

Weekly economic review

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A look at this week's markets

At the close on Thursday



Canadian Bonds (total return)

		<i>Year-to-date</i>
FTSE TMX Universe	-0.24%	-0.16%
FTSE TMX Long Corps	-0.74%	-0.74%
	-0.15%	0.08%

Equities (total return)

S&P/TSX	0.97%	1.14%
S&P 500	1.34% (1.5% CAD)	4.52% (7.85% CAD)
EAFE (in USD)	1.49% (1.65% CAD)	0.23% (3.43% CAD)
MSCI Emerging (in USD)	1.72% (1.89% CAD)	-0.76% (2.41% CAD)

Other (WTD change)

			<i>Year-to-date</i>
Oil (WTI)	65.95 \$	0.21%	9.15%
USD/CAD	0.7709 \$	-0.16%	-3.09%
Gold	1 297.18 \$	0.29%	-0.43%

What caught our eye this week

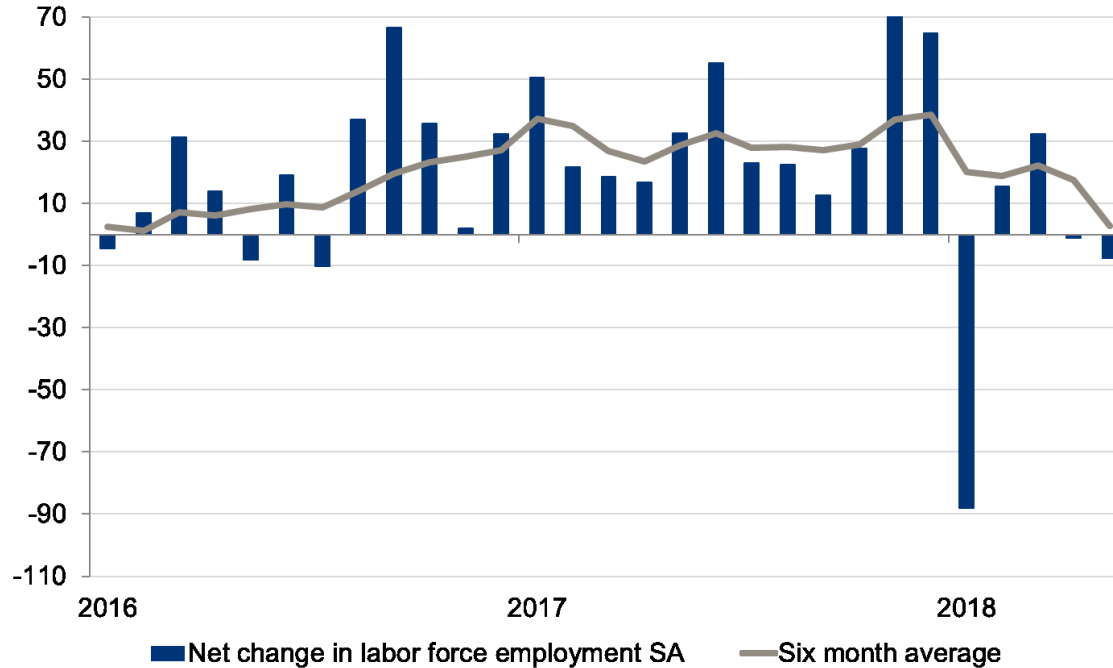
- ▶ Canada:
 - ▶ Second consecutive month of job losses, but wages are booming
- ▶ U.S.
 - ▶ Very strong growth so far in Q2, as the tax reform impact is being felt

Canada:

Labour market taking a breather, while wages are accelerating

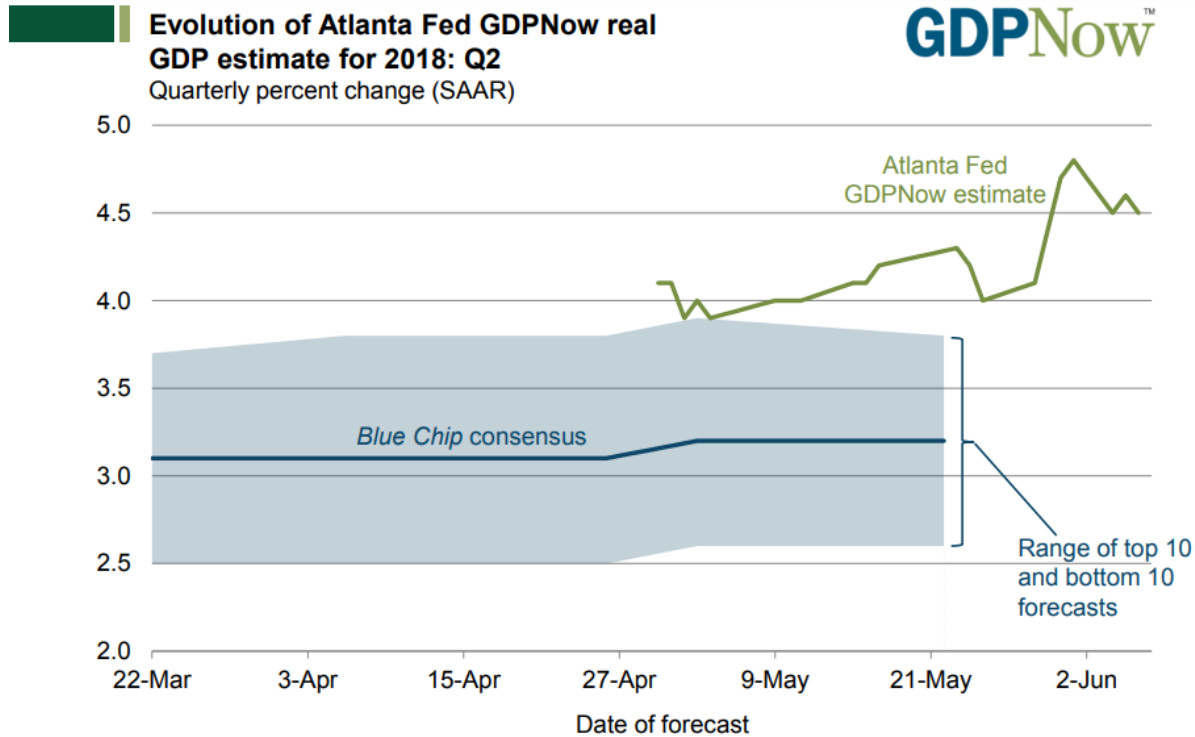
Canada: Monthly Change in Labor Force Employment

000s



U.S.:

Q2 looking stellar so far!



Sources: *Blue Chip Economic Indicators* and *Blue Chip Financial Forecasts*

Note: The top (bottom) 10 forecast is an average of the highest (lowest) 10 forecasts in the *Blue Chip* survey.

What we'll be watching next week

- ▶ Canada:
 - ▶ Teranet/National Bank HPI (last month: +5.6% YoY in April)
 - ▶ Manufacturing Sales (last month: +1.4% MoM in March)
 - ▶ Existing Home Sales (last month: -2.9% MoM in April)
- ▶ U.S.:
 - ▶ NFIB Small Business Optimism (consensus: stable at 104.8 in May)
 - ▶ CPI Inflation (consensus: higher at 2.7% in May)
 - ▶ FOMC Rate Decision (consensus: 25 bps hike)
 - ▶ Retail Sales (consensus: +0.4% MoM in May)
 - ▶ Industrial Production (consensus: +0.3% MoM in May)
- ▶ Europe:
 - ▶ ECB Rate Decision (consensus: No Change)



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