

September 9, 2009

The Weekly Monitor

- US Labour Market: A Mixed Report For August
- Canada's Job Market: Some Silver Linings, But The Deterioration Is Not Over
- Bank of Canada In No Hurry This Year And Next, But Likely To Be Aggressive In Tightening... When The Time Comes!

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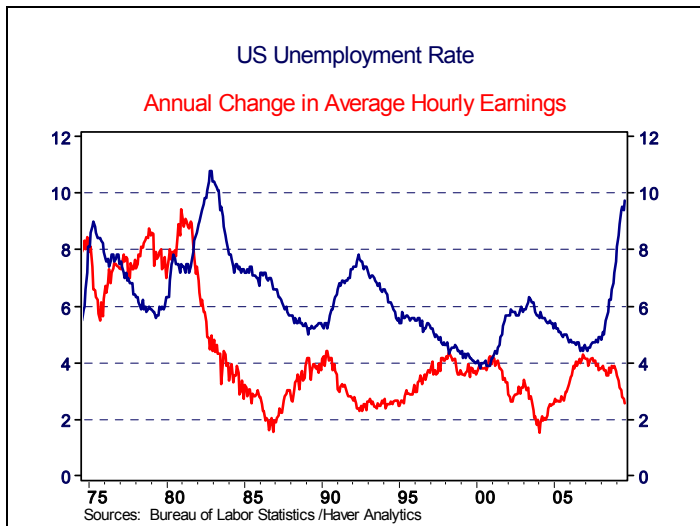
LAURENTIAN BANK
SECURITIES



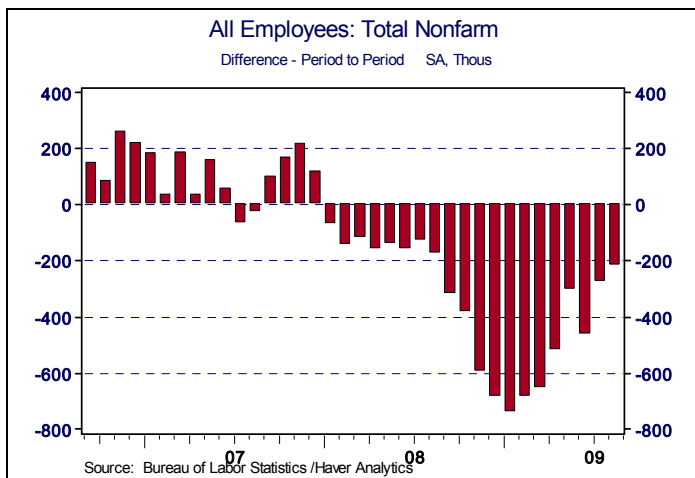
US Labour Market: A Mixed Report for August

U.S. non-farm payrolls declined 216,000 in August and the rate of unemployment rose to 9.7% from 9.4%.

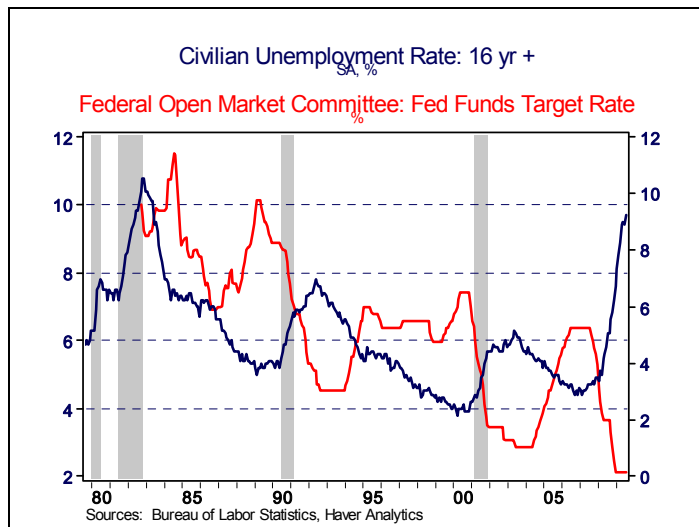
Employment in manufacturing and construction continued to decline, the workweek was unchanged and the job losses of the two previous months were revised up, i.e. an additional 50,000 jobs lost. The pace of job losses in the broad service sector (-80,000) moderated significantly in August (-154,000 in July), particularly in the key "temporary help services", (only -7,000) a segment that traditionally leads the wider labour market. Hourly earnings were up a reasonably healthy 0.3% for a 2.6% gain year-over-year, quite possibly the only silver lining in an otherwise dreary report.



The bottom line, in our opinion, is that the labour market is still contracting, albeit at a slower pace than in the November 2008 – April 2009 period. The "nascent" recovery is not yet sufficiently strong to reverse that deterioration and, we suspect, it will be a while still before that happens. Unemployment will likely continue to rise, peaking at 10 ½ percent by mid-2010. In fact, outside the health care sector, there is still no evidence of any significant hiring activity. The number of unemployed Americans is just under 15 million, with about one-third of them out of work for more than six months; a record 2 ½ million have been out of work for more than one year. These numbers are hardly conducive to supporting a vibrant recovery in consumer confidence and consumer spending. And, as most economists have consistently highlighted over the past year or so, without consumer spending there cannot be a self-sustaining economic recovery.

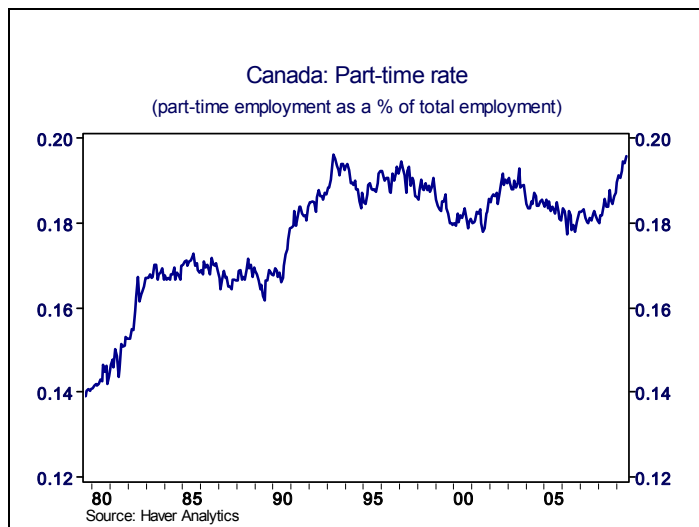


The "upside" from such an environment, if we can call it that, is that inflation will remain non-existent. This will allow the Federal Reserve to keep interest rates at extremely low levels for an extend period, possibly longer than what markets currently anticipate. We are still pencilling in the first rate hike by the Fed for the third quarter of 2010 although the probability it might happen later is rising. Such a prolonged period of ultra-low policy rates should at least allow financial institutions to rebuild their balance sheets and regain some stability, leading to a more solid foundation for economic growth in 2011-12. We still expect overall real GDP growth to average -2.6% in 2009, 2.4% in 2010 and 2.8% in 2011.



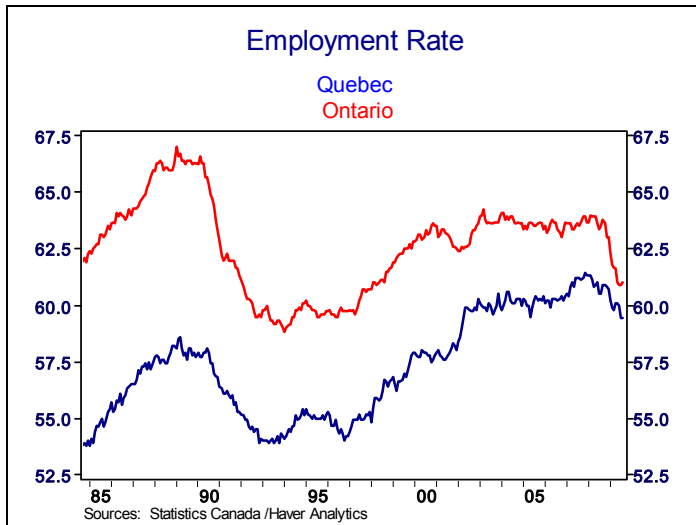
Canada's Job Market: Some Silver Linings, but the Deterioration is not Over

Like many other economic indicators, the labour market is showing signs of some strength in the third quarter, although the deterioration is not totally over. Total employment rose by 27,000 in the country during the month of August. Firms notably ramped up their workforce, as private sector employment rose by 49,000 for the first time since September of last year. Most were employed part-time (+ 30,600), a sign that firms want to keep costs in check, reluctant to start a hiring spree. Recent announcements of job cuts made by companies are also in line with this view. Overall, we do not expect total employment to increase firmly before early 2010.

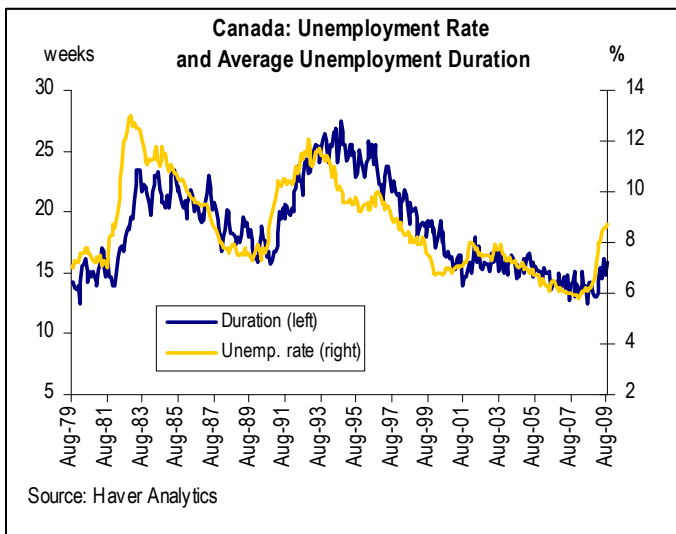


Despite the net gain in total employment in August, Canada is still in a situation of inadequate employment. Firstly, *LBS Economic Research* estimates the percentage of involuntary part-time workers has been slightly above 10% for the last four months. It was around 6-8% one year ago and

close to 5% two years ago. Another key statistic supporting this view is the relatively low employment rate (employment as a share of the population). It stalled at 61.4% in August, far from the cyclical peak of 63.9% reached in early 2008. Regionally, the employment rate in Ontario (61.0%) is close to its 1982 historic low (59%). Quebec's employment rate (59.4%) remains high relative to its previous recession levels (between 51% and 54%).



Also, the unemployment rate rose slightly to 8.7% as 49,100 more Canadians looked actively for work, signalling that many were encouraged by the recent turnaround in economic and financial conditions. Provincially, the uptrend in the unemployment rate notably continued in Quebec (9.1%) and Ontario (9.4%). A record 673,000 Ontarians were unemployed in August. In Quebec, 382,000 were out of work, still 25% less than in previous recessions (about 500,000 Quebecers were unemployed in 1982 and 1991 even though the economy was much smaller back then). Look for the jobless rate in the country to peak around 9.2% in the first half of 2010, as a greater number of people enter the workforce. As we highlighted in our *Provincial Outlook* released last week, the rate of unemployment in Quebec is expected to reach 9.2% next year, and 10.3% in Ontario.



Finally, one statistic making the headlines lately has been about the average duration of unemployment. *LBS Economic Research* highlighted this development two months ago (see *LBS' Economic Daily* comment of July 7th). In August, the average number of weeks of unemployment was close to 16.

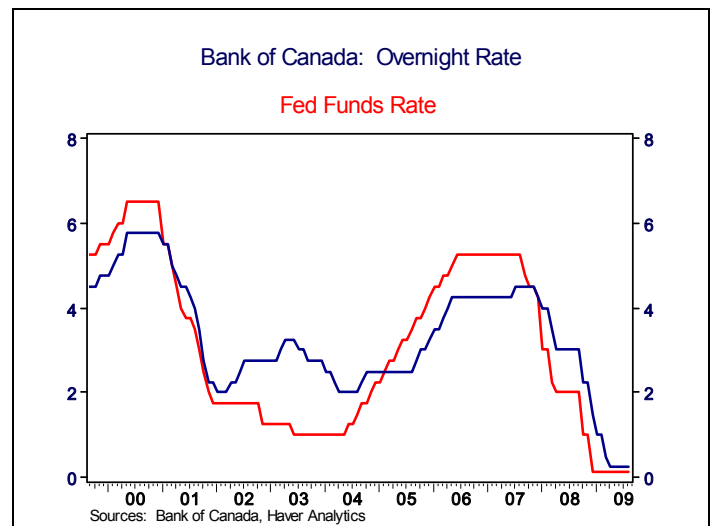
It has stayed relatively stable despite the recession, about 10 weeks less than in the United States (about 25 weeks) and shorter than in previous recessions (close to 25-26 weeks at the peak). Being without a job for a relatively short period of time is stressful but unlikely to affect someone's wealth and consumption habits in the long run. However, being unemployed for a long period of time – and without EI payments on top of that for more than half of those unemployed – can have serious implications in terms of delayed credit payments and personal bankruptcies.

Bank of Canada in no Hurry This Year and Next, but Likely to be Aggressive in Tightening... When the Time Comes!

The main event for market participants this week will be the Bank of Canada's interest rate announcement. The Bank should highlight the relatively upbeat economic developments in the third quarter, without necessarily revising its medium-term outlook for growth and inflation.

After all, the loonie is still above 90 US cents, an important downside risk. Furthermore, Governor Carney knows households still cannot absorb an interest rate shock even if the job market showed some (thin!) silver linings in August (in any case, one "data point" is not enough to change the outlook). There are still considerable risks to hiking rates too early, and Governor Carney knows that too well. Like Chairman Bernanke, he will not tighten before unemployment has firmly peaked. Therefore, the Bank of Canada will maintain its commitment to keep the overnight rate at 0.25% until the end of the second quarter of 2010.

We think most of the tightening will occur after the jobless rate has peaked (in the first half of 2010) and before total and core inflation get back to the 2% target (in mid-2011). This is the "time frame" the Bank will have. In this context, the first hike cannot occur before the third quarter of 2010 in our view. Furthermore, an aggressive tightening – rather than a gradual one – will be necessary because rates are extremely low. A "measured pace" would not be appropriate to "normalize" rates when the starting point is virtually zero. For argument's sake, if we assume the Bank hikes by 25 basis points for each of the 12 fixed interest rates decisions in a year and a half starting in July 2010, the overnight rate would be only 3.25% at the end of 2011. This could well prove to be too low for an economy that would be running at a decent pace with inflation already at the 2% target. This means we are likely to see a mix of 50, 75 and even 100 basis points hikes... when the time comes!



North American Forecasts

This Week's Forecasts			
(%)	This Week	Next 4 Weeks	In 3 Months
Canada			
3-Month T-Bills	0.15 - 0.25	0.10 - 0.25	0.25
2-Year Bond	1.15 - 1.30	1.00 - 1.25	1.10
10-Year Bond	3.35 - 3.50	3.30 - 3.50	3.10
Canadian Dollar (CAN\$/US\$)	1.153 - 1.081	1.080 - 1.110	1.11
United States			
3-Month T-Bills	0.10 - 0.20	0.00 - 0.25	0.20
2-Year Bond	1.10 - 1.05	0.90 - 1.10	1.00
10-Year Bond	3.45 - 3.50	3.30 - 3.50	3.10
Yen (Yen/US\$)	92.0 - 93.0	91.0 - 94.0	90.0
Euro (US\$/Euro)	1.39 - 1.45	1.39 - 1.43	1.40

09/09/2009

Interest-Rate and Exchange-Rate Forecasts												
	Historical Data						Forecasts*					
	2007	2008	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4
Canada												
Overnight Rate	4.35	3.03	3.00	1.50	0.50	0.25	0.25	0.25	0.25	0.25	0.50	1.00
3-Month Treasury Bills	4.14	2.33	1.89	0.83	0.39	0.24	0.25	0.25	0.30	0.30	0.60	1.10
2-Year Bond	4.18	2.66	2.78	1.09	1.07	1.20	1.30	1.10	1.15	1.20	1.30	1.50
10-Year Bond	4.27	3.61	3.75	2.69	2.79	3.36	3.40	3.10	3.15	3.20	3.30	3.45
30-Year Bond	4.31	4.06	4.13	3.45	3.74	3.91	4.10	3.70	3.75	3.80	3.90	4.05
United States												
Federal Funds Rate	5.05	2.08	2.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	1.00
3-Month Treasury Bills	4.48	1.40	1.15	0.03	0.21	0.19	0.20	0.20	0.25	0.25	0.50	1.00
2-Year Bond	4.36	2.01	2.08	0.82	0.81	1.11	1.00	1.00	1.10	1.15	1.20	1.30
10-Year Bond	4.63	3.66	3.69	2.42	2.71	3.53	3.40	3.10	3.15	3.30	3.45	3.60
30-Year Bond	4.84	4.29	4.27	2.90	3.56	4.32	4.20	4.00	4.00	4.10	4.25	4.25
Canadian Dollar (US\$/C\$)	0.930	0.938	0.943	0.813	0.794	0.893	0.925	0.900	0.875	0.888	0.900	0.915
Canadian Dollar (Euro/C\$)	0.679	0.637	0.669	0.602	0.599	0.652	0.649	0.643	0.621	0.621	0.634	0.654
Euro (US\$/Euro)	1.371	1.473	1.410	1.350	1.326	1.370	1.425	1.400	1.410	1.430	1.420	1.400
Yen (Yen/US\$)	118	103	106	91	99	95	96	95	93	91	93	95

Quarter-end data and annual averages

August 3rd 2009

Market Review: Bonds and Currencies

International 3-Month Rates

	Current Yield
U.S.	0.14
Canada	0.21
UK	0.40
France	0.33

Spreads (b.p.) against U.S.						
Sep-08-09	-1 week	-4 weeks	-1 quarter	- 1 year	Jan-09	
7	6	6	4	71	74	
26	26	27	46	337	122	
19	22	24	65	263	176	

International Bonds: Benchmark 10-Year Yield

	Current Yield
U.S.	3.47
Canada	3.41
UK	3.67
France	3.64
Germany	3.29
Japan	1.36

Spreads (b.p.) against U.S.						
Sep-08-09	-1 week	-4 weeks	-1 quarter	- 1 year	Jan-09	
-6	-3	-21	-33	-17	40	
20	19	7	-1	82	67	
17	15	-3	12	66	108	
-18	-15	-26	-22	43	61	
-211	-209	-229	-233	-211	-117	

Provincial Bonds: Benchmark 10-Year Yield

	Current Yield
Canada	3.40
Alberta	4.11
British Columbia	4.11
Prince Edward Island	4.18
Manitoba	4.16
New Brunswick	4.26
Nova Scotia	4.26
Ontario	4.17
Quebec	4.23
Saskatchewan	4.11
Newfoundland	4.22

Spreads (b.p.) against Canada						
Sep-08-09	-1 week	-4 weeks	-1 quarter	- 1 year	Jan-09	
71.5	69.0	69.0	93.0	72.0	123.0	
71.5	69.0	69.0	93.0	72.0	120.0	
78.5	86.0	86.0	118.0	86.5	151.0	
76.5	74.0	74.0	101.0	79.5	134.0	
86.5	84.0	84.0	113.0	81.5	138.0	
86.5	84.0	84.0	113.0	81.5	138.0	
77.5	75.0	75.0	99.0	76.0	126.0	
83.5	78.0	80.0	109.0	85.0	147.0	
71.5	69.0	69.0	93.0	73.0	123.0	
82.5	80.0	80.0	108.0	80.0	133.0	

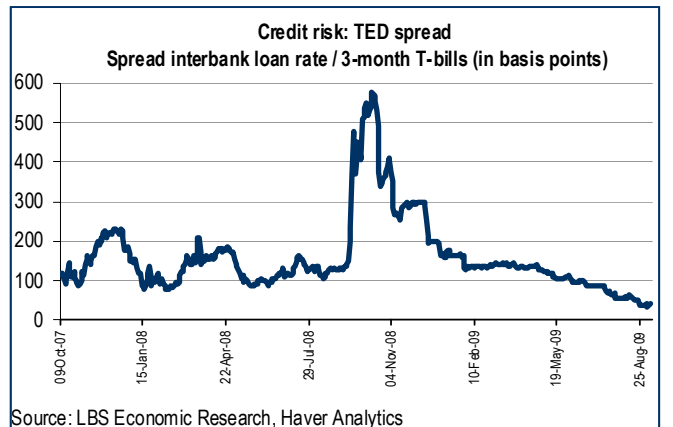
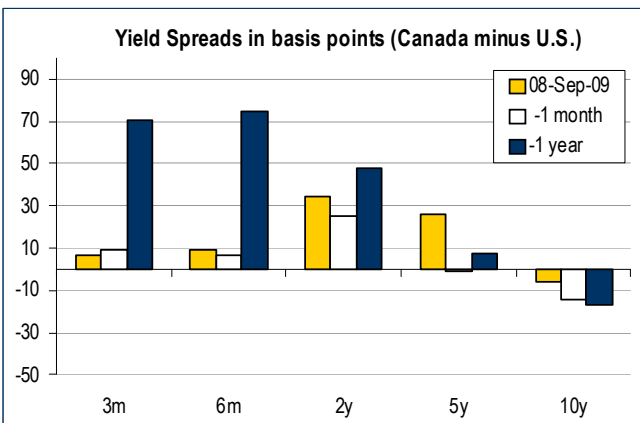
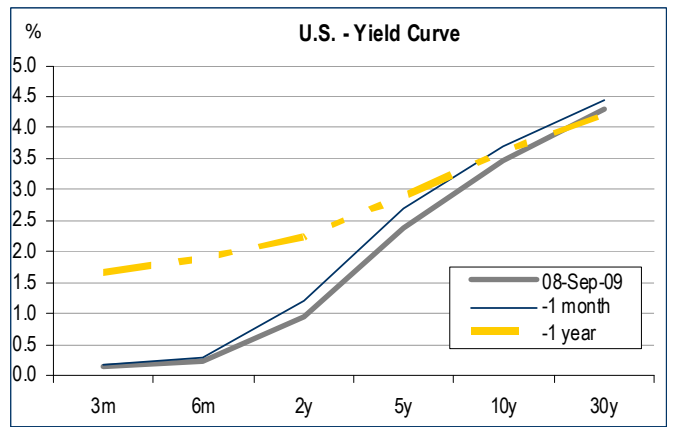
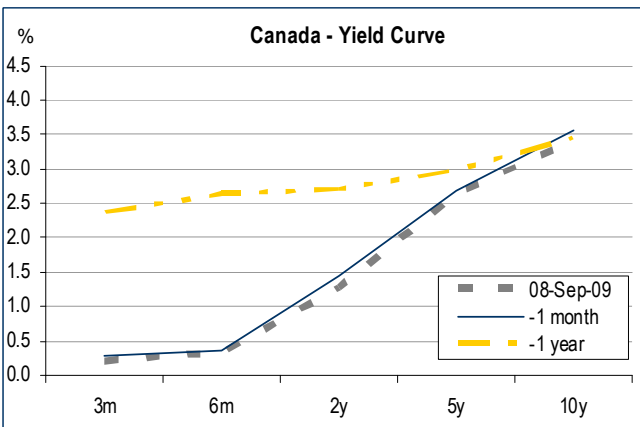
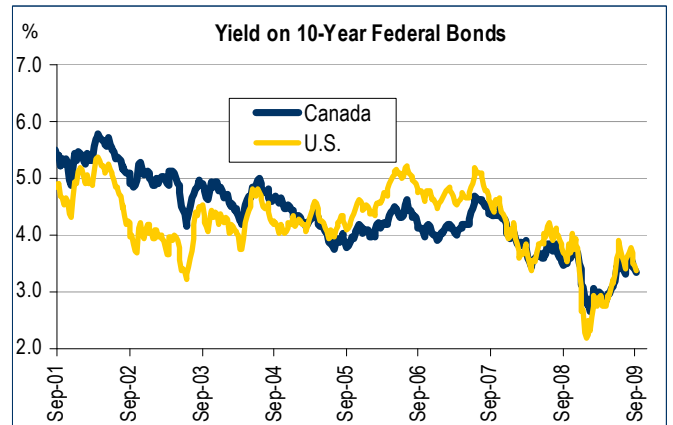
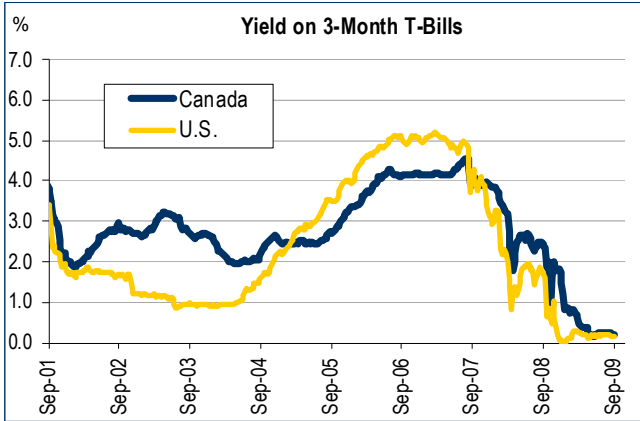
Currencies

	Current Yield
Canada (Canada/US\$)	1.0762
Canada (US\$/Canada)	0.9292
Australia (Australia/US\$)	0.8636
U.K. (US\$/£)	1.6513
Japan (US\$/Yen)	92.21
Euro (US\$/Euro)	1.4497

Currencies						
Sep-08-09	-1 week	-4 weeks	-1 quarter	- 1 year	Jan-09	
1.0762	1.1060	1.0722	1.1100	1.0677	-11.6	
0.9292	0.9042	0.9327	0.9009	0.9366	13.1	
0.8636	0.8323	0.8384	0.8043	0.8081	-18.6	
1.6513	1.6268	1.6978	1.6335	1.7671	13.3	
92.21	92.43	94.98	98.13	107.10	1.4	
1.4497	1.4245	1.4391	1.3982	1.4172	4.1	

Data updated as at: 09/09/2009

Market Review: Fixed Income Charts



Market Review: Stocks Exchange and Commodities

Stock Market Summary

	Level			Change (%)				
	Sep-08-09	52w HI	52w LOW	(-1W)	(-4W)	(-13W)	(-52W)	Jan-2009
Canada								
S&P/TSX	11,105	12,913	7,567	3.9	4.5	5.3	-8.6	21.9
S&P/TSX 60	667	777	458	3.9	4.4	4.1	-7.9	21.4
S&P/TSX Small Cap Index	480	572	306	5.1	6.8	9.5	-13.1	28.5
United States								
S&P 500	1,025	1,255	677	2.7	3.1	8.8	-16.3	11.8
Dow Jones	9,497	11,434	6,547	2.0	2.8	8.4	-15.4	6.6
Nasdaq	2,038	2,274	1,269	3.5	3.5	9.5	-7.8	27.0
International								
U.K - FTSE 100	4,947	5,417	3,512	2.6	5.9	12.3	-8.6	10.0
Germany - DAX	5,482	6,235	3,666	2.9	3.7	9.7	-12.1	11.4
France - CAC 40	3,661	4,333	2,519	2.2	5.9	11.0	-14.7	11.5
Japan - Nikkei 225	10,393	12,401	7,055	-1.3	-1.8	6.2	-16.2	16.1
Hong Kong - Hang Seng	21,070	21,074	11,016	6.0	0.0	16.7	2.8	43.2
Russia - RST	1,064	1,395	498	-0.9	2.9	-3.8	-23.8	68.4
Australia - ASX All Ordinaries	4,528	5,050	3,112	0.4	4.5	15.1	-10.2	23.8
Brazil - Bovespa	57,855	57,855	29,435	3.7	3.8	8.8	19.4	47.0

S&P/TSX Sector Summary

	Level			Change (%)				
	Sep-08-09	52w HI	52w LOW	(-1W)	(-4W)	(-13W)	(-52W)	Jan-2009
S&P/TSX	11,105	12,913	7,567	3.9	4.5	5.3	-8.6	21.9
Energy	268	355	175	4.0	2.8	-3.5	-17.6	19.8
Materials	311	333	160	9.9	9.0	7.4	14.9	25.2
Industrials	76	93	60	0.0	-1.6	4.8	-17.7	2.0
Consumers Discretionary	90	108	59	5.0	2.8	12.4	-13.7	13.0
Consumers Staples	168	171	144	0.4	1.9	1.5	1.2	0.1
Health Care	33	36	25	6.8	5.1	24.6	-5.6	17.3
Financials	173	188	91	1.8	4.7	12.4	-4.4	35.3
Information Technology	27	32	17	2.8	2.0	5.4	-10.2	41.2
Telecommunication Services	77	94	68	2.5	4.6	1.9	-15.9	-3.2
Utilities	172	212	152	-0.1	0.8	5.8	-16.4	-2.7

Commodities

	Level			Change (%)				
	Sep-08-09	52w HI	52w LOW	(-1W)	(-4W)	(-13W)	(-52W)	Jan-2009
London – Gold (US\$/once)	993.00	993.00	712.50	955.00	942.75	956.00	781.75	872.13
London – Silver (US\$/once)	16.58	16.58	8.81	14.77	14.32	15.14	11.60	11.34
Aluminium (US\$/LB)	0.86	1.22	0.59	0.84	0.85	0.76	1.19	0.72
Copper (US\$/LB)	2.93	3.27	1.25	2.80	2.73	2.36	3.10	1.42
WTI Crude Oil (US\$/barrel)	71.10	120.92	30.81	68.05	69.45	70.01	103.26	45.47
Natural Gas (Henry Hub) (US\$/MMBTU)	2.21	8.11	1.92	2.37	3.48	3.53	7.27	5.53

Data updated as at:
09/09/2009

Calendar of Major Economic Indicators

KEY ECONOMIC INDICATORS

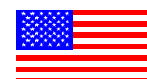
WEEK OF SEPTEMBER 7, 2009



Canada

Date	Time	Release	Unit	Data for:	LBS*	Consensus	Previous
Sep 8	8:30	Building Permits	M/M	July	-	-0.5%	1.0%
Sep 9	8:15	Housing Starts	Thousands	August	125.0	135.0	134.2
Sep 10	8:30	International Merchandise Trade	Billions	July	-C\$0.4	-C\$0.2	-C\$0.1
Sep 10	9:00	Bank of Canada - Overnight rate	-	Sep 10	0.25%	0.25%	0.25%
Sep 11	8:30	New Housing Price Index	M/M	July	-	-0.1%	-0.2%

* Laurentian Bank Securities Forecast
Consensus from Bloomberg L.P.



United States

Date	Time	Release	Unit	Data for:	LBS*	Consensus	Previous
Sep 8	15:00	Consumer Credit	Billions	July	-	-\$3.8	-\$10.3
Sep 9	14:00	Fed's Beige Book	-	-	-	-	-
Sep 10	8:30	Trade Balance	Billions	July	-	-\$27.5	-\$27.0
Sep 10	8:30	Initial Jobless Claims	Thousands	Sept 5	-	551.0	570.0
Sep 11	8:30	Import Price Index	M/M	August	-	1.0%	-0.7%
Sep 11	8:30	Import Price Index	Y/Y	August	-	-16.0%	-19.3%
Sep 11	10:00	Wholesale Inventories	M/M	July	-	-1.0%	-1.7%
Sep 11	10:00	U. of Michigan Confidence	-	Sept P	-	67.0	65.7

Consensus from Bloomberg L.P.

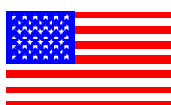
North American Economic Indicators



Canada

Gross Domestic Product (GDP)
 Manufacturing Shipments
 Housing Starts (' 000) *
 Retail Sales
 Trade Balance (M\$) *
 Employment (' 000) **
 Unemployment Rate *
 Wages (avg. hourly earnings)
 Total CPI inflation
 Inflation ex-food & energy
 Industrial Product Price Index
 Raw Materials Price Index

Period	Monthly Chg. (% or Level)		Cumulative change	
	Current	Previous	- 3 Month	- 1 Year
June	0.1%	-0.5%	-0.6%	-3.6%
June	1.9%	-4.9%	-3.4%	-24.7%
July	134	138	119	214
June	1.0%	1.1%	1.4%	-4.4%
June	-55	-1,105	969	5,206
August	27	-45	-94	-302
August	8.7	8.6	8.0	6.2
August	3.3%	3.4%	4.3%	4.6%
July	-1.0%	-0.3%	0.7%	3.3%
July	1.8%	1.9%	1.8%	1.7%
July	-0.5%	0.5%	-1.3%	-6.9%
July	-3.8%	6.2%	4.4%	-34.4%



United States

ISM - manufacturing *
 ISM - Non-manufacturing *
 Industrial Production *
 Capacity Utilization Rate *
 Consumer Confidence Index *
 Retail Sales
 Trade Balance (M\$) *
 Housing Starts (' 000) *
 Existing home sales
 Median price of ex. home sales
 Non-Farm Payrolls (' 000) **
 Unemployment Rate *
 Wages (avg. hourly earnings)
 Total CPI inflation
 Inflation ex-food & energy
 Producer Price Index
 - Ex-Food & Energy

Period	Monthly Chg. (% or Level)		Cumulative change	
	Current	Previous	- 3 Month	- 1 Year
July	48.9	44.8	40.1	49.5
July	46.4	47.0	43.7	49.5
July	96.0	95.5	97.0	110.4
July	68.5	68.1	69.0	78.6
August	65.7	66.0	68.7	63.0
July	-0.1%	0.8%	1.2%	-8.3%
June	-27,008	-25,966	-28,532	-64,891
July	581	587	479	933
July	7.2%	3.6%	12.4%	5.0%
July	-2.0%	4.2%	7.1%	-15.1%
July	-276	-463	-1042	-5789
July	9.4	9.5	9.4	6.2
July	2.7%	2.8%	3.1%	3.5%
July	-1.9%	-1.2%	-0.4%	5.4%
July	1.6%	1.7%	1.9%	2.5%
July	-0.9%	1.8%	1.1%	-6.4%
July	-0.1%	0.5%	0.3%	2.6%

* Level

** Change in level for the last month, 3 months and 1 year

*** Annual % change

Data updated as at:

09/09/2009

North American Forecasts

Canada										
	Historical data			Forecasts						
	2008	2009Q1	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2009	2010	2011
Real GDP (%)	0.4	-6.1	-3.4	2.0	1.7	2.5	2.5	-2.5	2.0	2.5
Consumption	3.0	-1.2	1.8	0.8	1.0	1.5	1.8	-0.3	1.5	2.2
Private investment	-0.6	-29.6	-10.6	-6.5	-3.1	-1.5	-1.0	-15.2	-2.4	2.2
Machinery and equipment	0.5	-37.6	-16.1	-7.2	0.0	0.0	0.0	-20.7	-1.5	3.0
Residential construction	-2.7	-21.2	6.2	-3.0	-8.0	-5.0	-3.3	-10.8	-3.7	0.2
Government spending	4.8	2.9	5.0	7.5	7.9	8.2	5.8	4.2	7.2	2.1
Exports	-4.7	-30.4	-19.3	10.0	3.0	3.0	6.0	-14.9	3.6	7.1
Imports	0.8	-38.9	-8.5	6.3	3.5	4.5	7.8	-16.7	5.1	7.1
Current account balance in % of GDP	0.6	-2.4	-3.5	-2.7	-2.3	-1.9	-1.9	-2.7	-1.7	0.3
Inflation (%)										
Total CPI	2.4	1.2	0.1	-0.7	1.7	1.8	1.6	0.6	1.8	1.9
Core CPI	1.7	1.9	1.9	1.6	1.4	1.5	1.4	1.7	1.6	1.9
Unemployment rate (%)	6.2	7.6	8.3	8.7	9.1	9.2	9.3	8.4	9.2	8.8
Employment	1.5	-5.5	-1.5	-0.5	-0.5	0.0	0.3	-1.6	-0.1	1.0
Housing starts (000s)	211	140	128	142	125	130	130	134	130	130
Before-tax profits (annual % change)	5.7	-30.8	-42.9	-46.6	-30.5	-11.4	3.2	-38.3	3.7	14.2

Real GDP (and its components) and before-tax profits: for quarters, quarter-to-quarter change annualized; for whole years, change from the previous year. Inflation: change in price index from a year earlier. Unemployment rate: average rate for the quarter or the year.

* forecasts as of September 9, 2009

United States										
	Historical data			Forecasts						
	2008	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009Q4	2010Q1	2010Q2	2009	2010
Real GDP (%)	0.4	-5.4	-6.4	-1.0	3.4	1.9	2.8	2.3	-2.6	2.4
Consumption	-0.2	-3.1	0.6	-1.0	2.6	1.1	1.4	1.4	-0.7	1.4
Private investment	1.1	-20.3	-38.8	-10.6	-6.6	0.0	3.4	2.7	-18.4	0.8
Machinery and equipment	-2.6	-25.9	-36.4	-8.4	-6.0	1.0	4.0	3.0	-18.9	1.8
Residential construction	-22.9	-23.2	-38.2	-22.8	0.0	2.0	3.0	1.0	-22.2	0.0
Government spending	3.1	1.2	-2.6	6.4	3.8	4.2	5.7	4.3	2.3	4.5
Exports	5.4	-19.5	-29.9	-5.0	5.1	3.9	3.5	2.8	-12.0	3.1
Imports	-3.2	-16.7	-36.4	-15.0	9.3	6.0	2.7	3.6	-15.6	3.2
Inflation (%)										
Total	3.8	1.5	-0.2	-0.9	-2.0	-0.3	1.8	1.5	-0.9	1.6
Core	2.3	2.0	1.7	1.8	1.5	1.2	1.1	1.0	1.6	1.0
Unemployment rate (%)	5.8	6.9	8.1	9.3	9.6	9.9	10.3	10.5	9.2	10.2
Housing Starts (000s)	900	658	528	539	580	585	600	600	558	625
Before-tax profits (% , y/y)	-11.8	-25.1	-19.0	-10.9	-8.0	6.0	10.0	7.5	-8.8	9.4

Real GDP (and its components) and before-tax profits: for quarters, quarter-to-quarter change annualized; for whole years, change from the previous year. Inflation: change in price index from a year earlier. Unemployment rate: average rate for the quarter or the year.

Forecasts as of August 31st, 2009