Weekly Updates Issue # 772

1. Weekly Markets Changes

[July 10, 2020]

S&P TSX	S&P 500	Dow Jones	NASDAQ	CAD/USD	Gold	WTI Crude
15,713.82 +117.1 +0.75%	3,185.04 +55.03 +1.76%	26,075.30 +247.9 +0.96%	10,617.44 +409.8 +2.03%	$0.7356 -0.16c -0.22%	$1,798.70 +26.65 +1.50%	$40.55 +0.23 +0.57%

2. Looking ahead to the BoC's monetary policy report

[July 10, 2020] The Bank of Canada is widely expected to hold the overnight rate on Wednesday, but its monetary policy report could prove interesting.

In a July 8 report, Avery Shenfeld noted that next week will include "the first post-Covid forecast from the Bank" — and also the first forecast delivered by the central bank's new governor, Tiff Macklem.

Shenfeld said the BoC's "path will speak volumes about the medium-term rate outlook."

One thing to watch, Shenfeld noted, is the central bank's forecast for the "output gap" — the difference between the actual output of the economy and it's expected output.

The output gap, Shenfeld wrote, is "the best guide" for predicting when the central bank will "begin to unwind policy stimulus." A lower gap is more likely to lead to higher interest rates.

When the central bank raised rates in 2002, 2004 and 2017, it did so "with an average output gap of less than 0.5%…and with forecasts of above-potential growth that would close the remaining [economic] slack in short order," Shenfeld wrote.

In contrast, the central bank also raised rates in 2010, despite an output gap estimated at 1.5 — a move that Shenfeld said stalled Canada's economic recovery from the financial crisis and left the overnight rate "on hold for many years."

Shenfeld added he doesn't expect a major shift in strategy with regard to the BoC's purchasing of Government of Canada, provincial and corporate bonds. More purchases of Government of Canada bonds are possible, he said, because the central bank has only set a minimum level for purchases.

A July 9 report from the C.D. Howe Institute's Monetary Policy Council indicated that the BoC will keep rates low into 2021. The council unanimously supported this strategy, with six members saying rates should be maintained at current levels and two recommending they be dropped to 0.10%.

Since the BoC's June 3 announcement, global economic boons have hinted at rebounds in many advanced countries, based on spending and output, C.D. Howe noted.

Still, a C.D. Howe release warned: "The coronavirus continues to spread in emerging markets, and resurgences, notably in the United States, threaten setbacks in the second half of the year."

While C.D. Howe forecasted "solid third-quarter growth" for Canada, uncertainty remains about how the country will phase out fiscal measures.

Due to potential inflationary concerns, C.D. Howe recommended that "the Bank of Canada needs to avoid becoming a significant allocator of credit," and should clarify its asset-purchasing criteria going forward.

3. More than 3 million workers still affected by shutdowns: StatsCan

[July 10, 2020] Nearly one million more Canadians had jobs in June, Statistics Canada says, as businesses forced to close by the pandemic began to reopen and the country continued to recoup steep losses over March and April.

Statistics Canada's labour force survey released Friday showed 953,000 jobs were added last month, including 488,000 full-time and 465,000 part-time positions. The unemployment rate fell to 12.3% after hitting a record-high of 13.7% in May.

As in May, even though more people found jobs, more people also looked for work as the labour force grew by about 786,000 after a gain of 491,000 in May, bringing it to within 443,000 of its pre-pandemic level.

Statistics Canada said the unemployment rate would have been 16.3% had it included in unemployment counts those who wanted to work, but did not look for a job.

Job gains were made in every province, including by 378,000 in Ontario, marking the first increase since the COVID-19 shutdown, Statistics Canada said. It didn't include any gains in Toronto as restrictions in that city loosened after the survey week.

Despite the good news, economist Jim Stanford said there remains a historic crisis in the job market with high unemployment and hundreds of thousands who have left the labour force altogether.

Also, gains nationally were not shared equally among groups, with women, youth and low-wage workers still slower to rebound, which Stanford said could be problematic if those jobs don't ever come back.

"I worry about a coming second round of layoffs motivated not by health restrictions, but by companies deciding their businesses are going to be permanently smaller. So that would be qualitatively different and in a way worse," said Stanford, director of the Centre for Future Work in Vancouver.

"We aren't remotely out of the woods yet, but this was a really encouraging step forward."

Some three million jobs were lost over March and April due to the pandemic, and 2.5 million more had their hours and earnings slashed. By last month, some 3.1 million were affected by the pandemic, including 1.4 million who weren't at work due to COVID-19.

Brendon Bernard, an economist at Indeed Canada, said recapturing jobs at the same pace in the coming months will be tougher.

"A lot of areas of the economy still aren't running at full capacity," Bernard said. "So while doors may be open and customers might be coming in, business hasn't come back to normal."

The job losses were unprecedented in speed and depth compared with previous recessions, Statistics Canada said, and the rebound to date sharper than previous downturns.

Ottawa's response has been equally unprecedented: a deficit of at least $343.2 billion this fiscal year as the Trudeau Liberals dole out some $230 billion in emergency aid.

In June, 28.3% of Canadians aged 15 to 69 reported receiving some form of federal aid since mid-March, Statistics Canada said. Meanwhile, the proportion of households reporting difficulty paying the bills dropped to 20.1% in June from 22.5% in May.

"Without the federal government being there to support Canadian workers, Canadian businesses and the Canadian provinces and territories, we would be in a bigger mess in this country right now," Hassan Yussuff, president of the Canadian Labour Congress said in an interview this week.

The Bank of Canada and federal government believe the worst of the economic pain from the pandemic is behind the country, but Canada will face high unemployment and low growth until 2021.

In a statement, Employment Minister Carla Qualtrough touted the jobs numbers as a sign the government's plan was working, before adding many Canadians still "face real challenges during this time."

She and other ministers are now reshaping programs so fewer workers stay on the $80-billion emergency benefit, and more get tied to jobs through the $82-billion wage subsidy program.

"We understand the need for those emergency programs. We also understand as we reopen and recover, we have to move away from emergency programs and into stimulus and recovery," said Leah Nord, senior director of workforce strategies for the Canadian Chamber of Commerce.

She said there are other issues to resolve around health and safety in the workplace, transit, and child care to help more Canadians get back to work.

In provinces where daycares reopened for children five and under, employment levels returned to pre-pandemic levels for fathers in June, but not for mothers. Similarly, mothers with children under 18 were more likely than fathers to work less than half their usual hours in June, Statistics Canada said.

Job gains have come at a faster clip for men. Their unemployment rate hit 12.1% in June compared to 12.7% for women. And the underutilization rate — which counts those who are unemployed, those who want a job but didn't look for one, and those working less than half their usual hours — was 28.3 for women and 25.5% for men.

4. Questions remain following fiscal snapshot

[July 9, 2020] Federal finance minister, Bill Morneau, put a huge price tag on the Covid-19 pandemic yesterday — an exercise that left economists wondering just how that price is going to be paid.

In its "fiscal snapshot," the federal government announced that it's expecting the deficit to balloon to $343.2 billion this year, above even the highest private forecasts (which topped out at around $300 billion).

An avalanche of spending to combat the effects of the pandemic, coupled with the negative effects of the economic turmoil on government revenues, is driving the inflated deficit.

The government outlook is underpinned by the expectation that GDP will drop by 6.8% this year, before rebounding by 5.5% next year.

In the immediate aftermath of the update, bond markets recoiled.

“Bond traders choked on higher than expected Canadian debt issuance volumes,” said Scotiabank Economics — noting that bond markets sold off largely following the news of the higher-than-expected deficit.

While the specific numbers that the government is working with was news to the Street, the underlying dynamics were not — the pandemic has been devastating for the economy and government finances — the big question though is where we go from here.

“This fiscal snapshot leaves almost as many questions unanswered as it [answers],” said BMO Economics in a research note.

“For example, who will ultimately pay for this deficit, and how? What will happen when massive support programs expire? What will the next phase of fiscal policy look like? Will borrowing costs start to rise, especially after a credit-rating downgrade?” BMO noted.

For now, the answers to these questions are contingent on the path of the virus — namely whether a second wave will happen, leading to another round of economic damage.

“Fundamentally, Canada’s economic recovery hinges on its ability to effectively keep Covid-19 transmission down according to the snapshot,” Scotia said.

“Its outlook focuses predominantly on pandemic-related downside risks in an environment where there is no shortage of other risks including various geopolitical and trade tensions.”

“The good news for Canada is that the incidence of new Covid-19 cases is declining, strict social-distancing measures are being gradually lifted, and businesses are starting to reopen,” DBRS Morningstar said in a report on the update.

“However, in the absence of a vaccine, there is the possibility of renewed outbreaks, which could ultimately deepen the recession and dampen the prospects for recovery,” it warned.

Indeed, RBC Economics noted that the government’s update “acknowledged that any material worsening of the virus outlook will pose a significant risk to the government’s bottom line. It also left the door open for more recovery spending even after the virus is contained, to help manage the longer-term consequences of the crisis.”

DBRS said that the longer-term economic consequences “are difficult to discern at this stage, but it may be possible that evidence of structural damage could emerge as we move closer to the fourth quarter and into 2021.”

For now though, the economic outlook remains decidedly uncertain. As a result, “fiscal policymakers will likely need to adapt to conditions as they evolve,” DBRS said.

“Much will depend on the durability of the shock, as well as how quickly and efficiently the economy can reallocate labor and capital resources in the post-pandemic environment. Fiscal policy will likely remain supportive as the economy recovers, but the scale and design of that support still needs to be defined,” it said.

The government’s planned fall update, and next year’s federal budget, will be the next major opportunities for the government to set out its fiscal strategy.

“At this stage, panic is not warranted, but neither is complacency,” said BMO. “Clearly, when the economy is convincingly in the recovery phase, a path to fiscal sustainability will need to be outlined, particularly when the Bank of Canada begins winding down its current extraordinary support measures.”

For bond markets, the next big data point will be the Bank of Canada’s policy decisions next Wednesday, which Scotia said will also feature “its first attempt at a full suite of forecasts during the Covid-19 pandemic.”

5. Beware of phony e-transfers

[July 9, 2020] Incoming e-transfers appear to be the latest tool in the fraudsters’ bag of tricks, police are warning.

According to an alert from New Brunswick’s Financial and Consumer Services Commission (FCNB), the RCMP is investigating several instances of apparent fraud involving phony e-transfers.

Police reported that victims have received emails that appear to be e-transfers, but the links to accept the transfer actually give fraudsters access to the recipient’s bank accounts and credit cards.

Consumers are advised to report any similar frauds to local police and to monitor their accounts for unauthorized purchases or bank transfers.

The warning comes as e-transfers have become an increasingly popular method of payment with Canadians.

Earlier this month, a report from the Bank of Canada found that the use of e-transfers was on par with cash transactions this year — its research found that 38% of Canadians use e-transfers and 36% use cash.

6. Housing starts pick up in June: CMHC

[July 9, 2020] Canadian builders started construction on more new condos, apartments and other multi-family homes in June compared to May, despite a slowing pace of building for detached homes in cities.

Canada Mortgage and Housing Corp. says the annual pace of housing starts rose in June as starts of multi-family projects rose, offsetting a decline in single-detached homes.

The federal housing agency says the seasonally adjusted annual rate of housing starts came in at 211,681 units in June, up from 195,453 in May.

"Homebuilding has thus far been resilient through the pandemic," said Rishi Sondhi, an economist at TD Economics, in a note to clients. "This is a much different result from some of the more bearish forecasts out there and represents a stark change from most other industries, which cratered earlier on and are just now beginning their slow recovery process."

Economists on average had expected an annual pace of 198,000 starts, according to financial markets data firm Refinitiv.

Exceptionally low interest rates and government support programs such as CERB may have helped boost household incomes despite a soft job market, wrote Claire Fan, economist at RBC Economics.

"Against that backdrop it is not so surprising that housing activity has been more resilient than many had been expecting," wrote Fan in a client note.

The result came as urban starts of apartments, condos and other types of multiple-unit housing projects rose 13.0 per cent to 154,602 units in June, while urban starts of single-detached homes fell 4.5 per cent to 42,073.

Rural starts were estimated at a seasonally adjusted annual rate of 15,006 units.

The six-month moving average of the monthly seasonally adjusted annual rates of housing starts rose to 199,655 in June, up from 197,063 in May.

Sondhi wrote in the TD client note that demand for housing could keep homebuilding activity afloat until 2021, but that in the "medium term," housing starts should ease as population growth slows.

An economist at CIBC Capital markets linked the surge in housing starts to Ontario, which loosened COVID-19 restrictions on construction later than other provinces. Royce Mendes, executive director and senior economist at CIBC Capital Markets, said that it is possible Ontario and Quebec may still be playing catch-up from slowed construction during the first months of social distancing.

"Furthermore, with immigration on hold given travel restrictions, demand for housing isn't growing at the same pace it was prior to the pandemic. As a result, we continue to see scope for a softening in Canada's housing market over the coming months," wrote Mendes in a note to clients.

7. Liberals forecast $343.2B deficit, slow return to normal

[July 8, 2020] The Trudeau Liberals say they expect nearly two million Canadians to remain without jobs this year as the Covid-19 pandemic drags down the domestic economy and federal aid sends the deficit to a historic $343.2 billion.

The economic and fiscal "snapshot" from the government today lays out the Liberals' belief that there will be a slow return to a new normal, with unemployment high and economic growth low through to at least the end of 2021.

Even though the government believes the worst of the economic harm from the pandemic is behind the country, the document says a recovery can't begin in earnest until an effective vaccine or treatment becomes widely available.

Things could, however, get worse under two alternative scenarios the Finance Department lays out.

Should prolonged shutdowns stay in place, or restrictions not fully roll back, a return to normal activity for households and businesses will be uneven and slower than hoped for, leading to a more pronounced drop in economic output than is already expected.

And should the country be hit with a second wave of the novel coronavirus during the annual flu season, the ensuing lockdowns would cause what the Finance Department describes as a "deeper and longer-lasting negative impact on the economy."

The Liberals have repeatedly promised to use the federal treasury as a financial shield between Canadians and irreparable harm, and the cost of that promise is now at $231.9 billion in direct spending and a deficit comparable only to those seen in the Second World War.

Whatever the costs, they're worth it, Prime Minister Justin Trudeau said in a news conference Wednesday morning, before the snapshot was released.

"As we measure the cost of helping Canadians, we shouldn't forget that the cost of doing nothing would have been far more," Trudeau said, insisting that this is not the time for belt-tightening or austerity.

The document tries to make that case, saying that the $80-billion Canada Emergency Response Benefit, which had paid out $53.5 billion in benefits as of late June, has covered Canadians' estimated $44.6 billion in lost labour income through the first half of the year.

The $2,000-a-month benefit is estimated to have covered the monthly housing, food, phone and internet costs for the bottom and middle thirds of households, according to Finance Department calculations.

Historically low interest rates mean all the hundreds of billions in borrowing comes with "manageable" costs, Trudeau said, and the alternative would be for individuals and households to load up with debt themselves to cope with months of no or little work.

Adding to the deficit is a $37.3 billion boost to the federal wage subsidy program to bring its budget to $82.3 billion, signalling an expansion and coming changes to the benefit that covers up to 75% of wages to a maximum of $847 a week for eligible companies.

The Liberals expect more workers to move onto the wage subsidy and off the Canada Emergency Response Benefit as that $80-billion program winds down.

Those who fall through the Covid-19 financial safety net are expected to be caught by the employment insurance system that has been largely dormant since the CERB replaced it in late March.

Government officials admit there will still need to be policy changes to the EI system to help some self-employed workers qualify, and capture EI-eligible workers who, due to the pandemic, haven't been able to work the necessary qualifying hours.

For this calendar year, the government expects the unemployment rate to hit 9.8%, dropping to 7.8% next year based on forecasts by 13 private sector economists.

Although that's a bump from the record-high unemployment rate of 13.7% in May for a labour force of just over 19 million, it is still almost double the record low of 5.5% pre-pandemic.

The document doesn't contain the five-year forecast traditionally part of federal budgets owing to the uncertain path the pandemic will take and the state of the economy beyond that.

"Even when the pandemic is over, lasting consequences may cast a long-term shadow over economic developments, for example via more indebted businesses and households, persistent unemployment and substantial structural changes in the economy that have been accelerated through the crisis," the government's update says.

"In the coming months and as needed the government will announce measures to support the recovery."

Opposition parties had wanted Morneau to provide a road map for reshaping emergency aid measures that are set to expire in the fall and keeping spending and deficits under control.

In his own morning news conference, Conservative Leader Andrew Scheer said the Liberals mishandled the Covid-19 pandemic by being slow to close borders and by instituting too-rigid emergency aid programs.

Canada can't afford for the Liberals to mishandle the economy as well, he said, by keeping benefits in place that remove incentives to go back to work while the novel coronavirus remains a risk.

"Liberals put all their faith in government, Conservatives put our faith in people," Scheer said.
He said the Liberals should take up a Conservative proposal to offer a "back to work bonus" and send more money to the federal auditor general so her office can study the government's spending more closely.
Next week, the Bank of Canada is to again update its forecasts when it releases a monetary policy report along with a scheduled interest-rate announcement.
Last month, the central bank said it expected a decline between 10% and 20% in the second quarter compared with the fourth quarter of 2019. That is an improvement from the 15% to 30% drop in the quarter highlighted in the bank's worst-case scenario in April.

8. PBO estimates cost of a basic income program

[July 7, 2020] The parliamentary budget office says it could cost more than $98 billion to provide almost all Canadians with a basic income for six months beginning this fall.
That figure is the upper range of the scenarios the budget watchdog was asked to research as part of a report released Tuesday morning.
The idea of providing a basic income to Canadians has gained steam as millions have watched their jobs or earnings evaporate in the Covid-19 pandemic, and the federal government has planned to spend about $174 billion to provide a financial floor for individuals and businesses.
Finance Minister Bill Morneau and other senior cabinet ministers have repeatedly been asked by senators and MPs about the concept. Advocates argue that it would be an expansion of the $80-billion Canada Emergency Response Benefit for workers who saw their incomes crash.
The CERB and a $45-billion wage-subsidy program are set to expire in October.
Providing six months of a basic income starting that month could cost between $47.5 billion and $98.1 billion, depending on how much of the benefit is clawed back from people whose other incomes increase.
Budget officer Yves Giroux's report says the average benefit to Canadians aged 18 to 64 would range between $4,500 and $4,800, with the number of recipients depending on the phase-out rate.
Sen. Yuen Pau Woo, who asked for the costing, said a basic-income program could fill in the gaps in Canada's patchwork of social safety nets, which are largely run by provinces, that have been exposed by the pandemic.
"It's a huge undertaking to launch a basic income for the whole country on a permanent basis. The costs are extremely high and the political resistance is

likely to be fierce, but we are in a period where it is likely we will have to spend large sums of money on income support going into the balance of 2020 and into 2021," Woo said in a telephone interview.

"The question to my mind is how we spend it, and in what form."

A basic income means different things to different people, but it is usually viewed as a no-strings-attached benefit that governments provide to citizens instead of various targeted social benefits.

Also known as a guaranteed minimum income, it can be delivered as a universal payment, or as a means-tested benefit that declines as a recipient's other income rises.

Giroux's report says the government could repeal $15 billion in tax measures to offset the overall cost of a basic-income program, which Woo added would likely have to wrap in existing measures to avoid duplication.

The overall cost of the program might be higher than the budget office estimates. The PBO's estimates rely on some Statistics Canada income data that doesn't include people living in the territories or in First Nations, or some military members.

Nor can the figures simply be doubled to determine a full year's cost because that might overstate the financial impact. The economy appears to be bouncing back slowly from a bottoming-out in April, and the cost of the program would depend on how many employees are rehired or find new jobs.

The Canadian Federation of Independent Business, which represents small businesses nationwide, said Tuesday that about one-third of members responding to a survey reported being back at full staffing levels, but suggested many believe it will take six months to get back to normal profitability.

Statistics Canada is to release June's jobs report on Friday.

Projections released Tuesday by the Organisation for Economic Co-operation and Development estimate Canada's unemployment rate at 11% for the second quarter of the year.

The 37-member international body predicted the national unemployment rate would decline to 7.7% by the end of the year, or to 8.4% should a second wave of the novel coronavirus force renewed lockdowns.

9. Home sales rebound in Toronto, prices up almost 12%

[July 7, 2020] Greater Toronto Area home sales are rebounding from the Covid-19 pandemic and prices are on the rise, but completed transactions are still short of where they were last year, the area's real estate board reported Tuesday.

The Toronto Regional Real Estate Board said Tuesday that the number of homes sold in the region in June was just shy of the mark set a year ago as the average selling price rose nearly 12% compared with June 2019.

"We are still in the early days of recovery, but barring any setbacks, we should continue to see stronger market conditions in the second half of 2020 as households look to satisfy their ownership housing needs," said Lisa Patel, TRREB's president, in a statement.

Home sales plunged earlier this year as the Covid-19 pandemic forced buyers to the sidelines, but they have picked up as businesses have started to reopen.

The real estate board said there were 8,701 homes sold in June, down 1.4% compared with the same month last year.

On a seasonally adjusted basis, sales in June were up 84% compared with May.

The average selling price was $930,869, up 11.9% compared with June 2019.

Patel is optimistic about the real estate market rebounding further from Covid-19

"Before the onset of Covid-19, there was a great deal of pent-up demand in the market," she said.

"This pent-up demand arguably increased further over the past three months."

Bank of Montreal economist Priscilla Thiagamoorthy took the TRREB numbers as a sign that the Toronto housing market is roaring back to life.

"Low interest rates and thin inventories combined with still-strong demand should lead to higher prices as Covid-related restrictions continue to ease," she said in an note she sent to investors on Tuesday.

Across the entire region, TRREB said there were just over 16,150 new listings, a 2.1% increase from last year.

However, active listings through TRREB were down at the end of June by 28.8% compared to the prior year.

Growth in new listings will need to outstrip growth in sales for a number of months before active listings approach last year's levels, TRREB said.

The organization's chief executive John DiMichele believes it will be important to closely monitor such conditions as the Covid-19 recovery progresses.

"Policy makers should proceed cautiously with any demand-side stimulus," he said in a statement.

"The persistent lack of listing inventory in the GTA understandably took a back seat to Covid-related issues in the short term, but supply should once again be top-of-mind once the recovery takes hold, in order to ensure long-term affordability in the GTA."

10. Bank of Canada survey reveals uncertainty for employers, consumers

[July 6, 2020] Companies that have laid off workers are telling the Bank of Canada they plan to refill some positions over the next year, but many hiring plans remain muted over Covid-19-related uncertainty.

The bank's quarterly business outlook survey published Monday suggests many service sector and energy companies don't expect a return to pre-pandemic employment levels.

About one-third say they have used a federal wage subsidy to reduce or avoid layoffs, while other firms looking to rehire or hire new staff cited an emergency federal benefit for workers as a hurdle to their plans.

The latest figures from the federal government show the $45-billion wage subsidy has paid nearly $17.1 billion to 245,160 companies as of June 29. Meanwhile, the Canada Emergency Response Benefit, or CERB, has paid $53.53 billion in benefits to 8.16 million people as of June 28 since it was introduced in late March.

The worry among workers about losing their jobs rose to the highest level seen in the bank's regular survey of consumer expectations, released alongside the business outlook survey.

As well, workers' expectations of how easily they could find new work dropped to the lowest level since the 2015 oil price shock.

Consumers' expectations for wage growth were below what they anticipated for inflation, while the outlook for growth in household income dropped to its lowest level in the survey's history.

Lockdowns and stay-at-home requests from governments have put the economy in a deep freeze since mid-March, with the thaw beginning in recent weeks as restrictions are rolled back.

The central bank's business survey detailed some of the impact.

Nearly half of all businesses reported an outright decline of their sales in the past 12 months because of Covid-19, low energy prices and the uncertainty both wrought.

More than half of businesses expect their total sales over the next 12 months to be lower than they were in the last year, with future sales indicators at record lows.

About half of firms expect their sales will "mostly recover" within the next year as Covid-19's effects recede, but the expectations of a return to pre-pandemic levels often depend on lifting government-mandated restrictions. Some companies said they could get back to normal operations within a month of public health restrictions being lifted.

Companies’ plans to invest in themselves have been cut back. Those companies planning a bump in capital budgets are often trying to digitize their operations, or boost productivity in the context of staff working from home.

Adding to the business uncertainty is how consumers will respond as economic activity continues to restart.

The consumer survey said spending expectations have tumbled, which the banks says suggests consumers have become more cautious due to the economic impact and health risks related to the pandemic.

The bank said consumers expect to spend mostly on essentials. They expect to spend less on durable goods like cars and furniture, as well as for services that involve face-to-face interactions like eating out, travel or going to the movies.

“Another sign of caution is that many respondents expect their work to return to normal sooner than their spending and social habits,” the survey report says. “This points to some excess supply and disinflationary pressures.”

The business outlook survey and Canadian survey of consumer expectations come ahead of the Bank of Canada’s next interest rate announcement and monetary policy report on July 15.

The central bank is expected to keep its key interest rate on hold at 0.25%, while the monetary policy report will include an update to its economic forecast.

Have a nice and fruitful week!