This week's markets

At the close, on Thursday



- ▶ Canadian bonds
 - ▶ FTSE TMX Universe: +0.25%
 - ▶ FTSE TMX Long: +0.39%
 - ▶ Corps (BBB): +0.30%

- ▶ Equities (total return)
 - ▶ S&P/TSX: -0.97%
 - ▶ S&P 500: -0.91% (-2.12% in CAD)
 - ▶ EAFE: +1.11% (+0.27% in CAD)
 - ▶ MSCI-Emerging: +2.30% (+1.95% in CAD)

What caught our eye this week

- ▶ Canada:
 - ▶ No economic news
- ▶ U.S.:
 - ▶ Business investment is stalling
 - ▶ Q4 GDP growth revised higher
- ▶ Europe:
 - ▶ German business confidence falls slightly on Russia worries

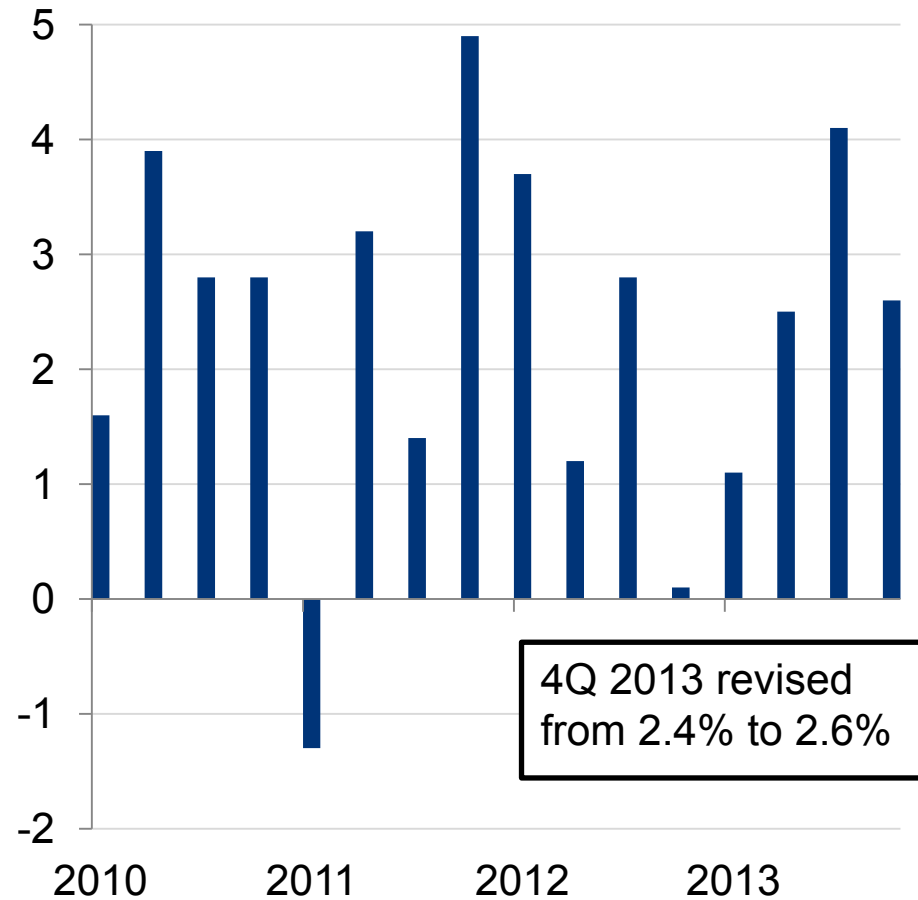


U.S.: GDP revised higher and the labour market is progressing



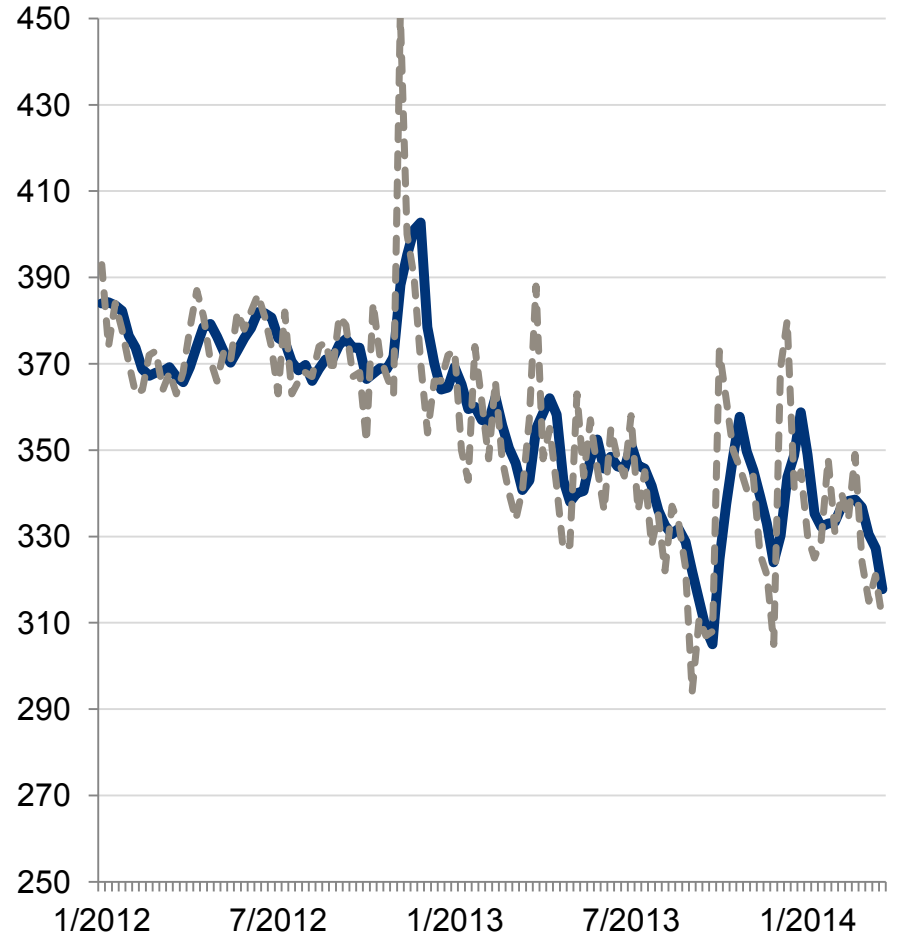
U.S.: GDP growth revised upwards

Annualized quarterly growth, %



U.S.: Jobless claims

Thousands and 4-week M.A.

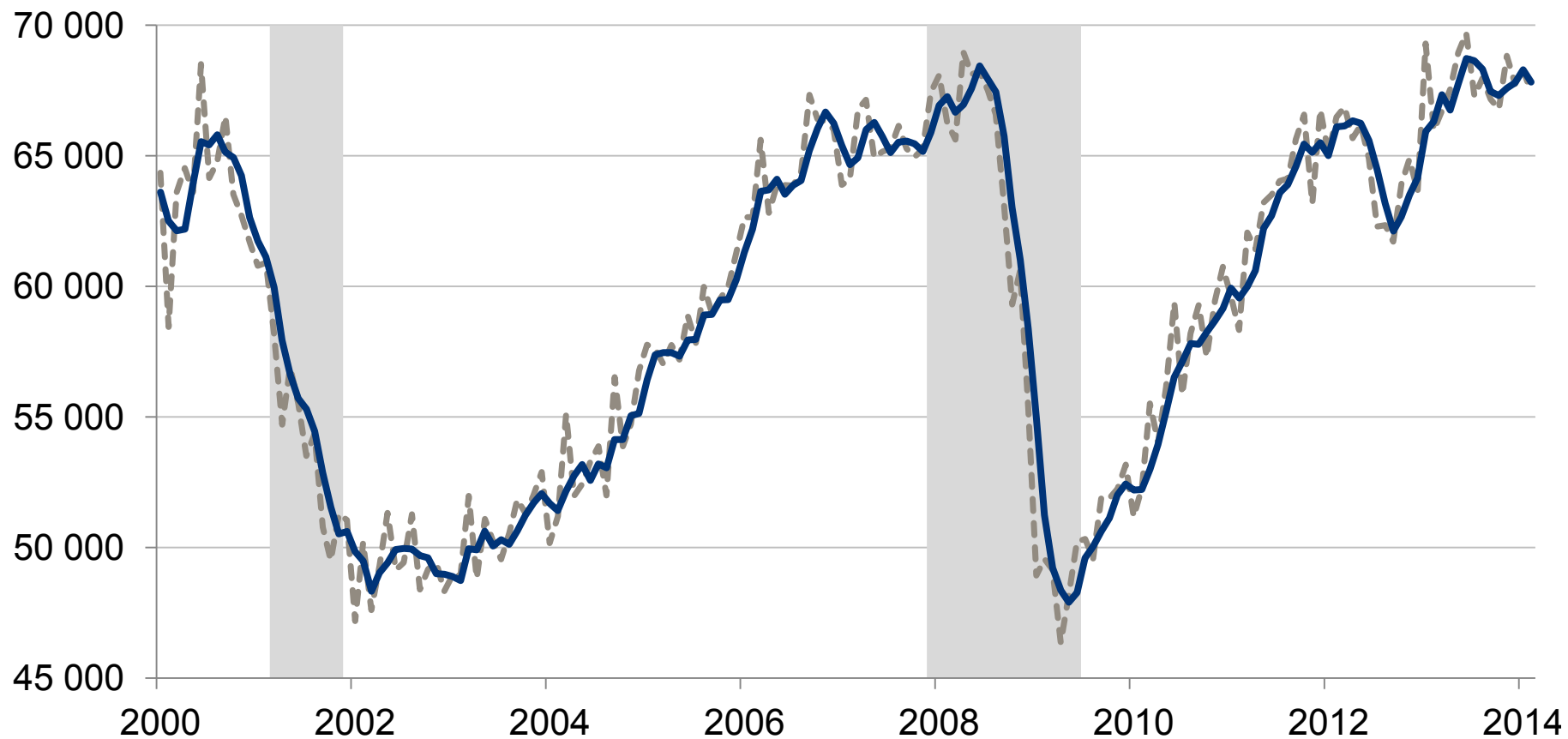




U.S.: Investment making little headway

U.S.: Business investment stalling

Capital goods new orders nondefense ex. aircraft, value and 3-month M.A., \$ millions



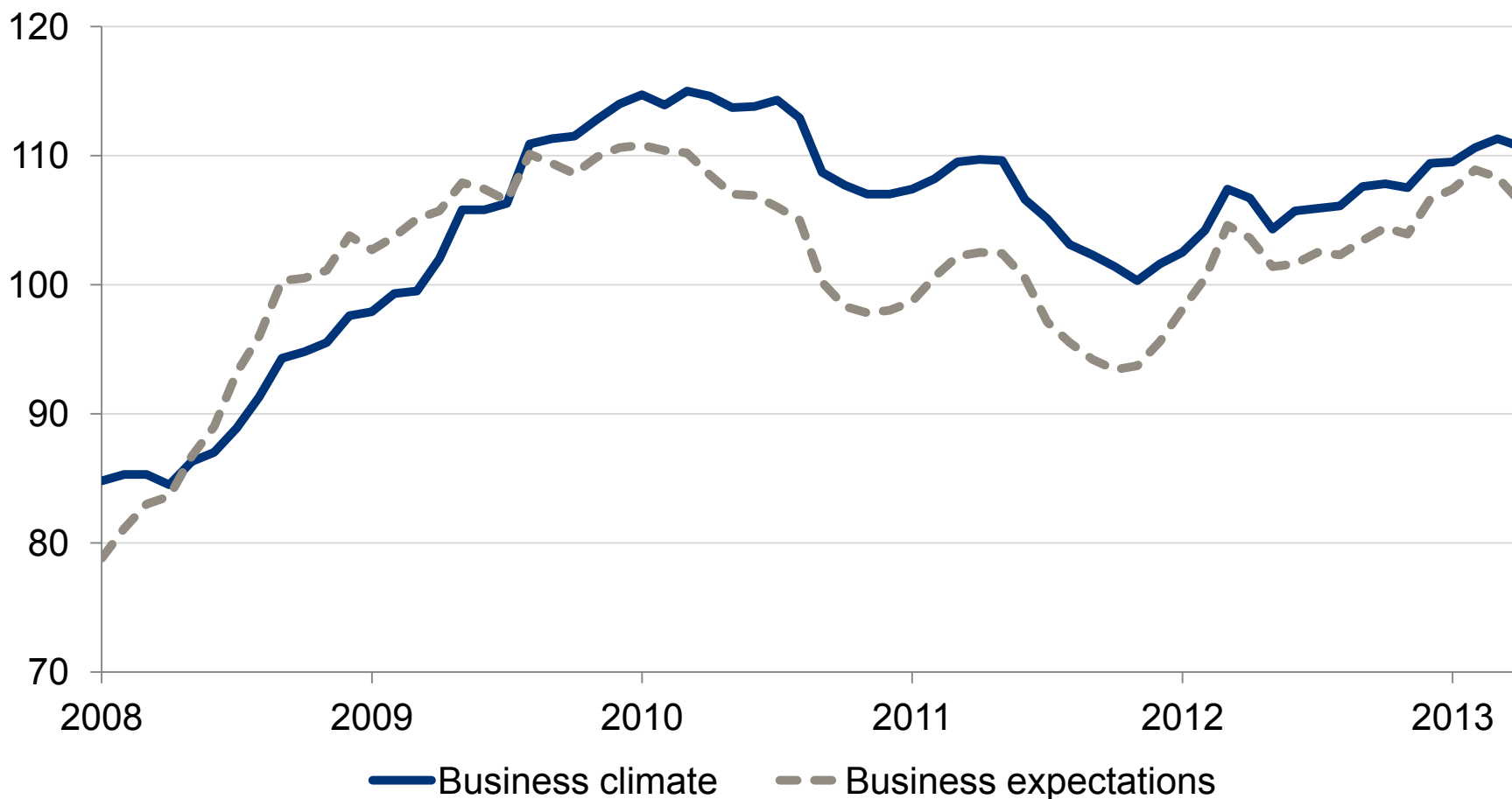


Germany: Expected drop in business confidence



Germany: IFO business survey

Business climate and expectations



What we'll be watching next week

- ▶ Canada:
 - ▶ January GDP
 - ▶ Employment report (consensus: up to 25K)
- ▶ U.S.:
 - ▶ ISM manufacturing index (consensus: up to 54.0)
 - ▶ Vehicle sales (consensus: up to 15.8 M)
 - ▶ Non-Farm employment (consensus: up to 190K)
- ▶ Europe:
 - ▶ Unemployment rate (consensus: stable at 12%)

To contact us

economics@inalco.com

www.inalco.com/economy

