



TD Economics

The Weekly Bottom Line

August 7, 2009

HIGHLIGHTS OF THE WEEK

- U.S. payrolls shed 247,000 jobs in July – the smallest pace of job losses since August 2008.
- Unemployment rate falls to 9.4% from 9.5% as workers leave the labor force.
- Household deleveraging continues to weigh on consumer spending despite fiscal stimulus.
- Recent revisions to U.S. personal consumption expenditure (PCE) show an even weaker spending profile than previously thought.
- Canada sheds 45,000 jobs in July, but unemployment rate remains at 8.6% as labor force shrinks
- Some buoyancy in building permits but homebuilding to remain at depressed levels
- Canada's finance minister talks tough on loonie's rise, but chances of currency intervention are low

THIS WEEK IN THE MARKETS

	Current*	Week Ago	52-Week High	52-Week Low
Stock Market Indexes				
S&P 500	1012	987	1305	677
S&P/TSX Comp.	10901	10787	13771	7567
DAX	5459	5332	6610	3666
FTSE 100	4732	4608	5637	3512
Nikkei	10412	10357	13431	7055
Fixed Income Yields				
U.S. 10-yr Treasury	3.86	3.48	4.08	2.05
Canada 10-yr Bond	3.62	3.46	3.82	2.56
Germany 10-yr Bund	3.52	3.30	4.27	2.89
UK 10-yr Gilt	3.81	3.80	4.74	2.95
Japan 10-yr Bond	1.44	1.42	1.59	1.17
Foreign Exchange Cross Rates				
C\$ (USD per CAD)	0.92	0.93	0.97	0.77
Euro (USD per EUR)	1.42	1.43	1.53	1.25
Pound (USD per GBP)	1.67	1.67	1.94	1.38
Yen (JPY per USD)	97.5	94.7	110.5	87.2
Commodity Spot Prices**				
Crude Oil (\$US/bbl)	72.5	69.5	120.9	31.4
Natural Gas (\$US/MMBtu)	3.78	3.34	8.77	3.18
Copper (\$US/met. tonne)	6017.5	5719.5	7973.0	2809.5
Gold (\$US/troy oz.)	957.7	954.0	992.9	712.3

*as of 11am Friday, **Oil-WTI, Cushing, Nat. Gas-Henry Hub, LA (Thursday close price), Copper-LME Grade A, Gold-London Gold Bullion; Source: Bloomberg

LOONIE'S ROLLER-COASTER OF A YEAR



GLOBAL OFFICIAL POLICY RATE TARGETS

	Current Target
Federal Reserve (Fed Funds Rate)	0 - 0.25%
Bank of Canada (Overnight Rate)	0.25%
European Central Bank (Refi Rate)	1.00%
Bank of England (Repo Rate)	0.50%
Bank of Japan (Overnight Rate)	0.10%

Source: Central Banks, Haver Analytics

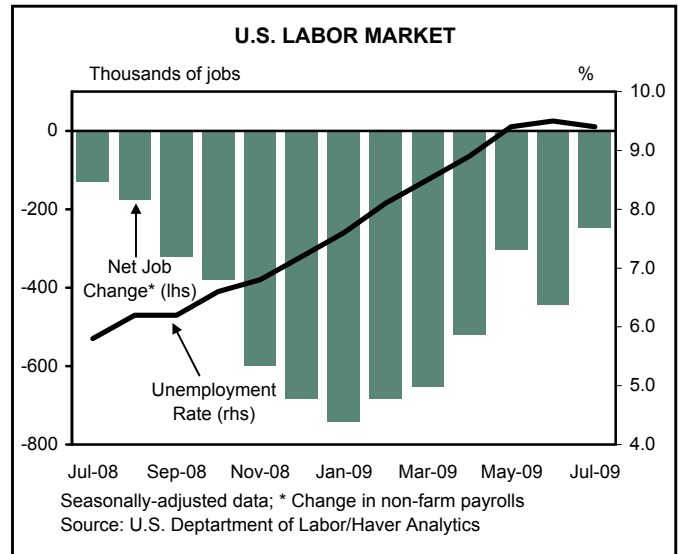
UNITED STATES – FISCAL STIMULUS TO HOUSEHOLD FACING STRONG HEADWINDS

Economic data out this week provided a few more brush strokes to the picture of the post-collapse U.S. economy. With new data on personal income, spending and employment, we can piece together a few more details about what the U.S. economic recovery may look like.

First, it is worthwhile to take a trip back to the first stages of the U.S. recession. In February 2008, Congress passed the “Economic Stimulus Act of 2008,” which provided for tax-rebates of \$300 to taxpayers across the United States. The checks – at a total cost of over \$100 billion – were the main contributor to the 9.8% (annualized) increase in real disposable personal income (DPI) in the second quarter of 2008. After the Bureau of Economic Analysis’ (BEA) revisions to U.S. GDP last week, we know a bit more about how those funds translated into personal consumer expenditure (PCE) growth. In the original BEA estimates, real PCE grew by 1.2% annualized in Q2 2008. However, after the BEA’s revisions, second quarter PCE growth came in at just +0.06%. Spending in the next quarter (Q3 2008) declined by 3.5% annualized – the worst quarterly decline in real PCE in 28 years.

Fast forward to the second quarter of 2009. The American Recovery and Reinvestment Act allocated over \$40 billion to send checks of \$250 to recipients of Social Security and Supplemental Security Income. The checks resulted in an increase in DPI of 3.2% annualized. Despite the stimulus checks, real PCE fell by 1.4% in the second quarter and even fell in the month of June after most of the checks had been received.

What to make of these two examples? The first conclusion that might be drawn is that fiscal stimulus is not effective in stimulating spending. However, this conclusion can not be drawn from these facts alone. Without the stimulus, consumer spending could have fallen by an even greater amount. A study of the 2008 experience that controlled for the impact of other factors on consumer spending (thus simulating a counterfactual) estimated that stimulus checks did in fact raise the level of non-durable spending by roughly 2.1% (annualized) in the second quarter of 2008¹. That leads us to the second conclusion, namely that *but for* the fiscal stimulus, consumer spending would have



fallen by even more than it actually did. Unfortunately, this conclusion is no more encouraging than the first – it reveals an even weaker underlying picture of the state of U.S. households.

Fortunately, there is a light at the end of the tunnel. The two most important factors behind consumer spending are income and wealth. Home prices are a major determinant of household wealth and recent data show that these appear to be stabilizing. Just this week, pending homes sales beat expectations – one more sign that demand is returning to the housing market (for more on signs of recovery please see “*The Nascent Recovery*,” July 31st, 2009). On the income and job front, the pace of job losses also appears to be moderating. 247,000 jobs were shed from U.S. payrolls in July, significantly less than the 443,000 lost in June (revised up from -467,000). The unemployment rate, which has been trending up since April of 2008 fell a tenth of a percentage point to 9.4% from 9.5%. Moreover, despite the job losses, hours worked remained unchanged in July and hourly wages advanced 0.2% in the month – small steps admittedly, but in the right direction.

James Marple, Economist
416-982-2557

Endnotes

¹ Broda, Christian and Parker, Jonathan A. “The impact of the 2008 rebate.” Voxeu. 15 August 2008. <http://www.voxeu.org/index.php?q=node/1541>

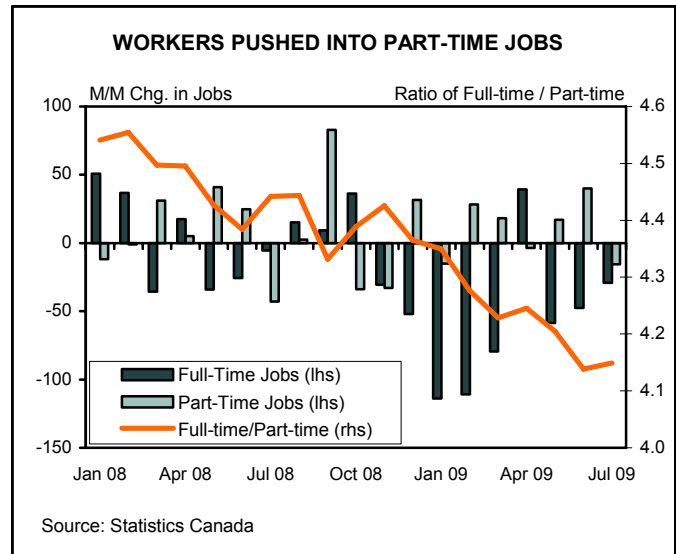
CANADA – SO, THIS IS THE END OF THE RECESSION?

While there are signs that Canada's economy is bottoming out, economic indicators remain at weak levels, and a rapid rebound shouldn't be expected.

Although the loonie was stable at around US\$0.93 this week, its rapid rise remains a threat to recovery. On Tuesday, Finance Minister Flaherty noted "there are some steps that could be taken to dampen [the appreciation]." However, while the verbal warnings may cool the rise, we regard the prospects for actual intervention as unlikely: currency intervention would be unsuccessful without a complementary easing of monetary policy, and, already at its effective lower bound on the overnight rate, the Bank of Canada is unwilling to move to quantitative easing barring substantial disinflation.

Even with calls for a "nascent recovery" to commence in the third quarter, Friday's jobs report showed a loss of 44,500 jobs during July. Since its peak in October 2008, employment has fallen by 414,000 jobs, and the pain has been most felt by youths and prime-aged (25-54) male workers. Indeed, the net declines in employment understate the gross job losses and the loss in stable employment: since October, a net 490,000 employee positions have been shed while self-employment has climbed by 75,400. Similarly, part-time employment has risen by 68,000 since October, while full-time employment has contracted by 482,000. The unemployment rate was unchanged on the month at 8.6%, but this owed to a seasonally-adjusted decline in Canada's labour force. In particular, young workers (15-25) were opting out of the labour force. As well, with the unemployment rate climbing to over 20% for students (defined as those who plan to return to school full-time in the fall), a greater share of students were unemployed during the dog days of July 2009 than in any July since 1977.

In this context of continuing job losses, debate over reforms to Canada's Employment Insurance (EI) program has intensified. The current EI system calibrates eligibility and benefit duration to the 3-month moving average of the unemployment rate in 58 regions across the country. With the first ministers meeting this week, the western premiers have endorsed a move to EI with three standards for urban, rural and remote regions. Ontario's Premier reportedly supports a single national standard. Provinces' concerns certainly owe to the potential impacts of unemployment



on provincial coffers, with social assistance caseloads likely to spike as EI benefits are exhausted. In our earlier report (see "Is EI Adequate?" April 30th), we noted that, especially during a period of contracting employment, the unemployment rate is an inappropriate proxy for an unemployed worker's probability of re-employment, and recommended a "flattening" of the system at 560 hours for regions with under 10% unemployment. However, we are skeptical of different EI standards across urban/rural/remote regions: such a split would presume that population density is the primary determinant of workers' relative employment prospects.

In other economic data, building permits for June rose on the month, largely thanks to gains in non-residential construction, but residential permits buoyed as well. This seems to add to other signs of stabilization in Canadian housing: As of June, sales were up 7.5% Y/Y and the national average resale price was back in the black at 0.5% Y/Y. Certainly, more real estate is being transacted. However, the geography of sales skews the national average. Both Teranet's home price index (a quality-adjusted measure) and CMHC's new house index show continuing downward trends. While next week's housing starts for July will likely show a slight uplift, we expect Canadian homebuilding will nonetheless remain at depressed levels of around 130,000 units through 2009 and 2010.

Grant Bishop, Economist
416-982-8063

U.S.: UPCOMING KEY ECONOMIC RELEASES

U.S. International Trade – June

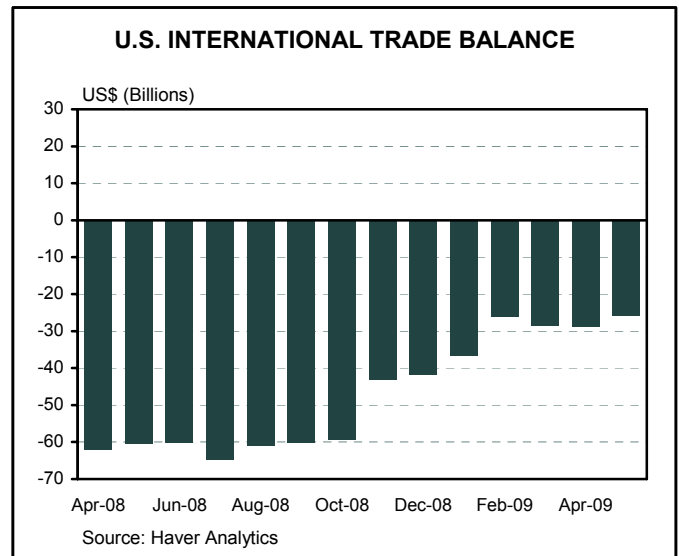
Release Date: August 12/09

May Result: -\$26.0B

TD Forecast: -\$27.5B

Consensus: -\$28.5B

Global trade has become one of the biggest casualties of the ongoing global economic slump, as plunging demand for foreign goods have crippled the flow of goods and services across national borders. This, however, has been particularly beneficial to the U.S. trade deficit, as plunging imports (driven in large part by the massive drop in the petroleum import bill) has more than compensated for the slump in export demand. The theme of declining trade is likely to remain largely intact in June, though we expect the trade deficit to widen marginally in June to \$27.5B. The main driver for the worsening trade deficit is likely to be higher imports, as the double-digit surge in crude oil prices in June should push the value of imports up for the first time since July last year, with a 1.0% M/M gain. Exports, however, are likely to fall by only 0.3% M/M, as strong demand from China and the weaker U.S.



dollar partially offset the slump in global demand from U.S. exports. In the coming months, we expect the U.S. trade deficit to widen further, as rising commodity prices undo the benefits that will naturally accrue from the weaker U.S. dollar.

Millan Mulraine 416-308-2911

FOMC Interest Rate Decision

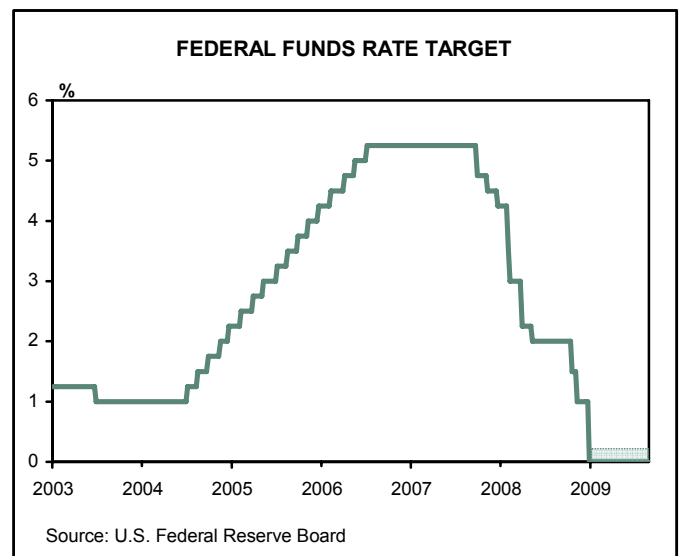
Release Date: August 12/09

Current Rate: 0.00% to 0.25%

TD Forecast: 0.00% to 0.25%

Consensus: 0.00% to 0.25%

The next instalment of the Federal Open Market Committee (FOMC) interest rate decision will be delivered on August 12. However, as has been the case in the past, with the Fed explicitly committing itself to keeping interest rates “exceptionally low” for an extended period of time, the actual interest rate announcement is unlikely to attract much attention. Instead, the focus will undoubtedly be on the tone and content of the statement. In terms of the economic and inflation outlook, we expect the economic assessment to perhaps offer some acknowledgement of the improvement in the economic outlook, and maybe note that the economy may be stabilising, despite the continued weakness in the labour market. The inflation outlook is likely to remain virtually intact. In terms of the Fed’s monetary policy stance, this meeting is likely to be pivotal for the FOMC, as the Fed will likely decide



on whether to increase the size of its Treasury purchase program given that the allocated funds for the program will likely be exhausted before the next meeting.

Millan Mulraine 416-308-2911

U.S. Retail Sales - July

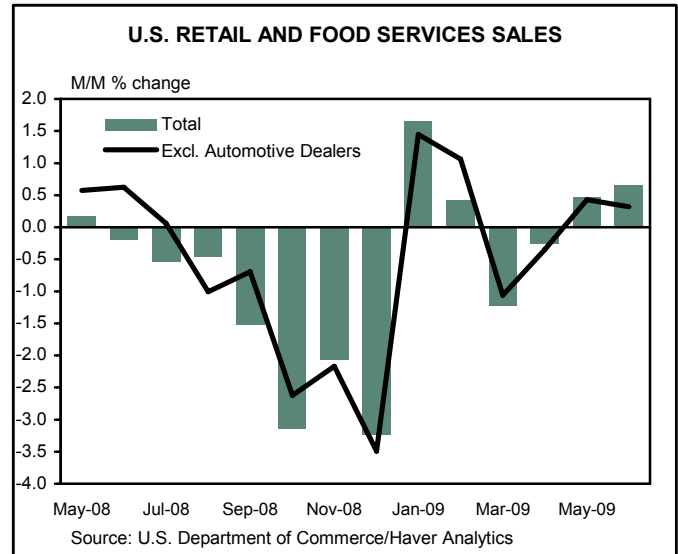
Release Date: August 13/09

June Result: total 0.6% M/M; ex-autos 0.3% M/M

TD Forecast: total 1.5% M/M; ex-autos -0.5% M/M

Consensus: total 0.5% M/M; ex-autos 0.1% M/M

With the U.S. economy continuing to shed jobs at a very dramatic (though diminished) pace, and plunging home prices poking big holes in households' budgets, U.S. consumers continue to have their backs pressed firmly against the proverbial wall. Yet, with the impact of the fiscal stimulus package beginning to filter through to the real economy, there are some encouraging signs that retail sales in July will post its biggest monthly gain since January, with a 1.5% M/M advance. The key factor at play during the month is the hugely successful cash for clunkers program, which has brought droves of consumers back into auto showrooms, and pushed auto sales up a sharp 16% M/M. The recent rebound in home sales should also support housing related expenditures, though the retreat in gasoline prices during the month should partially offset some of these gains. Excluding autos, sales should fall by a dramatic 0.5% M/M, while sales excluding autos and gasoline are expected to decline by a more modest 0.4%



month or so, given the additional \$2B in funding for the cash for clunkers program. However, with U.S. households continuing to contend with the weak economy and deteriorating labour market conditions, we expect the resurgence in retail sales to lose some steam as the impact of the cash for clunkers program eventually dies off.

Millan Mulraine 416-308-2911

U.S. Consumer Price Index - July

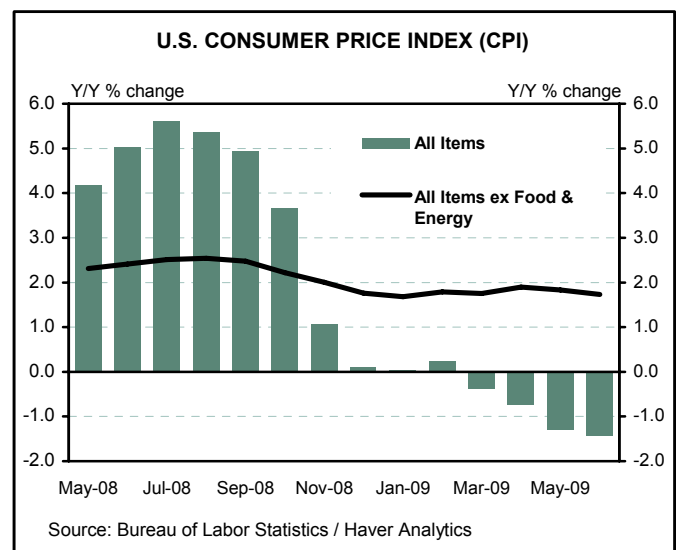
Release Date: August 14/09

June Result: core 0.2% M/M, 1.7% Y/Y; all-items 0.7% M/M, -1.4% Y/Y

TD Forecast: core 0.2% M/M, 1.6% Y/Y; all-items 0.2% M/M, -1.7% Y/Y

Consensus: core 0.2% M/M, 1.6% Y/Y; all-items 0.0% M/M, -1.9% Y/Y

Soft U.S. consumer prices are likely to remain a key feature of the U.S. economic landscape for some time as the weak domestic economy and poor labour market conditions provide the powerful countervailing force to offset the upward pressure that is likely to come from the recent resurgence in energy prices. In July, our call is for headline consumer prices to rise by a modest 0.2% M/M (following the 0.7% M/M spike in June), mostly on account of higher food prices. The annual pace of consumer price inflation, however, should ease to -1.7% Y/Y from -1.4% Y/Y in June. Core consumer prices are also expected to also rise by 0.2% M/M, with the annual pace of core consumer price inflation, falling to 1.6% Y/Y. In the



months ahead, we expect U.S. consumer prices to remain soft, and headline consumer price inflation to remain in negative territory (at least through to some time in the fall), before beginning to creep above zero as the expected economic recovery gathers traction.

Millan Mulraine 416-308-2911

CANADA: UPCOMING KEY ECONOMIC RELEASES

Canadian Housing Starts - July

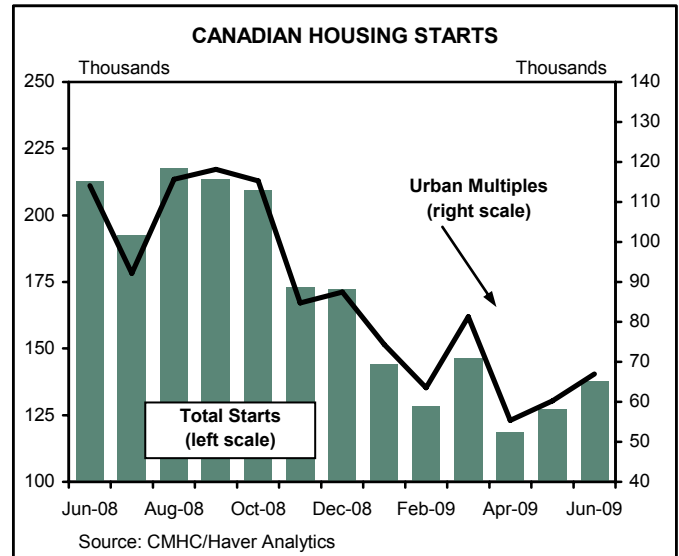
Release Date: August 11/09

June Result: 137.8K

TD Forecast: 150.0K

Consensus: 141.4K

The sharp correction in the Canadian housing market appears to have come to an end, as record low mortgage rates, affordable home prices and the various incentives provided under the fiscal stimulus package appeared to have gained some traction and laid the foundation for the recovery in the housing sector. The new homes market has also benefited from this turnaround. Indeed after reaching a trough at 57% below the cyclical peak, new home construction has risen in 3 of the last 4 months and there is every indication that this pattern will continue in July. The strong gain in building permit approvals is also supportive of this view. During the month, we expect new residential construction to post its third consecutive monthly advance, with a rise to 150K. The uptick in construction activity is likely to be spread across both multi-units and single-family components. Notwithstanding the improvement,



with the Canadian economy still remaining quite weak, and the soft labour market conditions continuing to temper the uptick in housing demand, we expect Canadian homebuilding activity to remain fairly subdued, relative to historical norms.

Millan Mulraine 416-308-2911

Canadian International Trade - June

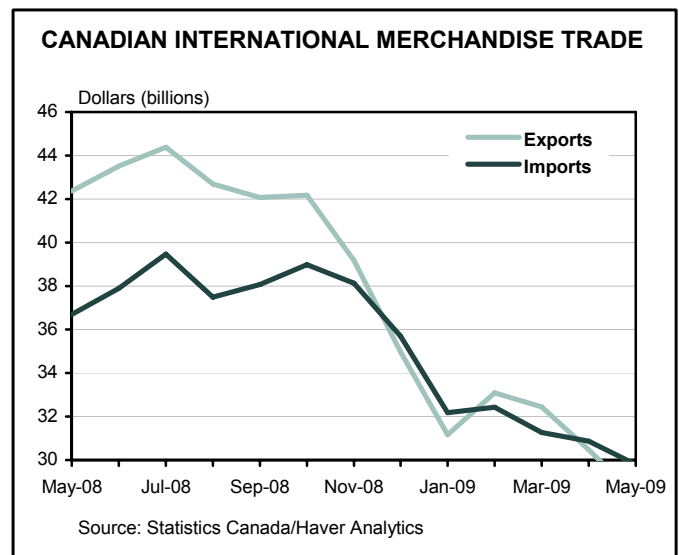
Release Date: August 12/09

May Result: -\$1.4B

TD Forecast: \$0.1B

Consensus: -\$0.5B

The wild swings in the Canadian international merchandise trade balance are likely to continue in June, with the dramatic surge in crude oil prices expected to push the trade balance back into positive territory after two consecutive monthly deficits. During the month, we expect exports to post its first monthly gain in four months, with a 2.0% rise on account of the double-digit rise in crude oil prices, though the magnitude of the gain will be tempered by the resultant drag from the strengthening domestic currency. Imports however, should fall sharply, posting a dramatic drop as the slump in automobile manufacturing during the month should push the import bill lower. The combination of these factors should push the trade balance to a \$0.1B surplus in June. In the months ahead, we expect the rebound in commodity prices to result in the Canadian



merchandise trade surplus improving further, though the strengthening Canadian dollar will likely provide some offsets to these gains.

Millan Mulraine 416-308-2911

Canadian Manufacturing Shipments - June

Release Date: August 14/09

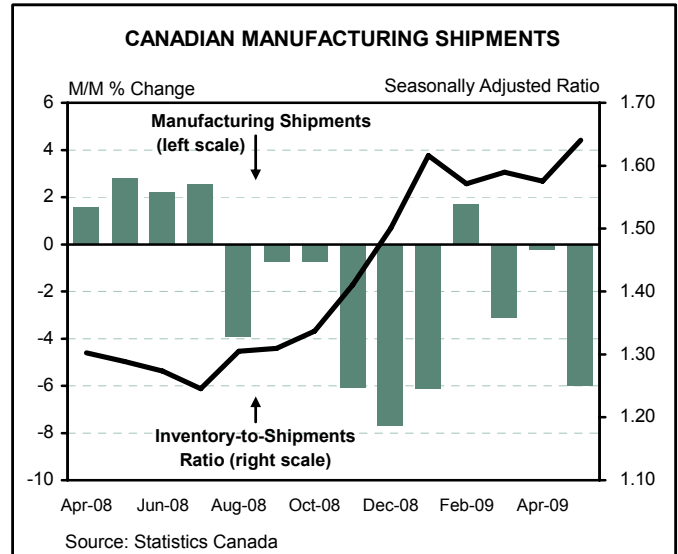
May Result: -6.0% M/M

TD Forecast: 2.0% M/M

Consensus: -0.3% M/M

After struggling under the weight of the intense global economic recession, the beleaguered Canadian manufacturing sector appears likely to get a bit of a reprieve in June, with shipments expected to rise for only the second time in eleven months with a 2.0% M/M gain. The key catalyst for the improvement is likely to come from higher crude oil prices, which should increase the value of petroleum and coal shipments. The resumption of auto production during the month and auto deliveries related to the U.S. cash for clunker program are likely to also bolster the headline number. In real terms, shipments should eke out some modest gains. In the months ahead, we expect Canadian manufacturing activity to remain fairly weak, as the strengthening Canadian dollar and weak global appetite for Canadian goods dampen activity in the sector even more.

Millan Mulraine 416-308-2911



RECENT KEY ECONOMIC INDICATORS: AUGUST 3-7, 2009

Release Date	Economic Indicators	Data for Period	Units	Current	Prior	
United States						
Aug 3	ISM Manufacturing	July	Index	48.9	44.8	
Aug 3	ISM Prices Paid	July	Index	55.0	50.0	
Aug 3	Construction Spending	June	M/M % Chg.	0.3	-0.9	R▲
Aug 3	Total Vehicle Sales	July	Mlns	11.3	9.7	R▲
Aug 3	Domestic Vehicle Sales	July	Mlns	8.4	7.2	
Aug 4	Personal Income	June	M/M % Chg.	-1.3	1.4	R▼
Aug 4	Personal Spending	June	M/M % Chg.	0.4	0.3	R▼
Aug 4	PCE Deflator	June	Y/Y % Chg.	-0.4	0.1	R▼
Aug 4	PCE Core	June	Y/Y % Chg.	1.5	1.8	R▼
Aug 4	Pending Home Sales	June	M/M % Chg.	3.6	0.1	R▲
Aug 4	ABC Consumer Confidence	2-Aug.	Index	-49	-47	
Aug 5	MBA Mortgage Applications	31-Jul.	M/M % Chg.	4.4	-6.3	
Aug 5	ADP Employment Change	July	Thousands	-371	-473	R▲
Aug 5	ISM Non-Manufacturing Composite	July	Index	46	47.0	R▲
Aug 5	Factory Orders	June	M/M % Chg.	0.4	1.2	R▼
Aug 6	Initial Jobless Claims	1-Aug	Thousands	550	584	R▲
Aug 6	Continuing Claims	25-Jul	Thousands	6310	6197	R▲
Aug 7	Change in Nonfarm Payrolls	July	Thousands	-247	-467	R▲
Aug 7	Unemployment Rate	July	%	9.4	9.5	
Aug 7	Change in Manufacturing Payrolls	July	Thousands	-52.0	-136	R▲
Aug 7	Average Hourly Earnings	July	Y/Y % Chg.	2.5	2.7	
Aug 7	Consumer Credit	June	\$, Blns		-3.2	
Canada						
Aug 6	Building Permits	June	M/M % Chg.	1.0	14.8	R▲
Aug 7	Unemployment Rate	July	%	8.6	8.6	
Aug 7	Net Change in Employment	July	Thousands	-44.5	-7.4	R▼
Aug 7	Ivey Purchasing Managers Index	July	Index	51.8	58.2	
International						
Aug 3	JP Vehicle Sales	July	Y/Y % Chg.	-4.2	-13.5	
Aug 3	GE Retail Sales	June	M/M % Chg.	-1.8	-1.3	
Aug 3	UK PMI Manufacturing	July	Index	50.8	47.0	R▲
Aug 3	JP Monetary Base	July	Y/Y % Chg.	6.1	6.4	
Aug 3	AU Retail Sales	June	M/M % Chg.	-1.4	1.0	
Aug 4	EU Euro-Zone PPI	June	M/M % Chg.	0.3	-0.2	R▲
Aug 4	UK Nationwide Consumer Confidence	July	Index	60	58	R▲
Aug 4	AU Trade Balance	June	Mlns	-441	-556	R▼
Aug 5	UK PMI Services	July	Index	53.2	51.6	
Aug 5	UK Industrial Production	June	Y/Y % Chg.	-11.1	-11.9	
Aug 5	UK Manufacturing Production	June	Y/Y % Chg.	-11.7	-12.7	R▼
Aug 5	EU Euro-Zone Retail Sales	June	M/M % Chg.	-0.2	-0.4	R▼
Aug 5	NZ Unemployment Rate	Q2	%	6.0	5.0	
Aug 5	UK NIESR GDP Estimate	July	M/M % Chg.	-0.4	-0.4	R▼
Aug 5	AU Employment Change	July	Thousands	32.2	-21.4	R▼
Aug 5	AU Unemployment Rate	July	%	5.8	5.8	
Aug 6	GE Factory Orders	June	M/M % Chg.	4.5	4.4	
Aug 6	UK BOE Announces Rates	6-Aug	%	0.50	0.50	
Aug 6	EU ECB Announces Rates	6-Aug	%	1.00	1.00	
Aug 7	GE Trade Balance	June	Eur, Blns	12.2	9.6	R▼
Aug 7	GE Current Account	June	Eur, Blns	13.3	3.7	R▲
Aug 7	GE Imports	June	M/M % Chg.	6.8	-2.1	R▲
Aug 7	GE Exports	June	M/M % Chg.	7.0	0.3	R▼
Aug 7	FR Trade Balance	June	Eur, Blns	-4.0	-2.7	R▼
Aug 7	UK PPI Input	July	Y/Y % Chg.	-12.2	-11.0	R▼
Aug 7	UK PPI Output	July	Y/Y % Chg.	-1.3	-1.2	R▲
Aug 7	GE Industrial Production	June	Y/Y % Chg.	-18.1	-17.9	R▲

Source: Bloomberg, TD Economics

UPCOMING ECONOMIC RELEASES AND EVENTS: AUG 10-14, 2009

Release Date	Time*	Economic Indicator/Event	Data for Period	Units	Consensus Forecast	Last Period
United States						
Aug 11	8:30	Nonfarm Productivity	2Q	Q/Q % Chg.	5.3	1.6
Aug 11	8:30	Unit Labor Costs	2Q	Q/Q % Chg.	-2.3	3.0
Aug 11	10:00	Wholesale Inventories	June	M/M % Chg.	-1.0	-0.8
Aug 11	17:00	ABC Consumer Confidence	9-Aug.	Index	--	-49.0
Aug 12	7:00	MBA Mortgage Applications	7-Aug.	M/M % Chg.	--	4.4
Aug 12	8:30	Trade Balance	June	\$, Blns	-28.5	-26.0
Aug 12	9:00	<i>Fed's Open Market Committee Meets on Interest Rates, Economy</i>				
Aug 12	14:00	Monthly Budget Statement	July	\$, Blns	-147.0	-94.3
Aug 12	14:15	FOMC Rate Decision	12-Aug.	%	0.25	0.25
Aug 13	8:30	Import Price Index	July	Y/Y % Chg.	-19.0	-17.4
Aug 13	8:30	Advance Retail Sales	July	M/M % Chg.	0.5	0.6
Aug 13	8:30	Retail Sales Less Autos	July	M/M % Chg.	0.1	0.3
Aug 13	8:30	Continuing Claims	1-Aug.	Thousands	--	6310
Aug 13	8:30	Initial Jobless Claims	8-Aug.	Thousands	--	550
Aug 13	10:00	Business Inventories	June	M/M % Chg.	-0.9	-1.0
Aug 14	8:30	CPI	July	Y/Y % Chg.	-1.9	-1.4
Aug 14	8:30	Core CPI	July	Y/Y % Chg.	1.6	1.7
Aug 14	8:30	CPI Core Index	July	Index	215.8	215.7
Aug 14	9:15	Industrial Production	July	M/M % Chg.	0.2	-0.4
Aug 14	9:15	Capacity Utilization	July	%	68.1	68.0
Aug 14	10:00	U. of Michigan Confidence	Aug	Index	69.0	66.0
Canada						
Aug 11	8:15	Housing Starts	July	Thousands	141.4	137.8
Aug 12	8:30	Int'l Merchandise Trade	June	\$, Blns	-0.5	-1.4
Aug 12	8:30	New Housing Price Index	June	M/M % Chg.	0.0	-0.1
Aug 14	8:30	Manufacturing Sales	June	M/M % Chg.	-0.3	-6.0
Aug 14	8:30	New Motor Vehicle Sales	June	M/M % Chg.	-1.0	1.0
International						
Aug 9	19:50	JP Current Account Total	June	¥, Blns	655.0	1,301.8
Aug 9	19:50	JP Machine Orders	June	M/M % Chg.	2.6	-3.0
Aug 9	19:50	JP Japan Money Stock M3	July	Y/Y % Chg.	1.7	1.7
Aug 9	19:50	JP Trade Balance - BOP Basis	June	¥, Blns	589.8	387.3
Aug 10	0:00	JP <i>BoJ Monetary Policy Meeting</i>				
Aug 10	2:00	JP Machine Tool Orders	July	Y/Y % Chg.	--	-72.8
Aug 10	2:45	FR Industrial Production	June	Y/Y % Chg.	--	-13.4
Aug 10	2:45	FR Manufacturing Production	June	Y/Y % Chg.	--	-15.0
Aug 10	--	JP BOJ Target Rate	11-Aug	%	0.1	0.1
Aug 11	1:00	JP Consumer Confidence	July	Index	--	38.1
Aug 11	4:30	UK Total Trade Balance	June	£, Blns	-2174.0	-2168.0
Aug 12	2:45	FR Current Account Total	June	Eur, Blns	--	-2.2
Aug 12	2:45	FR CPI - EU Harmonised	July	Y/Y % Chg.	--	-0.6
Aug 12	4:30	UK ILO Unemployment Rate (3mths)	June	%	7.7	7.6
Aug 12	5:00	EC Euro-Zone Industrial Production	June	Y/Y % Chg.	-15.9	-17.0
Aug 12	5:30	UK <i>Bank of England Quarterly Inflation Report</i>				
Aug 12	18:30	NZ Business NZ PMI	July	Index	--	46.2
Aug 12	21:30	AU Average Weekly Wages	May	Y/Y % Chg.	5.3	5.6
Aug 12	--	JP Nationwide Dept. Sales	July	Y/Y % Chg.	--	-8.8
Aug 13	2:00	GE Gross Domestic Product	2Q	Y/Y % Chg.	-7.8	-6.7
Aug 13	2:45	FR Gross Domestic Product	2Q	Y/Y % Chg.	--	-3.2
Aug 13	4:00	EC <i>ECB Publishes August Monthly Report</i>				
Aug 13	5:00	EC Euro-Zone GDP	2Q	Y/Y % Chg.	-5.1	-4.9
Aug 13	18:45	NZ Retail Sales	June	M/M % Chg.	-0.3	0.8
Aug 13	19:30	AU <i>Reserve Bank Governor's Semi-Annual Parliament Testimony</i>				
Aug 13	19:50	JP <i>BoJ Monetary Policy Meeting Minutes for May</i>				
Aug 14	2:45	FR Non-Farm Payrolls	2Q	Q/Q % Chg.	--	-1.2
Aug 14	2:45	EC Euro-Zone CPI	July	Y/Y % Chg.	-0.6	-0.6
Aug 14	5:00	EC Euro-Zone CPI - core	July	Y/Y % Chg.	1.3	1.4

* Eastern Standard Time; Sources: Bloomberg, TD Economics

CONTACTS AT TD ECONOMICS

**Don Drummond, Senior Vice President and
Chief Economist**

mailto:don.drummond@td.com

**Craig Alexander, Vice President and
Deputy Chief Economist**

mailto:craig.alexander@td.com

ECONOMIC FORECASTING

Beata Caranci

Director of Economic Forecasting

mailto:beata.caranci@td.com

**Richard Kelly,
Senior Economist, International**

mailto:richard.kelly@td.com

**James Marple
Economist, United States**

mailto:james.marple@td.com

**Diana Petramala
Economist, Canada**

mailto:diana.petramala@td.com

**Grant Bishop
Economist, Canada**

mailto:grant.bishop@td.com

ECONOMIC STUDIES

**Derek Burleton, Associate Vice President and
Director of Economic Analysis**

mailto:derek.burleton@td.com

**Pascal Gauthier
Economist, Regional & Fiscal Canada**

mailto:pascal.gauthier@td.com

**Dina Cover
Economist, Commodites & Industry**

mailto:dina.cover@td.com

TO REACH US

Mailing Address

55 King Street West
21st Floor, TD Tower
Toronto, Ontario
M5K 1A2

Fax: (416) 944-5536

mailto:td.economics@td.com

This report is provided by TD Economics for customers of TD Bank Financial Group. It is for information purposes only and may not be appropriate for other purposes. The report does not provide material information about the business and affairs of TD Bank Financial Group and the members of TD Economics are not spokespersons for TD Bank Financial Group with respect to its business and affairs. The information contained in this report has been drawn from sources believed to be reliable, but is not guaranteed to be accurate or complete. The report contains economic analysis and views, including about future economic and financial markets performance. These are based on certain assumptions and other factors, and are subject to inherent risks and uncertainties. The actual outcome may be materially different. The Toronto-Dominion Bank and its affiliates and related entities that comprise TD Bank Financial Group are not liable for any errors or omissions in the information, analysis or views contained in this report, or for any loss or damage suffered.