



Weekly Economic Indicators - U.S. and Canada

For the week of January 15, 2018 (Market calls are as of January 11, 2018)

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Monday, January 15

U.S. Economic Data and Events

Time	Release	RBC Call	Market Call*	Prior Read
	U.S. Markets Closed – Martin Luther King, Jr. Day			

Canadian Economic Data and Events

Time	Release	RBC Call	Market Call*	Prior Read
9:00	Existing Home Sales MoM	Dec		3.9%
10:00	Bloomberg Nanos Confidence	12-Jan		61.9

Tuesday, January 16

U.S. Economic Data and Events

Time	Release	RBC Call	Market Call*	Prior Read
8:30	Empire Manufacturing	Jan	20	18
11:30	U.S. to Sell 4-Week Bills			
11:30	U.S. to Sell 3-Month Bills			
11:30	U.S. to Sell 6-Month Bills			

Canadian Economic Data and Events

Time	Release	RBC Call	Market Call*	Prior Read
	No Releases Scheduled			

Wednesday, January 17

U.S. Economic Data and Events

Time	Release	RBC Call	Market Call*	Prior Read
7:00	MBA Mortgage Applications	12-Jan		8.3%
9:15	Industrial Production MoM	Dec	0.8%	0.2%
9:15	Manufacturing (SIC) Production	Dec		0.2%
9:15	Capacity Utilization	Dec	77.8%	77.1%
10:00	NAHB Housing Market Index	Jan	72	74
14:00	U.S. Federal Reserve Releases Beige Book			
15:00	Fed's Evans Speaks on Economy and Monetary Policy			

16:00	Total Net TIC Flows	Nov			\$151.2b
16:00	Net Long-term TIC Flows	Nov			\$23.2b
16:30	Fed's Mester Discusses Monetary Policy Communication				

Canadian Economic Data and Events

Time	Release		RBC Call	Market Call*	Prior Read
10:00	Bank of Canada Rate Decision	17-Jan	1.25%	1.25%	1.00%

The Bank of Canada is expected to raise the overnight rate by 25 basis points to 1.25% coming out of the January 17th policy meeting. This is expected to be the case despite the likelihood that the central bank will revise down its outlook for Q4 GDP growth from the previously estimated 2.5%. (The Bank of Canada will provide an updated forecast with the coincident release of the January 2018 *Monetary Policy Report*.) In terms of the possible extent of the revision, RBC Economics is currently monitoring an annualized Q4 increase of 1.7%, which would still be marginally above the economy's longer-run potential growth rate. This slower growth rate mainly reflects indications that monthly GDP was disappointingly flat in October with only a modest pick-up expected in November. Countering indications of softer near-term growth, the much stronger-than-expected December employment gain implies that household income growth would likely prevent any further slowing going into 2018. As well the employment report indicated the sixth straight increase in annual wage growth rising to 2.9% in December from a recent low of 1.0% in June. Providing further support to tightening policy at the January policy meeting, the Bank of Canada's Q4 Business Outlook Survey confirmed a rebound in both employment and investment intentions from the earlier-reported third quarter readings. Strength in these areas should temper concerns that uncertainty about the outcome of the NAFTA re-negotiations is unduly weighing on business' capital expenditures and hiring. That said, the bank is likely to reiterate concerns about U.S. protectionism given what appear to be rising odds that the U.S. signals its intent to withdraw from NAFTA.

Thursday, January 18

U.S. Economic Data and Events

Time	Release		RBC Call	Market Call*	Prior Read
8:30	Housing Starts	Dec	1300k	1270k	1297k
8:30	Housing Starts MoM	Dec	+0.2%	-2.1%	3.3%
8:30	Building Permits	Dec		1295k	1303k
8:30	Building Permits MoM	Dec		-0.6%	-1.0%
8:30	Philadelphia Fed Business Outlook	Jan	25	23	27.9
8:30	Initial Jobless Claims	13-Jan	205k		261k
8:30	Continuing Claims	06-Jan			1867k
9:45	Bloomberg Economic Expectations	Jan			47
9:45	Bloomberg Consumer Comfort	14-Jan			53.5
13:00	U.S. to Sell 10-Year TIPS				

Canadian Economic Data and Events

Time	Release		RBC Call	Market Call*	Prior Read
12:00	Canada to Sell 5-Year Bonds				

Friday, January 19

U.S. Economic Data and Events

Time	Release		RBC Call	Market Call*	Prior Read
10:00	U. of Mich. Sentiment	Jan P	98	97	95.9

Canadian Economic Data and Events

Time	Release		RBC Call	Market Call*	Prior Read
8:30	Manufacturing Sales MoM	Nov	+1.0%		-0.4%
8:30	Int'l Securities Transactions	Nov			20.81b

Manufacturing sales are expected to rise 1.0% in November that will more than reverse the 0.4% decline recorded in October. The projected increase mainly reflects indications that auto production rose in the month after the sizeable double-digit decline in October. This strength is consistent with indications that motor vehicle exports jumped higher in November. The overall increase in

manufacturing will also be helped by indications of higher oil prices in the month that is expected to provide a boost to the nominal value of petroleum and coal shipments. The absence of this price support for manufacturing volumes will be reflected in this measure rising a smaller 0.3% in November that would only partially offset the 1.5% plunge that occurred in October.

*Market calls refer to Bloomberg consensus forecasts