

Weekly economic review

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A look at this week's markets

At the close on Wednesday

Canadian Bonds (total return)

		Year-to-date
FTSE TMX Universe	0.27%	1.12%
FTSE TMX Long	0.63%	2.10%
Corps	0.45%	1.07%

Equities (total return)

S&P/TSX	-0.82%	3.56%
S&P 500	-0.61% (1.08% CAD)	0.18% (-4.43% CAD)
EAFE	-1.06% (0.62% CAD)	-3.79% (-8.22% CAD)
MSCI Emerging	-0.61% (1.08% CAD)	3.47% (-1.29% CAD)

Other (WTD change)

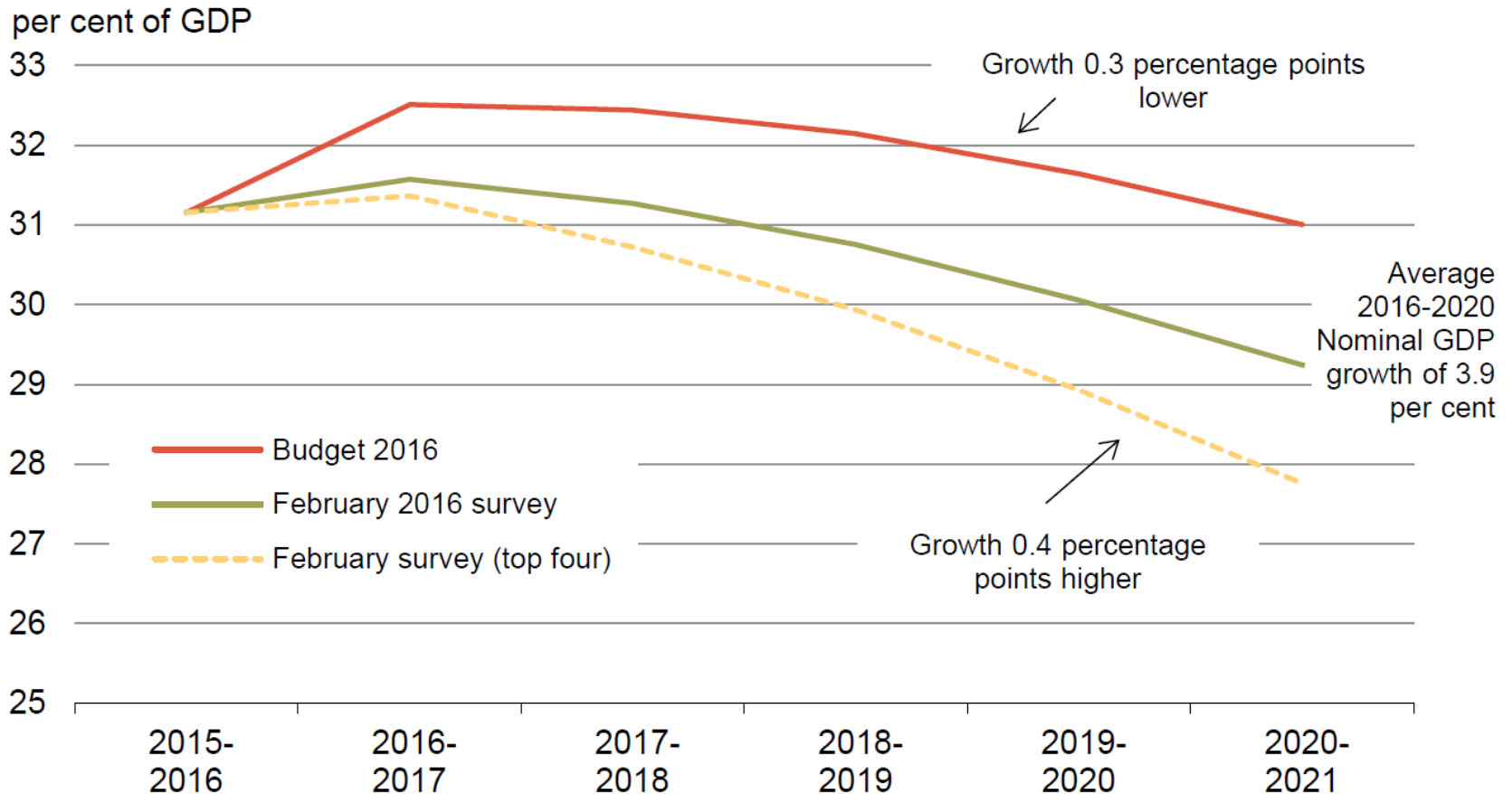
			Year-to-date
Oil (WTI)	39.79 \$	0.89%	7.42%
USD/CAD	0.7574 \$	-1.67%	4.82%
Gold	1 220.11 \$	-2.81%	14.99%

What caught our eye this week

- **Canada:**
 - First budget of the Trudeau era introduces a brand new fiscal stimulus

Canada: The Federal Government is moving ahead with a fiscal stimulus

PROJECTED FEDERAL DEBT-TO-GDP RATIO

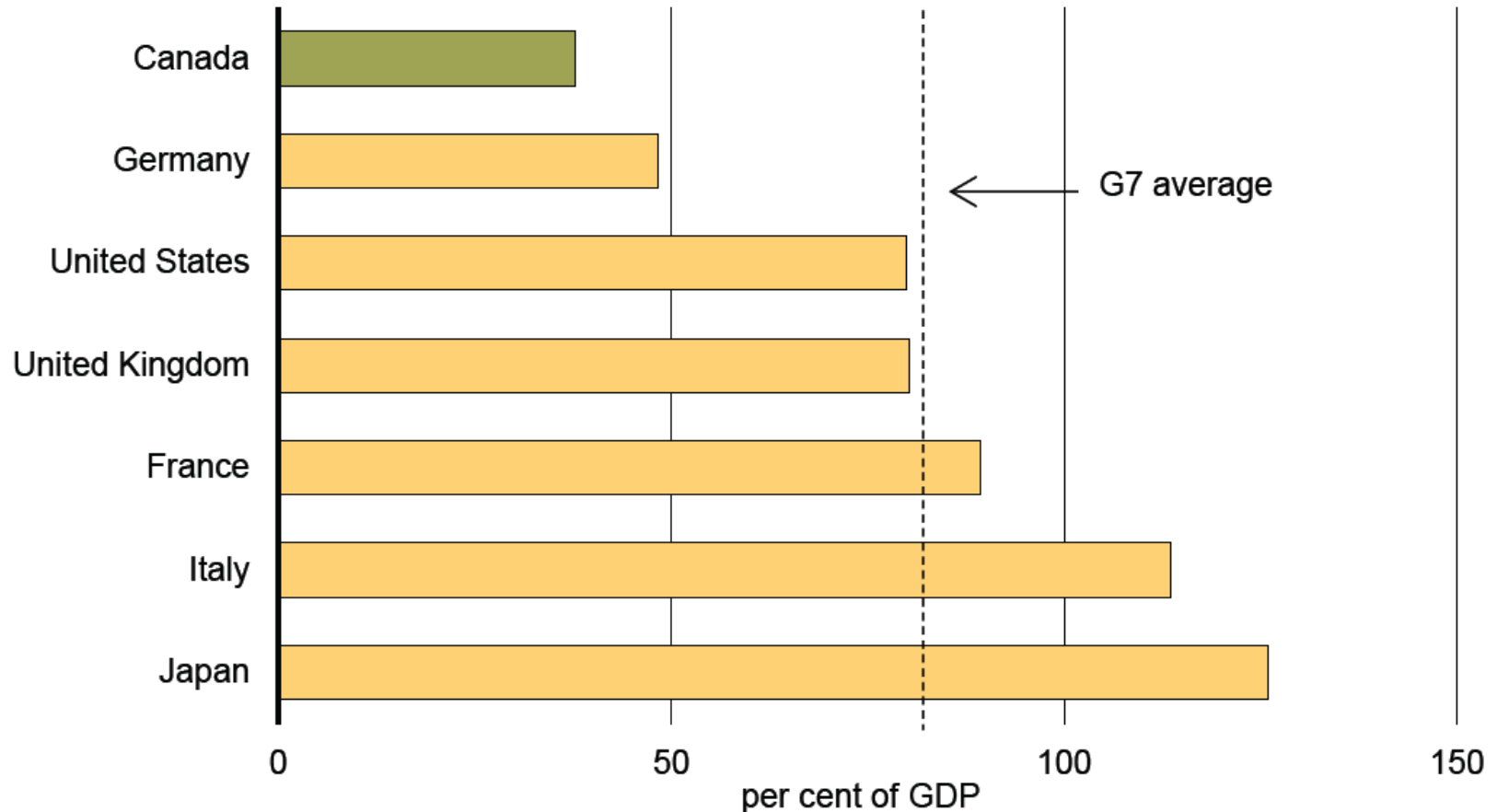


Note: The February 2016 survey scenario is based on the average private sector economists' projection for nominal GDP, without any forecast adjustment. The top four scenario is based on the average of the four most optimistic projections for nominal GDP growth among the economists surveyed.

Sources: Department of Finance survey of private sector economists; Department of Finance calculations.

Canada: Willing and able to use its advantageous fiscal room

IMF FORECAST FOR TOTAL GOVERNMENT NET DEBT-TO-GDP RATIOS, 2015



Notes: The total government net debt-to-GDP ratio is the ratio of total liabilities, net of financial assets of the central, state and local levels of government, as well as those in social security funds, to GDP.

For Canada, total government includes the federal, provincial/territorial and local government sectors, as well as the Canada Pension Plan and the Quebec Pension Plan.

Source: IMF, October 2015 *Fiscal Monitor*.

What we'll be watching next week

- **Canada:**
 - GDP growth for January (consensus: +0.2% MoM)
- **U.S.:**
 - Change in non-farm payrolls (consensus: +204K in March)
 - ISM Manufacturing Index (consensus: up to 50.4)



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