

July 14, 2006

## THE BANK OF CANADA GOES ON HOLD, WHILE THE BANK OF JAPAN STARTS HIKING KEY INTEREST RATES

### Highlights

- United States: the monthly trade balance deteriorated slightly in May.
- American retail sales retreat in June.
- The Bank of Canada keeps the target for the overnight rate at 4.25%.
- Canada: the trade balance improves, but exports continue to slide.
- Historic key rate increase from the Bank of Japan.

### A Look Ahead

- On Wednesday, Ben Bernanke will table the U.S. Federal Reserve's semi-annual report before Congress.
- Gas should have less of an influence on June's consumer prices in the United States. However, the lagged effect of the real estate market could trigger another major increase in the core CPI.
- U.S. industrial production could see a slight improvement after the pullback posted in May.

### Financial Markets

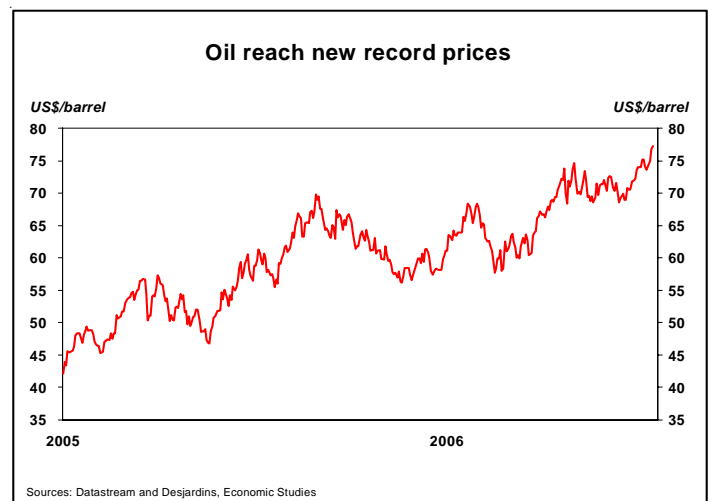
- Current geopolitical uncertainties are causing the stock markets to pullback; markets are favouring fixed-income securities.

### Weekly Overview



Once again, most of the economic indicators were rather disappointing this week. Take the pullback by retail sales and consumer confidence, for example. However, we received good news from a less extensive deterioration by the trade balance and solid growth by wholesale trade (+1.6% in May). Unfortunately, the risks currently affecting the U.S. and global economy have not really faded over the past few days. On the contrary, the escalation of violence between Israel and its neighbours strongly contributed to the latest increase in oil prices, which have reached record highs in the last few days. Obviously, this situation is making the financial markets fairly nervous.

Retail sales slipped 0.1% in June following a paltry 0.1% gain in May. Dropping 1.4%, the automobile sector once again accounted for much of the loss. Excluding autos, sales grew 0.3%, slowing the pace from May (0.7%).



June's results come as a surprise since the market was not expecting an overall drop. In fact, June auto sales published earlier in the month were slightly ahead.

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Vice-president and Chief Economist

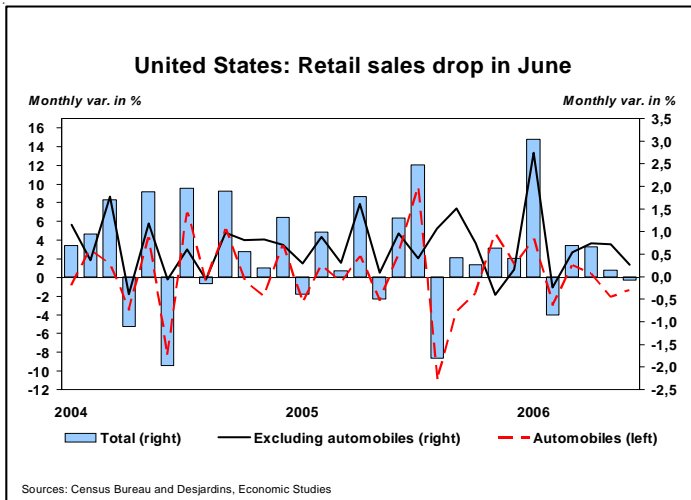
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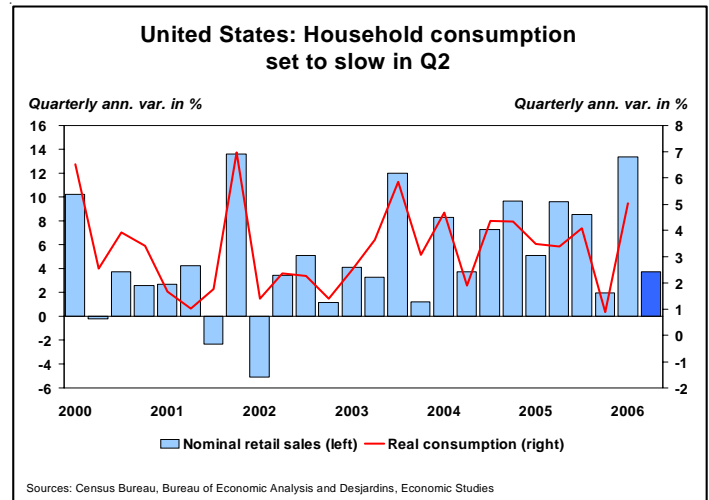


The reason must therefore have to do with vehicle prices. Automakers and dealers boosted incentives in June, effectively reducing the price of many models. This plausible drop (we'll know more once consumer price figures are released next week), combined with a meagre increase in sales volume, translated into a decrease in total auto sales. Another surprise: whereas we expected service station sales to contract due to the slight overall drop in gas prices, they instead rose by 1.1%, accounting for two thirds of the 0.3% increase in retail sales, excluding autos.

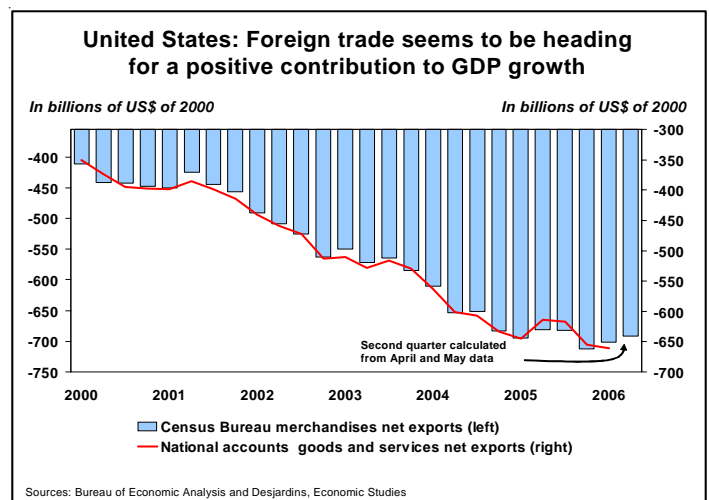
Durable goods sales remain soft, contracting 0.4% excluding autos for the fourth time since the beginning of the year. Electronic stores and renovation and garden centres fared poorly in June, probably due to the bad weather that enveloped part of the East that month. Non-durable goods fared somewhat better, rising 0.2%, excluding gasoline.

June's figures confirm much weaker consumption growth in the spring than in the winter. Retail sales advanced only 3.7% on an annualized basis in Q2 versus 13.4% in Q1. In the same vein, real consumption growth is bound to be weaker in the spring than in the winter, probably between 2% and 2.5%, in comparison with 5% in the previous quarter. For the Fed, June's retail sales figures provide one more reason to pause monetary tightening.

The US trade balance deteriorated slightly in May, with a deficit of US\$63.8B compared to the US\$63.3B posted in April. However, the deficit is still not as pronounced as the consensus expectation, thanks to solid performance by exports (+2.3%) which helped to partly offset the increase in imports (+1.8%). May's



increase in import prices (particularly energy goods) was pointing to a marked deterioration by the trade deficit. Luckily, thanks to solid performance from foreign trade in real terms, the deterioration was much less extensive and May's results are therefore very different from the consensus forecast of \$65B. If we look only at trade in goods, there is a notable improvement by foreign trade in constant dollars, and the deficit is the lowest it has been since August 2005. Comparing the real figures for May and April with the results obtained for the first quarter of 2006 shows that net real exports are up and, as a result, foreign trade should make a positive contribution to real GDP growth in the second quarter of 2006. This should provide some balm for the results expected at month-end, as the figures for consumption are not indicating very strong growth in the domestic economy.



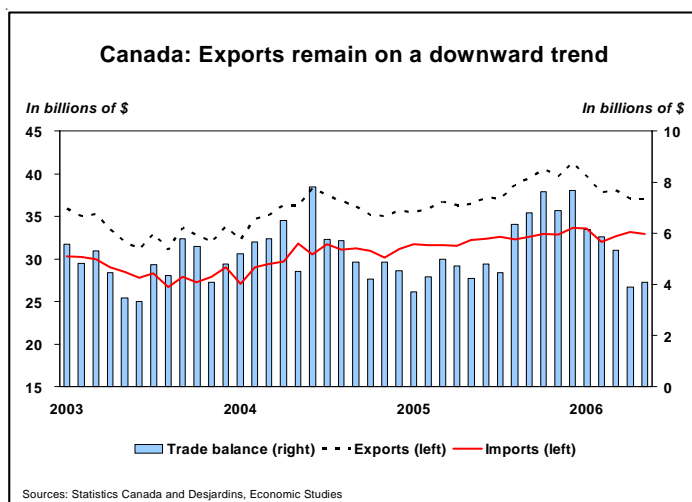


As we expected, the Bank of Canada implied that there would be a neutral period in the conduct of its monetary policy by keeping the target for the overnight rate at 4.25% this morning. It had left the door open for a status quo at its last meeting, in May.

In a lengthier statement than usual, the Bank stressed the dichotomy between strong domestic demand—particularly household consumption—and weak foreign trade. Canada’s economic expansion proved to be slightly stronger than forecast in the first half of the year, but the robust Canadian dollar continues to be widely unfavourable for Canada’s exporters. Lively foreign competition in the Canadian market is another factor hurting our businesses. All factors considered, the Bank believes Canada’s economy is currently operating just above its production capacity.

However, growth could be a little weaker in 2007 and 2008. Domestic demand should continue to be strong until later in 2007, but it will be largely offset by a darker outlook for net exports (exports minus imports). In conjunction with the slowdown expected south of the border, and the effect of prior interest rate increases, Canada’s economy should return to production capacity by the end of 2008.

Some effects can already be felt. Canada’s trade surplus increased from \$3.9B in April to \$4.1B in May. Exports dipped 0.2%, primarily as a result of a 4.6% pullback by energy products which offset the 4.3% increase in industrial products. However, imports tumbled to a greater extent (-0.8%), reflecting the declines by energy products (-4.4%) and motor vehicles (-5.1%). The instability of energy product prices played a major role in foreign trade’s evolution. After going up 12.6% in April, crude oil exports fell by 2.8% in May. Natural gas exports, down for a fifth straight month to 4.6% in May, were hurt by an 8.7% price decrease during the month. If energy products were excluded, total exports would have advanced by 0.9% in May, instead. In any event, the lagged effects of the Canadian dollar’s appreciation are continuing to be felt in Canadian exports, which clearly remain on the downward trend initiated at the end of 2005. Moreover, the slump by Canadian manufacturers continues. Manufacturing shipments rebounded 0.3% in May, after tumbling 0.9% in April, but this essentially reflects strong growth by aerospace products. With the aerospace sector excluded, shipments in fact declined by 1.1% in May. This drop is primarily due to the motor vehicle and oil industries.



All in all, it seems clear that the Bank is heading for an extended period of status quo. Of course, total inflation is currently evolving above the 2% target as a result of increases in energy prices, but our estimates indicate that the impact of the one per cent cut to the GST (Goods and Services Tax) combined with a North American economic slowdown should keep inflation in the bottom of the target range for the quarters to come. Under these circumstances, it comes as no surprise that the Bank deems current interest rates to be at a level consistent with maintaining price stability over the medium term.



In Japan, after the Tankan survey published on July 2, May machinery orders confirmed the Japanese industrial sector’s solid performance. Of course, orders declined 2.1% in May, but that represents a less abrupt fall than the consensus expected, which was for a 5.0% decline after the 10.8% increase recorded in April. The average advance by machinery orders in the two first months of spring represents a spectacular, close to 30% gain over the first quarter of the year, which should translate into sustained investment spending in the second quarter.

For the Bank of Japan, these developments, combined with solid performance by consumer spending and foreign trade, confirm that Japan’s economy is continuing to expand at a moderate pace. Under these conditions, and with core inflation in positive territory since the beginning of the year, the members of the monetary policy committee unanimously decided to terminate the 0% interest rate policy by increasing the Bank’s key rate by 25 basis points to 0.25% on Friday. This historical hike, which marks the end of almost a decade of persistent deflation and economic slump in

the country, should be followed by further rate hikes in the next few quarters. The Bank of Japan, however, specified that interest rates will be tightened gradually and that monetary policy will remain accommodative for quite some time.

## A Look Ahead



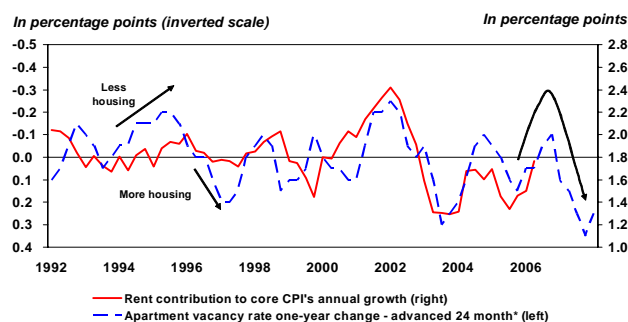
Although many important economic indicators will be published within the next few days, the Federal Reserve could once again capture much of the attention from financial markets. This time, however, an interest rate decision is not to blame, but rather Ben Bernanke's speech before two U.S. Congress committees to present the Federal Reserve's semi-annual report and to express the Fed's opinion on economic conditions and monetary policy. Remember that the report presents the Fed's forecasts concerning growth, inflation and the job market. Bernanke will testify before a Senate committee on Wednesday, July 19 and before a committee of the House of Representatives the next day. What's more, the minutes of the Fed's last meeting will be published Thursday afternoon.

Among the indicators, keep an eye on June's results for industrial production on Monday. After a retreat that surprised the markets in May, we can expect a small increase. The motor vehicle sector and energy suppliers will probably see some growth in their activity in June. The consensus is for a 0.4% gain for all industrial production, which would be close to the 82% mark for capacity utilization rates. Among the other data on the manufacturing sector, the Empire index (Monday) and the Philadelphia Fed index (Thursday) will tell us about activity in July. We expect slight drops by these two indexes.

For prices, we will have the June results for the Producer Price index on Tuesday. But the most awaited number is obviously the consumer price index which will be announced on Wednesday. After several months in which the increase in gas prices had made a strong contribution to the rise by the total

index, this influence will not be as important in June, as the cost of gas declined slightly over the past month. We can thus expect total CPI to have gone up by only 0.1% in June, which would mean an annual variation remaining at 4.2%. With energy and food excluded, the core CPI could see another fairly big increase, as the lagged effect of pressures linked to the real estate market could once again make itself felt, as it has in the last few months. The core CPI could therefore go up 0.3% for a third consecutive time. This would take the annual variation from 2.4% to 2.7%.

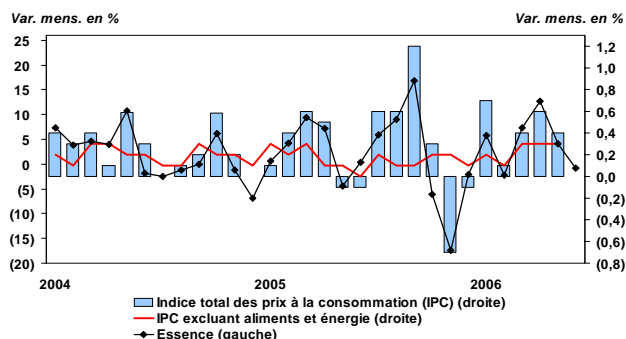
**United States: Rent contribution to CPI could stay strong in the short term**



\* Apartment vacancy rate linked to owners, metro areas.  
Sources: Bureau of Labor Statistics, Census Bureau and Desjardins, Economic Studies

Wednesday will also give us the June numbers for residential construction. We expect slight decreases in starts and building permits. The June leading indicator will be published on Thursday. The leading indicator is expected to go up slightly, thanks to such things as an increase in the money supply, improved consumer confidence and, above all, a drop in initial jobless claims.

**United States: Gas prices will have low impact on total CPI for June**



Sources : Bureau of Labor Statistics, Energy Information Administration et Desjardins, Études économiques



In Canada, on top of the leading economic indicator, Wednesday, which we expect to rise by 0.2% for the month of June, we will watch for the evolution of the consumer price index (IPC), on Friday. Energy prices haven't moved much in June and shouldn't influence total CPI. We anticipate a 0.1% monthly rise, which would keep the annual change at 2.8% in June.



To be watched in the euro zone is the publication of the consumer price index on Monday. We are not expecting any changes from the preliminary estimate of 2.5% for June. However, it will be interesting to see the role played

by gas prices and the increase in the core index which, after slowing slightly to 1.3% in May, could rebound to 1.5% in June.

In Germany, the publication of the ZEW index on Tuesday should give us more information on the financial market's perceptions of Germany's economic situation. Based on other indexes published over the last few weeks, it is probable that the slide the ZEW index began in January of 2006 will come to an end in July. The consensus expects a rebound from 37.8 in June to 40.0 in July.


In the United Kingdom, the week will be marked by the release of the consumer price index on Tuesday, in which a monthly increase of 0.1% should take the annual variation of the index from 2.2% to 2.3%. The minutes of the latest Bank of England meeting on Wednesday will give us a further look at the future direction of British monetary policy. However, the most important results will be for June's retail sales on Thursday, which are expected to slow. That leads us to believe that the real GDP increase in the second quarter, for which the first estimate is expected on Friday, will remain unchanged from the first quarter.

## Economic Calendar

Week of July 17 to 21, 2006




## CANADA

Day	Hour	Indicator	Period	Consensus		Previous Data
Monday 17	8:30	New Motor Vehicle Sales (m/m)	May	-1.0%	-0.8%	-0.7%
	8:30	International Transactions in Securities (CAN\$)	May	3.0B	3.2B	3.8B
Tuesday 18	---	---				
Wednesday 19	8:30	Leading Indicator (m/m)	June	0.2%	0.2%	0.3%
	9:15	Speech of the Bank of Canada Governor, Mr. David Dodge				
Thursday 20	8:30	Wholesale Sales (m/m)	May	n.a.	n.a.	0.1%
	8:30	Wholesale Inventories (m/m)	May	n.a.	n.a.	1.9%
	12:30	Speech of the Bank of Canada Governor, Mr. David Dodge				
Friday 21	7:00	Consumer Price Index	June			
		Total (m/m)		0.1%	0.1%	0.5%
		Excluding 8 Most Volatile (m/m)		n.a.	0.1%	0.5%
		Total (y/y)		2.8%	2.8%	2.8%
		Excluding 8 Most Volatile (y/y)		2.1%	2.1%	2.0%



## UNITED STATES

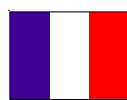
Day	Hour	Indicator	Period	Consensus		Previous Data
Monday 17	8:30	Empire Manufacturing Index	July	20.1	18.5	29.0
	9:15	Industrial Production (m/m)	June	0.5%	0.4%	-0.1%
	9:15	Production Capacity Utilization Rate	June	81.9%	81.9%	81.7%
	15:45	Speech of a Federal Reserve Governor, Mr. Randall Kroszner				
Tuesday 18	8:30	Producer Price Index	June			
		Total (m/m)		0.3%	0.3%	0.2%
		Excluding Food and Energy (m/m)		0.2%	0.2%	0.3%
	9:00	Net Foreign Security Purchases (US\$)	May	n.a.	n.a.	46.7B
Wednesday 19	9:00	Speech of a Federal Reserve Governor, Mr. Kevin Warsh				
	8:30	Consumer Price Index	June			
		Total (m/m)		0.2%	0.1%	0.4%
		Excluding Food and Energy (m/m)		0.2%	0.3%	0.3%
		Total (y/y)		4.3%	4.2%	4.2%
		Excluding Food and Energy (y/y)		2.6%	2.6%	2.4%
	8:30	Housing Starts (ann. rate)	June	1,900,000	1,875,000	1,957,000
	8:30	Building Permits (ann. rate)	June	1,928,000	1,900,000	1,946,000
	8:30	Real Earnings (m/m)	June	n.a.	0.7%	-0.7%
	10:00	Testimony of the Federal Reserve President, Mr. Ben S. Bernanke, before a Senate Committee				
13:00	Speech of the Kansas City Fed President, Mr. Thomas Hoenic					
Thursday 20	8:30	Initial Unemployment Claims	July 10-14	320,000	327,000	332,000
	10:00	Leading Indicator (m/m)	June	0.2%	0.2%	-0.6%
	10:00	Testimony of the Federal Reserve President, Mr. Ben S. Bernanke, before a House Committee				
	12:00	Philadelphia Fed Index	July	12.5	12.0	13.1
	14:00	Release of FOMC Minutes of June 29				
Friday 21	8:00	Speech of the Dallas Fed President, Mr. Richard Fisher				

**Note:** Desjardins, Economic Studies are involved every week in the *Bloomberg* survey for Canada and the United States. Approximately 15 economists are consulted for the Canadian survey and a hundred or so for the US. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. (SA) : Seasonally adjusted, (NSA) : Non seasonally adjusted. The times shown are Daylight Saving Time (GMT - 4 hours).

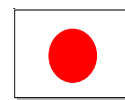


## Economic Calendar

Week of July 17 to 21, 2006



## OVERSEAS



Country	Hour	Indicator	Period	Consensus		Previous Data		
				m/m (q/q)	y/y	m/m (q/q)	y/y	
<b>Monday 17</b>								
Euro-zone	5:00	Consumer Price Index	June	0.1%	2.5%	0.3%	2.5%	
Euro-zone	5:00	Industrial Production	May	1.4%	4.0%	-0.6%	1.9%	
Italy	9:15	Current Account (€)	May	n.a.		-3,504M		
Japan	19:50	Tertiary Industry Activity Index	May	-0.3%		1.3%		
<b>Tuesday 18</b>								
UK	4:30	Consumer Price Index	June	0.1%	2.3%	0.5%	2.2%	
Euro-zone	5:00	Trade Balance (€)	May	n.a.		-2.0B		
Germany	5:00	ZEW Survey - Economic Sentiment	July	35.0		37.8		
Germany	5:00	ZEW Survey - Current Situation	July	14.0		11.9		
<b>Wednesday 19</b>								
Germany	---	Producer Price Index	June	0.2%	5.9%	0.1%	6.2%	
Brazil	---	Bank of Brazil Meeting	July 18-19	14.75%		15.25%		
Italy	4:00	Trade Balance (€)	May	-1 494		-1,958		
UK	4:30	Minutes of the Bank of England Meeting						
<b>Thursday 20</b>								
Japan	1:00	Minutes of the Bank of Japan Meeting						
France	2:45	Current Account (€)	May	-2,100M		-922M		
Italy	4:00	Factory Orders	May	-2.0%	10.9%	6.8%	9.7%	
UK	4:30	Retail Sales	June	0.4%	2.9%	0.5%	4.0%	
Japan	19:50	All Activity Index	May	-0.4%		1.3%		
<b>Friday 21</b>								
France	2:45	Personal Consumption Expenditure	June	0.0%	3.6%	0.6%	5.6%	
Italy	3:30	Consumer Confidence	July	107.8		106.8		
UK	4:30	Real GDP	Q2	0.7%	2.5%	0.7%	2.3%	
Italy	5:00	Retail Sales	May	0.2%	1.7%	0.6%	2.7%	

**Note:** In contrast to the situation in Canada and the United States, disclosure of overseas economic figures is much more approximate. The day of publication is therefore shown for information purposes only. The abbreviations m/m, q/q and y/y correspond to monthly, quarterly and yearly variation respectively. (SA) : Seasonally adjusted, (NSA) : Non seasonally adjusted. The times shown are Daylight Saving Time (GMT - 4 hours).

## Financial Markets

### The stock markets

As the first two days of the week were fairly quiet, the stock markets did most of their deteriorating from Wednesday onward, particularly in the United States. The Dow Jones lost nearly 300 points over the course of the week and the S&P 500 depreciated by nearly 2%. Events currently unfolding in the Middle East as well as the disappointing profit news announced by some corporations have evidently hurt markets. Even the Toronto Stock Exchange was unable to profit from the rise in oil prices caused by the current uncertainty. Yet the Bank of Canada's decision not to raise its key rates gave a good push to the S&P TSX, which managed to gain nearly 2% of its value between Tuesday morning and Wednesday noon. Since then, the Toronto Stock Exchange's flagship index has lost almost 290 points to come back under last week's closing level. Stock markets overseas were also hurt in the last few days, with the main indexes in negative territory on Friday morning compared to the end of last week.

### The bond markets

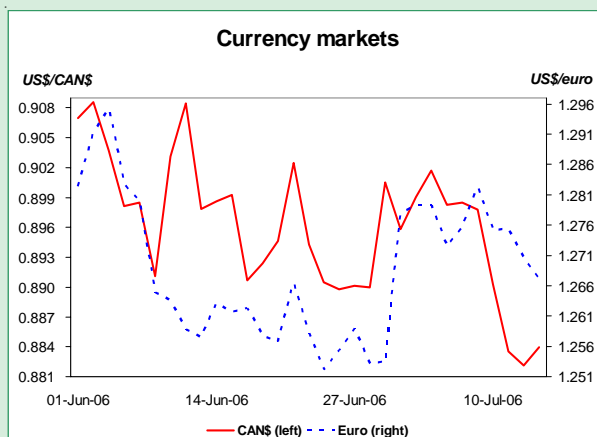
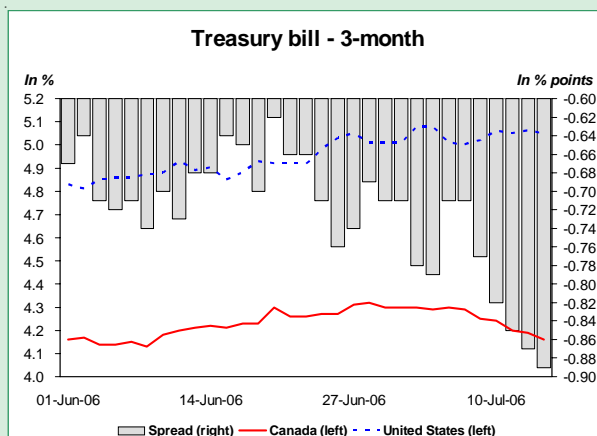
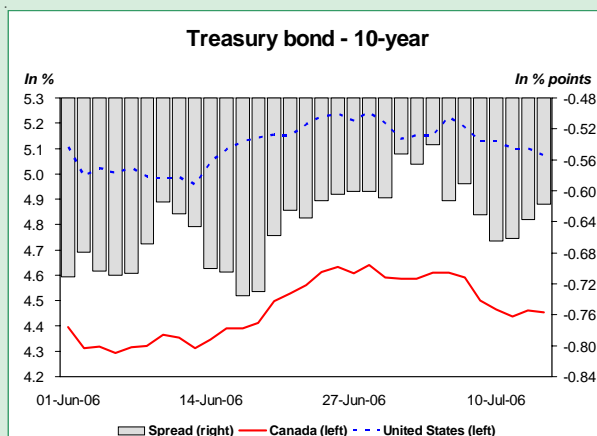
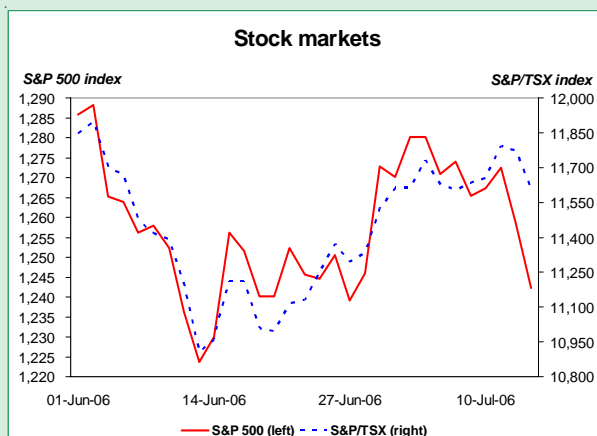
Interest rates on bonds generally went down this week in the United States. Risks associated with geopolitical events favoured fixed-yield securities. U.S. federal bond rates retreated by six to eight points this week, depending on the maturity. 10-year bonds are at around 5.065%, well below their end of June peak, at 5.243%. Weak economic results have also contributed to the decrease by bond rates. In Canada, rates pulled back six to ten points depending on the maturities that make up the yield curve. The Bank of Canada's decision to go on hold, which came as a surprise to a number of stakeholders, some weak economic statistics and the fluctuations in the American market contributed to the decline by rates. Rates dropped a little more in Canada than for our neighbours to the south, particularly for maturities of five years or less, the yield spreads between Canada and the U.S. widened slightly.

### The money markets

Flat calm on the North American money market this week. The Canadian market was slightly more volatile. The Bank of Canada meeting, Tuesday morning, caused the most commotion, not with its widely anticipated decision to keep the target for the overnight rate at 4.25%, but rather because of the softer tone of its press release, which intimates that there will be an extended status quo period in the country. Three-month rates dipped at the news, going from a weekly high of 4.47% to 4.28%. Wednesday's results for the merchandise trade balance temporarily brought rates below 4.20%; rates subsequently stabilised at 4.25%.

### The currency markets

The American dollar regained some ground against the major currencies this week. The euro lost nearly two cents US when better-than-anticipated results were published for the American trade balance on Wednesday. Due to numerous geopolitical uncertainties and oil prices skyrocketing to record levels, the euro continued to slide after that, dropping below the US\$1.265 mark on Friday morning. The yen saw similar progression to the Euro, with the Bank of Japan's highly anticipated decision to raise its key interest rates causing little surprise. In Canada, the loonie lost a few feathers against the greenback following the Bank of Canada's decision to keep the status quo, Tuesday morning. The Canadian currency continued downward on Wednesday with the publication of the merchandise trade balance, but it later recovered under the influence of rising prices for oil and some metals.



## CANADA

Economic indicators	Reference month	Level	Monthly variation (%)				Change since (%)		
			Reference month	Previous data			3 months	6 months	1 year
				- 1 month	- 2 months	- 3 months			
Leading composite index (1992 = 100)	May	214.5	0.3	0.4	0.5	0.4	5.0	5.1	5.1
Real gross domestic product (\$M1997)	April	1,097,500	0.1	0.1	0.3	0.2	2.4	2.9	3.1
Industrial production (\$M1997)	April	252,429	-0.4	-0.4	0.3	-1.0	-1.7	-1.7	0.7
Manufacturing shipments (\$M)	May*	50,938	0.3	-0.9	1.4	-2.3	3.6	-0.9	0.9
Housing starts ('000) (1)	June*	232.2	---	222.2	251.7	251.7	251.7	232.6	238.5
Retail sales (\$M)	April	32,799	1.7	1.7	-0.3	1.4	13.1	12.8	6.7
. Excluding automobiles (\$M)	April	25,102	1.9	0.9	0.5	1.4	14.0	11.3	7.7
Commercial surplus (\$M) (1)	May*	4,069	---	3,884	5,360	6,299	5,360	6,727	4,252
. Exports (\$M)	May*	37,003	-0.2	-2.1	1.7	-6.0	-2.5	-12.8	1.4
. Imports (\$M)	May*	32,934	-0.8	1.6	2.4	-4.4	13.9	0.3	2.2
Labor force ('000)	June	17,577	-0.1	0.3	0.1	0.3	1.6	1.7	1.5
Employment ('000) (2)	June	16,510	-4.6	96.7	22.0	50.5	38.0	35.9	29.9
Unemployment rate (%) (1)	June	6.1	---	6.1	6.4	6.3	6.3	6.5	6.8
Average weekly earnings (\$)	April	747.80	0.2	0.3	-0.1	1.0	1.6	2.6	3.7
Consumer price index (1992 = 100)	May	130.6	0.5	0.5	0.5	-0.2	6.4	3.8	2.8
. Excluding food and energy	May	125.7	0.4	0.0	0.4	0.3	3.2	1.8	1.8
. Excluding the eight volatile items	May	128.7	0.5	-0.1	0.4	0.3	3.5	2.2	2.0
Industrial product price index (1997 = 100)	May	114.2	0.3	1.2	0.9	-0.4	10.0	5.1	2.5
Raw materials price index (1997 = 100)	May	170.2	5.6	5.7	0.9	-3.1	61.0	28.4	23.4
Money supply M1 (\$M)	May	197,313	1.9	-0.1	1.8	2.4	15.0	17.5	11.9
Money supply M2++ (\$M)	April	1,395,432	0.5	0.7	0.8	0.1	8.3	6.9	6.3

\* New statistic (in comparison with last week).

(1) For this indicator, the statistic shows the level of the month of the column except for the reference month column (---).

(2) For this indicator, the statistic shows the average monthly variation since the reference month.

Financial indicators	Current week	Last week	Previous data				Last 52 weeks		
			- 1 month	- 3 months	- 6 months	- 1 year	Higher	Ave.	Lower
Overnight rate (%)	4.25	4.25	4.25	3.75	3.25	2.50	4.25	3.37	2.50
Discount rate (%)	4.50	4.50	4.50	4.00	3.50	2.75	4.50	3.61	2.75
Prime rate (%)	6.00	6.00	6.00	5.50	5.00	4.25	6.00	5.12	4.25
Bankers acceptances - 30 days (%)	4.33	4.39	4.32	3.96	3.44	2.57	4.43	3.49	2.57
Bankers acceptances - 90 days (%)	4.36	4.43	4.35	4.13	3.61	2.63	4.48	3.62	2.67
Commercial paper - 30 days (%)	4.31	4.45	4.32	3.95	3.42	2.54	4.45	3.48	2.54
Treasury bill (Canada) - 30 days (%)	4.02	4.09	4.10	3.71	3.25	2.38	4.13	3.28	2.32
Treasury bill (Canada) - 91 days (%)	4.18	4.30	4.15	3.96	3.42	2.49	4.30	3.46	2.55
Treasury bill (Canada) - 182 days (%)	4.27	4.42	4.22	4.09	3.63	2.59	4.42	3.60	2.69
Treasury bill (Canada) - 365 days (%)	4.37	4.54	4.32	4.19	3.86	2.81	4.54	3.78	2.78
Treasury bond (Canada) - 2 years (%)	4.22	4.34	4.12	4.12	3.79	2.98	4.40	3.76	2.90
Treasury bond (Canada) - 3 years (%)	4.28	4.39	4.16	4.16	3.83	3.01	4.47	3.81	2.98
Treasury bond (Canada) - 5 years (%)	4.30	4.41	4.18	4.30	3.89	3.34	4.48	3.94	3.30
Treasury bond (Canada) - 10 years (%)	4.44	4.51	4.29	4.44	3.99	3.90	4.59	4.15	3.73
Treasury bond (Canada) - 30 years (%)	4.51	4.56	4.36	4.49	4.11	4.32	4.63	4.29	4.03
Spread with United States rate (percentage points)									
. Overnight rate excluding federal funds	-1.00	-1.00	-0.75	-1.00	-1.00	-0.75	-0.75	-0.91	-1.00
. Treasury bill - 3 months	-0.86	-0.71	-0.69	-0.73	-0.90	-0.66	-0.55	-0.77	-0.96
. Treasury bill - 6 months	-0.98	-0.85	-0.81	-0.83	-0.79	-0.78	-0.72	-0.87	-0.99
. Treasury bond - 5 years	-0.72	-0.69	-0.73	-0.65	-0.40	-0.54	-0.40	-0.59	-0.81
. Treasury bond - 10 years	-0.62	-0.62	-0.68	-0.59	-0.37	-0.18	-0.28	-0.47	-0.75
. Treasury bond - 30 years	-0.60	-0.60	-0.67	-0.62	-0.43	-0.01	-0.15	-0.46	-0.80
Spread with Canada rate (percentage points)									
. Bond of Québec - 10 years	0.45	0.52	0.48	0.39	0.49	0.43	0.53	0.41	2.50
. Bond of Ontario - 10 years	0.36	0.43	0.40	0.28	0.35	0.29	0.44	0.31	2.50
. Bond of Alberta - 10 years	0.26	0.33	0.28	0.15	0.28	0.25	0.33	0.21	2.50
. Bond of British Columbia - 10 years	0.33	0.37	0.31	0.20	0.28	0.22	0.37	0.23	2.50

Financial indicators table for the current day at 12h.

2006-07-14

## UNITED STATES

Economic indicators	Reference month	Level	Monthly variation (%)				Change since (%)		
			Reference month	Previous data			3 months	6 months	1 year
				- 1 month	- 2 months	- 3 months			
--- Annual rate ---									
Leading indicator (1996 = 100)	May	137.9	-0.6	-0.1	0.4	-0.5	-1.4	-0.4	1.7
ISM manufacturing index (1)	June	53.8	---	54.4	57.3	55.2	55.2	55.6	54.0
ISM non-manufacturing index (1)	June	57.0	---	60.1	63.0	60.5	60.5	61.0	61.1
Consumer confidence C.B. (1985 = 100) (1)	June	105.7	---	104.7	109.8	107.5	107.5	103.8	106.2
Consumer confidence Mch. (1966 = 100) (1)	July*	83.0	---	84.9	79.1	87.4	87.4	91.2	96.5
Personal consumption expenditure (\$B 2000)	May	8,059.4	0.1	0.2	0.1	0.2	1.7	3.3	3.3
Disposable personal income (\$B 2000)	May	8,213.6	-0.0	0.1	-0.1	0.2	-0.0	0.8	1.4
Consumer credit (\$B)	May*	2,173.5	0.2	0.4	0.1	0.2	2.8	2.8	2.8
Retail sales (\$M)	June*	363,806	-0.1	0.1	0.7	0.7	2.9	7.4	5.9
. Excluding automobiles (\$M)	June*	290,084	0.3	0.7	0.7	0.6	7.1	9.9	8.5
Industrial production (1997 = 100)	May	112.1	-0.1	0.8	0.5	0.3	5.0	5.0	4.3
Production capacity utilization rate (%) (1)	May	81.7	---	81.9	81.4	81.1	81.1	80.5	79.8
New machinery orders (\$M)	May	399,874	0.7	-2.0	4.0	0.1	10.8	1.1	4.9
Housing starts ('000) (1)	May	1,957	---	1,863	1,972	2,132	2,132	2,131	2,034
Building permits ('000) (1)	May	1,946	---	1,973	2,085	2,147	2,147	2,191	2,111
New home sales ('000) (1)	May	1,234	---	1,180	1,114	1,038	1,038	1,236	1,311
Existing home sales ('000) (1)	May	6,670	---	6,750	6,900	6,900	6,900	7,030	7,140
Construction spending (\$B)	May	1,206.2	-0.4	-0.2	1.0	0.4	2.1	4.0	6.0
Commercial surplus (\$M) (1)	May*	-63,834	---	-63,341	-61,862	-62,661	-62,661	-64,002	-56,629
. Exports (\$M)	May*	118,661	2.4	-0.0	1.8	-0.8	17.9	16.4	12.6
. Imports (\$M)	May*	182,495	1.8	0.8	0.7	-2.5	14.2	10.0	12.7
Nonfarm employment (payroll survey) ('000) (2)	June	135,230	121	92	112	175	108.3	142.3	154.5
Civilian employment ('000) (2)	June	144,363	387	288	47	384	240.7	264.0	217.8
Unemployment rate (%) (1)	June	4.6	---	4.6	4.7	4.7	4.7	4.9	5.0
Help-wanted index (1987 = 100) (1)	May	33	---	35	37	39	-48.7	-24.6	-13.2
Consumer price index (1982-1984 = 100)	May	201.9	0.4	0.6	0.4	0.1	5.7	4.2	4.1
. Excluding food and energy	May	205.4	0.3	0.3	0.3	0.1	3.8	2.9	2.4
Industrial product price index (1982 = 100)	May	160.8	0.2	0.9	0.5	-1.3	6.7	2.5	4.3
. Excluding food and energy	May	158.9	0.3	0.1	0.1	0.4	2.0	2.7	1.6
Export prices (2000 = 100)	June*	111.2	0.8	0.6	0.7	0.2	9.1	6.6	4.2
Import prices (2000 = 100)	June*	117.1	0.1	1.7	2.0	-0.1	16.6	8.7	7.2
Money supply M2 (\$B)	June*	6,826	0.4	-0.0	0.3	0.3	2.8	4.5	4.8

\* New statistic (in comparison with last week).

(1) For this indicator, the statistic shows the level of the month of the column except for the reference month column (---).

(2) For this indicator, the statistic shows the average monthly variation since the reference month.

Financial indicators	Current week	Last week	Previous data				Last 52 weeks		
			- 1 month	- 3 months	- 6 months	- 1 year	Higher	Ave.	Lower
Federal funds rate (%)	5.25	5.25	5.00	4.75	4.25	3.25	5.25	4.27	3.25
Discount rate (%)	6.75	6.75	6.50	6.25	5.75	4.75	6.75	5.77	4.75
Prime rate (%)	8.25	8.25	8.00	7.75	7.25	6.25	8.25	7.27	6.25
Commercial paper - 30 days (%)	5.28	5.26	5.07	4.80	4.38	3.26	5.28	4.36	3.36
Commercial paper - 90 days (%)	5.36	5.36	5.16	4.93	4.46	3.45	5.37	4.48	3.53
Treasury bill (United States) - 4 weeks (%)	4.85	4.81	4.76	4.54	4.09	2.97	4.85	4.03	3.05
Treasury bill (United States) - 90 days (%)	5.04	5.01	4.84	4.69	4.32	3.15	5.04	4.23	3.36
Treasury bill (United States) - 180 days (%)	5.25	5.27	5.03	4.92	4.42	3.37	5.27	4.47	3.60
Treasury bond (United States) - 2 years (%)	5.09	5.18	4.98	4.94	4.34	3.77	5.23	4.53	3.73
Treasury bond (United States) - 3 years (%)	5.05	5.14	4.94	4.94	4.30	3.81	5.20	4.53	3.76
Treasury bond (United States) - 5 years (%)	5.02	5.10	4.91	4.95	4.29	3.88	5.17	4.53	3.83
Treasury bond (United States) - 10 years (%)	5.06	5.13	4.97	5.03	4.36	4.08	5.19	4.62	4.03
Treasury bond (United States) - 30 years (%)	5.11	5.16	5.03	5.11	4.54	4.33	5.30	4.75	4.31
Gold price (US\$/ounce)	664.80	631.83	612.55	596.17	555.75	422.75	717.30	537.69	424.85
CRB index - future markets (1967 = 100)	356.52	350.93	338.44	340.54	335.72	312.97	362.89	331.41	303.49
Crude oil price (WTI, US\$)	77.05	75.40	69.45	68.50	63.55	61.45	77.05	65.01	55.80

Financial indicators table for the current day at 12h.

2006-07-14

## OVERSEAS

Economic indicators	Reference month	Level	Monthly variation (%)				Change since (%)		
			Reference month	Previous data			3 months	6 months	1 year
				- 1 month	- 2 months	- 3 months			
<b>EURO ZONE</b>									
Industrial production (1985 = 100)	April	105.7	-0.7	0.8	-0.0	0.1	0.4	3.9	1.9
Retail sales (1995 = 100)	May	107.3	-0.6	1.0	-0.6	-0.2	-0.7	0.1	0.7
Unemployment rate (%) (1)	May	7.9	---	8.0	8.0	8.1	8.1	8.3	8.7
Commercial surplus (US\$M) (1)	April	-2,543	---	795	-3,565	-11,711	-11,711	529	2,090
Consumer price index (1996 = 100)	April	102.2	0.7	0.6	0.3	-0.4	6.2	2.3	2.4
Producer price index (1995 = 100)	May	115.7	0.3	0.8	0.5	0.5	6.6	7.2	6.0
Money supply M3 (€B)	May	7,360	0.5	1.6	0.8	0.4	12.3	10.7	8.8
<b>UNITED KINGDOM</b>									
Industrial production (1995 = 100)	May	98.8	0.3	-0.6	0.7	-0.4	1.6	1.4	-0.7
Retail sales (1995 = 100)	May	129.3	0.5	0.6	0.9	0.2	8.5	2.4	4.0
ILO unemployment rate (%) (1)	April*	5.4	---	5.3	5.2	5.1	5.1	5.0	4.7
Commercial surplus (US\$M) (1)	May*	0	---	-6,318	-6,681	-8,529	-8,529	-7,237	-5,792
Consumer price index (January 1987 = 100)	May	197.7	0.6	0.8	0.4	0.4	7.4	4.3	3.0
Producer price index (1995 = 100)	June*	109.7	0.1	0.4	0.7	0.3	4.9	4.3	3.3
Money supply M4 (£B)	May	1,384	0.6	1.3	0.9	1.1	11.7	12.2	11.7
<b>JAPAN</b>									
Industrial production (1995 = 100)	May	103.7	-1.3	1.4	0.2	-1.2	0.8	0.2	2.8
Retail sales (2000 = 100)	May	93.8	0.6	-0.1	-0.3	-1.4	0.9	3.3	0.3
Unemployment rate (%) (1)	May	4.0	---	4.1	4.1	4.1	4.1	4.5	4.4
Commercial surplus (US\$B) (1)	May*	0.0	---	66	98	92	92	60	39
Consumer price index (2000 = 100)	May	98.8	0.5	0.3	0.2	-0.3	4.2	2.1	0.6
Producer price index (1995 = 100)	June*	100.5	-0.1	0.7	0.5	0.0	4.5	3.3	3.3
Money supply M2+CD (¥B)	June*	712	-0.1	-0.6	1.0	0.4	1.2	-0.1	1.2

\* New statistic (in comparison with last week).

(1) For this indicator, the statistic shows the level of the month of the column except for the reference month column (---).

Financial indicators	Current week	Last week	Previous data				Last 52 weeks		
			- 1 month	- 3 months	- 6 months	- 1 year	Higher	Ave.	Lower
<b>INTERVENTION RATE (Centrals Banks) (%)</b>									
Canada . Overnight rate	4.25	4.25	4.25	3.75	3.25	2.50	4.25	3.37	2.50
. Discount rate	4.50	4.50	4.50	4.00	3.50	2.75	4.50	3.61	2.75
United States . Federal funds	5.25	5.25	5.00	4.75	4.25	3.25	5.25	4.27	3.25
. Discount rate	6.75	6.75	6.50	6.25	5.75	4.75	6.75	5.77	4.75
Euro zone . Overnight rate	1.75	1.75	1.75	1.50	1.25	1.00	1.75	1.28	1.00
. Refinancing rate	2.75	2.75	2.75	2.50	2.25	2.00	2.75	2.28	2.00
. Marginal lending rate	3.75	3.75	3.75	3.50	3.25	3.00	3.75	3.28	3.00
United Kingdom . Base rate	4.50	4.50	4.50	4.50	4.50	4.75	4.75	4.51	4.50
Japan . Overnight rate	0.08	0.01	0.00	0.00	0.00	0.00	0.08	0.00	-0.01
. Discount rate	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
<b>SHORT-TERM INTEREST RATE - 3 months (%)</b>									
Canada . Bankers accept. - 3 months	4.36	4.43	4.35	4.13	3.61	2.63	4.48	3.62	2.67
United States . Euro dollar	5.50	5.51	5.30	5.08	4.60	3.56	5.51	4.61	3.66
Euro zone . Euro euro	3.09	3.08	2.99	2.77	2.51	2.11	3.09	2.54	2.13
United Kingdom . Euro pound	4.70	4.73	4.72	4.62	4.61	4.67	4.75	4.61	3.60
Japan . Euro yen	0.41	0.38	0.30	0.11	0.07	0.06	0.41	0.12	0.06
<b>LONG-TERM INTEREST RATE - 10 years (%)</b>									
United States	5.06	5.13	4.97	5.03	4.36	4.08	5.19	4.62	4.03
Canada	4.44	4.51	4.29	4.44	3.99	3.90	4.59	4.15	3.73
. Spread with United States (percentage points)	-0.62	-0.62	-0.68	-0.59	-0.37	-0.18	-0.28	-0.47	-0.75
Germany	3.98	4.06	3.93	3.95	3.26	3.19	4.08	3.54	3.05
. Spread with United States (percentage points)	-1.08	-1.07	-1.04	-1.08	-1.10	-0.89	-0.95	-1.08	-1.20
United Kingdom	4.58	4.65	5.49	4.53	4.05	4.22	5.49	4.37	4.05
. Spread with United States (percentage points)	-0.48	-0.48	0.52	-0.50	-0.31	0.14	0.52	-0.25	-0.54
Japan	1.85	1.96	1.87	1.94	1.46	1.22	1.99	1.62	1.24
. Spread with United States (percentage points)	-3.21	-3.17	-3.10	-3.09	-2.90	-2.86	-2.71	-3.00	-3.32

Financial indicators table for the current day at 12h.

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## NORTH AMERICAN BOND MARKETS

	Yield (%)					Spread with the Federal Treasury Bond (%points)				
	2006-07-13	- 1 month	- 3 months	- 6 months	- 1 year	13/07/2006	- 1 month	- 3 months	- 6 months	- 1 year
<b>CANADA</b>										
Bond indices										
. Overall universe	4.68	4.58	4.62	4.21	3.92	0.27	0.26	0.26	0.26	0.30
. Overall short-term	4.47	4.40	4.37	3.99	3.37	0.12	0.11	0.11	0.11	0.12
. Overall medium-term	4.71	4.58	4.67	4.19	4.00	0.28	0.28	0.26	0.24	0.20
. Overall long-term	5.00	4.87	4.96	4.56	4.73	0.45	0.46	0.44	0.45	0.38
Federal										
. Overall universe	4.41	4.32	4.36	3.95	3.62	---	---	---	---	---
. Overall short-term	4.35	4.29	4.26	3.88	3.25	---	---	---	---	---
. Overall medium-term	4.43	4.30	4.41	3.95	3.80	---	---	---	---	---
. Overall long-term	4.55	4.41	4.52	4.11	4.35	---	---	---	---	---
Provincial										
. Overall universe	4.79	4.68	4.75	4.34	4.17	0.38	0.36	0.39	0.39	0.55
. Overall short-term	4.45	4.38	4.35	3.97	3.32	0.10	0.09	0.09	0.09	0.07
. Overall medium-term	4.67	4.54	4.64	4.19	3.97	0.24	0.24	0.23	0.24	0.17
. Overall long-term	5.03	4.90	5.02	4.62	4.75	0.48	0.49	0.50	0.51	0.40
Municipal										
. Overall universe	4.72	4.61	4.66	4.25	3.97	0.31	0.29	0.30	0.30	0.35
All corporate universe										
. Overall universe	4.99	4.88	4.91	4.51	4.16	0.58	0.56	0.55	0.56	0.54
. Corporate AA	4.69	4.60	4.60	4.18	3.68	0.28	0.28	0.24	0.23	0.06
. Corporate A	5.07	4.94	4.99	4.56	4.30	0.66	0.62	0.63	0.61	0.68
. Corporate BBB	5.29	5.17	5.21	4.87	4.49	0.88	0.85	0.85	0.92	0.87
<b>UNITED STATES*</b>										
Bond indices	5.76	5.63	5.64	5.02	4.67	0.54	0.53	0.52	0.53	0.52
Federal	5.22	5.10	5.12	4.49	4.15	---	---	---	---	---
Municipal	4.58	4.47	4.52	4.34	4.22	-0.64	-0.63	-0.60	-0.15	0.07
Corporate AAA	5.73	5.61	5.62	5.01	4.67	0.51	0.52	0.50	0.52	0.52
Corporate AA	5.79	5.66	5.66	5.04	4.63	0.57	0.57	0.54	0.55	0.48
Corporate A	6.05	5.91	5.91	5.29	4.91	0.84	0.81	0.79	0.80	0.76
Corporate BBB	6.39	6.25	6.23	5.64	5.43	1.18	1.16	1.11	1.15	1.28

Note: "Overall universe" indices combine bonds of short-, medium- and long-term maturities.

\* American indices are all of "overall universe" form.

## MSCI\* BOND INDICES

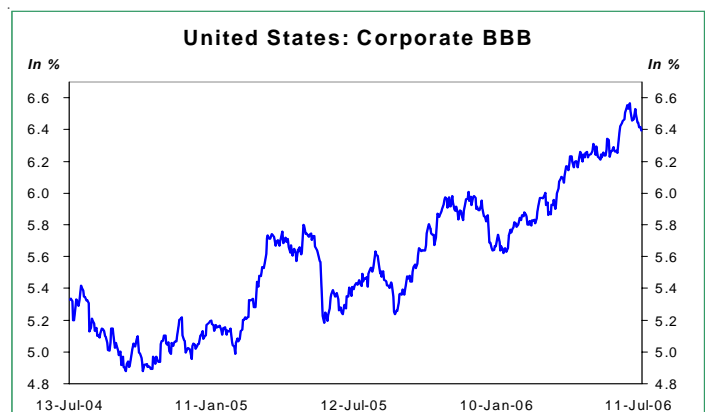
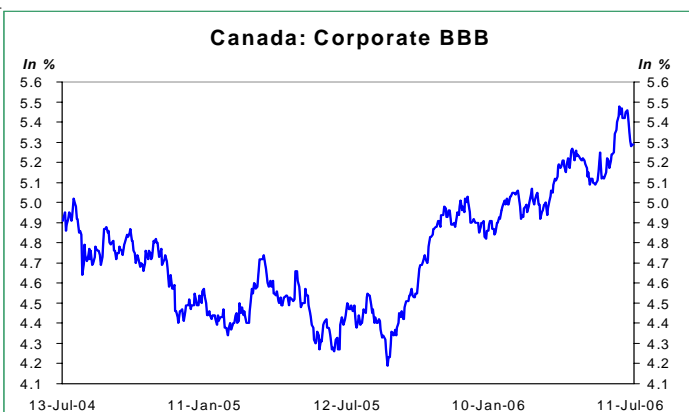
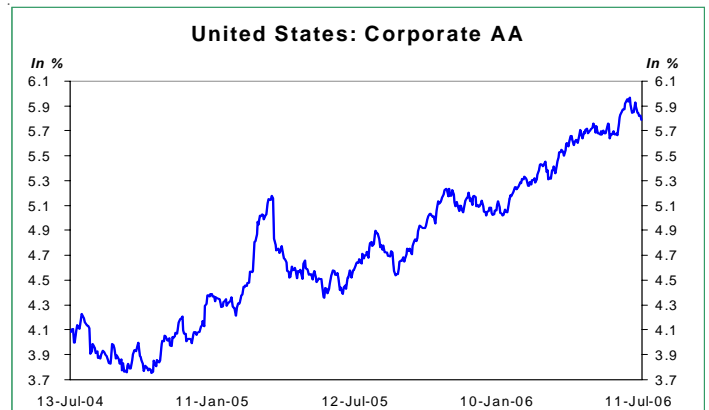
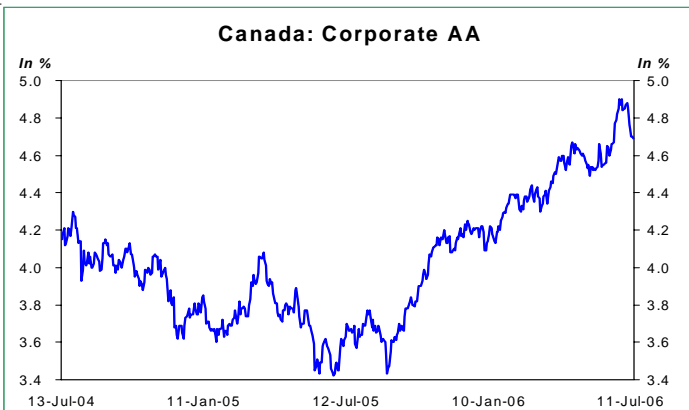
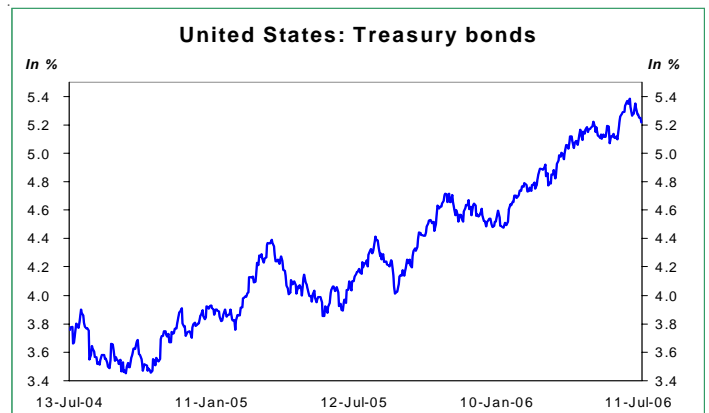
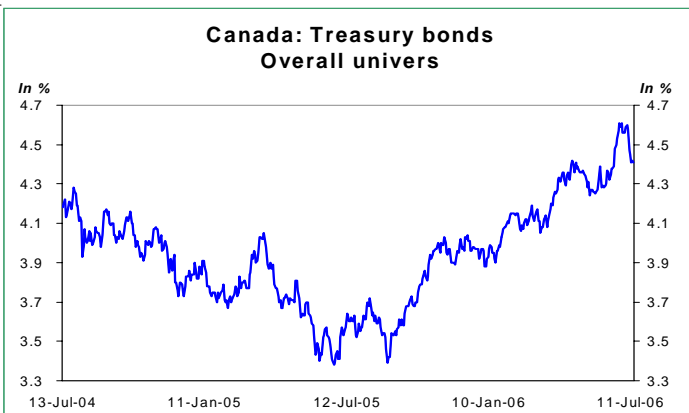
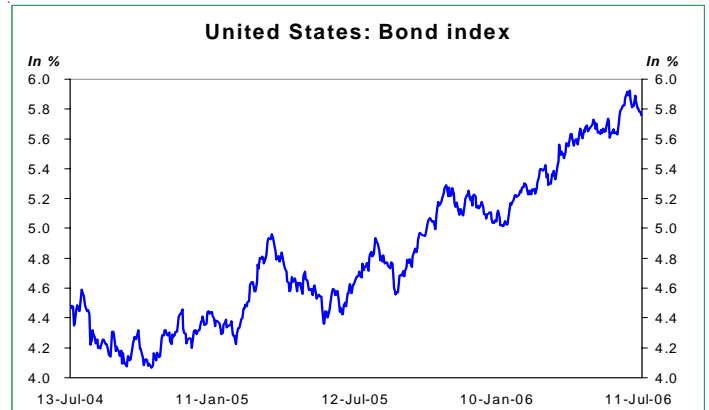
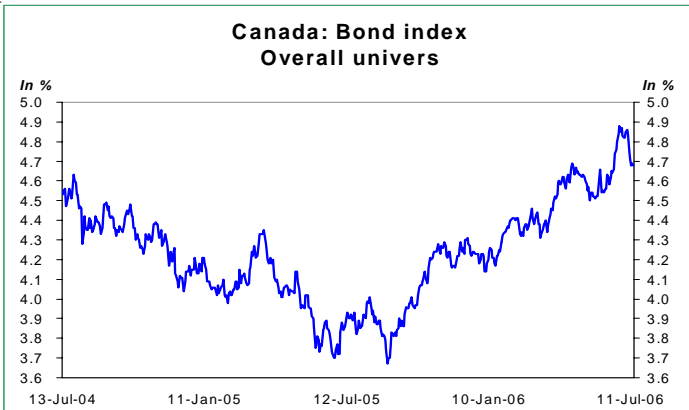
July 13, 2006	Yield (%)	Spread against (%points)								
		Other countries	North America	United States	Canada	Euro zone	Germany	France	United Kingdom	Japan
Other countries	4.10	---	-0.97	-1.04	-0.38	0.42	0.10	0.09	-0.33	2.37
North America	5.07	0.97	---	-0.08	0.59	1.39	1.07	1.06	0.64	3.33
United States	5.14	1.04	0.08	---	0.66	1.46	1.15	1.13	0.72	3.41
Canada	4.48	0.38	-0.59	-0.66	---	0.80	0.49	0.47	0.06	2.75
Euro zone	3.68	-0.42	-1.39	-1.46	-0.80	---	-0.31	-0.33	-0.74	1.95
Germany	3.99	-0.10	-1.07	-1.15	-0.49	0.31	---	-0.01	-0.43	2.26
France	4.01	-0.09	-1.06	-1.13	-0.47	0.33	0.01	---	-0.42	2.28
United Kingdom	4.42	0.33	-0.64	-0.72	-0.06	0.74	0.43	0.42	---	2.69
Japan	1.73	-2.37	-3.33	-3.41	-2.75	-1.95	-2.26	-2.28	-2.69	---

Note: These local currency indices combine federal bonds with maturities of one year and over.

\* Morgan Stanley Capital International.

2006-07-14

## EVOLUTION OF MAJOR BOND INDICES



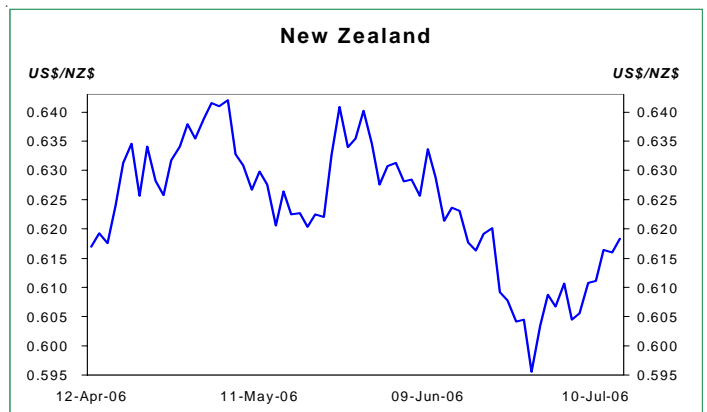
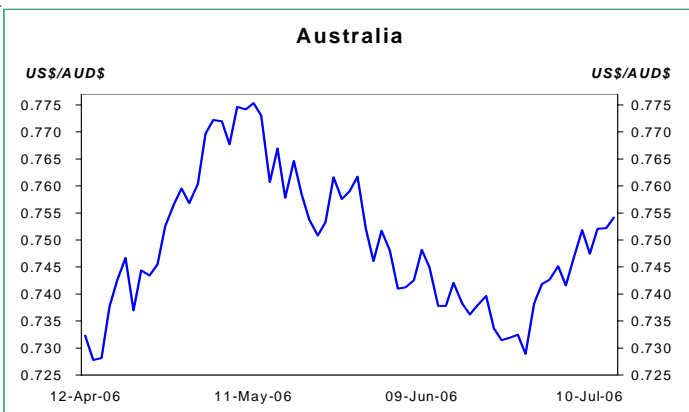
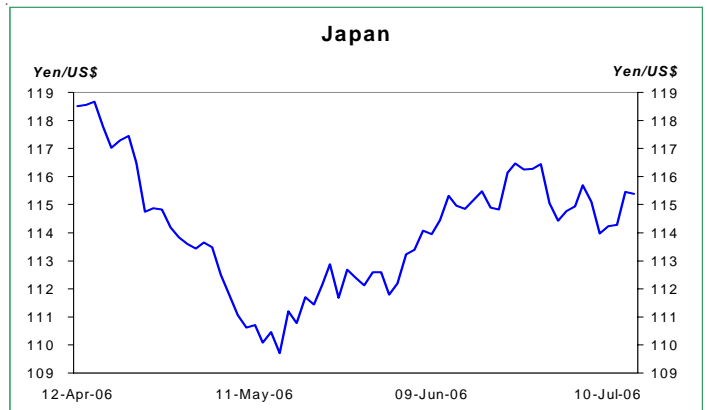
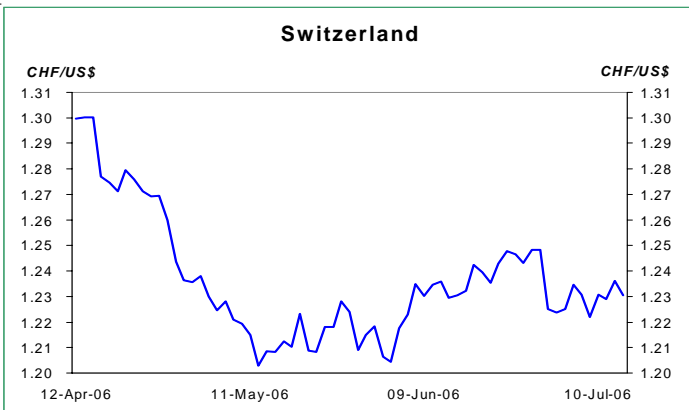
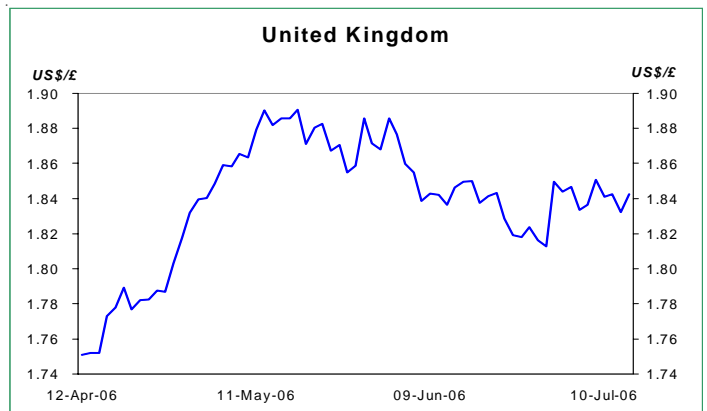
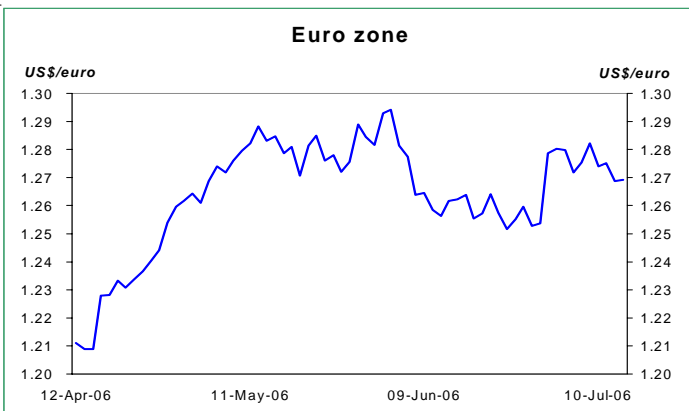
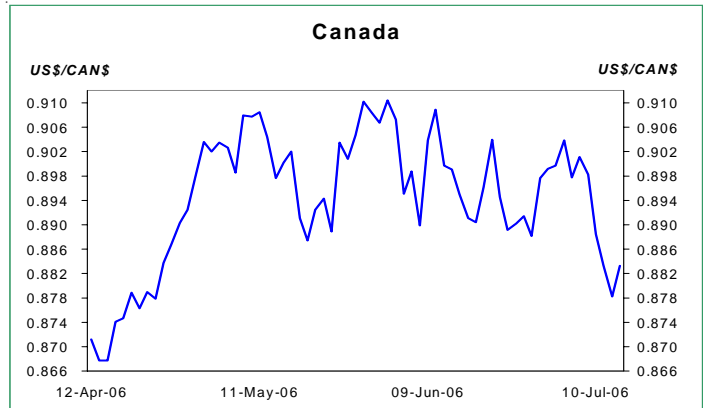
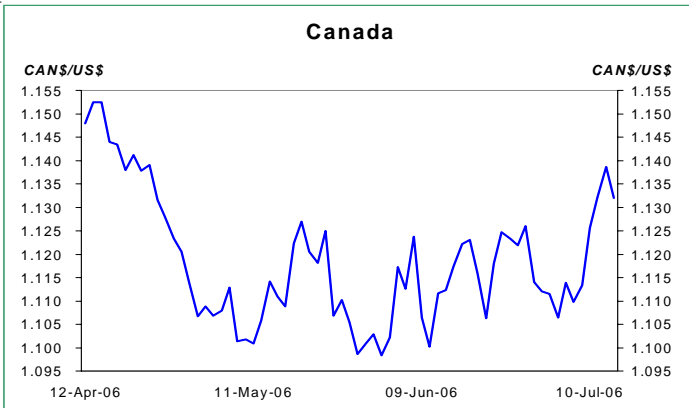
## CURRENCY MARKETS

REGIONS	Country - Currency (In comparison with the US\$, unless otherwise indicated)	Current week	Last week	Previous data				Last 52 weeks		
				- 1 month	- 3 months	- 6 months	- 1 year	Higher	Ave.	Lower
North America	Canada - Canadian Dollar	1.1321	1.1098	1.1116	1.1525	1.1617	1.2070	1.2368	1.1600	1.0984
	Canada - Canadian Dollar (US\$/CAN\$)	0.8833	0.9011	0.8996	0.8677	0.8608	0.8285	0.8085	0.8621	0.9104
	Mexico - Mexican Peso	11.06	11.09	11.45	11.09	10.58	10.69	11.49	10.81	10.41
South America	Argentina - Argentina Peso	3.0863	3.0863	3.0813	3.0788	3.0413	2.8713	3.0913	3.0066	2.8588
	Bolivia - Bolivian Boliviano	7.9950	7.9950	8.0000	8.0000	8.0000	8.0910	8.0910	8.0187	7.9950
	Brazil - Brazilian Real	2.2096	2.1865	2.3081	2.1385	2.2671	2.3447	2.4733	2.2382	2.0520
	Chile - Chilean Peso	541.85	539.05	547.40	514.55	524.65	581.05	581.05	531.74	510.38
	Columbia - Columbia Peso	2,536	2,567	2,573	2,340	2,274	2,327	2,635	2,331	2,245
	Ecuador - Ecuador Sucre	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	Guadeloupe - French Franc	5.1677	5.1438	5.2216	5.4263	5.4322	5.4245	5.6245	5.3817	5.0686
	Martinique - French Franc	5.1677	5.1438	5.2216	5.4263	5.4322	5.4245	5.6245	5.3817	5.0686
	Peru - Peruvian Nuevo Sol	3.2410	3.2535	3.2635	3.3205	3.4515	3.2520	3.4515	3.3243	3.2375
	Venezuela - Venezuelan Bolivar	2,670	2,511	2,647	2,545	2,757	2,636	2,959	2,622	2,444
	Africa and Middle-East	Algeria - Algerian Dinar	74.03	72.81	73.42	73.23	73.07	73.59	74.50	73.03
Central African Republic - CFA		108.52	108.02	109.65	113.95	114.08	113.91	118.11	113.02	106.44
Egypt - Egyptian Pound		5.7463	5.7523	5.7600	5.7475	5.7400	5.7825	5.7825	5.7552	5.7300
Israel - Israeli Shekel		4.5100	4.3970	4.4910	4.6063	4.6150	4.5385	4.7390	4.5833	4.3838
Kenya - Kenya Shilling		73.50	73.80	74.10	71.17	72.22	76.30	76.35	73.27	70.77
Kuwait - Kuwaiti Dinar		0.2892	0.2893	0.2892	0.2921	0.2921	0.2920	0.2925	0.2915	0.2890
Lebanon - Lebanese Pound		1,508	1,508	1,506	1,508	1,506	1,506	1,509	1,505	1,502
Morocco - Moroccan Dirham		8.7171	8.6874	8.7905	9.0717	9.0582	9.0751	9.3390	9.0064	8.5707
Saudi Arabia - Saudi Riyal		3.7504	3.7505	3.7506	3.7507	3.7505	3.7505	3.7524	3.7505	3.7478
South Africa - South African Rand		7.2063	7.1753	6.8438	6.1368	6.0090	6.6749	7.4038	6.4285	5.9903
Tunisia - Tunisian Dinar		1.3268	1.3226	1.3364	1.3540	1.3374	1.3284	1.3824	1.3384	1.2978
Turkey - Turkish Lira		1.5840	1.5645	1.5985	1.3500	1.3416	1.3335	1.7085	1.3805	1.3023
United Arab Emirates - Dirham		3.6730	3.6730	3.6722	3.6731	3.6730	3.6730	3.6734	3.6728	3.6706
West African Republic - CFA		108.52	108.02	109.65	113.95	114.08	113.91	118.11	113.02	106.44
Asia	China - Chinese Yuan Renminbi	7.9924	7.9955	8.0145	8.0210	8.0707	8.2791	8.2817	8.0626	7.9870
	Hong Kong - Hong Kong Dollar	7.7761	7.7707	7.7625	7.7575	7.7519	7.7782	7.8163	7.7601	7.7512
	India - Indian Rupee	46.18	46.01	45.84	45.10	44.10	43.49	46.33	44.75	43.09
	Indonesia - Indonesian Rupiah	9,107	9,118	9,491	8,988	9,359	9,794	10,755	9,571	8,718
	Japan - Japanese Yen	115.39	115.12	115.32	118.56	114.32	111.92	121.10	115.03	109.17
	Malaysia - Malaysian Ringgit	3.6600	3.6665	3.6750	3.6710	3.7785	3.8000	3.8001	3.7265	3.5768
	Pakistan - Pakistan Rupee	60.30	60.32	60.17	60.05	59.89	59.67	60.40	59.92	59.61
	Philippines - Philippine Peso	52.32	52.73	53.32	51.33	52.34	56.21	56.33	53.55	51.02
	Singapore - Singapore Dollar	1.5843	1.5818	1.5982	1.6083	1.6274	1.6914	1.7052	1.6412	1.5611
	South Korea - Korean Won	949	950	962	962	988	1,038	1,059	995	928
	Taiwan - Taiwan Dollar	32.57	32.46	32.68	32.55	31.93	31.86	33.74	32.58	31.39
	Thailand - Thai Baht	37.93	38.16	38.54	38.14	39.58	41.87	42.13	39.82	37.45
	Europe	Denmark - Denmark Krona	5.8772	5.8372	5.9423	6.1637	6.1471	6.1750	6.3891	6.1173
Euro zone - Euro (US\$/€)		1.2693	1.2752	1.2562	1.2089	1.2075	1.2092	1.2941	1.2197	1.1662
Hungary - Hungarian Forint		223.10	219.47	215.09	220.60	206.48	204.24	224.54	209.67	194.31
Iceland - Iceland Krona		74.45	75.66	75.06	76.30	61.21	65.13	79.18	66.52	59.52
North Ireland - Ireland Pound		0.6205	0.6163	0.6278	0.6505	0.6501	0.6518	0.6747	0.6458	0.6093
Norway - Norwegian Kroner		6.2320	6.2255	6.2370	6.4916	6.6390	6.5381	6.8364	6.4855	5.9888
Poland - Polish Zloty		3.1943	3.1491	3.2072	3.2519	3.1436	3.4364	3.4462	3.2212	2.9954
Russia - Russian Ruble		26.93	26.89	27.10	27.72	28.45	28.65	28.99	28.08	26.71
Sweden - Swedish Krona		7.2452	7.1747	7.3821	7.6890	7.6881	7.7425	8.2435	7.6812	7.1234
Switzerland - Swiss Franc		1.2304	1.2308	1.2359	1.3002	1.2831	1.2891	1.3267	1.2769	1.2029
United Kingdom - UK Pound (US\$/£)		1.8427	1.8365	1.8366	1.7519	1.7703	1.7548	1.8906	1.7812	1.7115
South Pacific	Australia - Australian Dollar (US\$/AUD\$)	1.3260	1.3393	1.3553	1.3741	1.3245	1.3354	1.4161	1.3381	1.2896
	New Zealand - NZ Dollar (US\$/NZ\$)	1.6173	1.6513	1.6093	1.6150	1.4320	1.4850	1.6790	1.5050	1.3920

Note: 100 CFA (Financial African Community = 1FRF [French Franc]) and 6.55957 FRF = 1 €  
Currency table base on previous day closure.

2006-07-14

## EVOLUTION OF MAJOR CURRENCIES



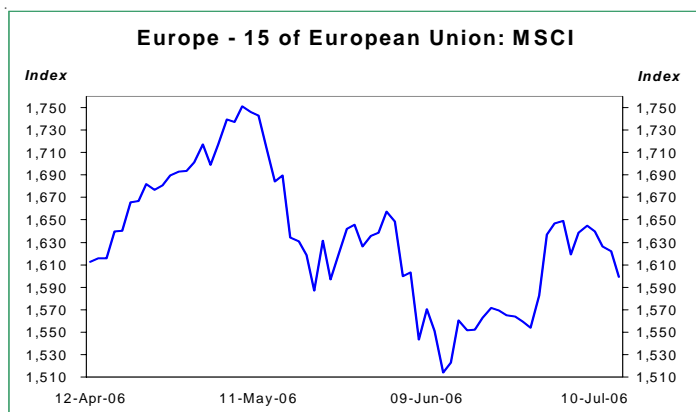
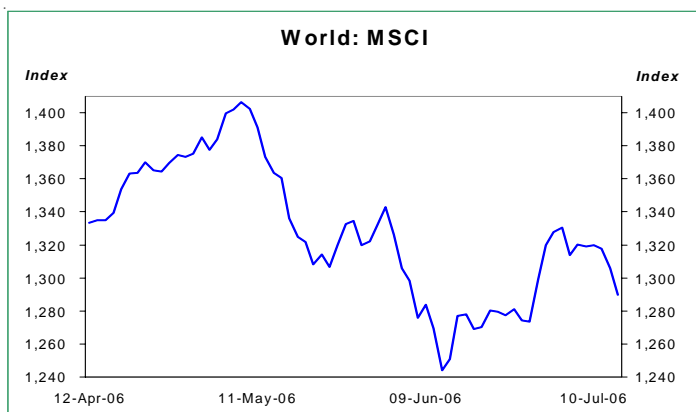
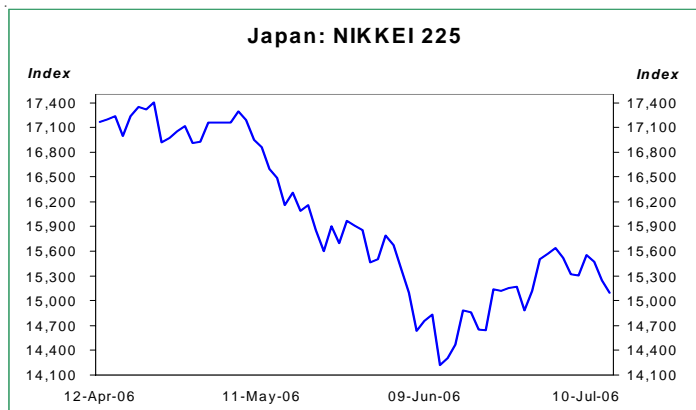
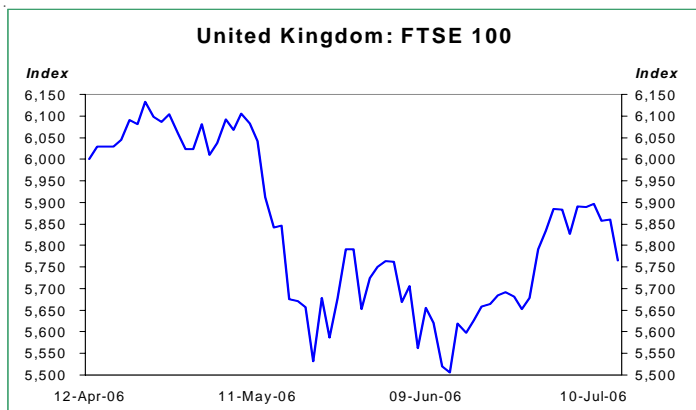
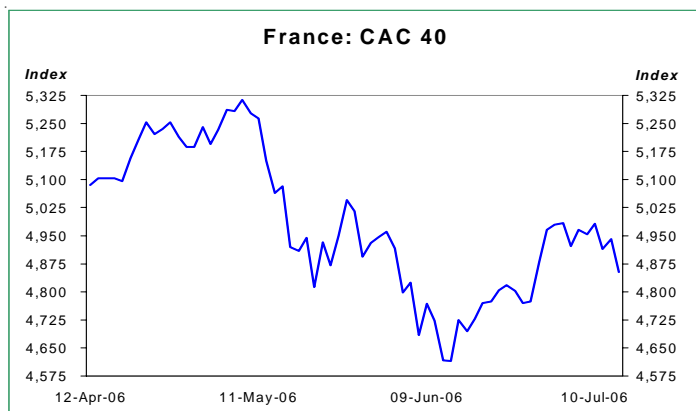
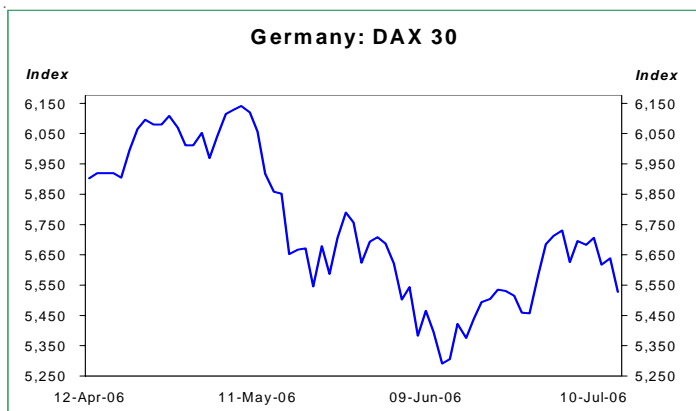
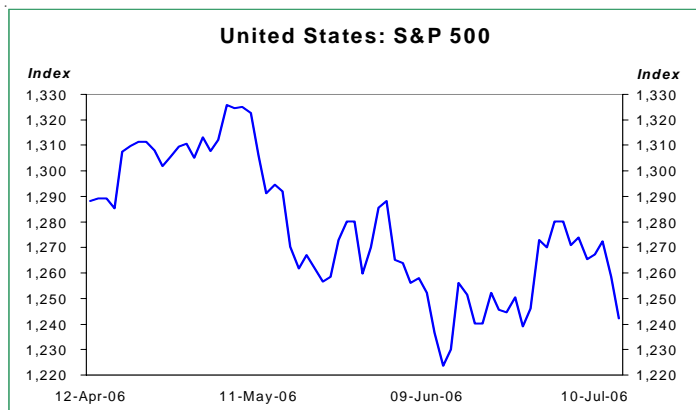
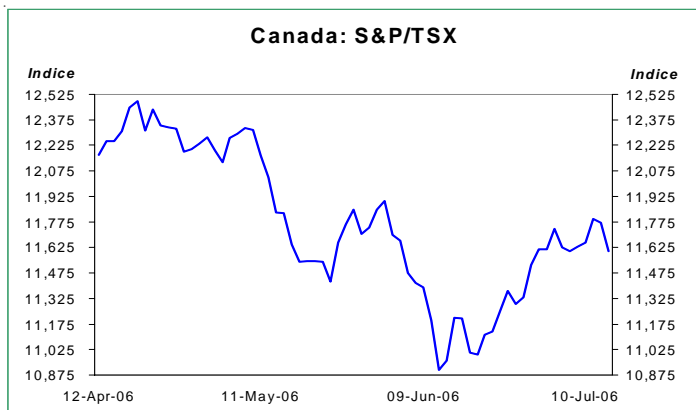
## WORLD STOCK MARKETS INDICES

REGIONS	Country - World stocks	Current week	Last week	Previous data				Last 52 weeks		
				- 1 month	- 3 months	- 6 months	- 1 year	Higher	Ave.	Lower
World	World - FT/S&P	365.46	373.74	351.70	378.48	369.69	329.19	399.53	358.45	328.25
	World - MSCI	1,289.90	1,320.02	1,243.94	1,334.90	1,306.77	1,171.40	1,406.28	1,268.87	1,167.33
Asia	Pacific Basin - MSCI	2,345.32	2,369.76	2,197.44	2,505.63	2,446.27	1,847.40	2,688.27	2,268.16	1,847.40
	China - SHANGHAI COMP.	1,655.77	1,741.47	1,548.50	1,332.33	1,221.46	1,037.39	1,745.81	1,280.38	1,012.10
	Hong Kong - HANG SENG	16,305.48	16,440.99	15,234.42	16,429.45	15,787.97	14,307.30	17,301.79	15,475.45	14,215.83
	Indonesia - JAKARTA COMP.	1,334.03	1,340.02	1,236.57	1,382.12	1,250.43	1,132.79	1,553.06	1,212.85	994.77
	Japan - NIKKEI 225	15,097.95	15,321.40	14,218.60	17,199.15	16,454.95	11,659.84	17,563.37	14,907.42	11,659.84
	Malaysia - KUALALUMPUR COMP.	926.55	920.00	903.63	936.24	911.90	913.07	966.88	920.39	885.14
	Philippines - COMP.	2,261.57	2,227.85	2,120.29	2,223.97	2,148.27	1,854.04	2,589.17	2,101.64	1,854.04
	Singapore - STI	2,396.64	2,448.07	2,293.35	2,544.38	2,405.86	2,239.01	2,659.65	2,385.33	2,192.41
	South Korea - KOSPI	1,285.02	1,263.96	1,203.86	1,405.72	1,416.28	1,050.16	1,464.70	1,276.74	1,050.16
	Taiwan - TWI	6,567.60	6,659.07	6,337.21	6,855.74	6,682.35	6,377.09	7,474.05	6,448.95	5,632.97
	Thailand - THAI SET 50	466.89	479.39	462.23	525.23	531.12	463.10	547.53	499.62	444.27
Western Europe	Europe - STOXX 50	3,562.56	3,662.39	3,408.02	3,779.94	3,629.25	3,260.67	3,890.94	3,553.20	3,224.10
	Europe 15 of UE - MSCI	1,599.42	1,638.67	1,514.08	1,615.63	1,535.83	1,367.31	1,751.00	1,517.37	1,360.31
	Euro zone - MSCI	1,144.04	1,178.21	1,083.09	1,163.06	1,101.04	982.81	1,264.48	1,091.39	982.08
	Austria - ATX	3,711.30	3,845.50	3,324.05	4,129.96	3,791.80	3,069.80	4,344.35	3,654.12	3,048.50
	Belgium - BEL 20	3,631.10	3,727.39	3,445.10	3,842.00	3,672.04	3,137.56	3,987.34	3,560.71	3,137.56
	Denmark - KAX	345.89	351.66	327.78	372.32	369.35	325.67	391.68	355.28	318.91
	Finland - HEX GENERAL	8,314.60	8,635.77	8,032.03	9,397.42	8,385.13	7,488.59	9,853.03	8,288.58	7,175.31
	France - CAC 40	4,852.52	4,966.45	4,617.59	5,102.62	4,850.53	4,343.62	5,312.18	4,768.77	4,326.71
	Germany - DAX 30	5,527.29	5,695.47	5,292.14	5,918.57	5,483.09	4,679.89	6,140.72	5,399.25	4,679.89
	Greece - GENERAL	3,616.59	3,605.11	3,394.78	4,188.70	3,889.33	3,123.46	4,316.98	3,675.26	3,116.35
	Ireland - OVERALL	7,463.65	7,581.78	6,954.02	7,856.53	7,526.13	6,585.10	8,066.10	7,265.89	6,388.23
	Italy - MIB 30	35,783.00	36,506.00	34,799.00	37,938.00	36,111.00	33,140.00	39,007.00	35,598.50	32,110.00
	Luxembourg - GENERAL	1,398.48	1,336.02	1,253.37	1,317.04	1,137.63	914.33	1,404.87	1,160.58	914.33
	Netherlands - CBS	485.80	485.80	485.80	485.80	485.80	485.80	485.80	485.80	485.80
	Norway - OBX	324.15	322.30	284.81	330.31	282.46	247.87	357.12	288.76	232.73
	Portugal - PSI-20	9,463.09	9,494.55	9,267.68	10,273.67	8,910.33	7,444.82	10,320.50	8,804.35	7,442.64
	Spain - IBEX 35	11,375.00	11,636.80	10,797.50	11,609.40	10,850.70	9,937.80	12,083.30	10,963.98	9,904.80
Sweden - AFGX	290.09	301.01	274.59	328.09	296.58	256.41	333.63	289.38	252.96	
Switzerland - SMI	7,587.96	7,704.64	7,154.86	8,007.34	7,802.50	6,393.84	8,122.08	7,414.80	6,393.84	
United Kingdom - FTSE 100	5,765.02	5,890.03	5,519.63	6,029.37	5,711.03	5,245.87	6,132.74	5,624.42	5,142.12	
North America	North America - MSCI	1,290.07	1,324.04	1,267.76	1,341.97	1,337.03	1,256.00	1,382.55	1,302.05	1,214.29
	Canada - S&P/TSX	11,601.94	11,602.01	10,904.34	12,248.59	11,604.82	10,203.58	12,487.32	11,299.73	10,124.90
	- S&P/TSX 60	655.07	653.49	615.86	689.52	652.17	572.99	702.80	636.33	568.01
	- S&P/TSX VENTURE COMP.	2,630.37	2,664.22	2,354.77	3,030.84	2,369.67	1,716.31	3,292.49	2,371.76	1,710.97
	United States - S&P 500	1,242.29	1,274.08	1,223.69	1,289.12	1,287.61	1,223.29	1,325.76	1,256.70	1,176.84
	- DJIA	10,846.29	11,225.30	10,706.10	11,137.65	10,959.87	10,557.39	11,642.65	10,860.17	10,215.22
	- NASDAQ	2,054.11	2,155.09	2,072.47	2,326.11	2,317.04	2,144.11	2,370.88	2,214.18	2,037.47
	- RUSSELL 2000	687.29	720.64	672.72	751.11	708.44	667.65	781.83	698.52	621.57
	- WILSHIRE 5000	12,497.96	12,861.98	12,296.92	13,065.26	12,944.57	12,227.01	13,457.28	12,634.20	11,722.81
Mexico - BOLSA	18,725.26	20,047.62	16,653.15	19,322.62	18,889.20	14,005.23	21,822.93	17,535.88	13,952.60	
Central and South America	Latin America - MSCI	2,286.68	2,397.50	1,986.34	2,482.52	2,351.89	1,681.33	2,816.07	2,206.03	1,640.85
	Argentina - MERVAL	1,644.03	1,714.42	1,497.17	1,850.11	1,645.24	1,423.36	1,943.07	1,655.42	1,423.36
	Brazil - BOVESPA	35,354.00	36,533.00	32,847.00	38,082.00	35,897.00	25,855.00	41,979.00	33,771.13	24,530.00
	Chile - GENERAL	9,767.30	9,903.24	9,394.23	9,844.34	9,420.57	9,535.14	10,277.61	9,742.23	9,111.05
Venezuela - GENERAL	31,375.30	30,871.51	30,455.51	31,293.14	22,821.41	21,267.13	31,663.85	24,756.41	18,517.89	
Others countries	Stan out countries - MSCI	734.57	749.57	665.28	803.63	756.75	583.42	881.52	710.09	582.83
	Australia - S&P/ASX 100	4,125.30	4,154.30	3,927.50	4,206.50	3,933.80	3,481.30	4,362.10	3,883.02	3,476.40
	New Zealand - NZSE 50	3,666.23	3,603.33	3,600.52	3,734.68	3,364.74	3,323.68	3,800.97	3,450.70	3,183.31
	Russia - RSI	53,387.18	56,110.94	45,507.80	57,437.75	48,898.26	26,813.23	65,472.28	44,627.55	26,264.91
	South Africa - FTSE/JSE 40	19,216.85	19,503.27	16,624.30	18,619.52	16,738.63	13,325.74	20,020.23	16,580.93	13,325.74

Currency table base on previous day closure.

2006-07-14

## EVOLUTION OF MAJOR STOCK MARKET INDICES



## STOCK MARKETS (SECTOR INDICES)

	Current week	Last week	Change since (%)				Last 52 weeks		
			1 month	3 months	6 months	1 year	Higher	Ave.	Lower
<b>CANADA : S&amp;P/TSX</b>									
Composite index	11,601.94	11,602.01	6.40	-5.28	-0.02	13.70	12,487.32	10,225.84	8,132.34
. Materials	2,019.73	2,028.33	13.49	-3.17	10.09	34.80	2,291.85	1,623.97	1,281.30
. Industrials	1,051.99	1,057.89	3.34	-8.44	2.31	15.27	1,171.71	954.91	772.83
. Consumer staples	1,561.36	1,542.77	-1.69	-5.80	-4.76	-12.14	1,813.98	1,656.31	1,467.30
. Consumer discretionary	1,143.85	1,142.32	0.22	-3.78	0.47	4.05	1,230.55	1,075.79	916.66
. Energy	3,242.05	3,261.51	11.57	-4.99	1.09	21.53	3,550.27	2,549.75	1,600.15
. Health care	509.16	518.25	0.84	-11.33	-10.05	-1.22	628.65	545.74	482.39
. Information technology	175.50	184.36	3.28	-19.12	-19.45	-16.31	282.97	221.02	169.93
. Telecommunication services	699.12	692.74	-0.59	-3.34	-5.10	-2.73	802.87	694.17	553.94
. Utilities	1,643.83	1,660.26	0.53	0.91	-6.22	7.07	1,864.59	1,518.96	1,172.95
. Financials	1,675.89	1,653.07	2.21	-4.98	-2.20	10.86	1,802.08	1,514.17	1,249.81
<b>UNITED STATES: S&amp;P 500</b>									
Composite index	1,242.29	1,274.08	1.52	-3.63	-3.52	1.55	1,325.76	1,209.84	1,063.23
. Materials	189.57	198.12	4.44	-6.76	0.38	10.51	216.00	180.04	154.38
. Industrials	296.80	308.04	0.21	-4.16	1.71	7.14	325.66	284.22	249.26
. Consumer staples	249.14	250.51	3.34	4.19	2.95	3.97	253.23	237.55	216.51
. Consumer discretionary	251.13	261.52	-1.69	-5.37	-5.42	-6.00	279.56	260.40	228.58
. Energy	427.86	427.88	13.95	3.40	6.09	19.09	441.89	346.60	245.41
. Health care	350.03	352.23	0.76	-2.60	-6.84	-3.34	381.28	354.32	311.97
. Information technology	291.63	308.91	-2.56	-15.38	-17.07	-10.67	354.52	318.52	271.28
. Telecommunication services	125.47	130.49	-1.06	-2.82	4.30	2.68	134.68	122.27	109.86
. Utilities	165.42	163.86	2.19	7.91	1.22	0.80	172.17	150.89	119.33
. Financials	426.96	436.89	0.66	-2.14	-2.35	5.39	458.09	407.06	366.33
<b>EURO ZONE: FTSEurofirst 300</b>									
Composite index	1,374.03	1,406.82	4.55	-5.99	-0.44	11.63	1,507.40	1,231.49	971.73
. Ressources	1,802.96	1,805.11	7.60	-4.91	-5.87	0.78	1,965.33	1,657.48	1,326.45
. Basic industries	1,878.27	1,847.67	10.21	0.27	8.19	22.08	1,984.90	1,559.90	1,184.52
. General industries	1,485.89	1,537.02	5.60	-6.71	-0.41	18.46	1,686.42	1,301.26	1,030.10
. Cyclical consumer goods	1,340.95	1,364.78	4.71	-7.49	-1.06	12.90	1,500.18	1,212.54	1,000.03
. Cyclical services	1,818.96	1,857.73	5.95	0.58	3.87	17.34	1,872.58	1,565.05	1,329.67
. Non-cyclical consumer goods	997.73	1,010.53	3.86	-1.89	1.70	10.41	1,047.48	891.69	725.20
. Non-cyclical services	802.46	868.57	-3.29	-16.92	-7.37	-0.23	998.62	776.70	594.86
. Information technology	763.47	783.86	-0.95	-5.07	-5.81	-11.08	905.22	822.94	725.90
. Utilities	1,875.88	1,918.44	1.84	-4.19	5.41	22.26	2,038.82	1,572.08	1,182.20
. Financials	1,436.72	1,477.71	5.92	-6.87	-0.07	18.78	1,602.58	1,244.95	925.91
<b>UNITED KINGDOM: FTSE - All share</b>									
Composite index	2,927.74	2,993.58	4.53	-4.71	1.15	11.52	3,124.67	2,617.88	2,135.40
. Ressources	8,107.64	8,127.27	8.45	-4.63	0.66	14.98	8,853.29	6,894.27	5,279.37
. Basic industries	4,527.03	4,538.01	13.42	-5.05	14.13	38.58	5,198.69	3,430.95	2,471.42
. General industries	2,417.16	2,474.37	2.58	-8.77	-0.26	26.48	2,695.02	2,005.18	1,461.80
. Cyclical consumer goods	6,889.77	7,083.08	3.04	0.92	4.10	14.78	7,101.44	5,996.29	4,946.74
. Cyclical services	1,984.64	2,078.88	-0.31	-7.40	-6.54	-9.10	2,300.57	2,076.38	1,726.90
. Non-cyclical consumer goods	7,279.13	7,362.12	4.84	-3.49	0.95	15.61	7,771.58	6,563.97	5,487.67
. Non-cyclical services	3,393.77	3,476.78	3.28	-2.21	0.91	9.17	3,581.68	3,129.86	2,681.67
. Information technology	406.36	428.97	1.05	-13.86	-14.62	0.51	497.00	413.28	342.41
. Utilities	5,502.07	5,567.10	2.99	2.00	8.32	19.27	5,613.13	4,645.30	3,659.56
. Financials	6,436.91	6,673.40	2.74	-6.71	-0.58	9.66	7,062.80	5,875.25	4,791.61