

MONTHLY ECONOMIC INDICATORS

November 2000

HIGHLIGHTS

-  **Output grows at a solid pace in August, with another strong boost from the high-tech sector.**
-  **Employment rises in October, but a larger increase in the labour force increases the unemployment rate to 6.9%.**
-  **CPI inflation hits 2.7% in September, but core inflation remains low.**
-  **Rebounding exports raise Canada's trade surplus slightly in August.**
-  **The dollar loses ground as Canadian stock prices slide for the second straight month.**

Key Monthly Economic Indicators

		% Change since		
		last month	last year	
Real GDP (\$92 B)	792.6	0.4	4.4	Aug
Goods	260.8	0.5	4.9	Aug
Services	531.8	0.3	4.2	Aug
Composite Index	166.0	0.6	8.5	Sept
Employment (000's)	14,977	0.1	2.3	Oct
Full-time	12,263	0.4	2.6	Oct
Part-time	2,714	-0.1	1.1	Oct
Unemployment* (%)	6.9	6.8	7.1	Oct
Youth*	12.9	12.7	13.8	Oct
Adult*	5.7	5.7	5.8	Oct
CPI inflation*	2.7	2.5	2.6	Sept
Retail Sales (\$M)	23,428	0.1	5.7	Aug
Housing Starts (000's)	164.8	4.9	8.6	Oct
Trade Balance* (\$M)	3,984	3,888	3,744	Aug
Exports	34,753	1.0	10.7	Aug
Imports	30,769	0.8	11.3	Aug
M&E	10,499	1.0	15.1	Aug
3-mth Corp. paper* (%)	5.85	5.83	5.05	Nov 1
Long bond yield* (%)	5.69	5.67	6.36	Nov 1
Canadian dollar* (US¢)	65.24	66.51	67.97	Nov 3

*Data in levels only – % change not reported.

The "Monthly Economic Indicators" (MEI) provides a variety of economic analysis and data in a convenient format. The MEI does not interpret or evaluate government policies, and every attempt is made to present factual information in an informed and balanced manner consistent with generally accepted economic principles. It is available to all employees of Industry Canada in either hard or electronic copy, or can be accessed via the Internet at http://strategis.ic.gc.ca/sc_ecnmy/mera/engdoc/03.html.

MONTHLY ECONOMIC INDICATORS

November 2000

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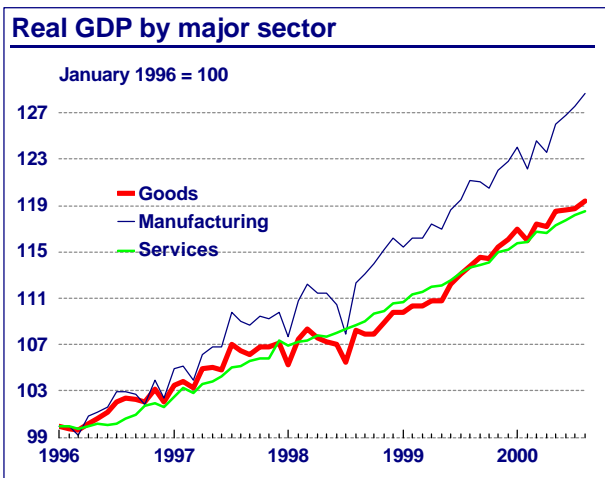
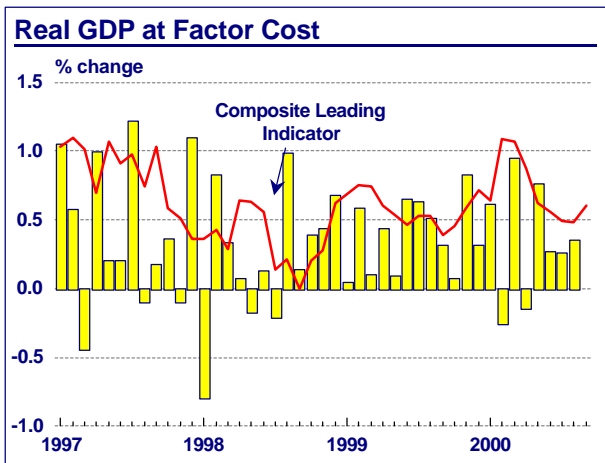


High-tech industries provide another boost to output in August...

- Real GDP at factor cost increased 0.4% in August, in line with growth in the previous two months. The Manufacturing sector accounted for two-fifths of the total increase.

...with gains in both Goods and Services

- The Goods sector increased by 0.5% in August, mainly due to a sharp rise in Manufacturing output. Manufacturing has posted sharp gains over the past four months, led in particular by higher production of telecommunications equipment and computers. Lower activity in the Mining industry reflected maintenance shutdowns and lower exploration activity in the oilpatch, which resulted from equipment and personnel shortages and poor weather.
- The Services sector expanded by 0.3% in August. Wholesaling activity fell because of lower computer sales, but a sharp increase in stock market activity boosted output in the Financial industries. Business services posted another solid gain, with roughly half of this attributed to growth in computer services.



Real GDP at Factor Cost (1992 dollars)

	\$ millions	monthly change	% Change since last	
			month	year
August 2000				
Total Economy	792,610	2,818	0.4	4.4
Business sector	663,595	2,688	0.4	5.1
Goods	260,812	1,369	0.5	4.9
Agriculture	13,112	8	0.1	-2.5
Fishing & Trapping	678	-49	-6.7	-1.2
Logging & Forestry	4,699	-125	-2.6	-3.0
Mining*	26,993	-279	-1.0	5.7
Manufacturing	146,388	1,218	0.8	6.2
Construction	42,490	229	0.5	4.1
Other Utilities	26,452	367	1.4	4.1
Services	531,798	1,449	0.3	4.2
Transport & Storage	37,075	250	0.7	5.5
Communications	30,363	127	0.4	9.9
Wholesale Trade	50,430	-359	-0.7	3.3
Retail Trade	51,528	36	0.1	5.8
Finance & Insurance	43,751	574	1.3	6.1
Real Estate & Ins. Agent	82,968	314	0.4	2.6
Business services	50,220	378	0.8	10.4
Government services	47,186	34	0.1	2.5
Education	40,933	74	0.2	0.5
Health & Social Services	46,493	9	0.0	0.6
Accommodation & Food	20,884	-21	-0.1	3.5
Other	29,967	33	0.1	2.2

*Includes Quarrying and Crude Petroleum & Natural Gas

THE ECONOMY

Consumer Spending and Attitudes



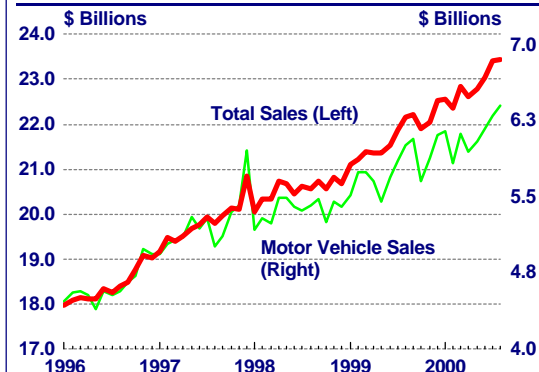
Consumer spending is strong in the second quarter...

- Real consumption rose 3.6% (annual rate) in the second quarter of 2000, in line with growth in the previous two quarters.
- Spending on services experienced a substantial boost on the quarter. However, growth in purchases of interest-sensitive durable and semi-durable goods slowed considerably from the previous period.

...but may slow in the third quarter

- Continuing income gains and higher consumer confidence should support further increases in household spending. Personal disposable income surged 8.1% (annual rate) in the second quarter, boosted by federal pay equity payments.
- Following three months of solid gains, retail sales edged up only 0.1% in August. The slowdown was led by lower sales in Furniture and General Merchandise stores, but continued strength in auto sales offset much of this weakness. Preliminary data point to a further increase in auto sales for September, as well as a pickup in housing starts.

Total Retail and Motor Vehicle Sales



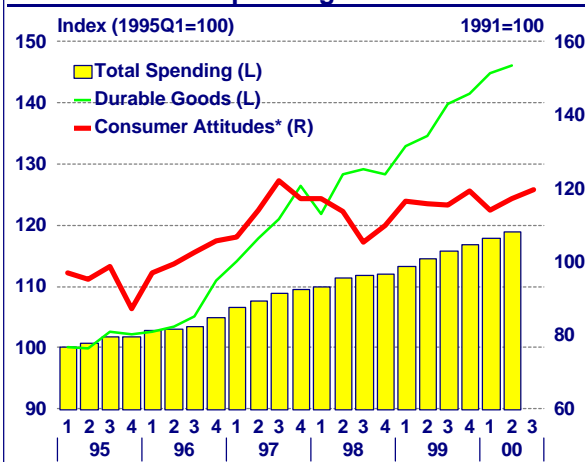
Retail Sales and Consumer Credit

	August 2000 \$ millions	% Change since	
		last month	last year
Total Retail Sales (S.A.)	23,428	0.1	5.7
Food	5,134	0.3	4.4
Drug Stores	1,135	-0.6	1.9
Clothing	1,252	-0.9	4.0
Furniture	1,243	-2.7	8.0
Automotive	9,550	0.8	8.1
General Merch. Stores	2,615	-1.7	1.2
All other Stores	2,498	0.6	6.0
Total ex. motor vehicles	17,027	-0.5	5.4
Consumer Credit (unadjusted)	186,934	1.8	10.5

Real Consumer Spending and Household Finances

	\$ Millions, SAAR (unless otherwise noted)			
	1998	1999	2000 Q1	2000 Q2
Real Consumption (92\$)	487,866	504,763	516,732	521,312
% change	2.9	3.5	3.4	3.6
Durable Goods	66,487	71,859	75,824	76,504
% change	5.9	8.1	9.4	3.6
Semi-Durable Goods	45,751	47,103	48,572	48,728
% change	4.4	3.0	8.9	1.3
Non-Durable Goods	120,795	123,344	125,028	125,464
% change	1.7	2.1	1.4	1.4
Services	254,833	262,457	267,308	270,616
% change	2.5	3.0	1.7	5.0
Disposable Income	567,960	590,608	611,864	623,912
% change	3.9	4.0	7.7	8.1
Saving Rate (%)	4.5	3.7	3.9	4.4
Debt-to-Income Ratio (%)	94.9	96.1	95.8	95.1

Real Consumer Spending and Attitudes



*Conference Board of Canada



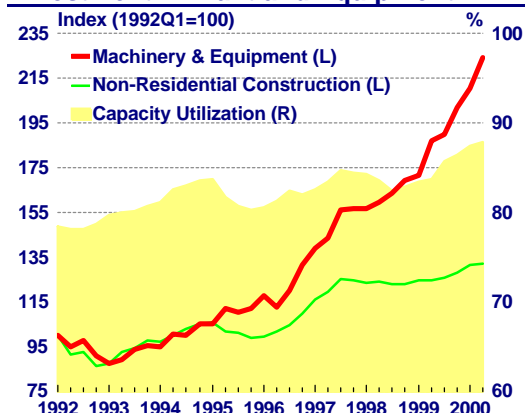
Business investment rises faster in the second quarter...

- Business investment recorded another solid advance in the second quarter, extending its recent string of sharp gains. Spending on Machinery & Equipment (M&E) soared 28.5% (annual rate), due mainly to higher purchases of computers and other office equipment. Increased purchases of transportation equipment by the oil and gas sector also played a role.
- Growth in Non-Residential Construction slowed to 2.9% (annual rate), following an increase of 10.2% in the first quarter.

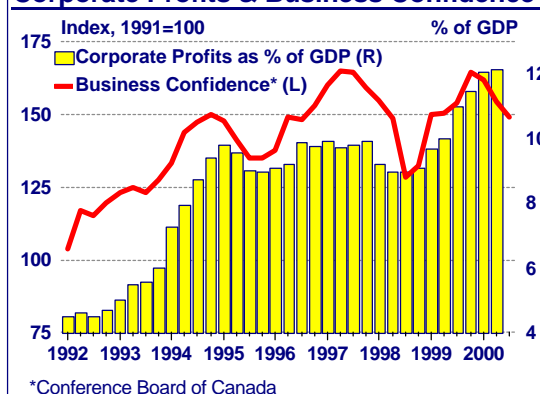
...and is expected to expand further for the rest of the year

- The investment outlook remains positive, given recent gains in corporate profits and rising capacity utilization rates.
- Indeed, imports of M&E have risen sharply in both July and August. However, non-residential building activity fell in August, albeit following a strong rise in July.

Investment in Plant and Equipment



Corporate Profits & Business Confidence



Business Investment and Corporate Finances

\$ Millions, SAAR (unless otherwise noted)

	1998	1999	1999 Q3	1999 Q4	2000 Q1	2000 Q2
BUSINESS INVESTMENT						
Machinery & Equipment (1992\$)	65,357	75,557	76,508	81,248	84,704	90,184
% change	9.0	15.6	6.0	27.2	18.1	28.5
Non-residential Construction (1992\$)	39,502	40,288	40,200	41,040	42,052	42,352
% change	1.7	2.0	2.5	8.6	10.2	2.9
Capacity Utilization (% , Non-farm goods)	83.3	84.9	85.7	86.5	87.5	87.9
Capacity Utilization (Mfg. sector)	83.8	85.7	86.7	87.0	87.8	88.4
CORPORATE FINANCES & ATTITUDES						
Corporate Operating Profits	142,296.0	174,317.0	181,716.0	189,792.0	204,288.0	207,660.0
% change	-13.3	22.5	28.2	19.0	34.2	6.8
Profits - Non-financial industries	94,891.0	123,372.0	129,740.0	135,332.0	140,360.0	147,312.0
% change	-13.6	30.0	47.5	18.4	15.7	21.3
Profits - Financial industries	47,406.0	50,945.0	51,976.0	54,460.0	63,928.0	60,348.0
% change	-12.5	7.5	-7.8	20.5	89.9	-20.6
Business Credit	694,677.7	729,727.8	735,011.7	746,400.0	755,693.0	771,550.3
% change	10.6	5.0	7.6	6.3	5.1	8.7



The housing market weakens considerably in the first half of 2000...

- Business investment in Residential Construction fell 11.0% in the second quarter, after registering only a slight advance in the first quarter.
- A strike by cement truck drivers in Toronto contributed greatly to this slump, leading to lower investment in new housing. However, sales of existing homes were also down on the quarter, and the pace of renovation activity slowed.

...but is showing some signs of recovery in the third quarter

- Residential construction rose 1.7% in August, its second consecutive monthly increase. Still, the average level of activity in July and August is 1.1% lower than in the second quarter. There is some evidence that the recent momentum will be sustained into the fourth quarter, given solid increases in housing starts in September and October.
- Higher mortgage rates have been a major factor behind the recent weakness in the housing market. The outlook is somewhat positive, however, as mortgage rates remain stable and levels of full-time employment and consumer confidence are high.

Housing Activity



Monthly Housing Indicators

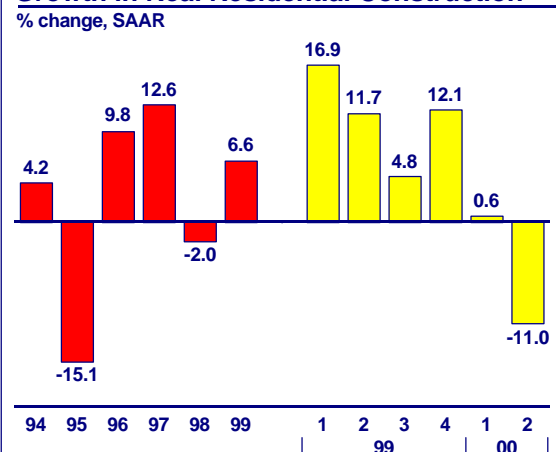
	levels	Change since	
		last month	last year
Residential Construction (1) (\$92M, factor cost basis)	13,807	1.7%	2.0%
Building Permits, \$M (2)	1,636	-13.4%	4.3%
Sales of Existing Homes (2) (# of units)	20,008	-134	
Housing Starts, # of units (3)	164,800	7,700	13,000
Newfoundland	1,200	200	400
Prince Edward Island	700	400	400
Nova Scotia	1,800	200	-1,400
New Brunswick	1,900	-1,300	400
Quebec	21,500	-400	700
Ontario	73,500	6,100	13,600
Manitoba	1,600	300	-1,200
Saskatchewan	1,900	200	-300
Alberta	20,800	-2,900	-1,100
British Columbia	18,700	5,300	4,800

1 - August data; 2 - September data; 3 - October data
Sources: Statistics Canada, Canada Mortgage and Housing Corporation, Canadian Real Estate Association

Real Investment in Residential Structures

	\$92 Millions, SAAR (unless otherwise noted)			
	1998	1999	2000 Q1	2000 Q2
Residential Construction	41,523	44,259	45,832	44,528
% change	-2.0	6.6	0.6	-10.9
Construction by Business sector	41,277	43,983	45,560	44,256
% change	-2.0	6.6	0.6	-11.0
New Housing	20,701	22,258	22,996	21,800
% change	-3.5	7.5	-7.9	-19.2
Alterations & Improvements	13,640	14,399	15,212	15,328
% change	2.4	5.6	10.2	3.1
Ownership & Transfer Costs	7,182	7,259	7,624	7,400
% change	-5.7	1.1	10.3	-11.2

Growth in Real Residential Construction



THE ECONOMY

Trade and Competitiveness

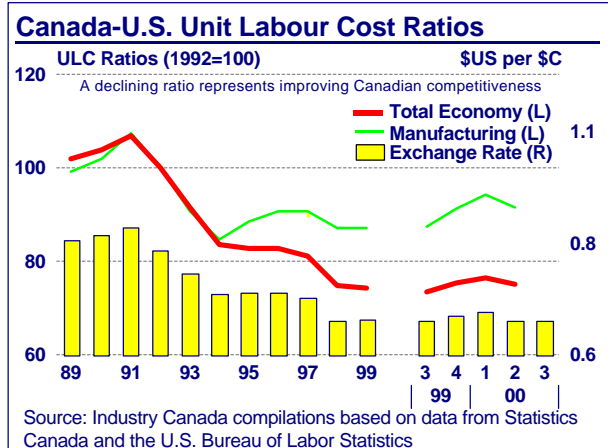
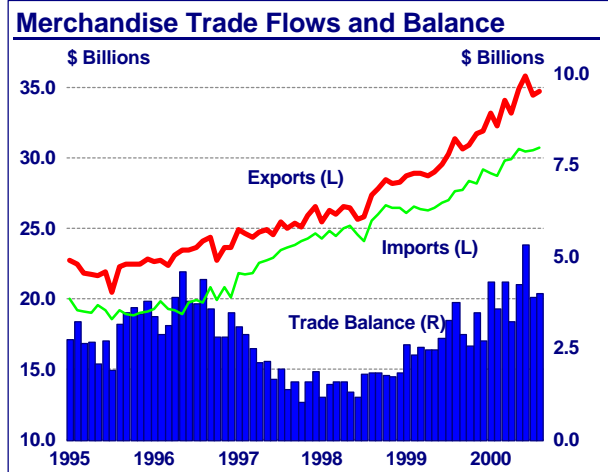


Export growth outpaces imports in August...

- Exports increased by 1.0% in August, partly rebounding from a sharp 3.8% drop in July. Automotive exports were up on the month, while shipments of aircraft and telecommunications equipment boosted exports of M&E. Continued weakness in U.S. housing demand cut into exports of Forestry Products, and exports of Industrial Goods & Materials also fell.
- Imports rebounded 0.8% in August, sparked by a turnaround in imports of Automotive Products.

...resulting in a slightly higher trade surplus

- Since the increase in exports was higher than that for imports, Canada's trade surplus improved slightly to \$4.0 billion in August. The cumulative trade surplus over the first eight months of the year was \$32.8 billion, up \$10.6 billion on a year-to-date basis.



Merchandise Trade

August 2000	Levels (\$ millions)		Year-to-date (\$ millions)		Change (\$M)	% Change		
	July 2000	August 2000	1999 Jan-Aug.	2000 Jan-Aug.		July to Aug. 2000	July to Aug. 2000	Aug. 1999 to Aug. 2000
Exports	34,415	34,753	235,514	272,566	338	1.0	10.7	
to United States	29,634	30,018	202,220	234,109	384	1.3	10.7	
Imports	30,527	30,769	213,338	239,751	242	0.8	11.3	
from United States	22,278	22,605	163,797	177,162	327	1.5	7.6	
Trade Balance	3,888	3,984	22,176	32,815	96			
with United States	7,356	7,413	38,423	56,947	57			
Exports by Commodity								
Agriculture/Fishing Products	2,402	2,334	16,857	18,270	-68	-2.8	10.7	
Energy Products	4,035	4,141	18,059	31,167	106	2.6	52.6	
Forestry Products	3,479	3,323	25,657	27,836	-156	-4.5	0.1	
Industrial Goods & Materials	5,624	5,362	37,551	42,768	-262	-4.7	8.0	
Machinery & Equipment	8,613	8,959	55,869	68,357	346	4.0	23.4	
Automotive Products	7,761	8,115	63,326	64,698	354	4.6	-7.1	
Other Consumer Goods	1,228	1,201	8,982	9,550	-27	-2.2	5.6	
Imports by Commodity								
Agriculture/Fishing Products	1,516	1,576	11,699	12,106	60	4.0	6.5	
Energy Products	1,587	1,505	6,146	11,356	-82	-5.2	66.7	
Forestry Products	242	264	1,797	2,025	22	9.1	13.3	
Industrial Goods & Materials	5,958	5,814	40,375	46,810	-144	-2.4	12.6	
Machinery & Equipment	10,396	10,499	70,872	80,458	103	1.0	15.1	
Automotive Products	6,398	6,690	49,991	52,224	292	4.6	0.5	
Other Consumer Goods	3,295	3,352	24,217	26,123	57	1.7	9.5	



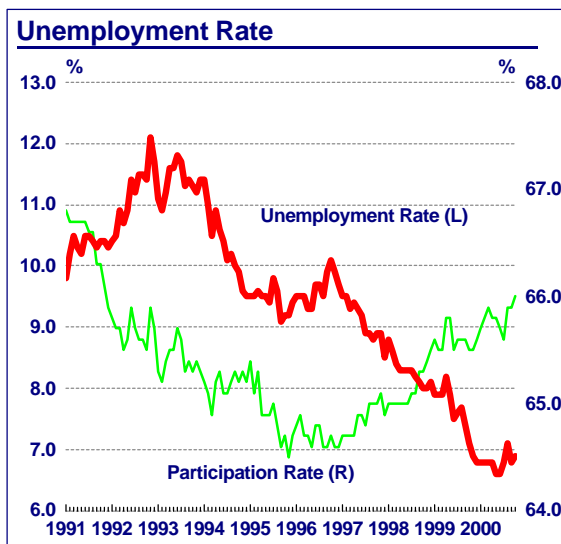
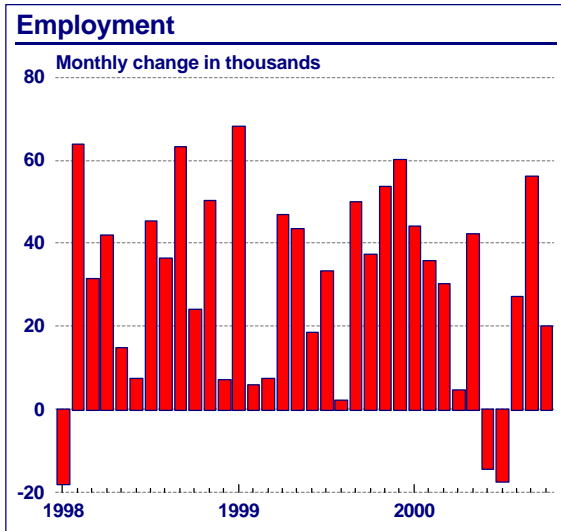
Employment and Unemployment

Despite modest job gains in October...

- Employment rose by 20,000 in October, with a sharp gain in the number of full-time jobs (+52,000) partly offsetting a decline in part-time work (-32,000). Following a period of weakness in the summer months, employment has now increased in each of the past three months.
- Full-time employment is up 2.6% on a year-over-year basis, compared to an increase of 1.1% in the number of part-time jobs.

...the unemployment rate edges up to 6.9%

- Growth in the labour force outpaced October's employment gain, raising the national unemployment rate 0.1 percentage points to 6.9%. The youth unemployment rate rose 0.2 percentage points to 12.9%, but the adult unemployment rate was unchanged at 5.7%.
- The influx of new job seekers pushed up the participation rate to 66.0%, for the first time since 1991.



Labour Force Trends

(in thousands)	Levels			Change since			% Change since	
	1999 October	2000 September	2000 October	last month	last year	year-to- date	last month	last year
Employment	14,633.6	14,957.1	14,977.3	20.2	343.7	229.8	0.1	2.3
Full-time	11,948.9	12,211.7	12,263.4	51.7	314.5	168.0	0.4	2.6
Part-time	2,684.7	2,745.4	2,713.9	-31.5	29.2	61.8	-1.1	1.1
Youth 15-24	2,223.4	2,313.5	2,316.2	2.7	92.8	62.1	0.1	4.2
Adult 25+	12,410.3	12,643.5	12,661.1	17.6	250.8	167.8	0.1	2.0
Self-employed	2,429.3	2,382.3	2,366.1	-16.2	-63.2	-142.9	-0.7	-2.6
Unemployment	1,125.6	1,098.8	1,113.3	14.5	-12.3	38.4	1.3	-1.1
Unemployment Rate	7.1	6.8	6.9	0.1	-0.2	0.1		
Youth 15-24	13.8	12.7	12.9	0.2	-0.9	-0.2		
Adult 25+	5.8	5.7	5.7	0.0	-0.1	0.1		
Labour Force	15,759.2	16,055.8	16,090.6	34.8	331.4	268.3	0.2	2.1
Participation Rate	65.5	65.9	66.0	0.1	0.5	0.4		
Employment Rate	60.8	61.4	61.4	0.0	0.6	0.2		



Industry Overview

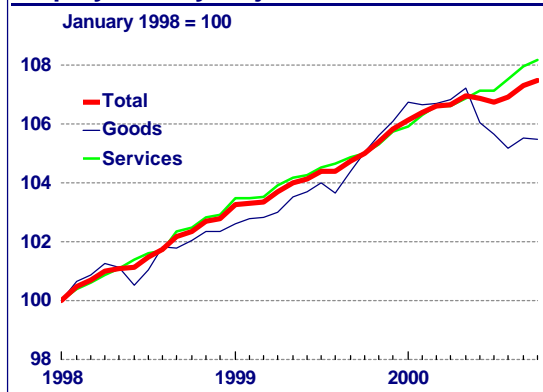
Employment growth is concentrated in Manufacturing and Services...

- Broad-based gains in the Services-producing industries have been the main source of job growth so far this year. In October, employment was up a further 22,000 in this sector, with notable gains in Professional & Scientific Services and Transportation & Warehousing.
- In contrast, labour market conditions have generally been weaker overall in the Goods sector. A sizeable gain in Manufacturing in October was offset by losses in Construction and Agriculture, leaving employment down 2,000 on the month.

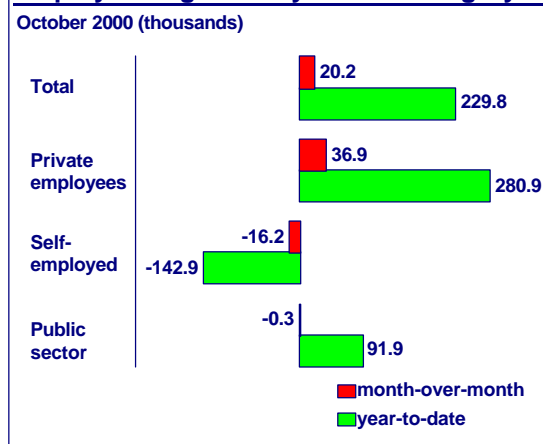
...and in the private sector

- The private sector accounted for the total rise in employment in October, as the number of employees in the public sector was virtually unchanged.
- Self-employment fell 16,000 in October, bringing year-to-date losses to 143,000.

Employment by major sector



Employment growth by worker category



Industrial Employment Trends

(in thousands)	Levels			Change since			% Change since	
	1999 October	2000 September	2000 October	last month	last year	year-to- date	last month	last year
Goods-producing	3,828.2	3,844.6	3,843.1	-1.5	14.9	-22.2	-0.0	0.4
Agriculture	402.2	360.2	355.3	-4.9	-46.9	-43.8	-1.4	-11.7
Natural Resources*	267.0	284.9	285.8	0.9	18.8	10.5	0.3	7.0
Utilities	116.4	116.4	115.6	-0.8	-0.8	0.2	-0.7	-0.7
Construction	780.5	820.0	800.7	-19.3	20.2	-6.7	-2.4	2.6
Manufacturing	2,262.0	2,263.1	2,285.8	22.7	23.8	17.6	1.0	1.1
Services-producing	10,805.4	11,112.5	11,134.2	21.7	328.8	252.0	0.2	3.0
Trade	2,260.7	2,347.8	2,341.2	-6.6	80.5	69.5	-0.3	3.6
Transportation	756.7	767.5	779.1	11.6	22.4	14.9	1.5	3.0
FIRE*	866.1	862.3	869.7	7.4	3.6	4.4	0.9	0.4
Professional/Scientific	909.1	959.5	974.4	14.9	65.3	47.9	1.6	7.2
Management/Administrative	505.4	563.3	567.2	3.9	61.8	49.7	0.7	12.2
Educational Services	994.7	973.7	969.4	-4.3	-25.3	-32.3	-0.4	-2.5
Health Care/Social Assistance	1,460.8	1,538.4	1,529.0	-9.4	68.2	57.1	-0.6	4.7
Information/Culture/Recreation	636.6	676.6	685.7	9.1	49.1	49.5	1.3	7.7
Accommodation & Food	932.2	961.0	956.5	-4.5	24.3	5.9	-0.5	2.6
Other Services	713.4	696.0	696.6	0.6	-16.8	-12.3	0.1	-2.4
Public Administration	769.8	766.3	765.5	-0.8	-4.3	-2.3	-0.1	-0.6

*Natural Resources: Forestry, Fishing, Mining, Oil & Gas; Transportation includes warehousing; FIRE: Finance, Insurance, Real Estate & Leasing.



Provincial Overview

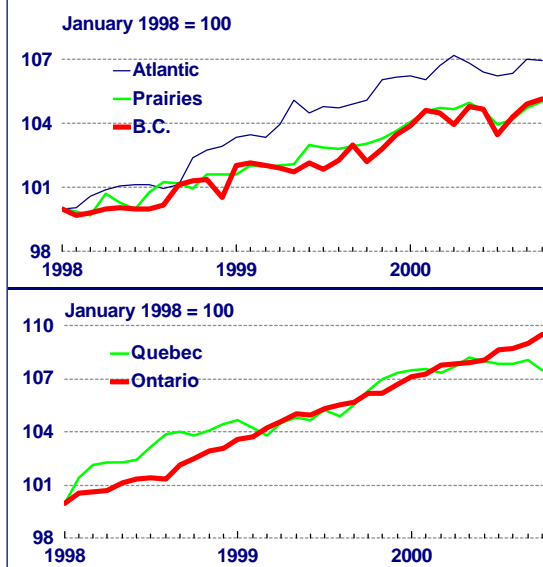
Ontario leads October job gains...

- Job growth remains strong in Ontario, rising 27,000 in October. However, growth in the labour force was even stronger, raising Ontario's unemployment rate to 5.9%.
- Solid job gains were also posted in Saskatchewan and Alberta. In both provinces, unemployment rates edged down 0.1 percentage points.

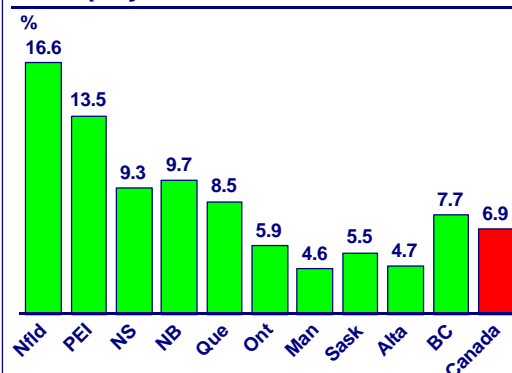
...but employment falls sharply in Quebec and PEI

- Quebec experienced the largest absolute drop in employment in October (-20,000), extending the slowdown in job growth evident since the beginning of the year. Quebec's unemployment rate rose 0.3 points to 8.5% on the month.
- In percentage terms, the biggest job loss was in PEI, which contributed to a sharp 2.2 point rise in its unemployment rate to 13.5%.
- Job losses in Manitoba also resulted in a higher unemployment rate.

Regional employment patterns



Unemployment Rates -- October 2000



Provincial Employment and Unemployment Trends

	Employment (thousands)						Unemployment rate (%)		
	Levels 2000 October	Change since last month		Change since last year		Levels	Change since last month		last year
		(000's)	%	(000's)	%		last month	last year	
Canada	14,977.3	20.2	0.1	343.7	2.3	6.9	0.1	-0.2	
Newfoundland	205.7	-0.5	-0.2	-2.0	-1.0	16.6	0.3	0.2	
P.E.I.	64.0	-1.2	-1.8	2.1	3.4	13.5	2.2	0.1	
Nova Scotia	418.4	0.8	0.2	8.1	2.0	9.3	-0.3	-0.1	
New Brunswick	337.3	0.3	0.1	9.6	2.9	9.7	0.0	0.0	
Quebec	3,428.3	-19.6	-0.6	37.2	1.1	8.5	0.3	-0.4	
Ontario	5,926.4	27.4	0.5	182.8	3.2	5.9	0.1	0.0	
Manitoba	555.7	-3.0	-0.5	12.1	2.2	4.6	0.1	-0.8	
Saskatchewan	484.2	3.4	0.7	0.9	0.2	5.5	-0.1	-0.5	
Alberta	1,597.5	7.9	0.5	37.9	2.4	4.7	-0.1	-0.5	
B.C.	1,959.8	4.9	0.3	55.0	2.9	7.7	0.0	0.0	

PRICES and FINANCIAL MARKETS

Consumer and Commodity Prices



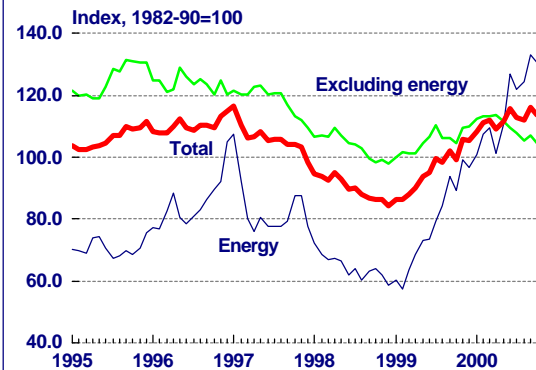
CPI inflation rises to 2.7% in September...

- Consumer prices were up 2.7% on a year-over-year basis in September, up from 2.5% in August. As has been the case for much of the year, higher energy prices accounted for roughly half of September's annual rise.
- Increased costs for mortgage interest and food from restaurants also contributed to inflation, but prices were lower for autos, computers and daycare.

...but the "core" rate remains in the bottom half of the official target range

- Excluding energy, food and indirect taxes, the "core" rate of inflation edged down to 1.3% in September, well within the bottom half of the 1%-3% target range set jointly by the Bank of Canada and the Department of Finance.
- Commodity prices were 14.6% higher in October compared to last year, pushed up by a sharp rise in energy prices.

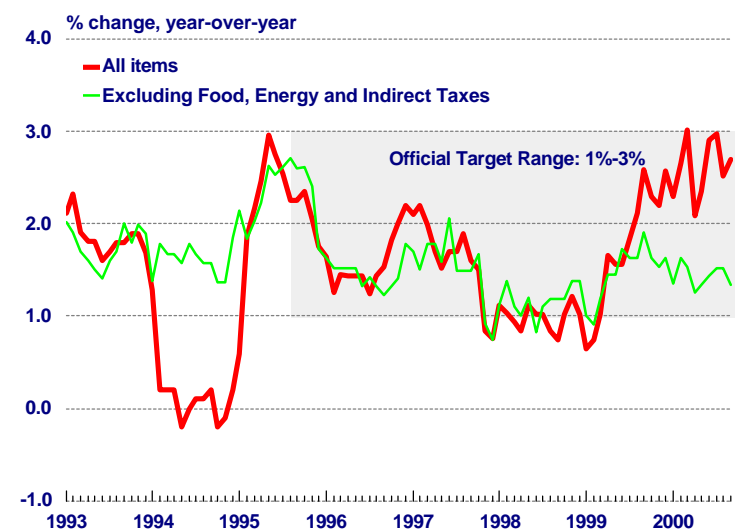
Commodity Prices (\$U.S. basis)



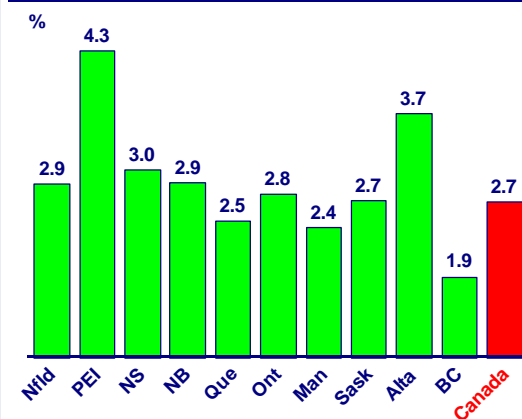
Consumer Prices

	Index (1992=100)	% Change since	
		last month	last year
September 2000			
All items CPI	114.4	0.4	2.7
Food	112.2	-0.8	2.2
Shelter	109.6	0.6	3.8
Household operations	110.5	0.0	0.9
Clothing & Footwear	107.4	1.9	0.2
Transportation	131.9	1.5	3.9
Health & Personal Care	112.3	-0.1	1.5
Recreation, Educ. & Reading	124.9	0.1	2.0
Alcohol & Tobacco	98.4	0.4	4.0
Excl. Food/Energy/Indirect Taxes	114.2	0.2	1.3
Energy	132.8	4.3	15.1
Commodity Prices (October)			
Index, 1982-90=100	113.7	-2.0	14.6
Excluding Energy	104.6	-2.2	0.0
Energy	130.7	-1.7	46.7

Consumer Price Index



Provincial CPI Inflation -- September 2000



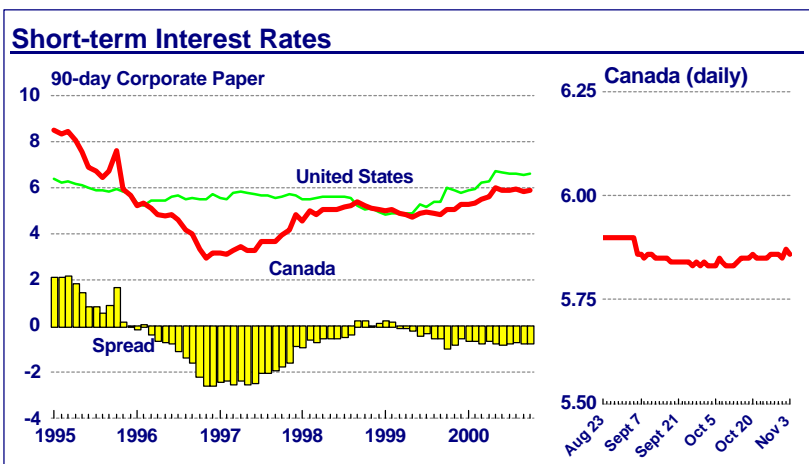


Short term interest rates are virtually unchanged in October...

- The Bank of Canada kept its trendsetting Bank Rate steady at 6.0% in October. Market-determined short-term interest rates have also been quite stable, closing October at about the same level as at the end of September. Canadian short-term interest rates closed 75 basis points below comparable U.S. rates on November 1.

...but long-term yields rise after falling early in the month

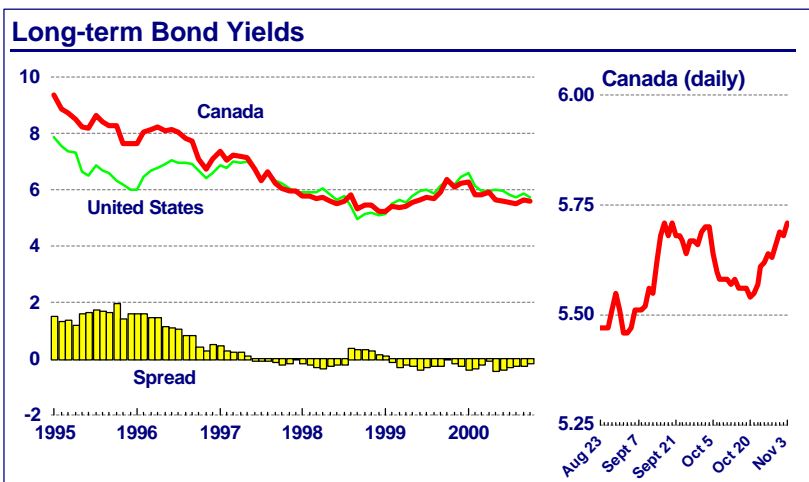
- Canadian long-term bond yields fell in the first half of the month, with falling equity prices increasing the demand for bonds. North American bond yields subsequently rose later in the month, as data on U.S. average hourly earnings and import prices pointed to rising inflationary pressures south of the border.
- As of November 1, Canadian long-term bond rates stood 9 basis points below comparable U.S. yields, down from a gap of 14 points at the end of October.



Key Money Market Rates

(end of period)	90-day Corporate Paper	spread against U.S.	Long Bond Yield	spread against U.S.
1998	5.02	0.09	5.23	0.14
1999	5.27	-0.49	6.23	-0.22
May 2000	5.98	-0.74	5.63	-0.39
June	5.89	-0.78	5.61	-0.36
July	5.88	-0.71	5.55	-0.27
August	5.90	-0.67	5.51	-0.23
Sept	5.83	-0.72	5.67	-0.23
Oct	5.85	-0.75	5.61	-0.14
Nov 1	5.85	-0.75	5.69	-0.09

A positive spread indicates that Canadian rates are above their U.S. counterparts.



Key Lending Rates

(end of period)	Bank Rate	Prime Lending Rate	Mortgage Rate 1 year	Mortgage Rate 5 year
1998	5.25	6.75	6.20	6.60
1999	5.00	6.50	7.35	8.25
May 2000	6.00	7.50	8.30	8.75
June	6.00	7.50	8.10	8.45
July	6.00	7.50	7.90	8.25
August	6.00	7.50	7.90	8.25
Sept	6.00	7.50	7.90	8.25
Oct	6.00	7.50	7.90	8.25
Nov 1	6.00	7.50	7.90	8.25

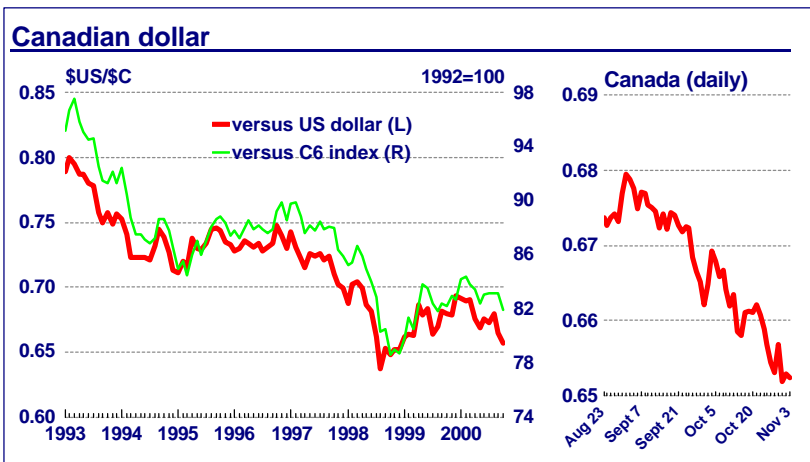


The TSE 300 falls sharply for the second straight month...

- The TSE 300 index closed out October down 7.1%, dragged lower by concerns over the profit outlook in the high-tech sector, tensions in the Middle East, and surging oil prices. Despite this loss, which follows a similar drop in September, the TSE 300 was still up 32.8% on a year-over-year basis in October.
- The U.S. S&P 500 was lacklustre in October, finishing the month 0.5% lower, while the Dow Jones Industrial Average gained 3.0% over the month.

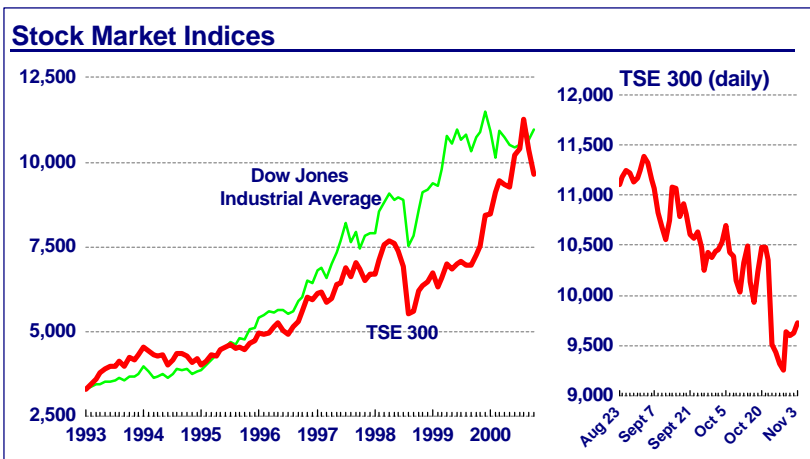
...and the dollar weakens further

- The Canadian dollar lost ground throughout October, closing below \$US 0.66 for the first time since March 1999. The weakness in the Canadian currency has been attributed to the recent poor performance of Canadian equities and strong global demand for the U.S. dollar.



The Canadian Dollar

(close)	\$US vs. \$Cdn	index vs. C-6 (92=100)	DM vs. \$Cdn	yen vs. \$Cdn
1998	0.6522	78.71	1.082	75.91
1999	0.6929	82.67	1.313	69.66
May 2000	0.6682	82.37	1.442	72.41
June	0.6754	83.06	1.393	71.84
July	0.6725	83.17	1.410	73.23
August	0.6796	83.13	1.459	72.86
Sept	0.6651	83.16	1.513	71.88
Oct	0.6568	81.87	1.517	71.70
Nov 3	0.6524			



Key Stock Market Indexes

	October Close	% change from	
		last month	last year
TSE 300	9,640	-7.1	32.8
Oil & Gas	7,342	-8.5	21.1
Metals & Minerals	3,528	3.9	-9.5
Utilities	15,536	6.9	68.9
Paper & Forest	4,731	-3.6	-4.9
Merchandising	5,498	0.8	13.3
Financial Services	10,121	3.2	39.1
Gold	3,671	-9.5	-33.4
Price-Earnings Ratio*	27.5	-6.8	-2.1
S&P 500	1,429	-0.5	4.9
Dow Jones	10,971	3.0	2.2

*columns 2 & 3 reflect change in levels



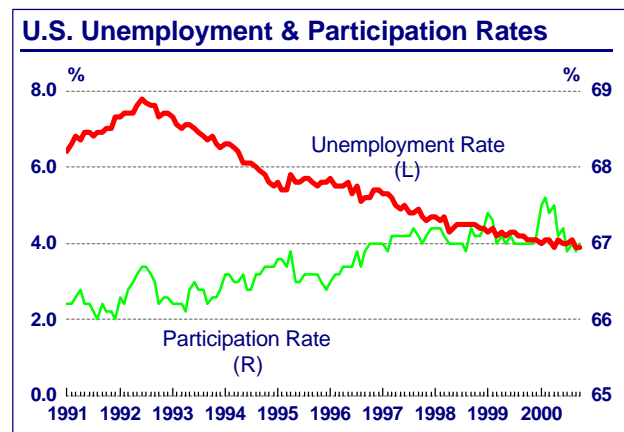
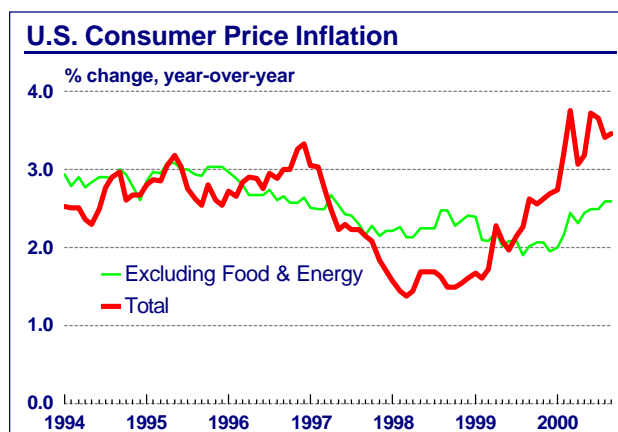
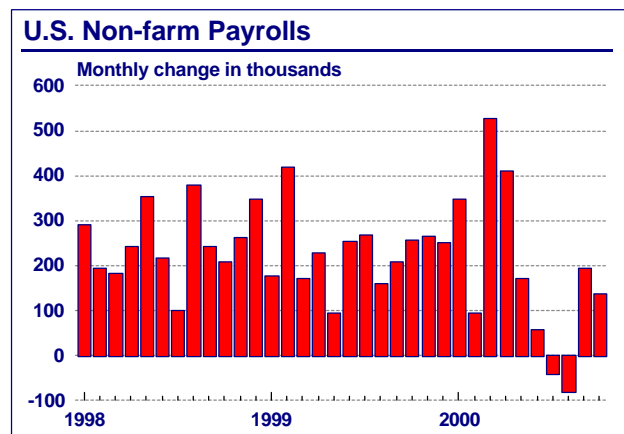
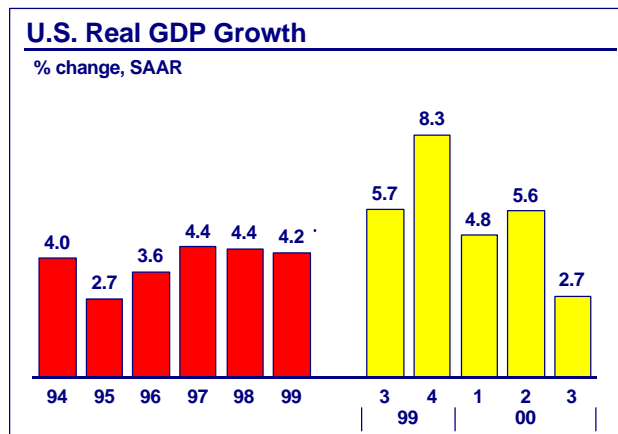
U.S. Economic Trends

The U.S. economy slows in the third quarter...

- Advance estimates suggest that U.S. real GDP growth slowed to 2.7% (annual rate) in the third quarter of 2000. Solid gains in consumer spending and business investment offset lower residential investment and decreased government spending in the quarter.
- U.S. employment rose by 137,000 in October, led by gains in Construction and Mining. Following two months of large increases, employment in the Services industry was little changed. The unemployment rate held steady at a 30-year low of 3.9%.
- After hitting a record high in July, the U.S. trade deficit narrowed to \$29.4 billion in August. Exports increased by 3.5% while imports rose only slightly (0.8%).

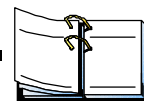
...but productivity growth remains strong

- Productivity in the non-farm business sector rose a larger-than-expected 3.8% (annual rate) in the third quarter of the year. This helped moderate the rise in unit labor costs, a key gauge of inflation pressures, which was up 2.5 percent in the third quarter.
- On a year-over-year basis, U.S. consumer prices were up 3.5% in September. Inflation excluding food and energy prices has trended up through most of 2000, rising to 2.6% in September.



COMING UP

Key Future Data Releases and Planned Events



CANADA

Survey of Manufacturing – September	November 17
International Trade – September	November 21
Consumer Price Index – October	November 21
Financial Statistics For Enterprises – 3rd Quarter 2000	November 24
GDP at factor cost – September	November 30
National Economic & Financial Accounts – 3rd Quarter 2000	November 30
Balance of International Payments – 3rd Quarter 2000	November 30
Labour Force Survey – November	December 1
Capacity Utilization Rates – 3rd Quarter 2000	December 7
Business Conditions Survey – January	February 1

UNITED STATES

Consumer Price Index – October	November 16
International Trade – September	November 21
GDP –3rd Quarter 2000, Preliminary	November 29
Employment Situation – November	December 8
Federal Open Market Committee meeting	December 19

Note: the November MEI uses data available as of November 3, 2000