

## Access to Credit

This year's Nobel Peace Prize winner, economist, and founder of the Grameen Bank, Muhammad Yunus, argues that credit is vital for relieving poverty. Credit allows households to borrow against future income and firms to invest, for instance, in machinery and equipment. However, a large part of the world lives in poverty, lacking access to credit. Some, including Yunus, maintain that a country's institutions directly affect the availability of credit.<sup>1</sup> How strongly does the availability of credit correlate with the institutional framework in which lenders and borrowers operate?

The World Bank's *Doing Business* project quantifies business regulations and their enforcement for 175 countries; it uses indices for ten categories of characteristics that facilitate entrepreneurship and ranks countries by their performance.<sup>2</sup> One of these categories, *Getting Credit*, measures the ease with which a country's institutions facilitate lending to entrepreneurs.

Economic theory implies that lenders make more loans if they have good information about borrowers and effective legal recourse to protect their interests in case of defaults. The "legal rights index" measures the ability of lenders to protect their interests, granting a point for each attribute in a country's legal system that facilitates the writing and enforcement of credit contracts. These attributes include the legal granting of security in a property, the priority of secured creditors in a bankruptcy filing, and the use of the contract to seize and sell collateral without judicial intervention.

Similarly, the database compiles a second set of measures on the availability of information on the credit-worthiness of borrowers in each country (columns 3 through 5). The "credit information index" (column 3, 0 to 6 scale) measures, e.g., whether information is based on at least two years of history and whether it is made available from retailers and utilities in addition to financial institutions. The extent to which credit information covers the population is measured separately for public credit registries (col-

umn 4) and for private credit bureaus (column 5). Even an efficient and reliable credit information system is of little use if it covers only 10 percent of the population. Notice that while public registries cover little of the top five countries, private credit bureaus cover most or all of the country. For a given country, the *Getting Credit* rank (column 1) reflects the simple average of the percentile rankings of the four variables in columns 2 through 5.

In column 7, private credit-to-GDP ratios are at least three times as high for the countries with the highest credit rankings, compared with those with the lowest credit rankings. However, a high correlation between higher rankings and a greater supply of credit does not, by itself, prove causation. For example, countries where credit is more readily available might be more likely to create credit-facilitating institutions. Or a third factor, such as GDP per capita (column 6), could cause both. Still, recent research argues that legal and informational characteristics that facilitate loan contracting encourage the availability of credit,<sup>3</sup> which is important for economic development.

—Luke Shimek and Rajdeep Sengupta

<sup>1</sup> [http://nobelprize.org/nobel\\_prizes/peace/laureates/2006/yunus-lecture-en.html](http://nobelprize.org/nobel_prizes/peace/laureates/2006/yunus-lecture-en.html).

<sup>2</sup> For details on each category and the methodology used to rank countries, visit [www.doingbusiness.org](http://www.doingbusiness.org).

<sup>3</sup> Djankov, Simeon; McLiesh, Caralee and Shleifer, Andrei. "Private Credit in 129 Countries." Working Paper Series, No. 11078, National Bureau of Economic Research, January 2005.

Getting Credit							
Country	Rank	Legal rights index	Credit information index	Public registry coverage (% adults)	Private bureau coverage (% adults)	GDP per capita (\$ PPP)	Private credit/GDP ratio
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Top 5</b>							
United Kingdom	1	10	6	0	86.1	30,436	1.63
Hong Kong, China	2	10	5	0	64.5	33,479	1.46
New Zealand	3	9	5	0	100	24,797	1.35
Australia	3	9	5	0	100	30,897	1.08
Germany	3	8	6	0.5	93.9	30,579	1.12
<b>Bottom 5</b>							
Rwanda	159	1	2	0.2	0	1,380	0.01
Egypt	159	1	2	1.5	0	4,317	0.32
Burundi	159	2	1	0.1	0	739	0.19
Lao PDR	173	2	0	0	0	2,118	0.00
Cambodia	174	0	0	0	0	2,399	0.09

SOURCE: *doingbusiness.org* (World Bank), *International Financial Statistics*, and IMF *World Economic Outlook Database 2005*.

Page	
3	Reference Tables
5	Canada
11	Euro Area
16	France
20	Germany
24	Italy
28	Japan
34	United Kingdom
40	United States
46	Notes and Sources

### Conventions used in this publication:

1. Charts and tables contain data that were current through January 2007. Unless otherwise indicated, data are quarterly.
2. The *percent change* refers to the percent change from the same period in the previous year. For example, the percent change in  $x$  between quarter  $t-4$  and the current quarter  $t$  is:  $[(x_t/x_{t-4})-1] \times 100$ .
3. All data with significant seasonal patterns are adjusted accordingly.

Dear Reader,

Thank you for reading *International Economic Trends*. Please assist us in providing you with the most useful international economic data by offering your comments and suggestions for how the publication could be improved. Such feedback can be sent to one of the following addresses:

stlsIET@stls.frb.org

or

Editor, *International Economic Trends*  
 Research Department  
 Federal Reserve Bank of St. Louis  
 411 Locust St.  
 St. Louis, MO 63102

Please keep in mind that we must make some difficult choices with respect to the material we include.

Thank you in advance for your help in making *International Economic Trends* a great publication.

Sincerely,  
 Christopher J. Neely  
 Editor, *International Economic Trends*

**M1**  
 Canada: currency in circulation and chartered bank net demand deposits.  
 Japan: cash, currency in circulation, and deposit money.  
 Euro area: currency in circulation and overnight deposits.

**MZM**  
 United States: currency in circulation, travelers' checks, total publicly-held checkable deposits minus cash items in the process of collection and Federal Reserve float, savings deposits, shares in retail money market mutual funds (funds with initial investments of less than \$50,000), net of retirement accounts, and institutional money market mutual funds.

**M2**  
 Canada: M1 plus all checkable notice deposits and personal term deposits.  
 United Kingdom: currency in circulation and sterling retail deposits with the U.K. banks and building societies.  
 United States: MZM less institutional money market mutual funds plus small denomination (less than \$100,000) time deposits.

**M2 + CDs**  
 Japan: M1 plus private deposits, public deposits less demand deposits, and certificates of deposit.

**M3**  
 Euro area: M1 plus deposits with a maturity up to 2 years, deposits redeemable at notice up to 3 months, repurchase agreements, money market funds, and debt securities up to 2 years.

**M4**  
 United Kingdom: M2 plus wholesale deposits with the U.K. banks and building societies.

**Output Per Worker** is the ratio of real GDP to employment.

**Producer Price Index** covers manufacturing for Canada and the United Kingdom; and total industry for Japan and the United States. Data for the euro area, France, Germany, and Italy are based on the harmonized index of total industry excluding construction.

**Retail Sales** are based on a volume index. The percent change in retail sales for the United States is based on the Standard Industrial Classification system through 1992 and the North American Industrial Classification System from 1993 on.

**Stock Exchange Index** refers to all share prices except for the United Kingdom, which excludes financial firms.

**Unemployment Rate** is the standardized unemployment rate. It is the percentage of the civilian labor force that is unemployed. The unemployed are all persons of working age who are without work, readily available for work, and actively seeking work. The standardized rate may differ from the national unemployment rate calculations.

## Sources

**Abbreviations**  
 Board of Governors of the Federal Reserve System (BOG)  
 Bureau of Economic Analysis, U.S. Department of Commerce (BEA)  
 Bureau of Labor Statistics, U.S. Department of Labor (BLS)  
 International Monetary Fund, *International Financial Statistics* (IMF)  
 Organization for Economic Cooperation and Development,  
*Economic Outlook* (OECD1)  
*Main Economic Indicators* (OECD2)  
*National Accounts Quarterly* (OECD3)

**Canada**  
 Bank of Canada: M1 and M2.  
 BOG: exchange rate.  
 IMF: foreign exchange reserves, merchandise and service trade, real effective exchange rate, and reserve money.  
 OECD1: gross government debt and budget balance.  
 OECD2: capacity utilization, consumer price index, current account balance, GDP, hourly earnings, industrial production, interest rates, producer price index, retail sales, stock exchange index, and unemployment rate.  
 Statistics Canada: employment.

**Euro Area**  
 European Central Bank: current account balance and employment.  
 Eurostat: capacity utilization, consumer price index, GDP, interest rates, merchandise trade, producer price index, and retail sales.  
 Haver Analytics: synthetic euro exchange rate.  
 IMF: real effective exchange rate.  
 OECD1: gross government debt and budget balance.  
 OECD2: hourly earnings, industrial production, M1, M3, stock exchange index, and unemployment.

**France**  
 BOG: exchange rate.  
 Eurostat: capacity utilization, consumer price index, and producer price index.  
 IMF: foreign exchange reserves, merchandise and service trade, and real effective exchange rate.  
 Institut National de la Statistique et des Etudes Economiques: employment.  
 OECD1: gross government debt and budget balance.  
 OECD2: current account balance, GDP, hourly earnings, industrial production, retail sales, interest rates, stock exchange index, and unemployment.

**Germany**  
 BOG: exchange rate.  
 Bundesanstalt Fur Arbeit: employment.  
 Eurostat: capacity utilization, consumer price index, and producer price index.  
 IMF: foreign exchange reserves, merchandise and service trade, and real effective exchange rate.  
 OECD1: gross government debt and budget balance.  
 OECD2: current account balance, GDP, hourly earnings, industrial production, M1, M3, retail sales, interest rates, stock exchange index, and unemployment.

**Italy**  
 BOG: exchange rate.  
 Eurostat: capacity utilization, consumer price index, and producer price index.  
 IMF: foreign exchange reserves, merchandise and service trade, and real effective exchange rate.  
 Instituto Nazionale di Statistica: employment.  
 OECD1: gross government debt and budget balance.  
 OECD2: current account balance, GDP, hourly earnings, industrial production, long-term interest rates, retail sales, stock exchange index, and unemployment.

**Japan**  
 Bank of Japan: adjusted monetary base and long-term interest rate.  
 BOG: exchange rate.  
 IMF: foreign exchange reserves, merchandise and service trade, and real effective exchange rate.  
 OECD1: gross government debt and budget balance.  
 OECD2: capacity utilization, consumer price index, current account balance, employment, GDP, hourly earnings, industrial production, M1, M2, producer price index, retail sales, short-term interest rate, stock exchange index, and unemployment.

**United Kingdom**  
 Bank of England: M2.  
 BOG: exchange rate.  
 IMF: foreign exchange reserves, merchandise and service trade, and real effective exchange rate.  
 OECD1: gross government debt and budget balance.  
 OECD2: capacity utilization, consumer price index, current account balance, GDP, industrial production, interest rates, M4, producer price index, retail sales, stock exchange index, unemployment, and weekly earnings.  
 U.K. Office for National Statistics: employment and Notes and Coins in Circulation.

**United States**  
 BOG: capacity utilization, exchange rate, industrial production index, M2, and interest rates.  
 BEA: GDP, current account balance, merchandise and service trade, and retail sales.  
 BLS: employment, consumer price index, and producer price index.  
 Federal Reserve Bank of St. Louis: adjusted monetary base and MZM.  
 IMF: foreign exchange reserves and real effective exchange rate.  
 OECD1: gross government debt and budget balance.  
 OECD2: hourly earnings, stock exchange index, and unemployment.

Notes

**Euro-Area Data:** On January 1, 2001, the euro area was enlarged to include Greece as its 12th member country. Historical euro area series for capacity utilization, the consumer price index, current account balance, earnings, employment, government debt and budget balance, gross domestic product (GDP), industrial production, merchandise trade, the producer price index, and unemployment include Greece. The series for interest rates, monetary aggregates, the real effective exchange rate, retail sales, and the stock exchange index incorporate Greece starting in January 2001.

Euro-area interest rates prior to December 1998 are calculated on the basis of national government yields weighted by GDP. Starting in 1999, short-term rates are euro interbank offered rates. Long-term rates are calculated on the basis of national government bond yields weighted by the nominal outstanding amounts of government bonds in each maturity band.

The euro/dollar exchange rate used in the chart on page 12 is a synthetic rate prior to January 1999. This is constructed by calculating a weighted average of the exchange rates of the euro-area countries, excluding Greece and Luxembourg, against the dollar. The weights are based on 1997 GDP shares.

**German Data:** As a result of reunification, data for all of Germany are now incorporated in the statistical series. The starting periods for unified German data are listed below. Care should be exercised when interpreting the data around these break periods.

Third quarter 1990: current account balance, international trade, and unemployment.

First quarter 1991: consumer price index, GDP, industrial production, output per worker.

Third quarter 1992: capacity utilization.

First quarter 1993: stock exchange index.

Third quarter 1993: employment.

First quarter 1995: hourly earnings.

**Capacity Utilization** covers the manufacturing sector for Canada, France, Japan, the United Kingdom, the United States, and the euro area; manufacturing excluding food, beverage, and tobacco for Germany; and mining and manufacturing for Italy.

**Consumer Price Index** is for all items. The current index is based on goods and services consumed by all individuals for Canada; all multi-person households excluding those mainly engaged in agriculture, forestry, and fisheries for Japan; all households except pensioners dependent on state pension and high income households for the United Kingdom; and all urban households for the United States. Data for the euro area, France, Germany, and Italy are based on the harmonized index of consumer prices.

**Current Account Balance** is the sum of merchandise and service exports and income receipts on domestic assets abroad minus the sum of merchandise and service imports and income payments from foreign assets in the domestic economy plus net unilateral transfers.

**Real Earnings** are based on hourly earnings in manufacturing for Canada, Germany, the United States, and the euro area; hourly earnings in manufacturing excluding construction for France; hourly earnings in industry for Italy; monthly earnings in manufacturing for Japan; and weekly earnings in manufacturing for the United Kingdom.

The **Exchange Rate** for all countries except the United States is expressed as units of local currency per U.S. dollar. For the United States the trade-weighted exchange rate, **TWEX**, is used. This is a weighted average of the exchange value of the U.S. dollar relative to the major international currencies—the euro, Canadian dollar, Japanese yen, British pound, Swiss franc, Australian dollar, and Swedish kronor. Prior to 1999, the currencies of the euro-area countries (with the exception of Greece) are used instead of the euro.

**Real Effective Exchange Rate** uses normalized unit labor costs in manufacturing. The weighting scheme used to construct the rates, for all except the euro area, is based on disaggregated data for trade among 21 industrial countries in manufactured goods for 2000. For the euro area the weights relate to the trade of the euro area with the other countries. The weights reflect the relative importance of a country's trading partners in its direct bilateral trade relations and competition in third markets. Normalized unit labor costs in manufacturing

are calculated by dividing an index of actual hourly compensation per worker by a five-year moving average index of output per man-hour.

**Employment** data refer to civilian employment for Canada, Germany, Italy, Japan, and the United States; industrial employment for France; and total employment for the euro area and the United Kingdom.

**Foreign Exchange Reserve** data are end of period. The dollar value of reserves may fluctuate as a result of changes in reserve holdings and/or changes in the value of the currencies held vis-à-vis the U.S. dollar.

**Government Budget Balance** is the difference between general government current receipts and total outlays. Total outlays consist of current expenditures and net capital expenditures. **Gross Government Debt** incorporates all financial liabilities of the general government sector. The general government sector consolidates the accounts of the central, state, local, and social security sectors.

**Cumulative Inflation Differential** is the cumulative change in the foreign consumer price index (CPI) over the change in the U.S. CPI, in percentage terms. The base period for the cumulative rate of change is taken to be the first period of the chart. For example, if the base period is 2002:Q1, then the cumulative inflation differential for Japan for 2006:Q3 is as follows:

$$\text{inflation differential} = 100 \cdot \left( \frac{P_{2006Q3}^J / P_{2002Q1}^J}{P_{2006Q3}^{US} / P_{2002Q1}^{US}} - 1 \right)$$

where  $P_{2006Q3}^J$  is the Japanese CPI in the third quarter of 2006. For the U.S. chart on page 41, foreign CPI is calculated as the weighted average of the CPIs of countries whose currencies are used in the major currency trade-weighted exchange rate index. Starting in 1999, the euro-area harmonized consumer price index is used for the euro area. Prior to 1999, the price levels for the individual euro area countries (excluding Greece and Luxembourg) are used. The cumulative inflation differential is shown because the theory of purchasing power parity states that exchange rate changes should be systematically positively related to this variable.

**Industrial Production** measures the change in the volume of output in the mining, manufacturing, oil, electricity, gas, and water industries.

The **Short-Term Interest Rate** table on page 4 uses the relevant 3-month interest rate shown in the country pages.

The **Long-Term Interest Rate** table on page 4 uses the government bond rate. The government bond rate is a composite of yields on federal government bonds with maturities of more than 10 years for the United States; 10-year benchmark bonds for France; 7- to 15-year public sector bonds for Germany; 15- to 20-year government bonds through 1990 and 10-year government bonds starting in 1991 for Italy; and 10-year government bonds for Canada, the euro area, Japan, and the United Kingdom.

The **Reserve Money** table on page 4 refers to the adjusted monetary base for Japan and the United States; reserve money for Canada; and M0 for the United Kingdom. **Reserve Money** is currency in circulation, deposits of the deposit money banks, and demand deposits of other residents (with the exception of the central government) with the monetary authority.

**Adjusted Monetary Base**

Japan: currency in circulation and current deposits at the Bank of Japan.

United States: the sum of currency in circulation outside Federal Reserve banks and the U.S. Treasury, deposits of depository financial institutions at Federal Reserve banks, and an adjustment for the effects of changes in statutory reserve requirements on the quantity of base money held by depositories.

**Notes and Coins in Circulation**

United Kingdom: After reforming the rules governing bank reserves, the Bank of England discontinued its M0 series in May 2006 because the data would not be comparable to previous data. *IET* now presents a related series, "Notes and Coins in Circulation," in place of M0. The Bank of England directs interested parties to "Publication of narrow money data: the implication of money market reform" in its Autumn 2005 *Quarterly Bulletin* (<http://www.bankofengland.co.uk/publications/quarterlybulletin/qb050304.pdf>).

**Real Gross Domestic Product**

Percent change from year ago

	03.4	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3
Canada	1.47	1.98	3.44	4.07	3.70	3.22	2.95	2.73	2.85	3.23	2.90	2.53
Euro Area	1.04	1.63	2.07	1.75	1.50	1.18	1.21	1.63	1.79	2.22	2.86	2.74
France	1.53	1.74	2.60	1.81	2.04	1.63	0.81	1.38	1.01	1.32	2.59	1.85
Germany	0.17	0.98	1.23	0.71	0.15	0.42	0.80	1.45	1.71	1.87	2.68	2.82
Italy	0.00	0.66	0.99	0.98	0.66	0.00	0.00	0.32	0.33	1.63	1.95	1.62
Japan	2.41	4.03	3.01	2.79	1.09	0.68	1.77	2.22	2.87	2.70	2.18	1.68
United Kingdom	3.28	3.50	3.84	3.10	2.62	2.19	1.74	1.86	1.95	2.39	2.68	2.86
United States	3.68	4.35	4.49	3.41	3.40	3.29	3.10	3.36	3.15	3.69	3.51	2.95

**Nominal Gross Domestic Product**

Percent change from year ago

	03.4	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3
Canada	3.81	3.65	7.21	7.25	7.38	6.28	5.31	6.21	7.16	7.08	5.93	3.93
Euro Area	3.05	3.77	4.23	3.41	3.35	3.16	2.90	3.47	3.84	3.94	4.70	4.62
France	3.53	3.47	4.50	3.54	3.65	3.53	2.52	3.25	2.98	3.48	4.69	3.99
Germany	0.94	1.99	2.27	1.36	0.90	1.28	1.24	2.02	2.38	2.01	2.93	3.32
Italy	3.04	4.57	5.14	2.65	2.95	1.75	1.44	2.01	3.44	3.44	4.53	4.23
Japan	0.73	2.70	1.51	1.46	0.76	-0.12	0.66	0.78	1.12	1.43	1.03	0.90
United Kingdom	6.72	5.93	6.54	5.70	5.70	5.15	3.85	3.60	4.03	4.07	4.87	6.00
United States	5.93	6.77	7.55	6.43	6.69	6.49	5.98	6.56	6.35	6.86	6.89	5.96

**Consumer Price Index**

Percent change from year ago

	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3	06.4
Canada	0.88	2.19	2.00	2.26	2.14	1.90	2.66	2.23	2.42	2.60	1.72	.
Euro Area	1.76	2.25	2.29	2.28	2.07	2.04	2.26	2.32	2.35	2.47	2.19	1.76
France	2.03	2.63	2.43	2.29	1.90	1.83	2.05	1.83	2.01	2.21	1.93	1.51
Germany	1.07	1.92	2.03	2.13	1.74	1.65	2.10	2.18	2.09	2.15	1.62	1.30
Italy	2.36	2.30	2.30	2.15	2.07	2.20	2.17	2.38	2.24	2.33	2.33	1.98
Japan	-0.16	-0.28	-0.10	0.50	0.01	-0.07	-0.30	-0.73	-0.14	0.18	0.60	.
United Kingdom	2.56	2.79	3.07	3.41	3.16	3.03	2.76	2.38	2.39	2.95	3.43	.
United States	1.82	2.80	2.71	3.34	3.04	2.95	3.80	3.73	3.68	3.99	3.34	1.95

**Employment**

Percent change from year ago

	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3	06.4
Canada	1.50	2.10	1.95	1.53	1.37	1.15	1.38	1.62	1.82	2.17	1.89	1.86
Euro Area	0.70	0.71	0.69	0.74	0.85	0.74	0.71	0.79	0.99	1.35	1.49	.
France	-0.33	-0.03	0.13	0.09	0.39	0.21	0.36	0.50	0.49	0.91	0.95	.
Germany	0.02	0.45	0.51	0.57	0.06	-0.33	-0.23	-0.05	0.05	0.65	0.94	.
Italy	0.71	0.19	-0.22	-0.49	-0.03	-0.39	-0.71	-0.54	0.72	1.76	1.57	.
Japan	0.24	0.19	0.22	0.13	0.19	0.44	0.58	0.50	0.55	0.25	0.13	.
United Kingdom	0.77	0.79	0.86	1.08	1.25	1.02	0.95	0.43	0.21	0.63	0.66	.
United States	0.75	0.90	1.46	1.28	1.38	1.88	1.99	1.85	2.12	1.81	1.62	2.08

**Unemployment Rate**

Percent

	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3	06.4
Canada	7.35	7.20	7.06	7.13	6.97	6.80	6.76	6.50	6.44	6.18	6.44	6.16
Euro Area	8.80	8.90	8.80	8.80	8.80	8.70	8.43	8.40	8.20	7.83	7.77	.
France	9.58	9.60	9.61	9.58	9.63	9.69	9.69	9.62	9.46	9.19	8.90	.
Germany	9.40	9.53	9.60	9.60	9.70	9.73	9.13	9.27	8.80	8.30	8.43	.
Italy	8.15	8.16	7.86	7.92	7.88	7.69	7.66	7.52	7.34	6.88	.	.
Japan	4.91	4.64	4.78	4.54	4.56	4.35	4.33	4.48	4.24	4.09	4.14	.
United Kingdom	4.70	4.70	4.62	4.65	4.64	4.65	4.71	5.04	5.16	5.38	5.44	.
United States	5.67	5.57	5.44	5.40	5.26	5.10	4.99	4.96	4.70	4.65	4.67	4.46

**Reserve Money**

Percent change from year ago

	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3	06.4
Canada	1.94	4.03	3.22	5.18	5.48	2.58	4.04	3.26	3.94	4.20	5.86	
Japan	14.11	6.23	4.46	4.27	2.57	2.41	1.29	1.65	0.97	-12.92	-19.77	-21.28
United Kingdom	7.11	5.79	5.69	5.63	5.58	4.30	4.45	3.33	4.54	5.50	5.08	5.34
United States	4.74	4.43	5.17	4.97	4.83	4.08	3.27	3.09	4.04	4.20	3.24	2.78

**Narrow Money**

Percent change from year ago

	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3	06.4
Canada	9.47	12.94	11.14	12.99	12.30	9.61	6.89	9.25	9.40	10.10	11.99	
Euro Area	10.37	9.17	9.26	8.62	9.02	16.56	16.75	17.70	16.22	9.43	7.34	
Japan	4.12	4.15	3.83	3.91	4.78	4.89	4.78	5.51	4.84	4.02	1.44	
United Kingdom	9.77	10.00	9.98	9.13	9.28	9.10	9.31	9.12	9.38	9.16	7.98	
United States	4.16	5.03	2.84	4.06	3.59	1.30	1.70	2.40	3.56	4.09	4.01	4.71

**Broad Money**

Percent change from year ago

	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3	06.4
Canada	5.85	6.46	6.21	6.43	6.48	5.72	4.30	5.14	5.04	5.99	7.73	
Euro Area	6.04	5.36	5.88	6.41	6.48	7.76	8.50	8.19	8.84	8.39	8.56	
Japan	1.83	1.85	1.89	2.04	2.09	1.62	2.00	1.98	1.45	1.20	0.52	
United Kingdom	8.01	8.11	9.26	8.76	10.41	10.29	11.01	12.67	11.96	13.34	14.31	
United States	4.68	4.86	3.80	5.36	5.38	3.88	4.13	4.06	4.65	4.70	4.50	4.99

**Short-Term Interest Rates**

Percent

	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3	06.4
Canada	2.16	2.10	2.40	2.58	2.64	2.58	2.90	3.48	3.93	4.43	4.32	4.32
Euro Area	2.06	2.08	2.12	2.16	2.14	2.13	2.13	2.34	2.61	2.89	3.22	3.59
Japan	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.05	0.13	0.38	
United Kingdom	4.11	4.51	4.85	4.82	4.85	4.83	4.55	4.56	4.53	4.64	4.85	5.17
United States	1.05	1.25	1.70	2.25	2.78	3.23	3.74	4.30	4.72	5.18	5.39	5.32

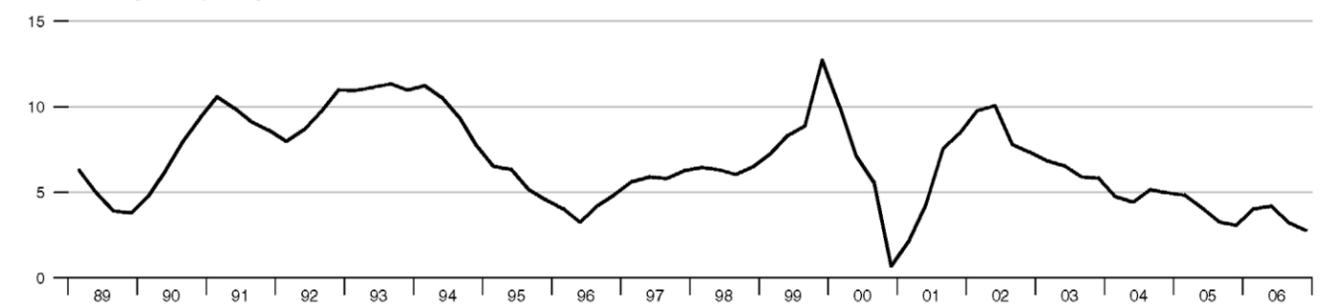
**Long-Term Interest Rates**

Percent

	04.1	04.2	04.3	04.4	05.1	05.2	05.3	05.4	06.1	06.2	06.3	06.4
Canada	4.43	4.78	4.68	4.46	4.28	4.03	3.90	4.06	4.13	4.43	4.27	4.02
Euro Area	4.15	4.32	4.19	3.83	3.65	3.38	3.24	3.40	3.55	4.03	3.96	3.84
France	4.11	4.31	4.16	3.83	3.64	3.37	3.23	3.39	3.51	3.99	3.90	
Germany	4.06	4.22	4.11	3.75	3.60	3.30	3.17	3.34	3.48	3.94	3.88	3.76
Italy	4.28	4.46	4.32	3.97	3.74	3.54	3.39	3.55	3.72	4.26	4.17	4.02
Japan	1.31	1.59	1.64	1.45	1.40	1.28	1.36	1.53	1.58	1.90	1.80	1.71
United Kingdom	4.77	5.08	4.99	4.65	4.63	4.44	4.28	4.30	4.09	4.55	4.59	4.57
United States	4.71	5.22	4.91	4.72	4.65	4.46	4.45	4.73	4.74	5.26	5.06	4.80

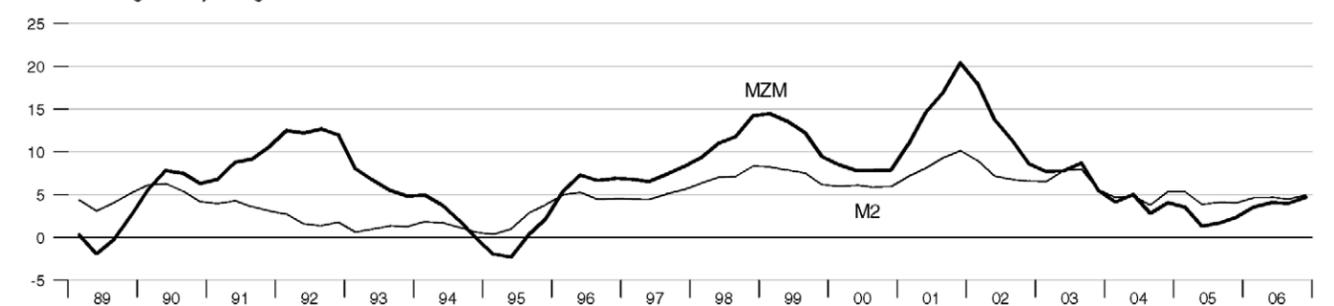
**Adjusted Monetary Base**

Percent change from year ago



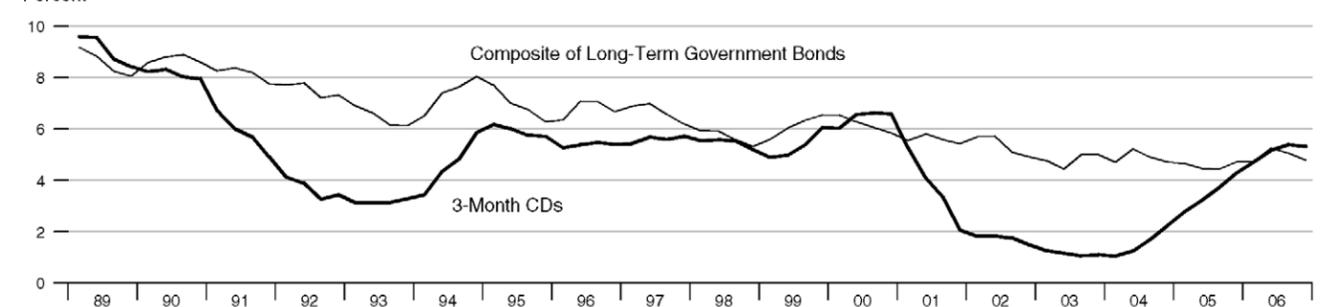
**Monetary Aggregates**

Percent change from year ago



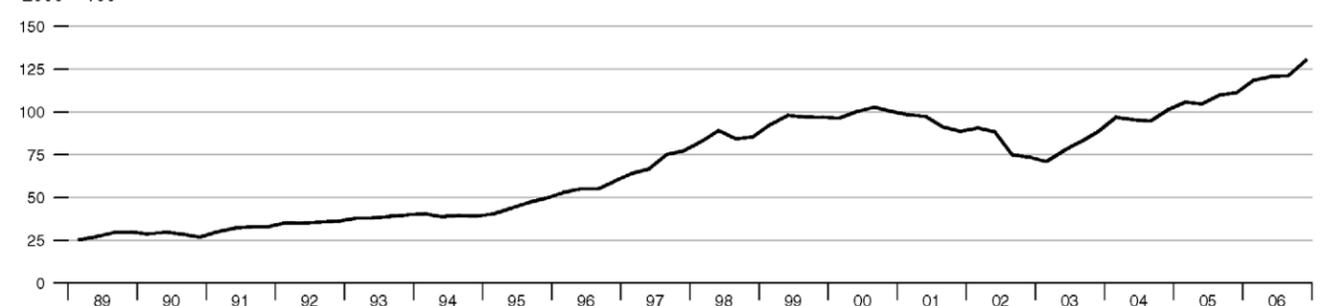
**Interest Rates**

Percent

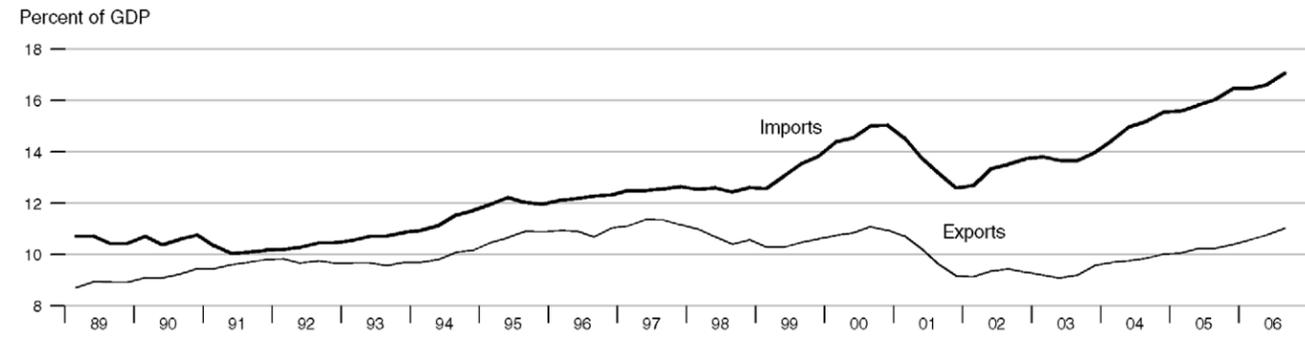


**Stock Exchange Index - New York Stock Exchange**

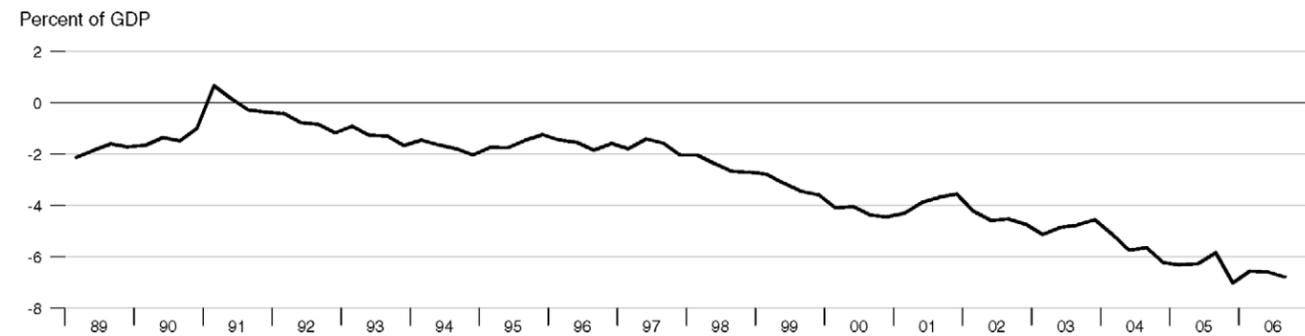
2000 = 100



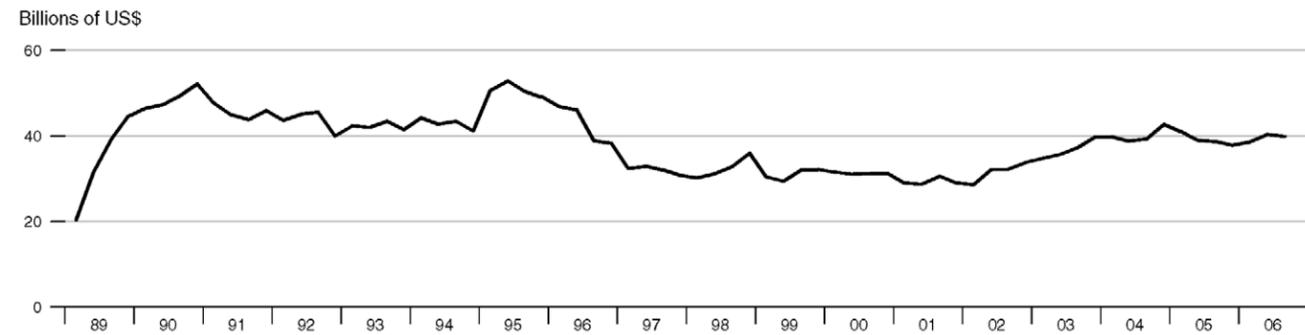
**International Trade - Goods and Services**



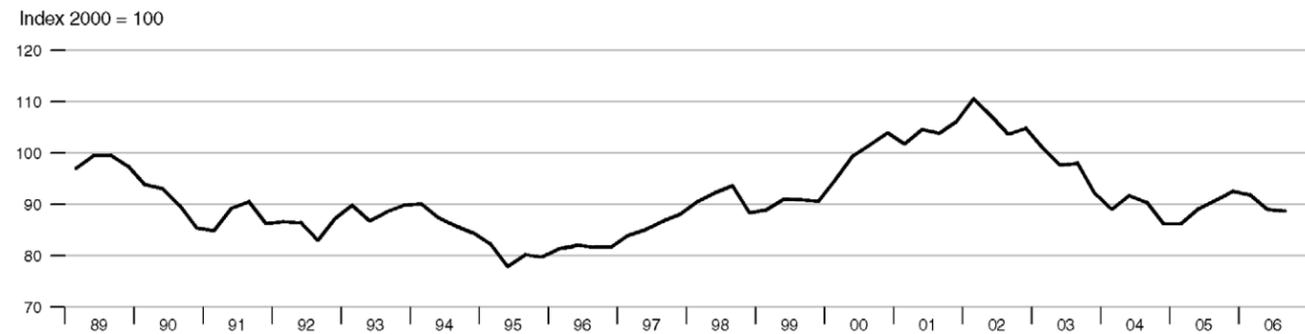
**Current Account Balance**



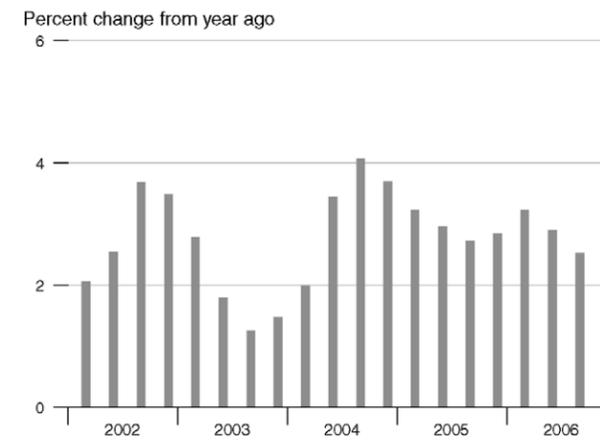
**Foreign Exchange Reserves**



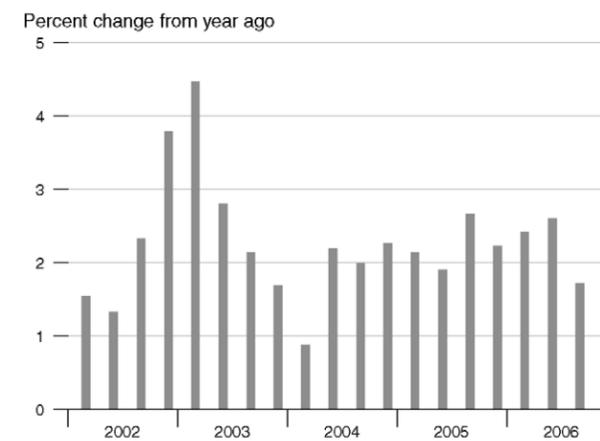
**Real Effective Exchange Rate**



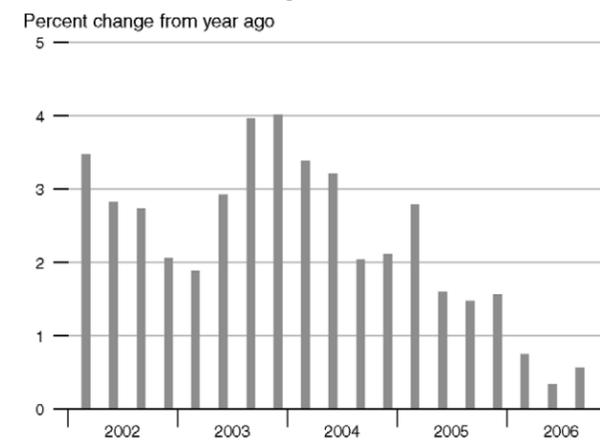
**Real GDP**



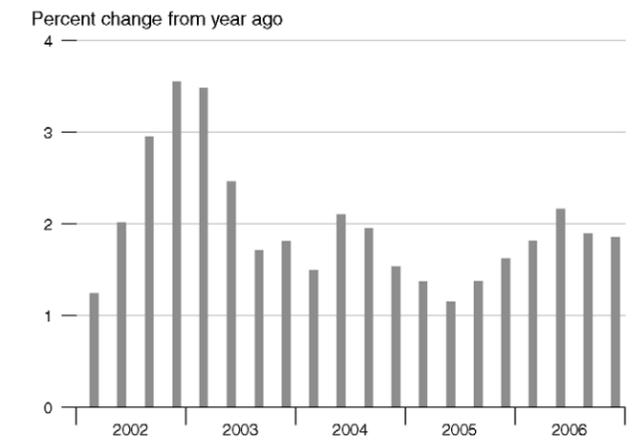
**Consumer Price Index**



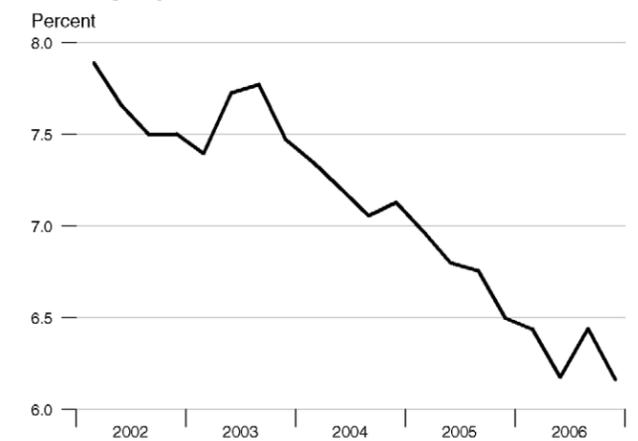
**Real Hourly Earnings**



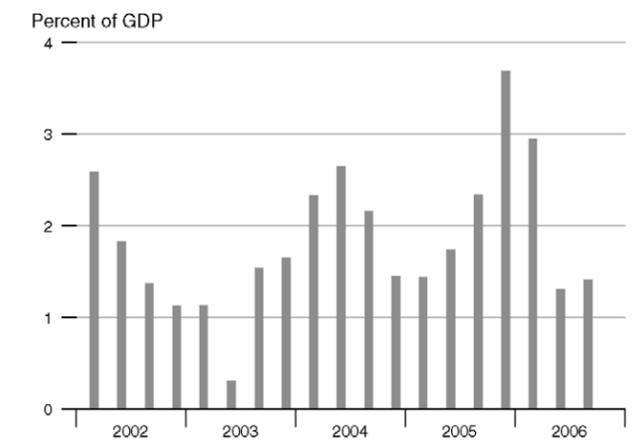
**Employment**



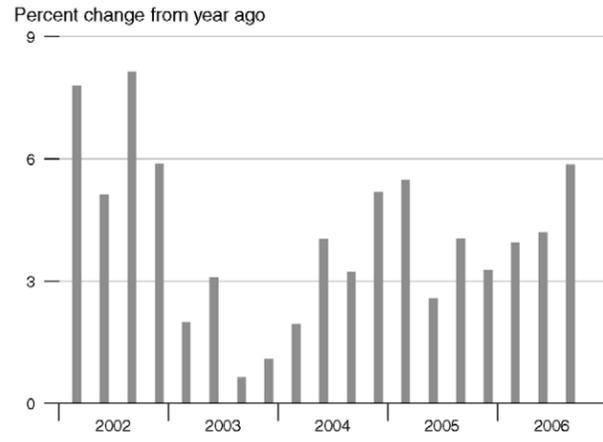
**Unemployment Rate**



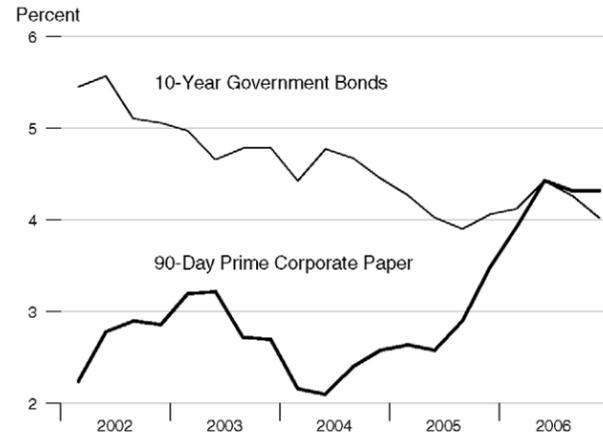
**Current Account Balance**



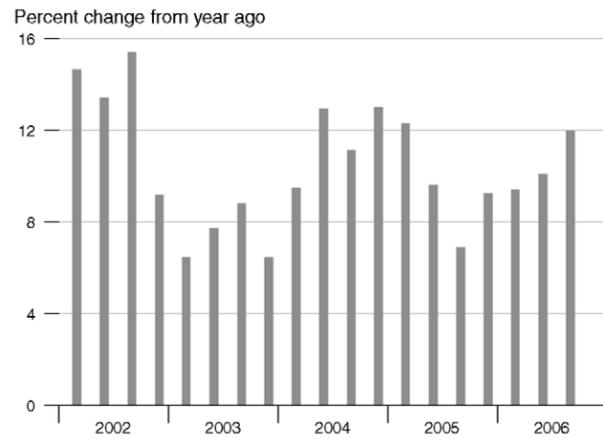
**Reserve Money**



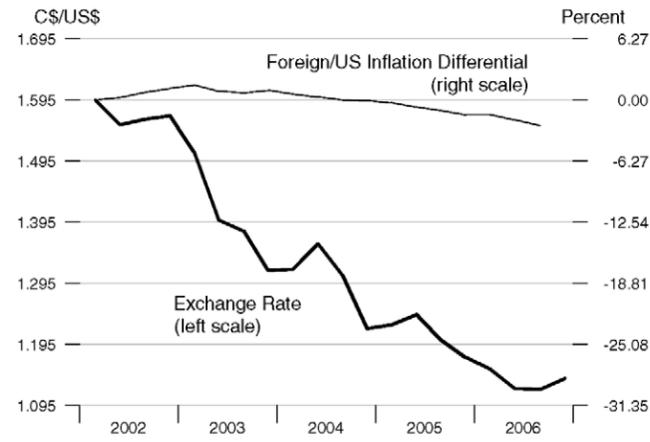
**Interest Rates**



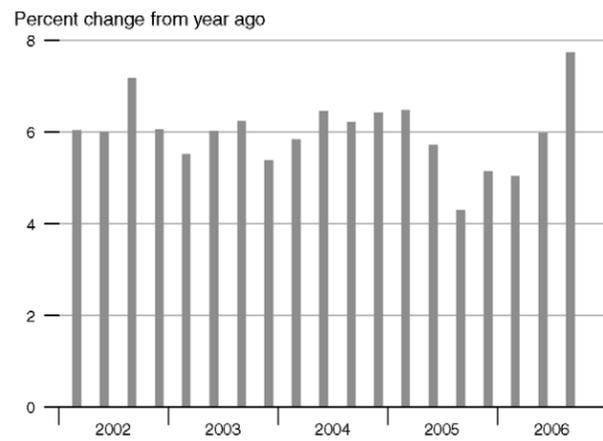
**M1**



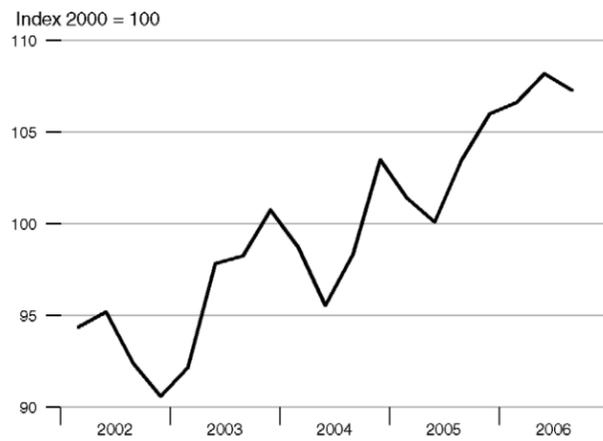
**Exchange Rate and Inflation Differential**



**M2**



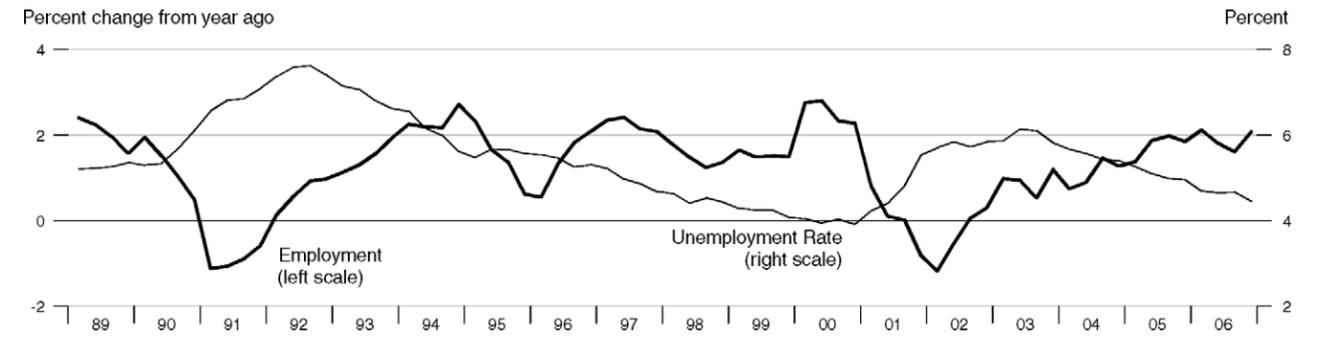
**Real Effective Exchange Rate**



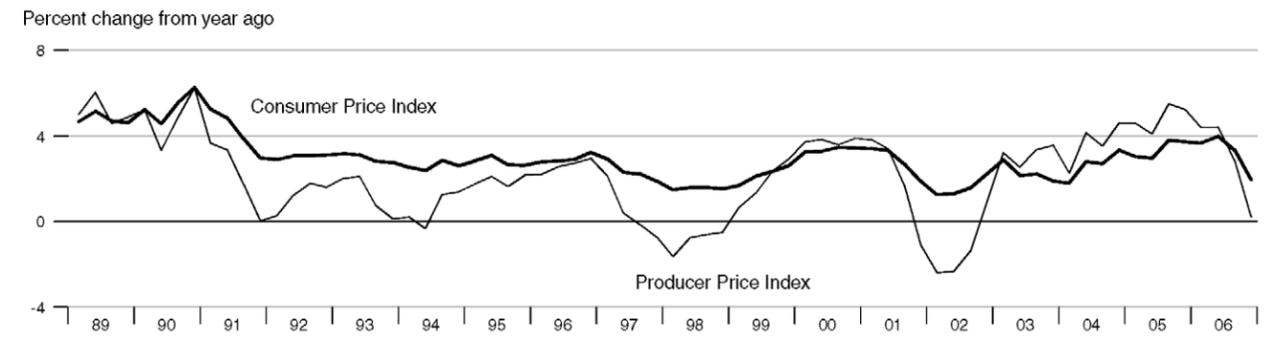
**Real Hourly Earnings and Output per Worker**



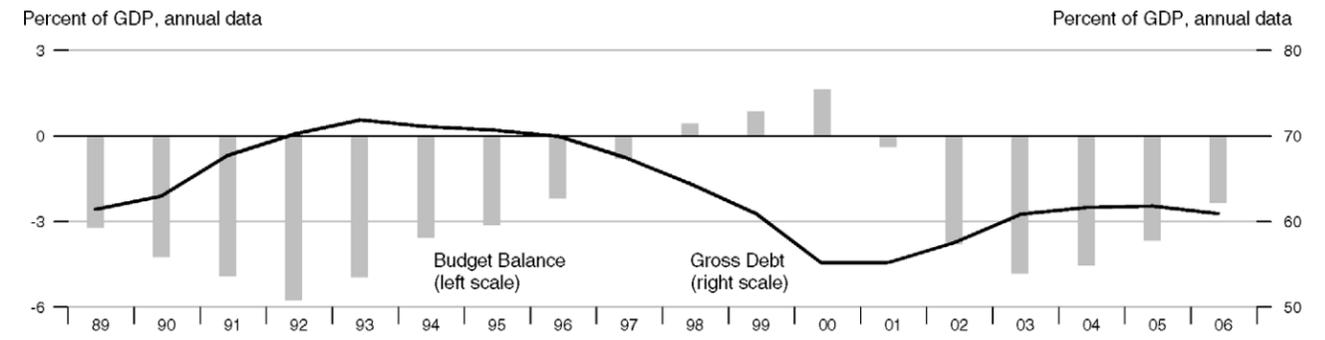
**Labor Force Indicators**



**Inflation**

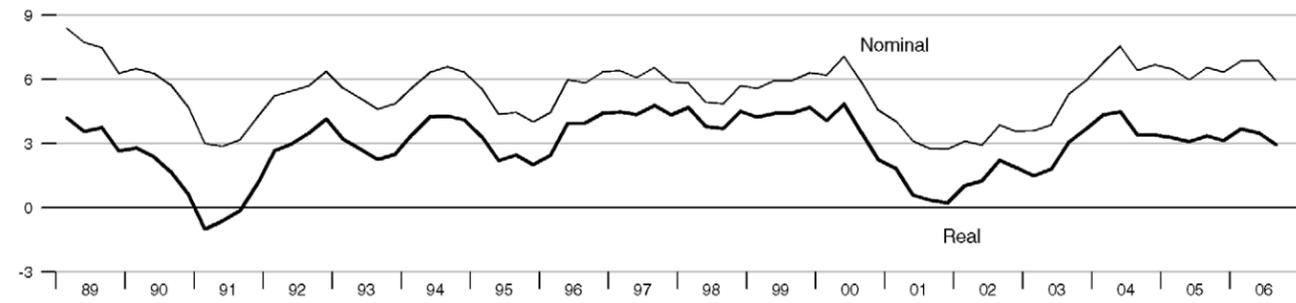


**Gross Government Debt and Budget Balance**



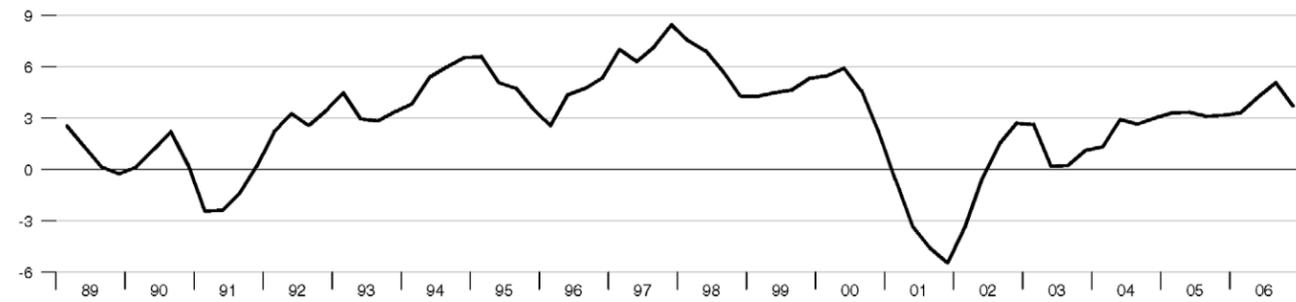
GDP

Percent change from year ago



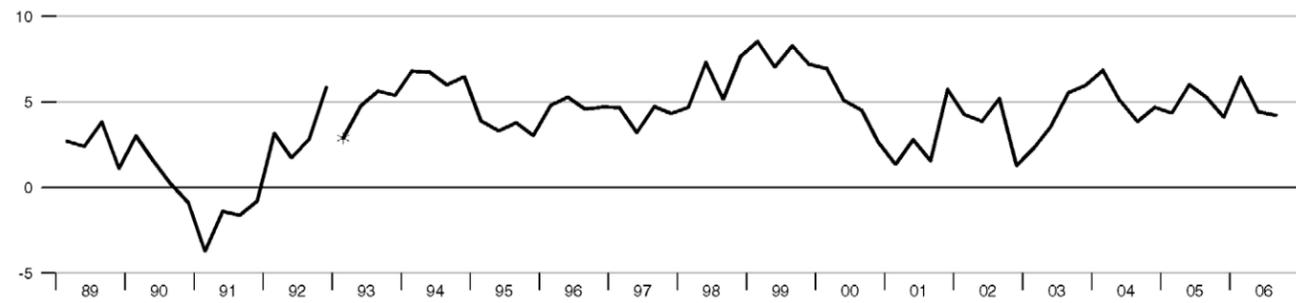
Industrial Production

Percent change from year ago



Retail Sales

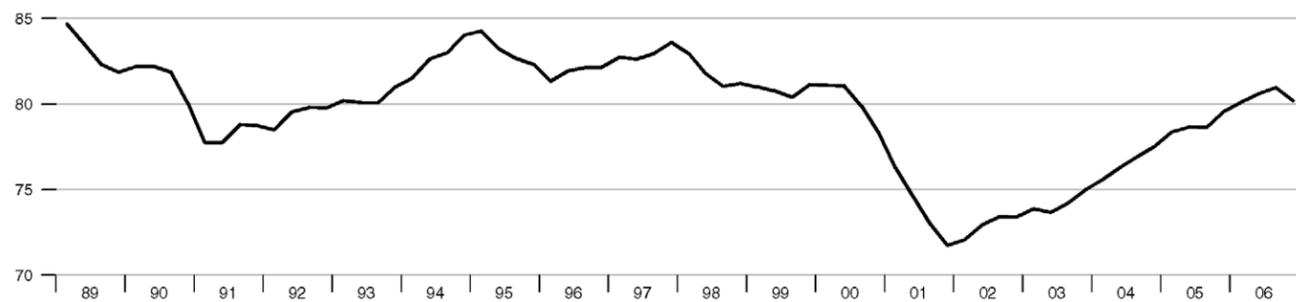
Percent change from year ago



\*Data prior to 1993 may not be strictly comparable with later figures (see Notes).

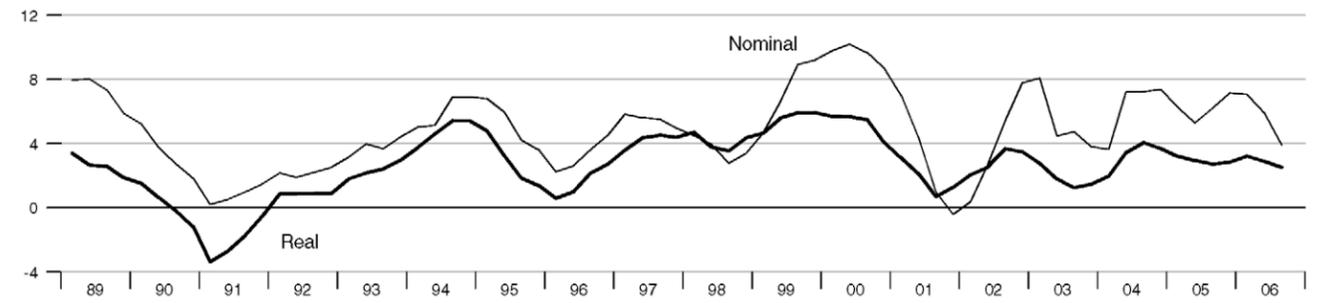
Capacity Utilization

Percent



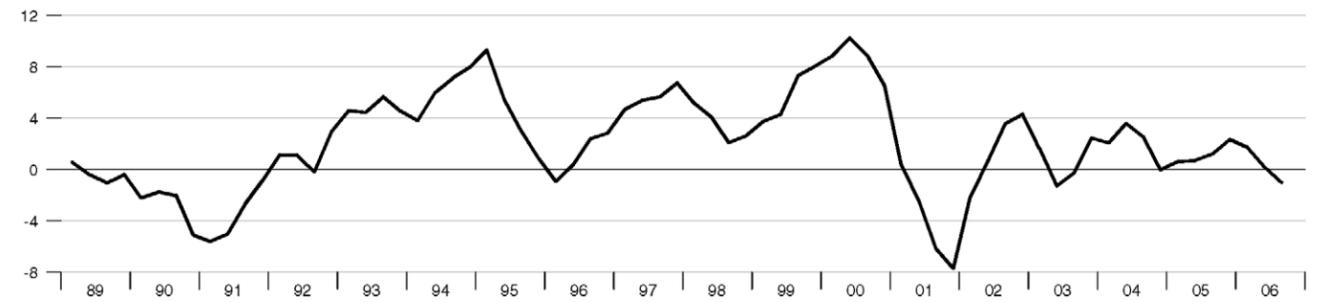
GDP

Percent change from year ago



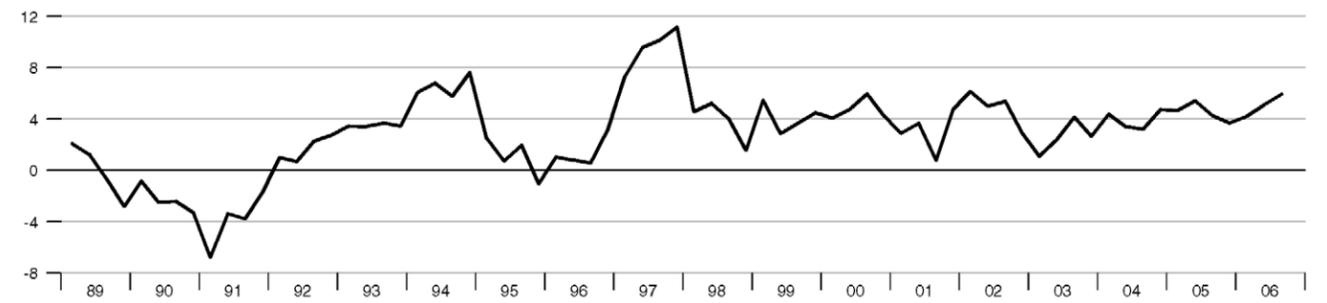
Industrial Production

Percent change from year ago



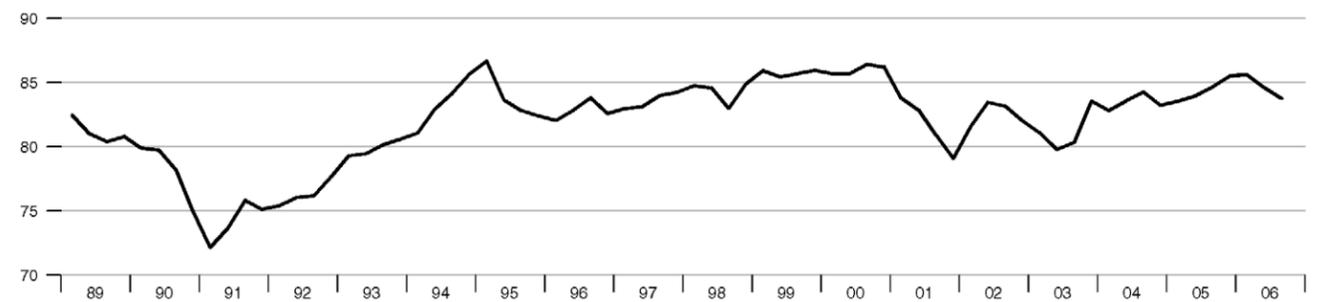
Retail Sales

Percent change from year ago

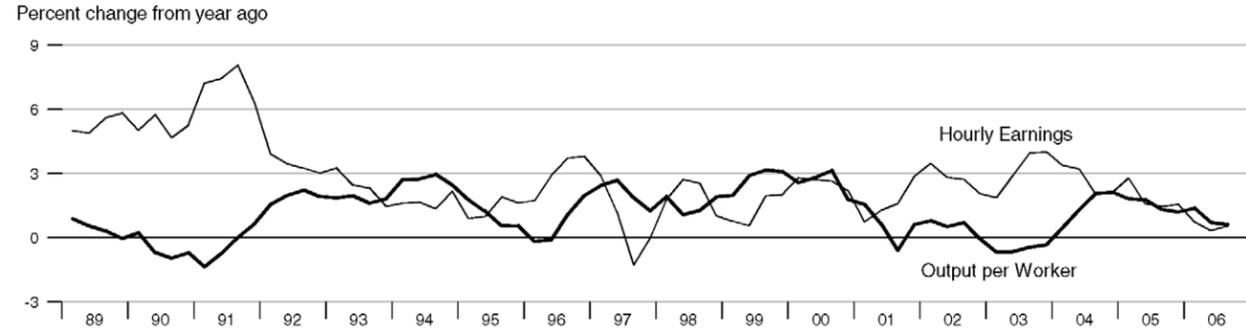


Capacity Utilization

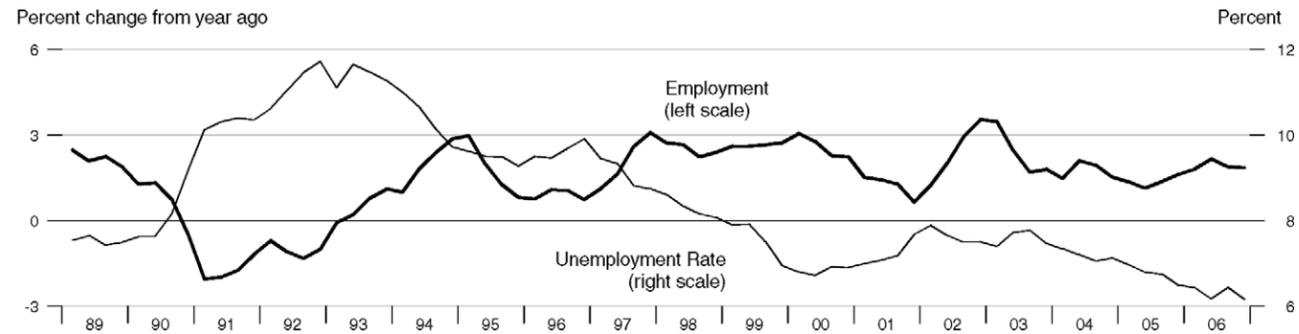
Percent



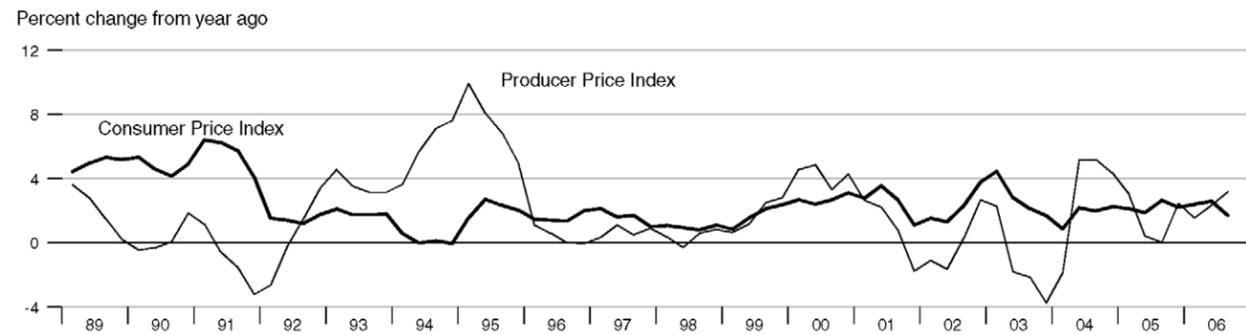
**Real Hourly Earnings and Output per Worker**



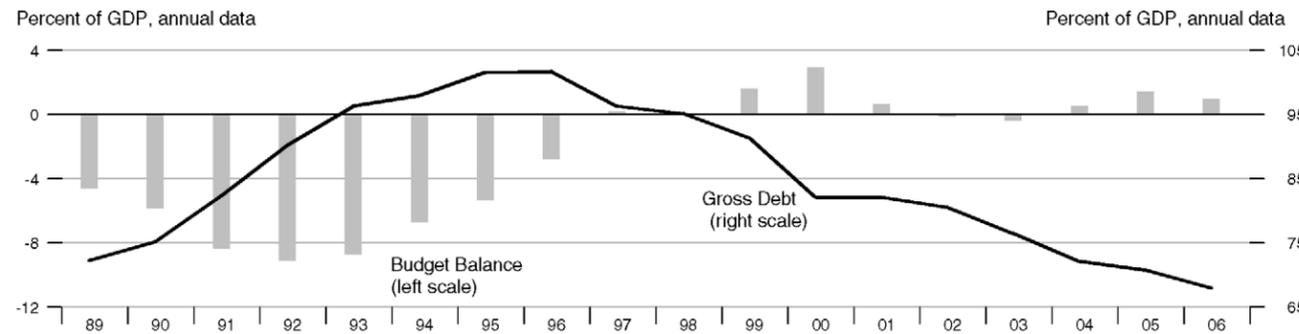
**Labor Force Indicators**



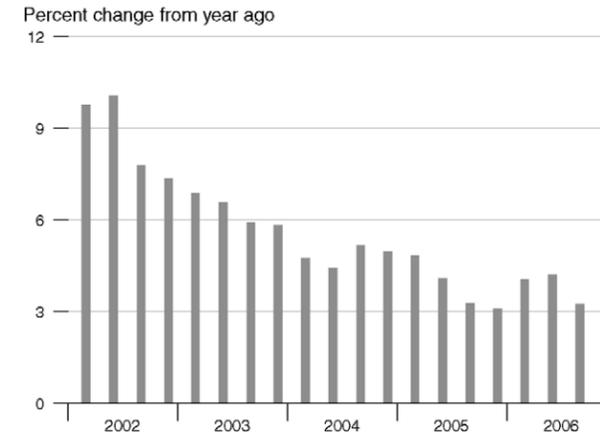
**Inflation**



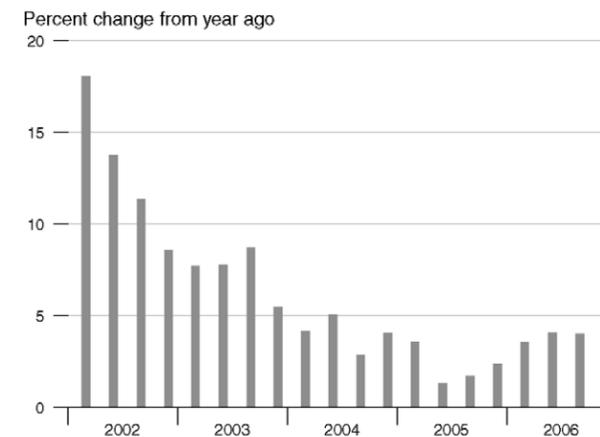
**Gross Government Debt and Budget Balance**



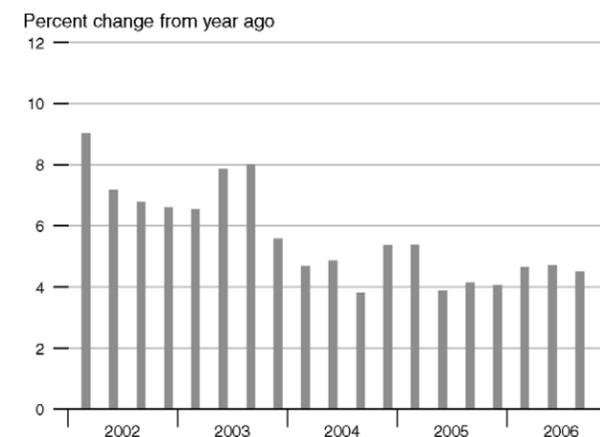
**Adjusted Monetary Base**



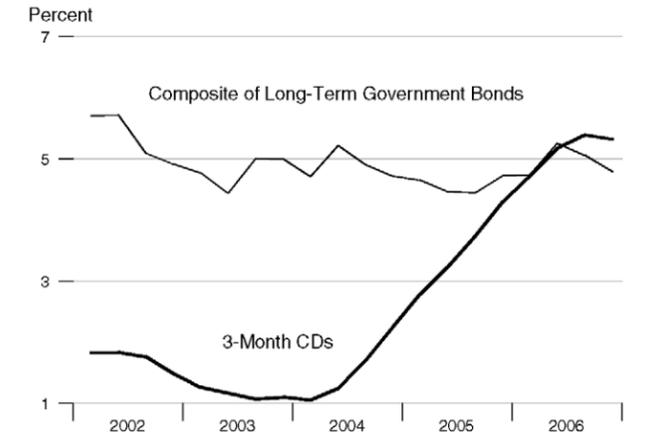
**MZM**



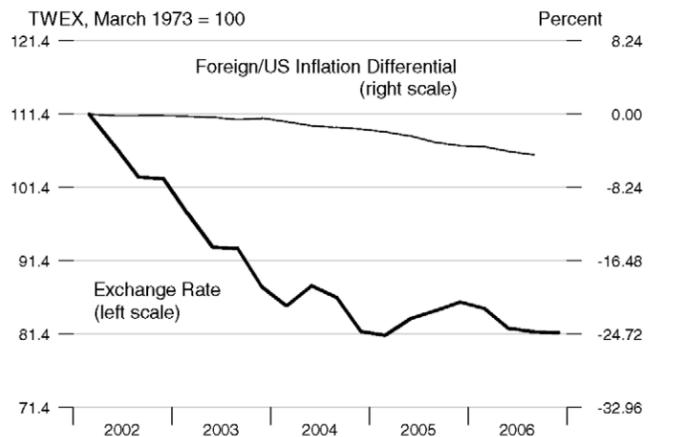
**M2**



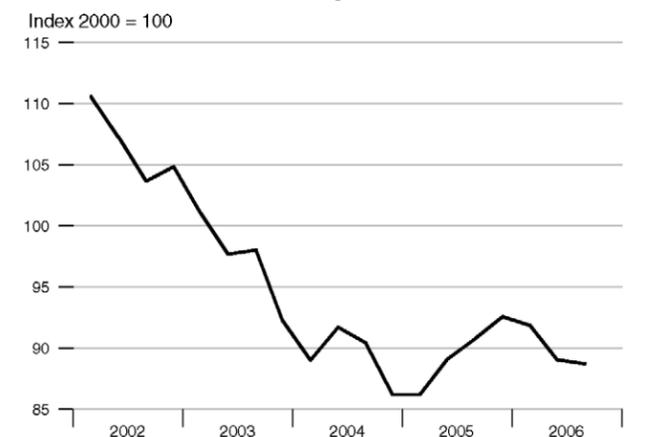
**Interest Rates**



**Exchange Rate and Inflation Differential**

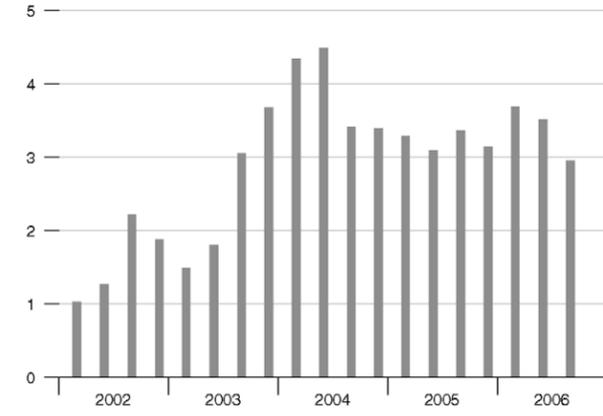


**Real Effective Exchange Rate**



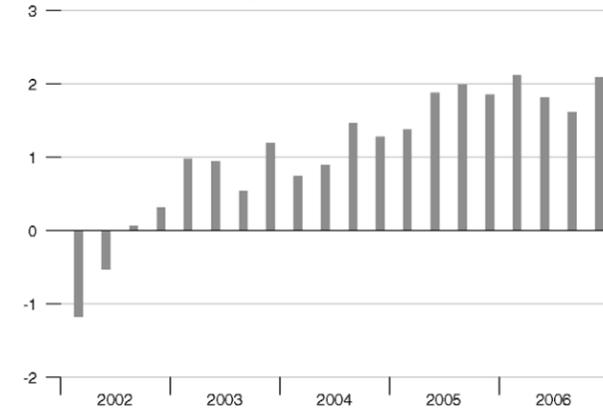
**Real GDP**

Percent change from year ago



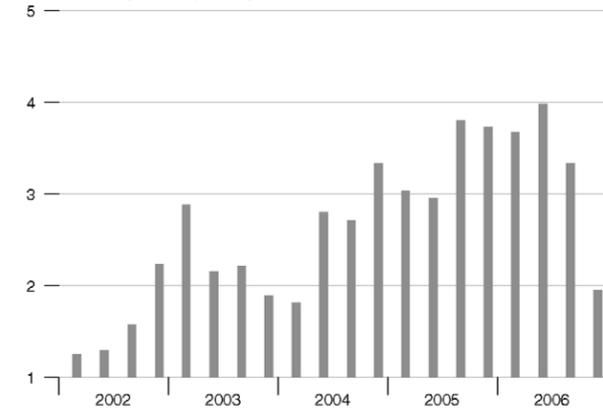
**Employment**

Percent change from year ago



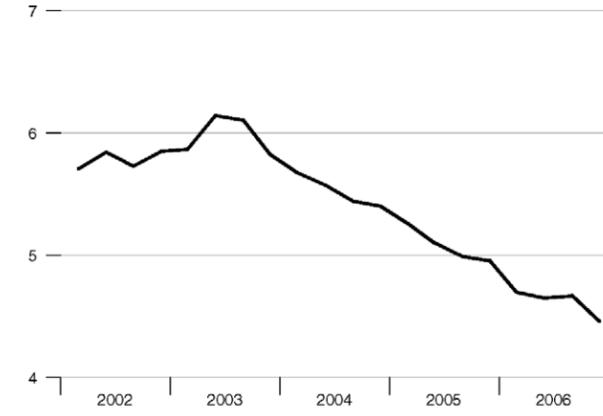
**Consumer Price Index**

Percent change from year ago



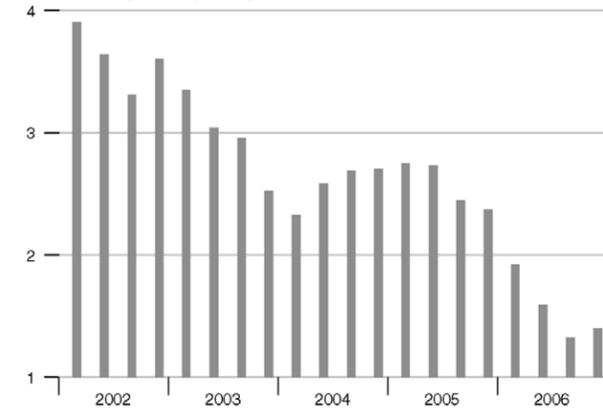
**Unemployment Rate**

Percent



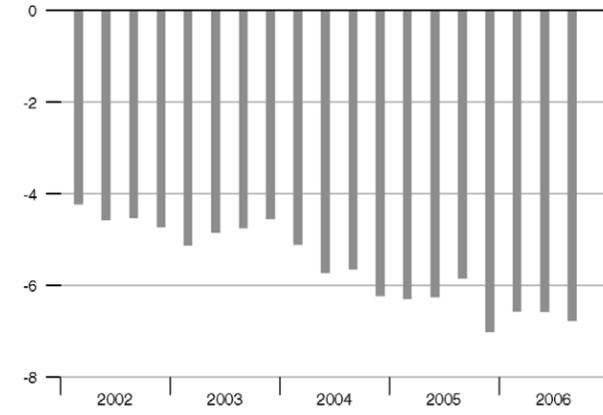
**Real Hourly Earnings**

Percent change from year ago



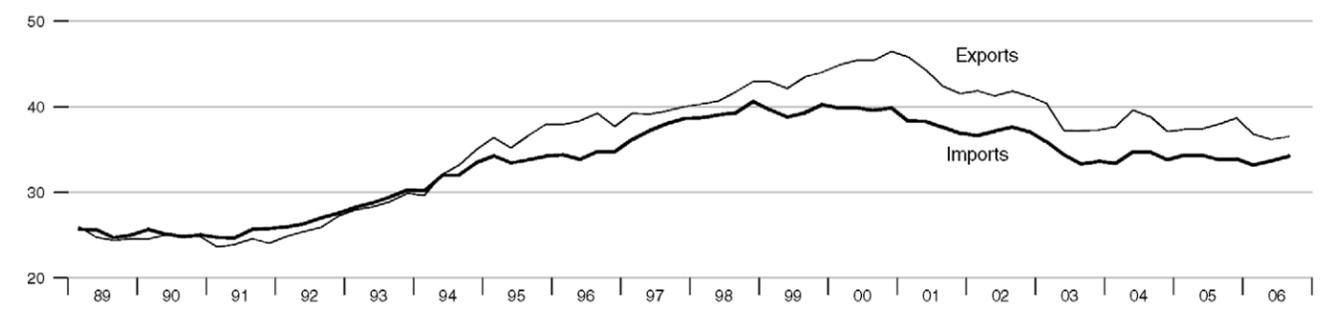
**Current Account Balance**

Percent of GDP



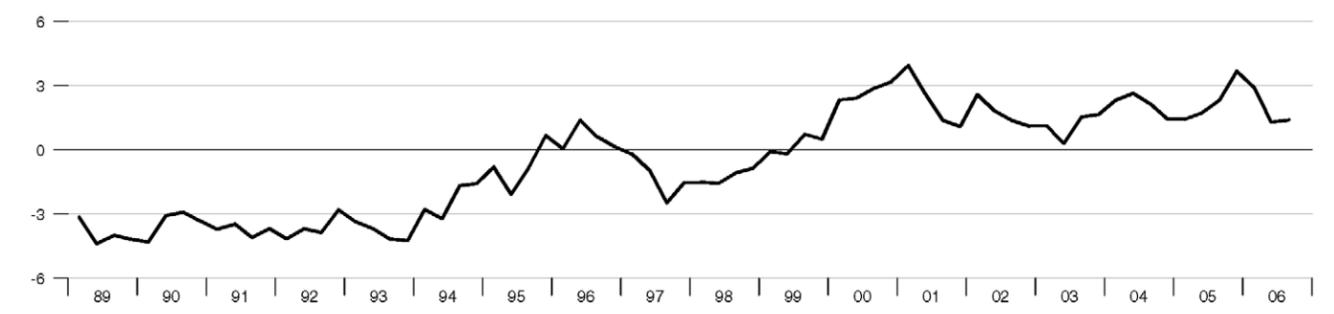
**International Trade - Goods and Services**

Percent of GDP



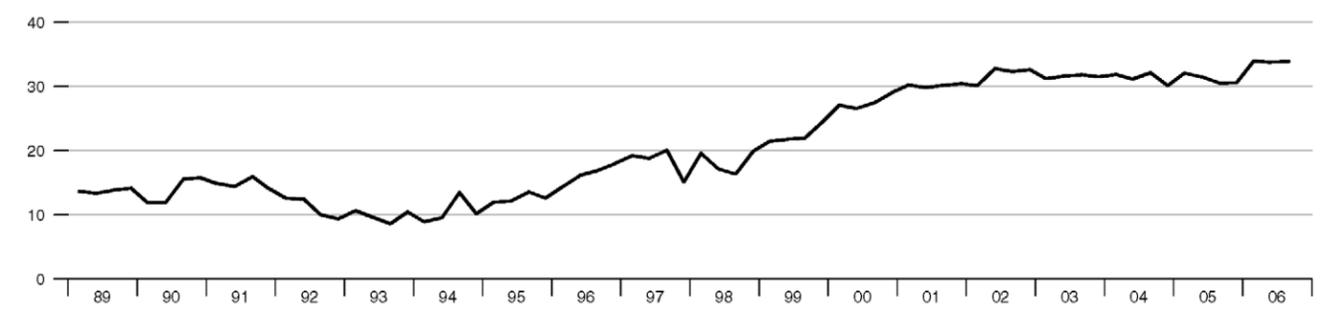
**Current Account Balance**

Percent of GDP



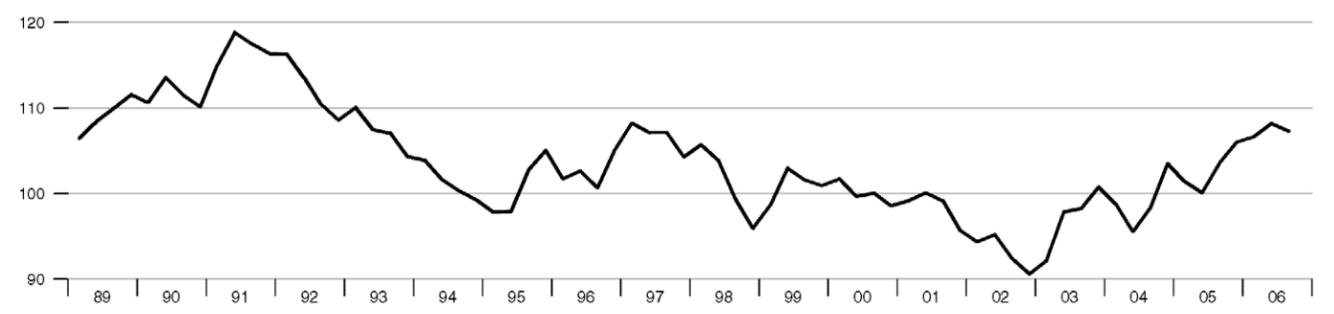
**Foreign Exchange Reserves**

Billions of US\$



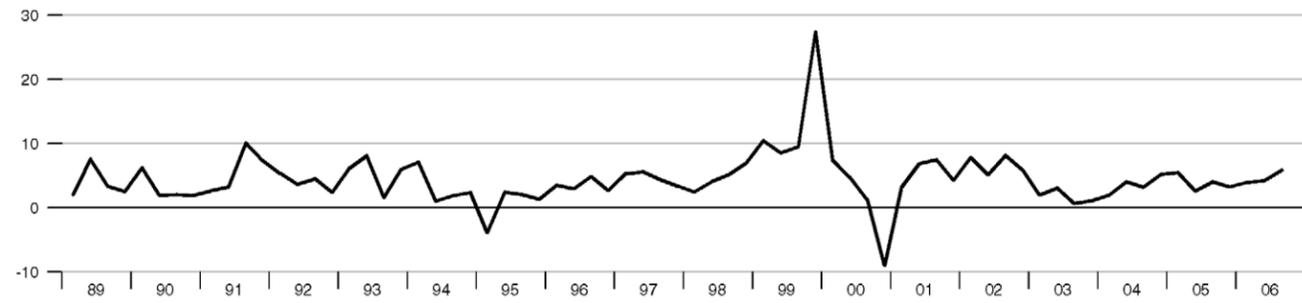
**Real Effective Exchange Rate**

Index 2000 = 100



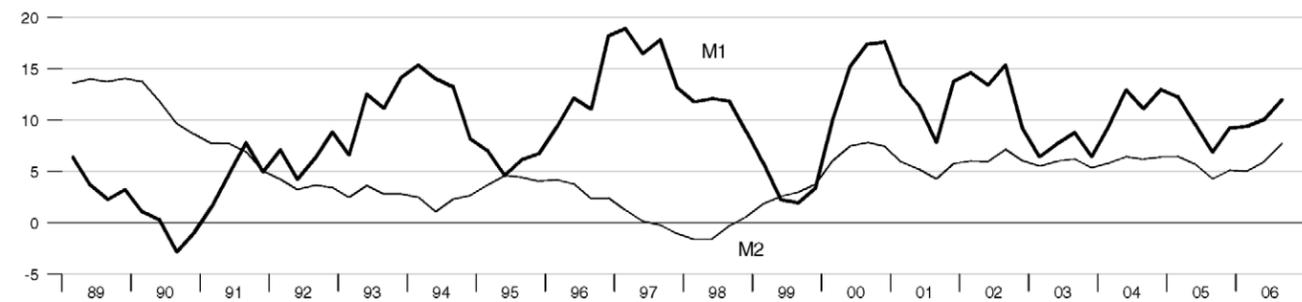
**Reserve Money**

Percent change from year ago



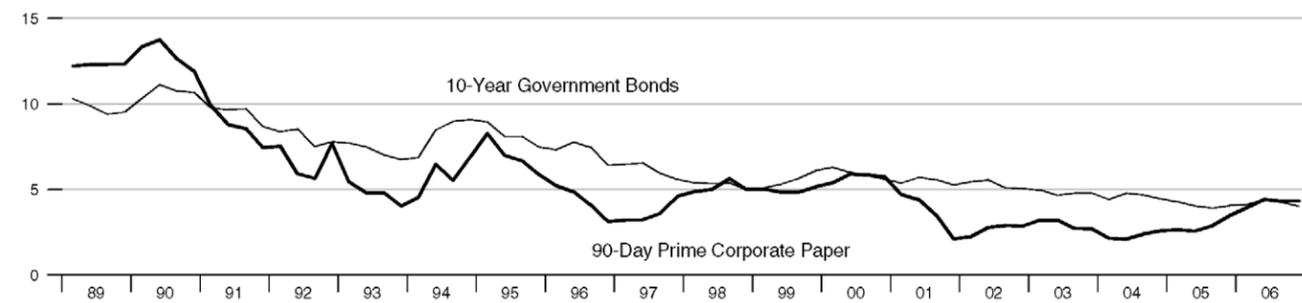
**Monetary Aggregates**

Percent change from year ago



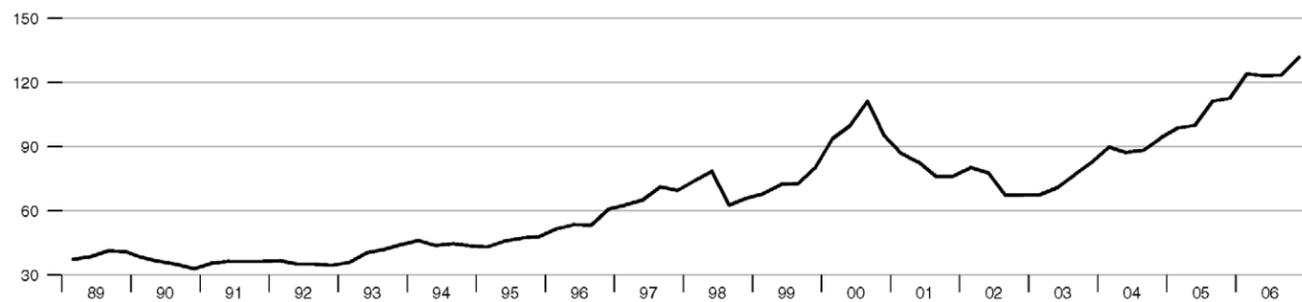
**Interest Rates**

Percent



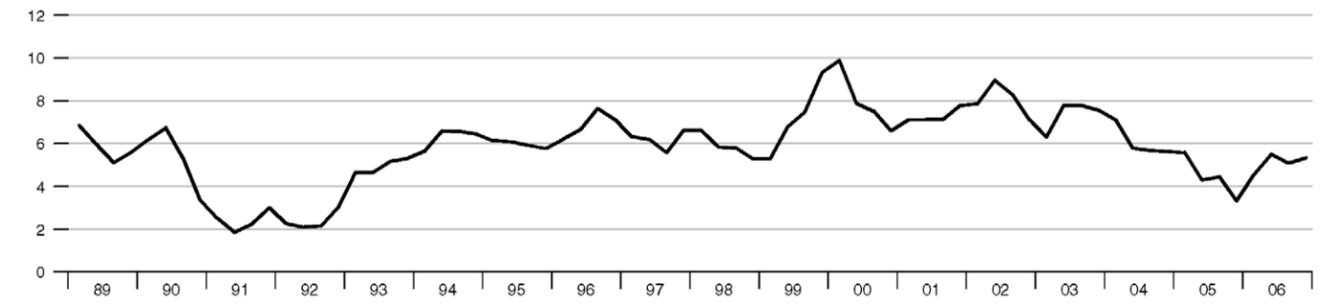
**Stock Exchange Index - Toronto Stock Exchange**

2000 = 100



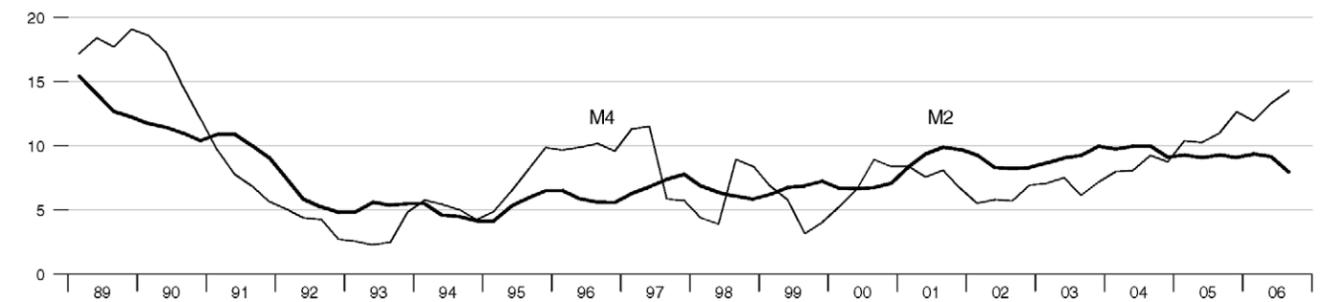
**Notes and Coins in Circulation**

Percent change from year ago



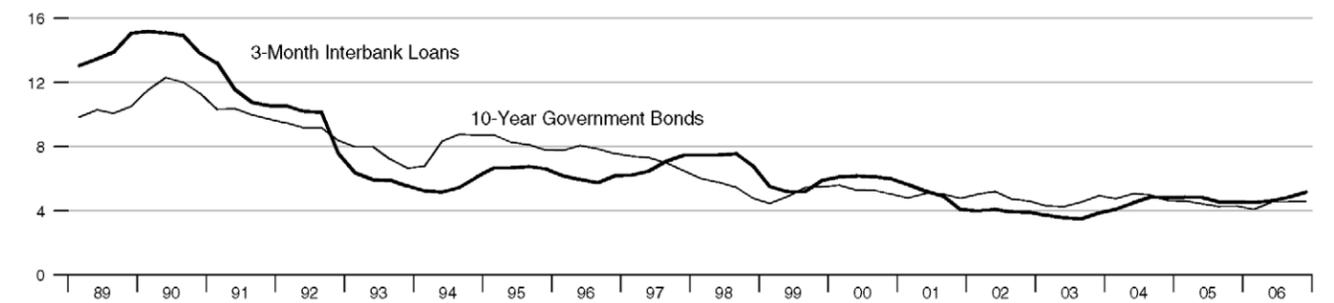
**Monetary Aggregates**

Percent change from year ago



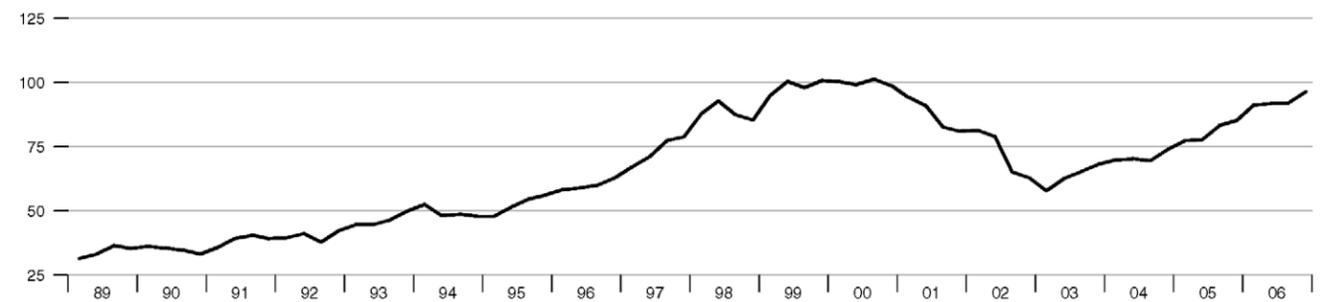
**Interest Rates**

Percent

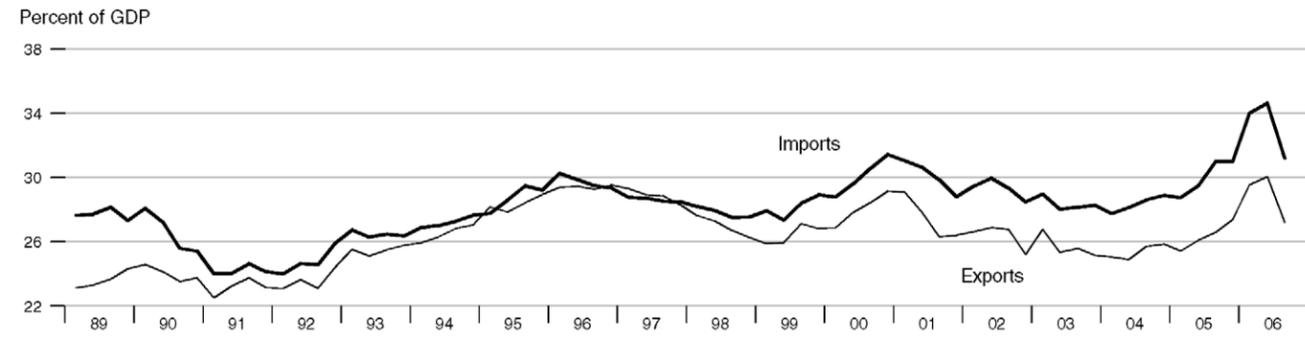


**Stock Exchange Index - Financial Times Stock Exchange**

2000 = 100



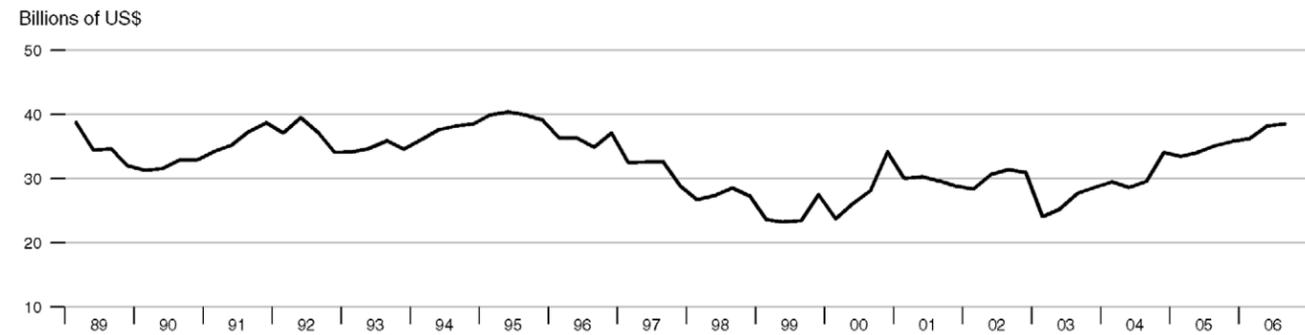
**International Trade - Goods and Services**



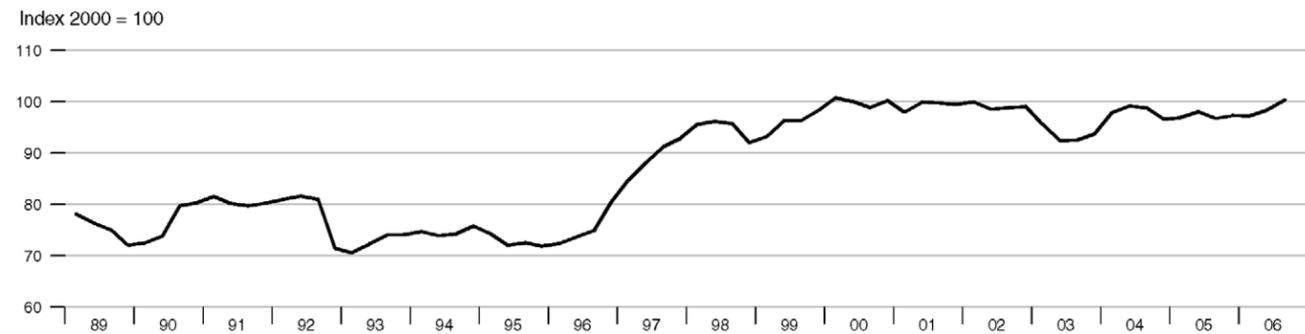
**Current Account Balance**



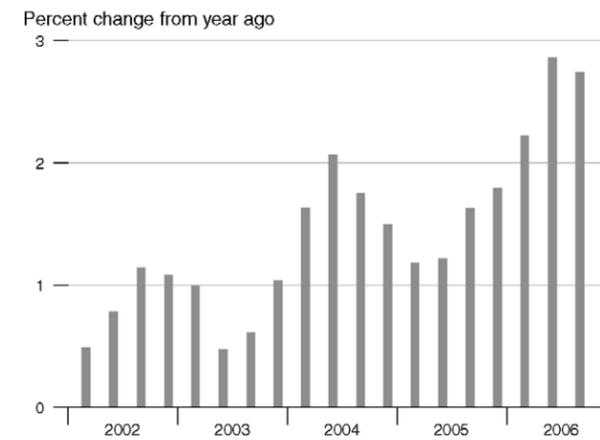
**Foreign Exchange Reserves**



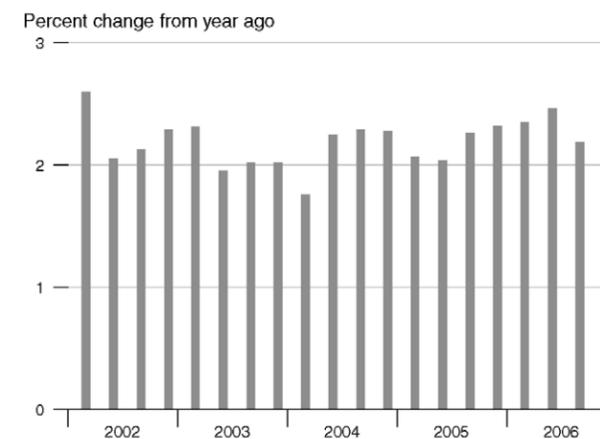
**Real Effective Exchange Rate**



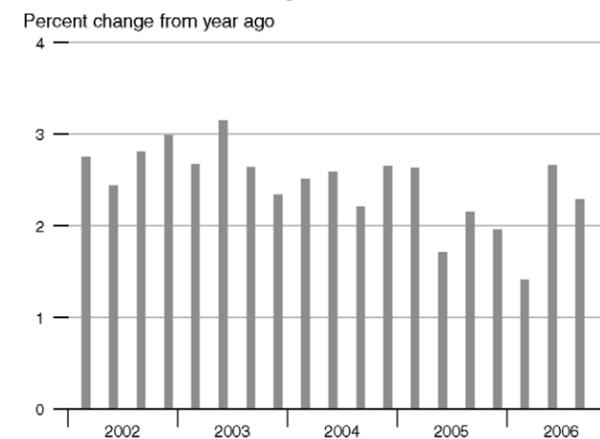
**Real GDP**



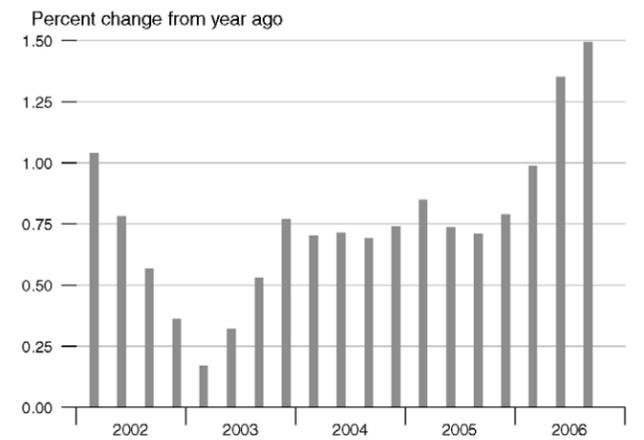
**Consumer Price Index**



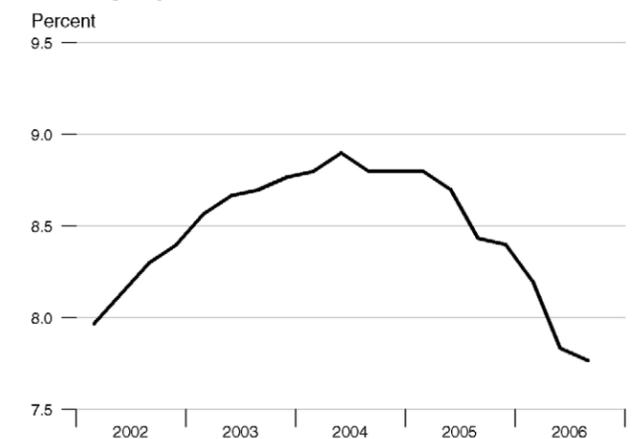
**Real Hourly Earnings**



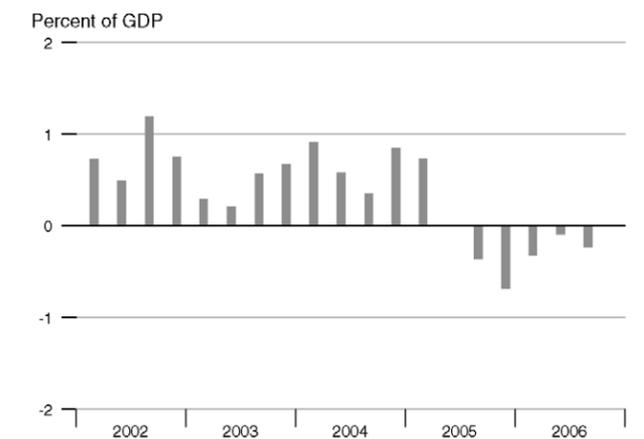
**Employment**



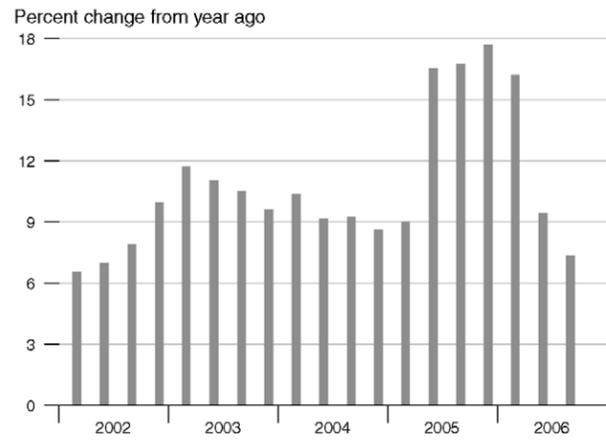
**Unemployment Rate**



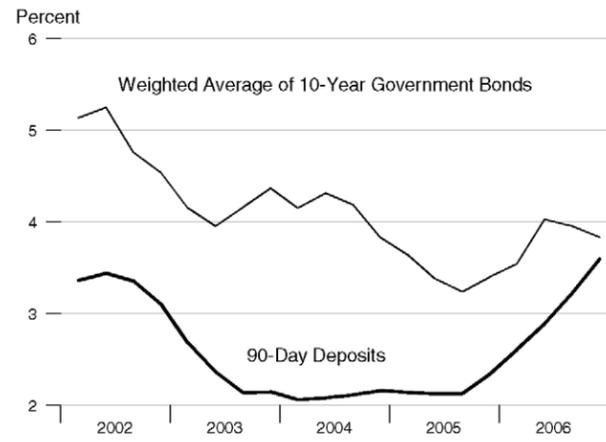
**Current Account Balance**



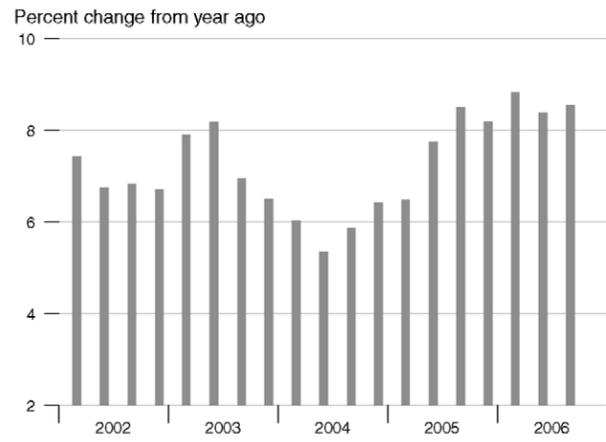
**M1**



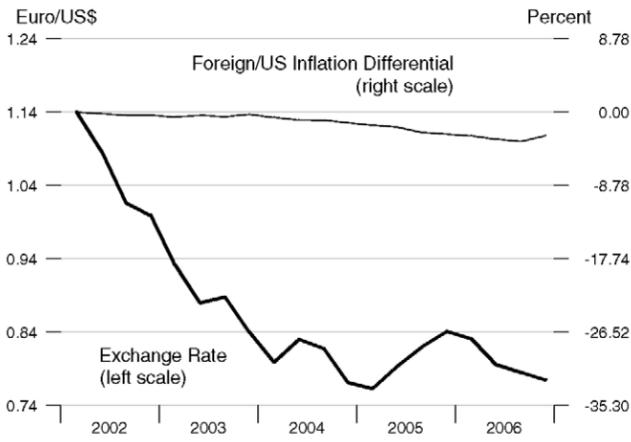
**Interest Rates**



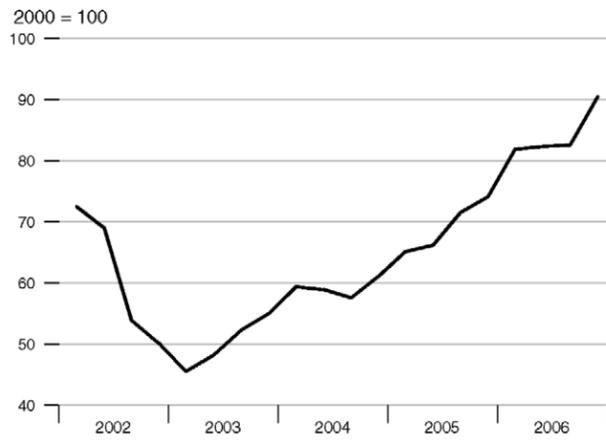
**M3**



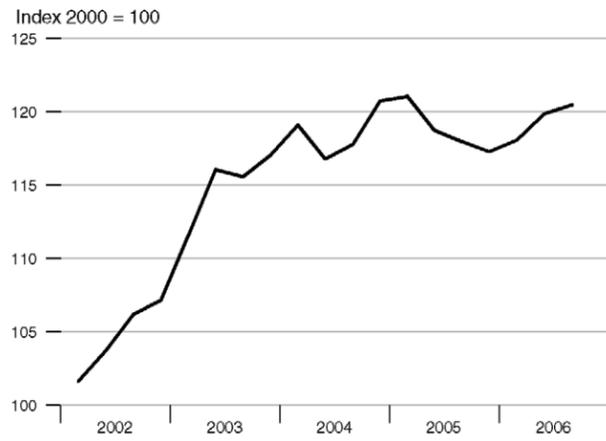
**Exchange Rate and Inflation Differential**



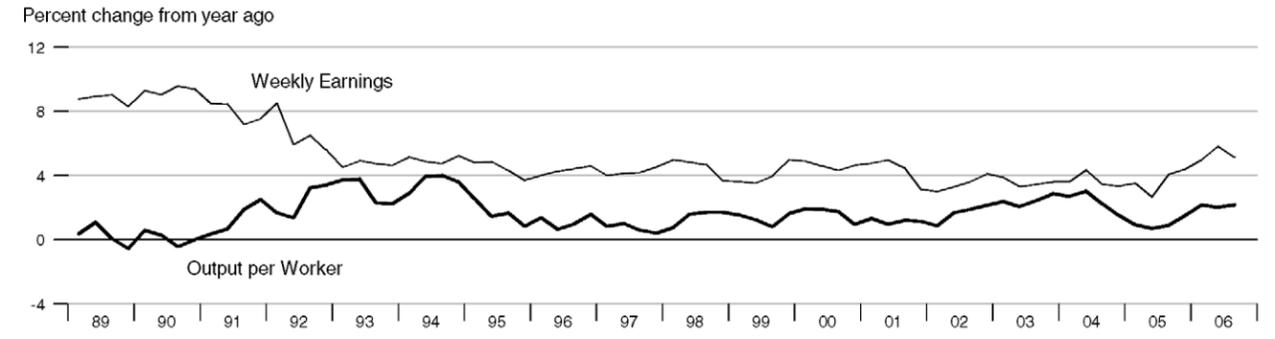
**Stock Exchange Index - Dow Jones EURO STOXX<sup>SM</sup>**



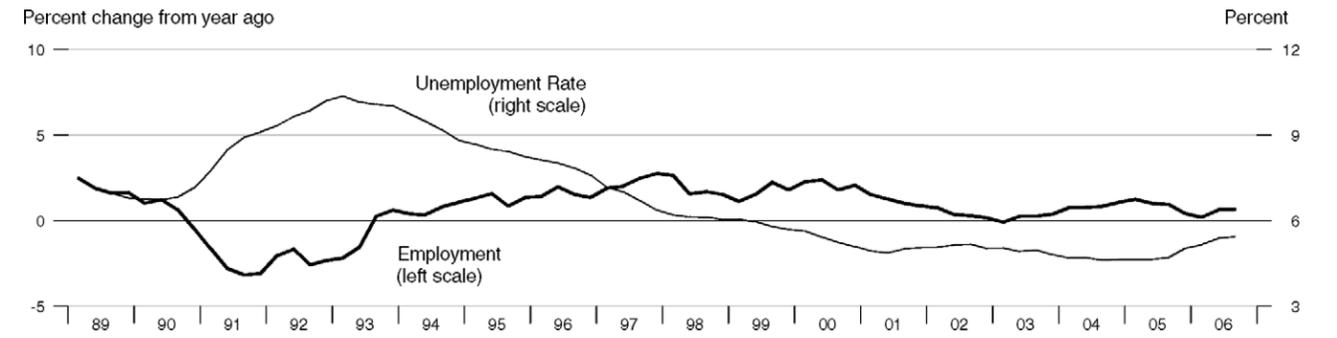
**Real Effective Exchange Rate**



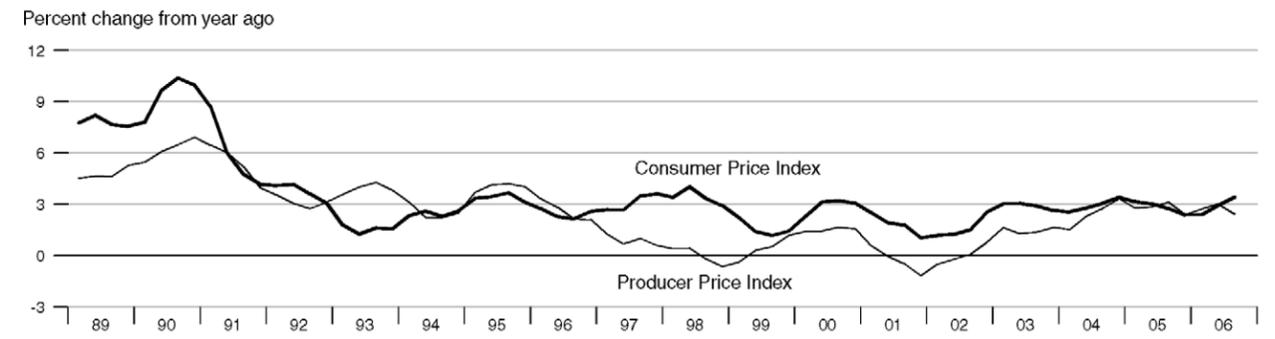
**Real Weekly Earnings and Output per Worker**



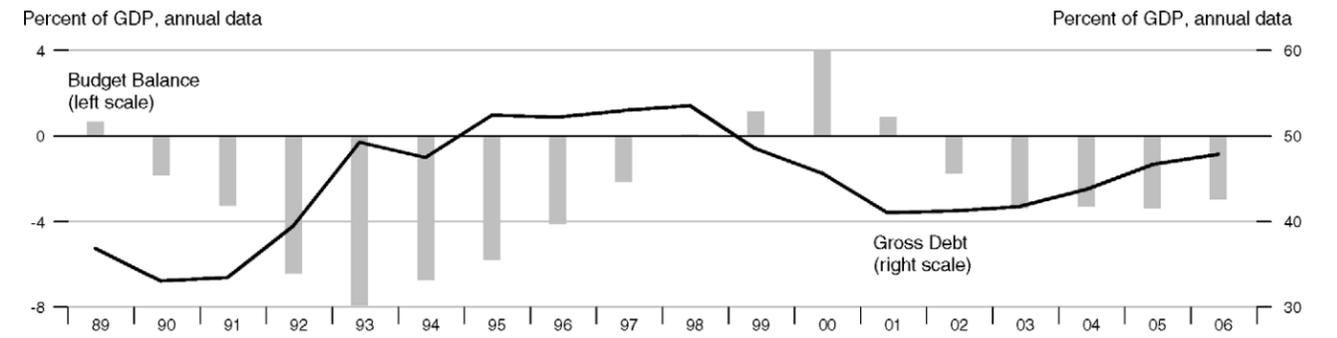
**Labor Force Indicators**



**Inflation**

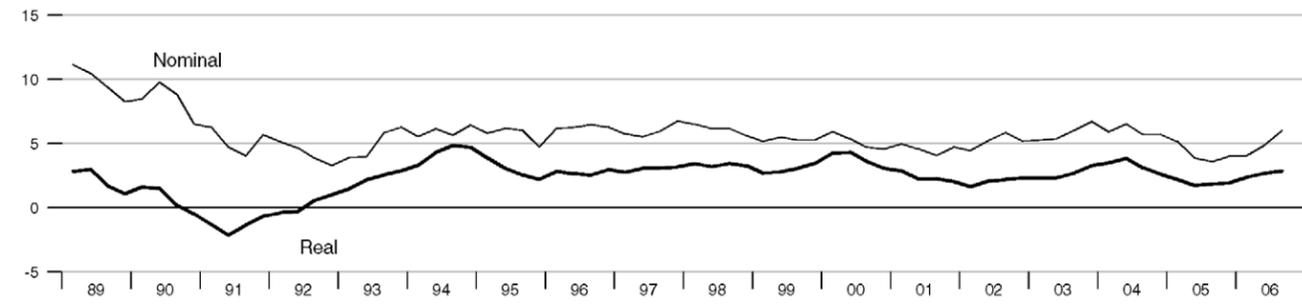


**Gross Government Debt and Budget Balance**



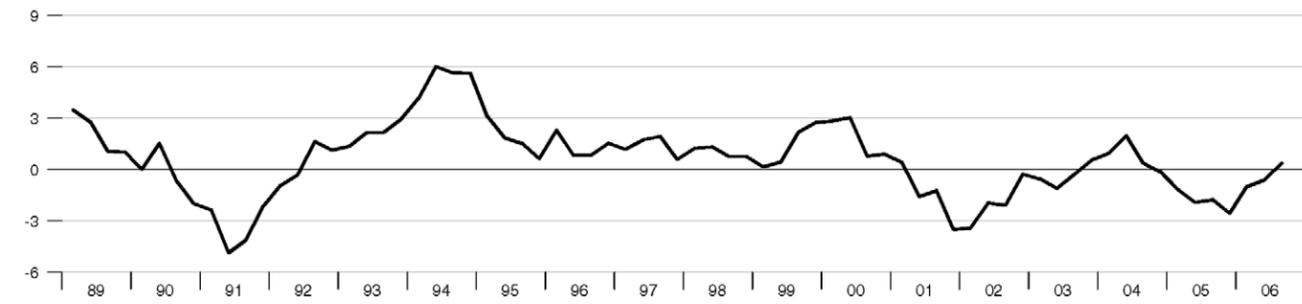
GDP

Percent change from year ago



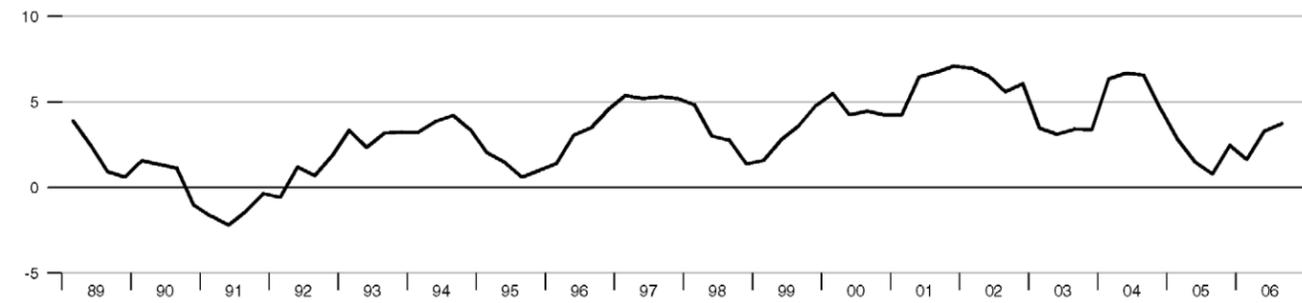
Industrial Production

Percent change from year ago



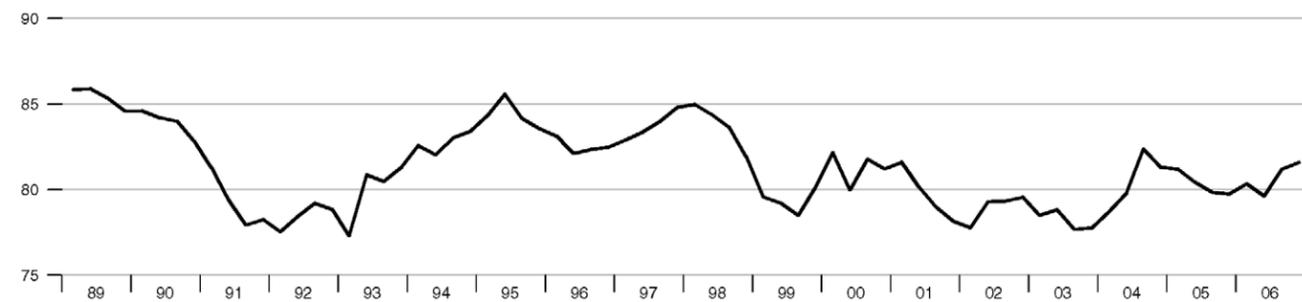
Retail Sales

Percent change from year ago



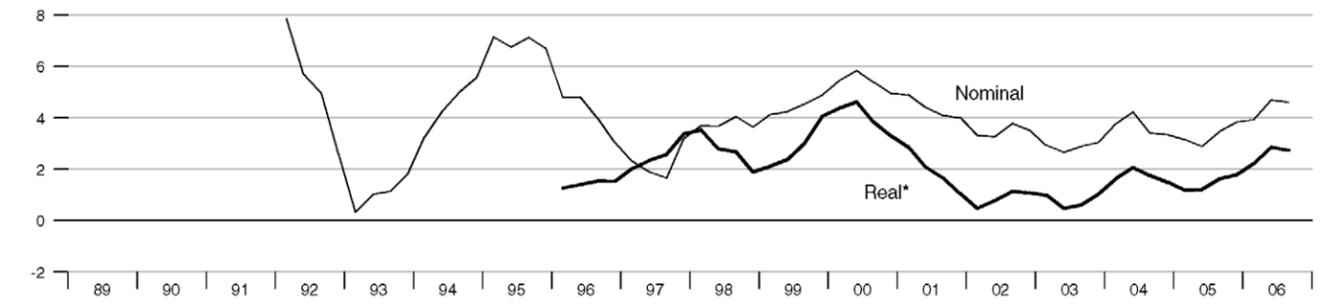
Capacity Utilization

Percent



GDP

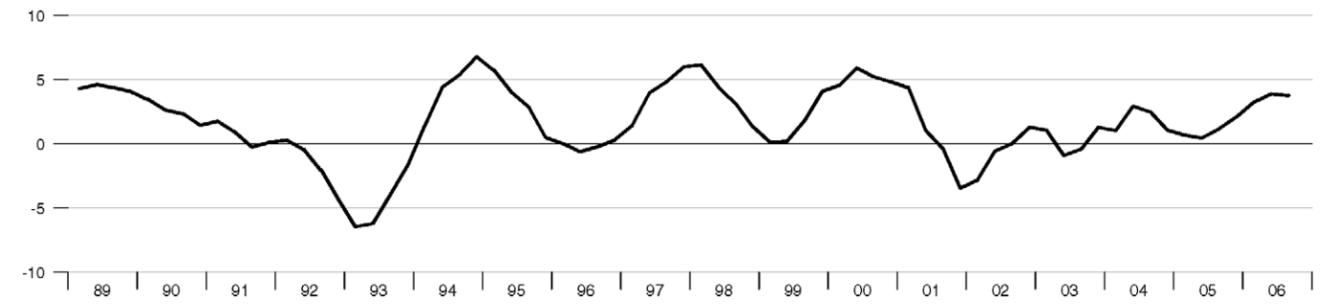
Percent change from year ago



\* EUROSTAT has recently changed how it calculates GDP. Data are currently available back to 1995 but will soon be revised back to 1991.

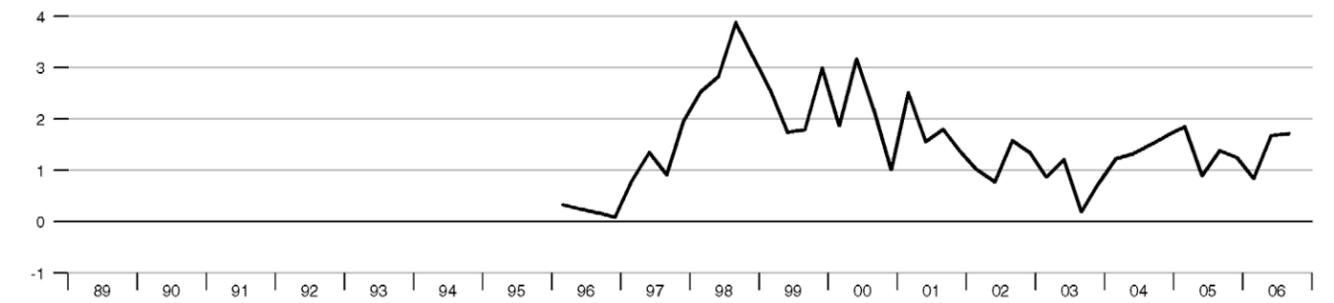
Industrial Production

Percent change from year ago



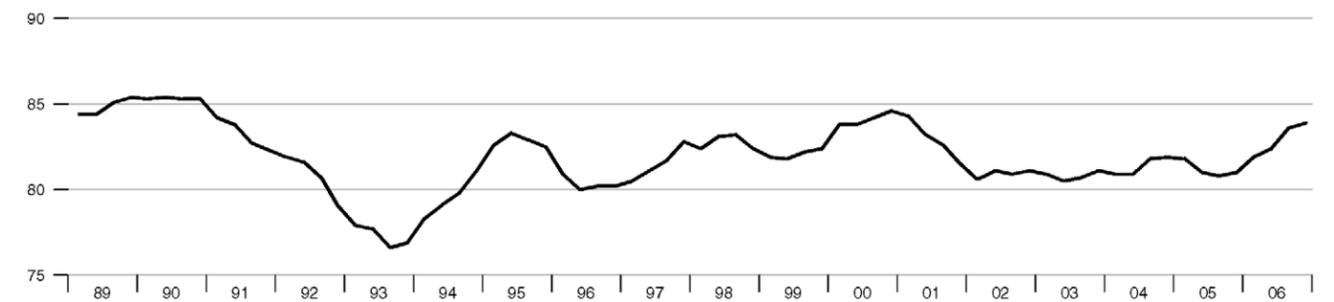
Retail Sales

Percent change from year ago

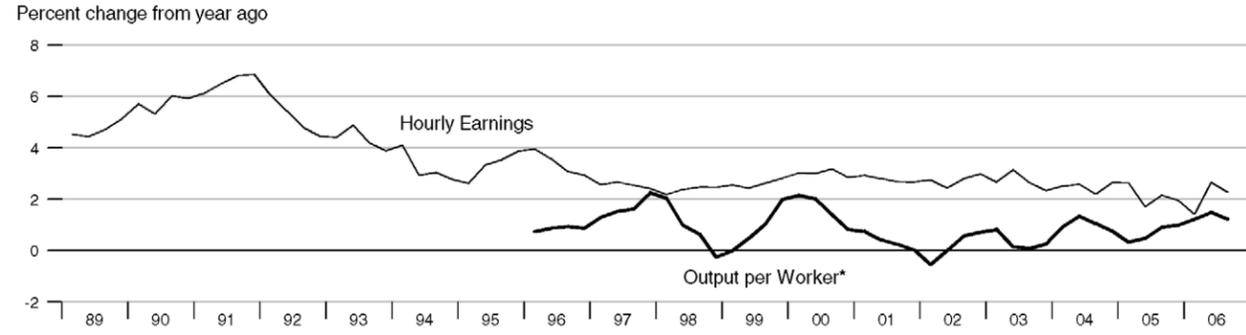


Capacity Utilization

Percent

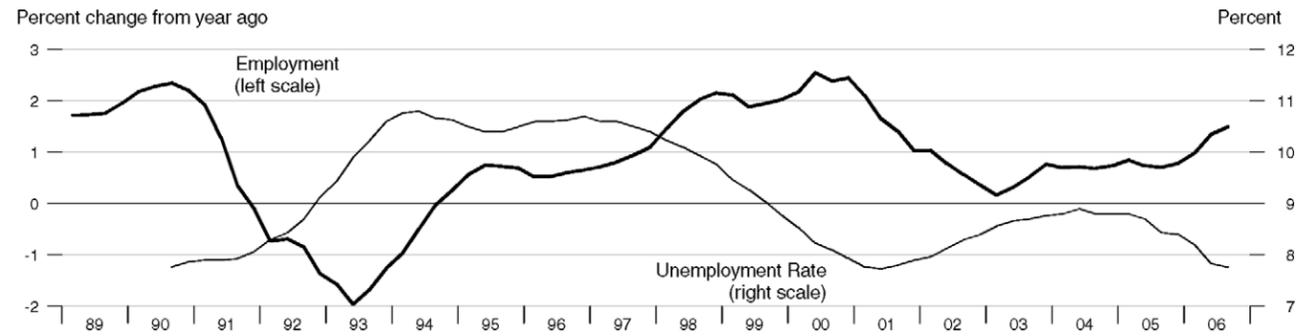


**Real Hourly Earnings and Output per Worker**

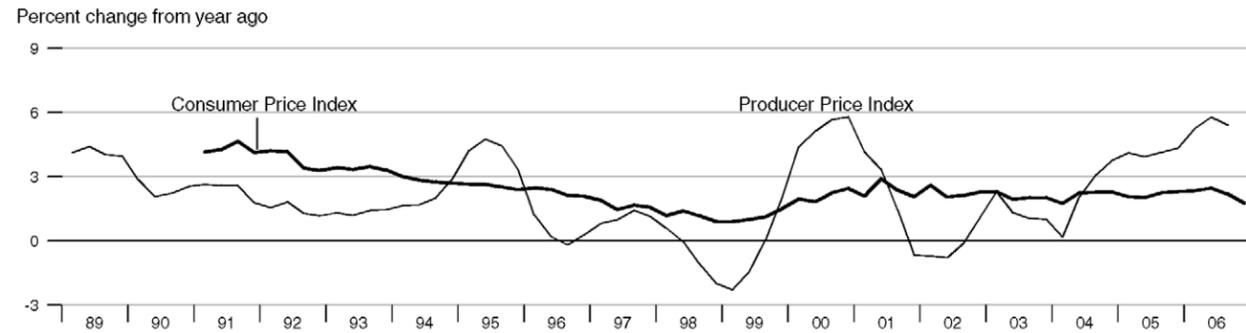


\* EUROSTAT is currently revising output data. Output per worker data are available only back to 1995.

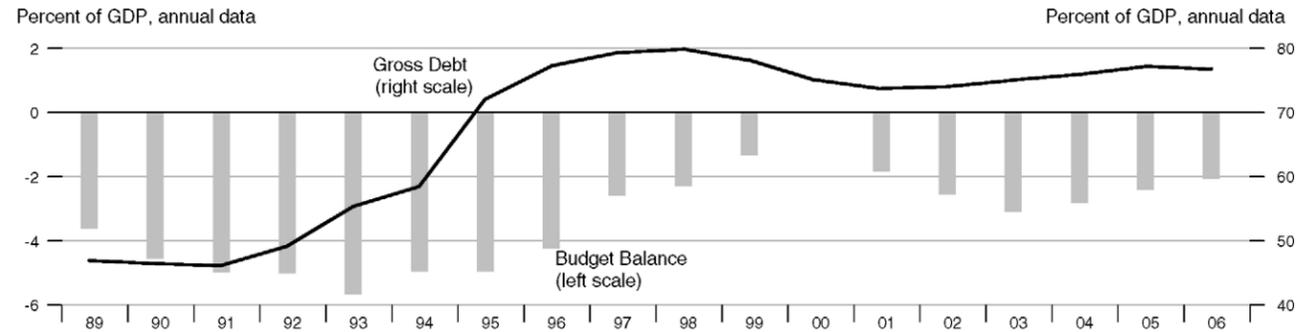
**Labor Force Indicators**



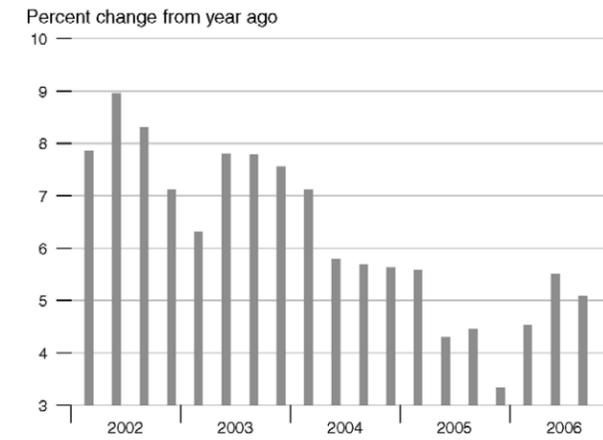
**Inflation**



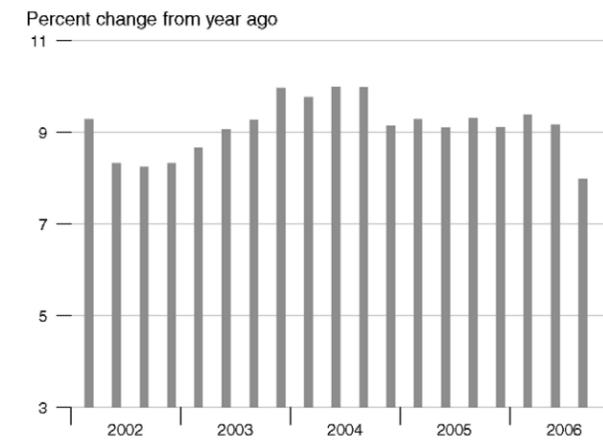
**Gross Government Debt and Budget Balance**



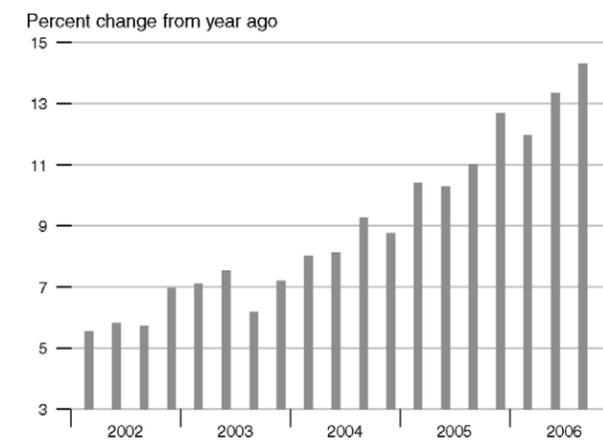
**Notes and Coins in Circulation**



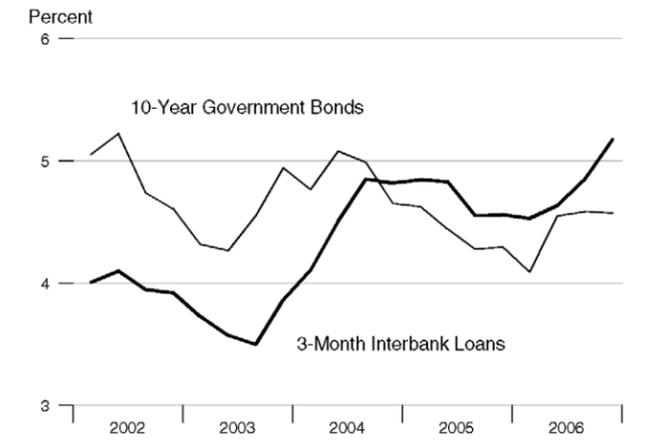
**M2**



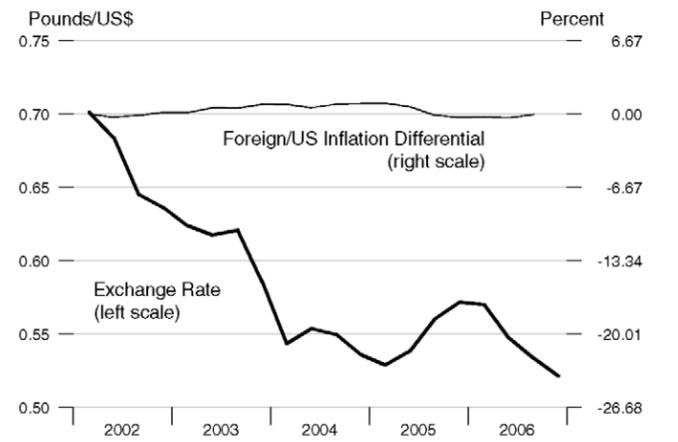
**M4**



**Interest Rates**



**Exchange Rate and Inflation Differential**

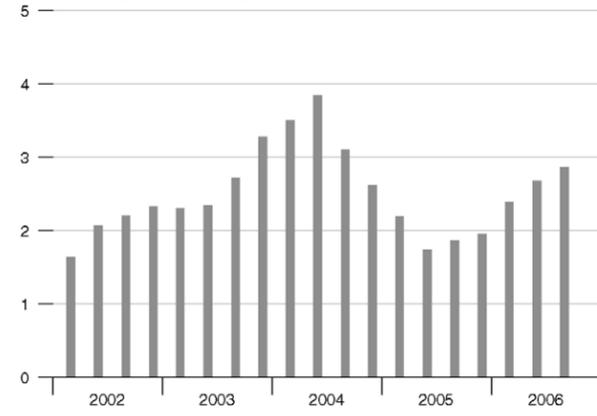


**Real Effective Exchange Rate**



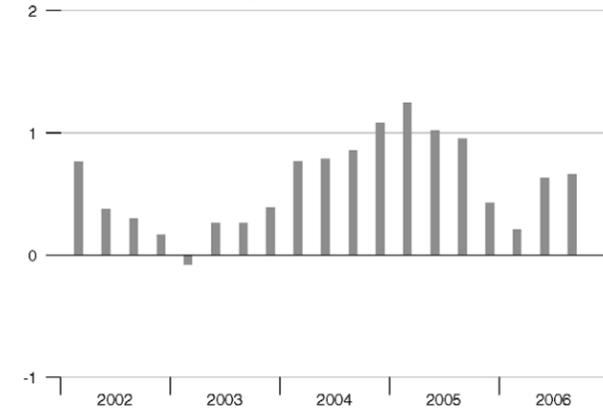
**Real GDP**

Percent change from year ago



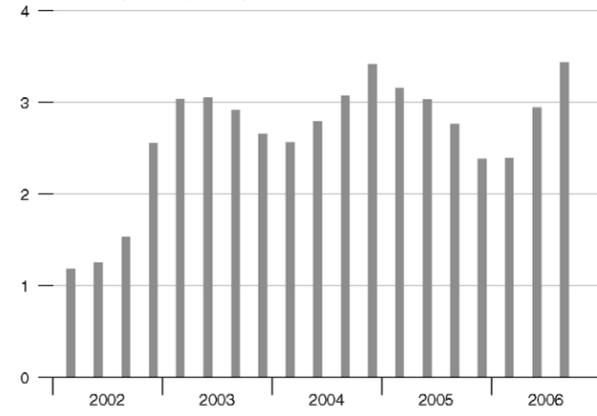
**Employment**

Percent change from year ago



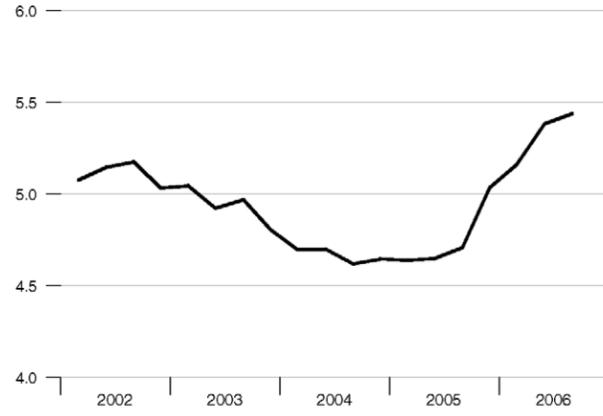
**Consumer Price Index**

Percent change from year ago



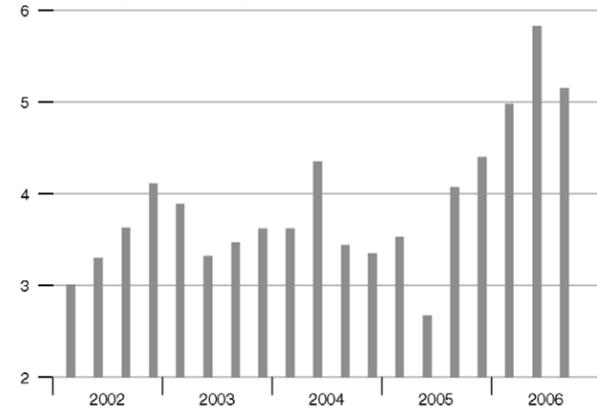
**Unemployment Rate**

Percent



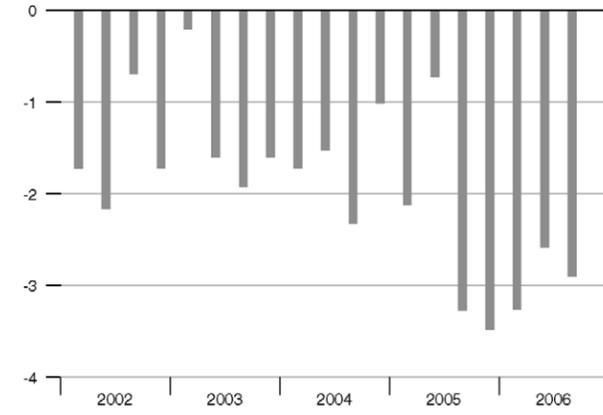
**Real Weekly Earnings**

Percent change from year ago



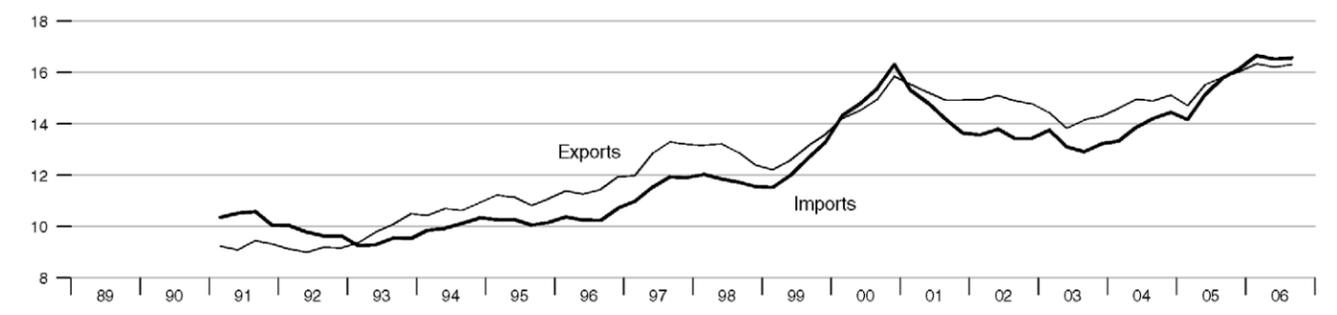
**Current Account Balance**

Percent of GDP



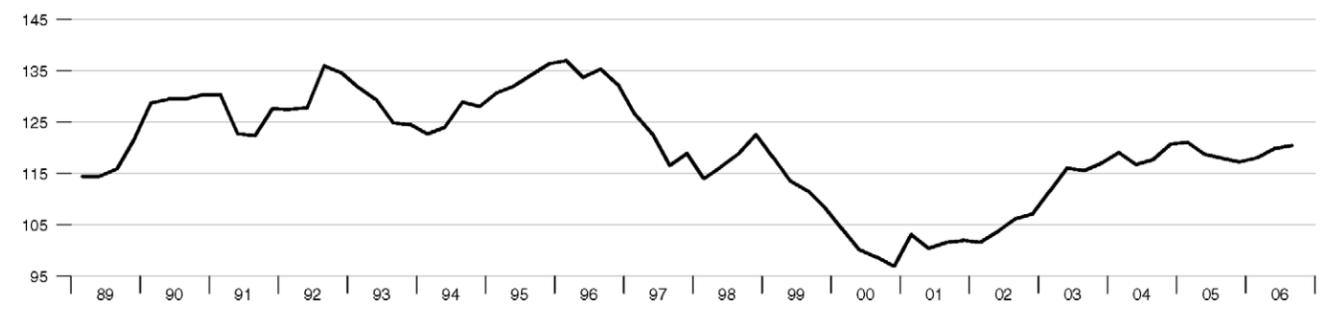
**International Trade - Goods**

Percent of GDP



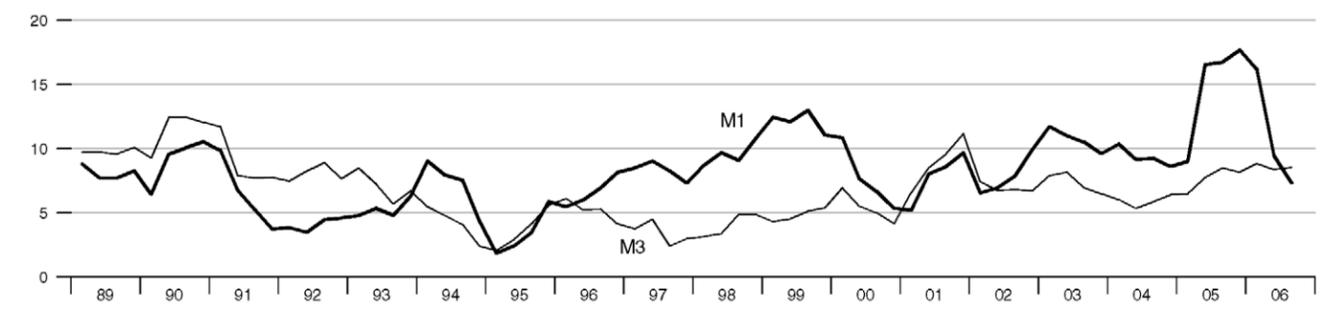
**Real Effective Exchange Rate**

Index 2000 = 100



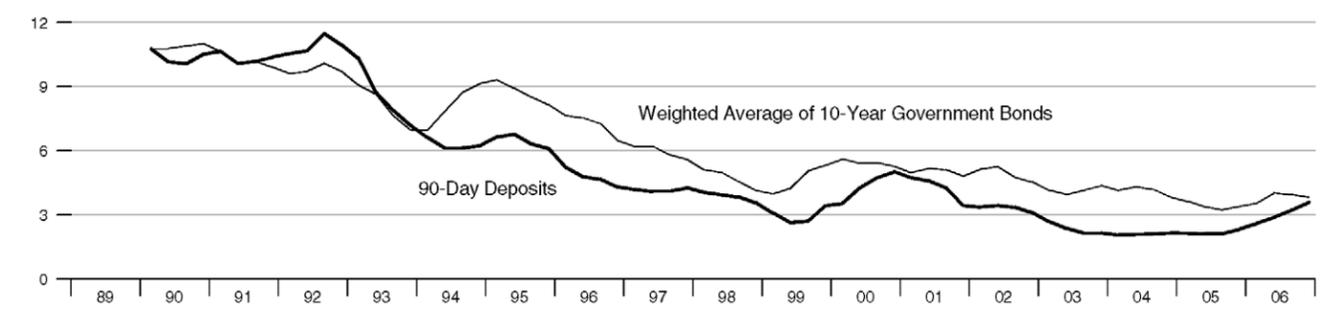
**Monetary Aggregates**

Percent change from year ago

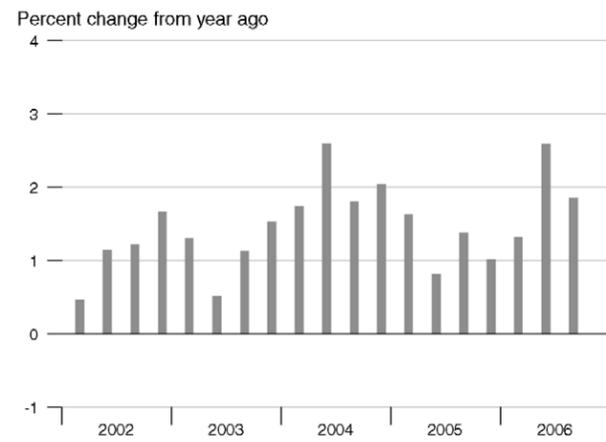


**Interest Rates**

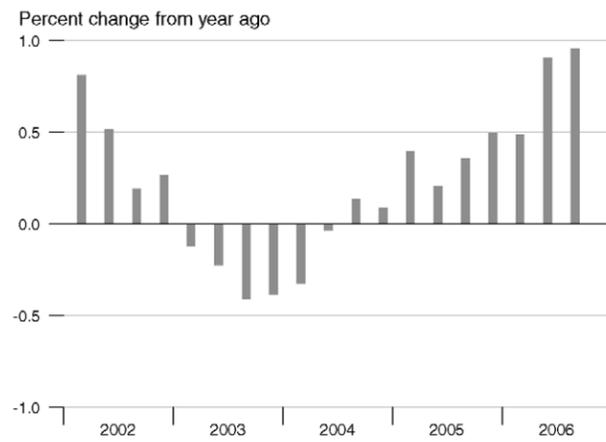
Percent



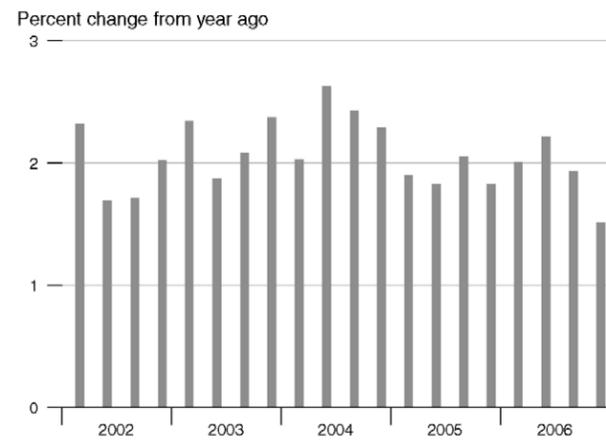
**Real GDP**



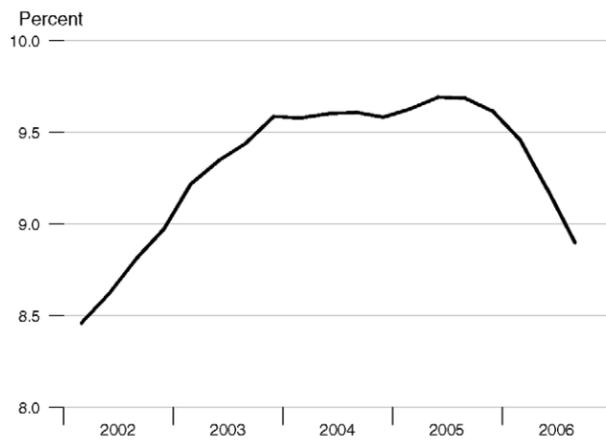
**Employment**



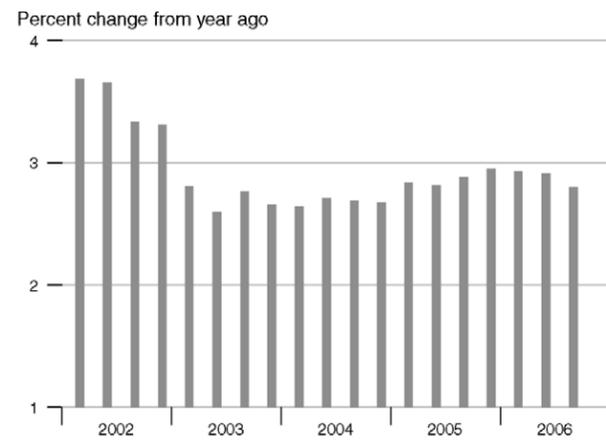
**Consumer Price Index**



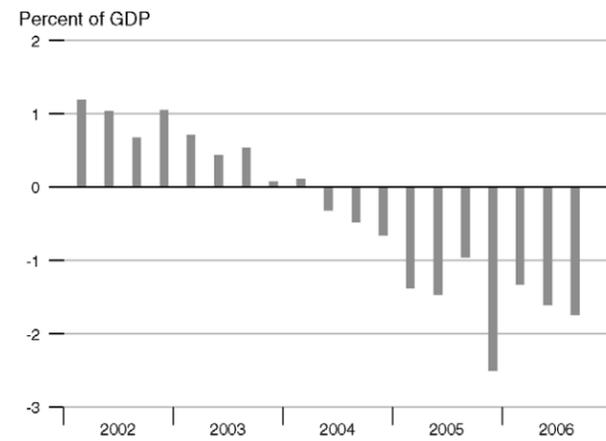
**Unemployment Rate**



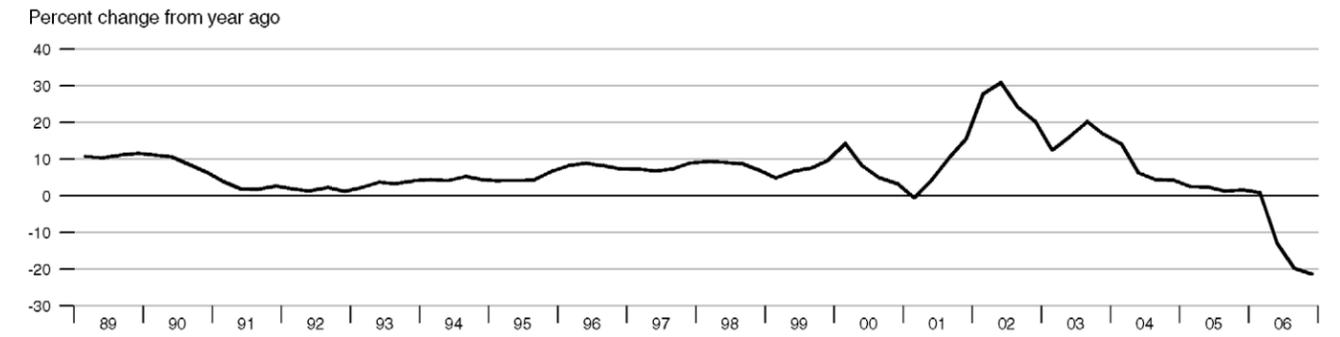
**Real Hourly Earnings**



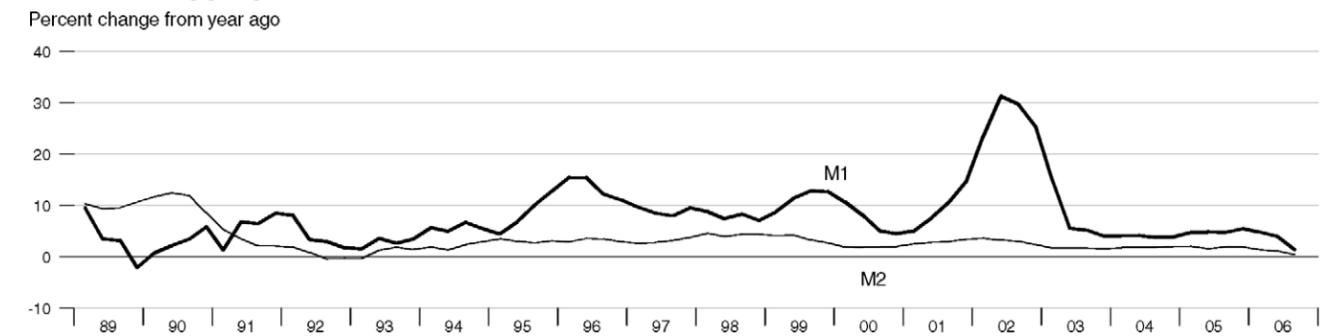
**Current Account Balance**



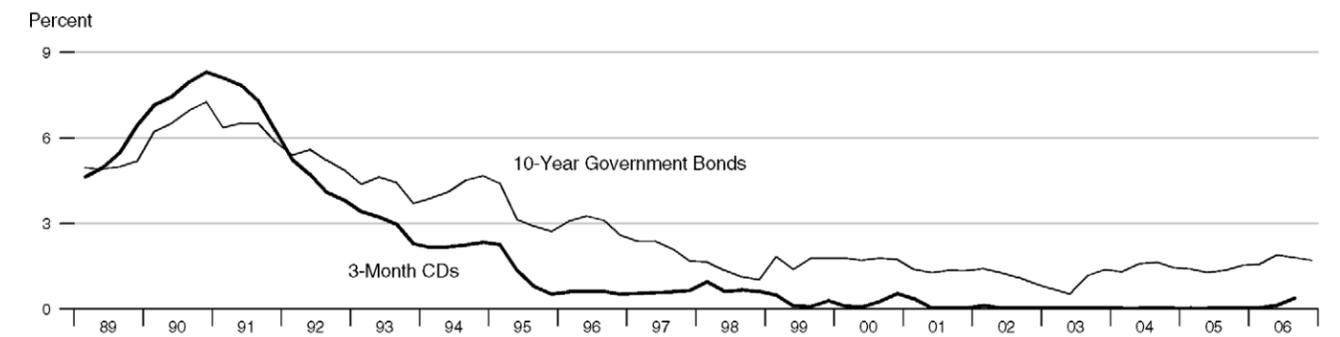
**Adjusted Monetary Base**



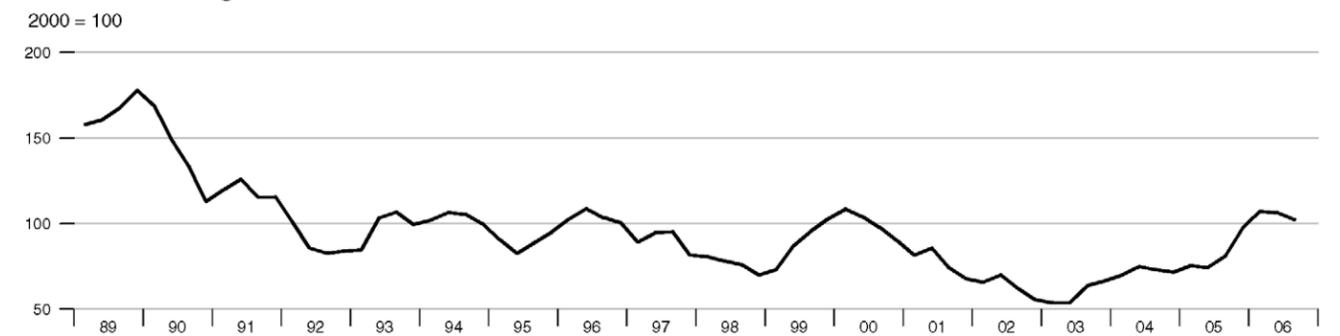
**Monetary Aggregates**



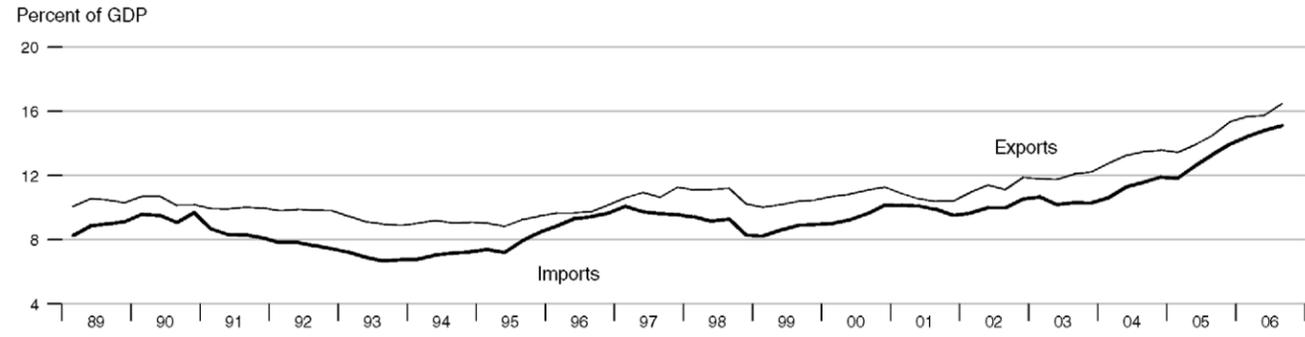
**Interest Rates**



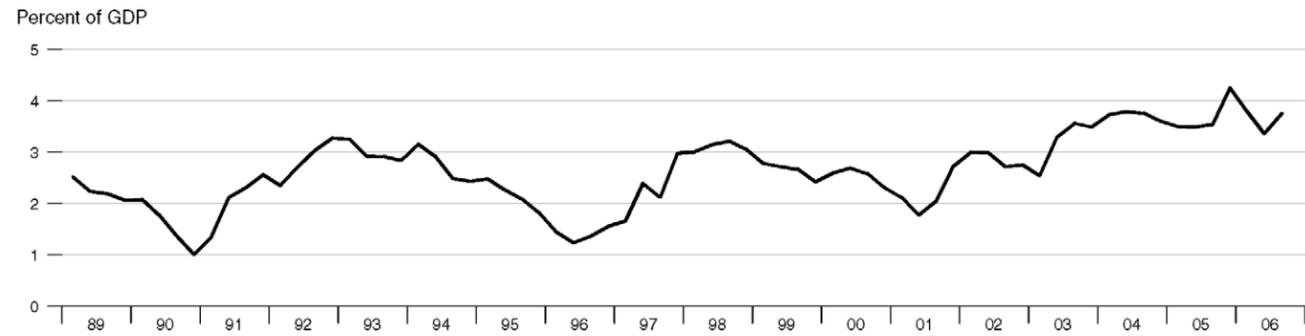
**Stock Exchange Index - Tokyo Stock Exchange**



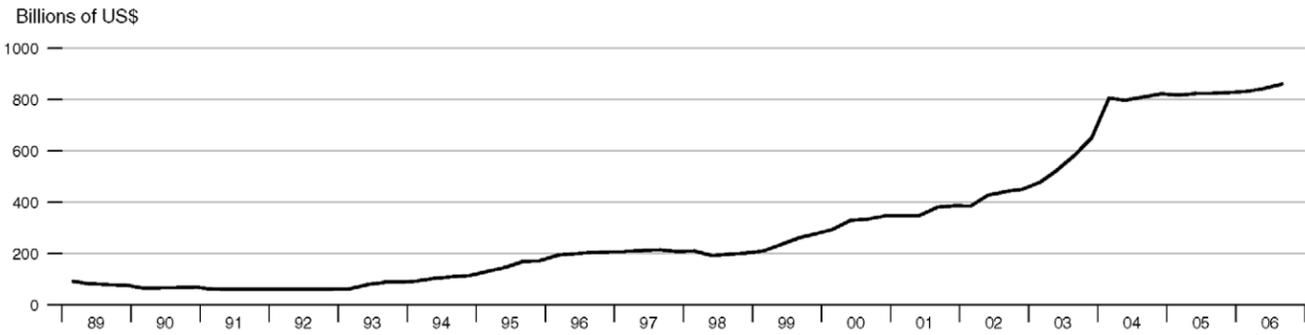
**International Trade - Goods and Services**



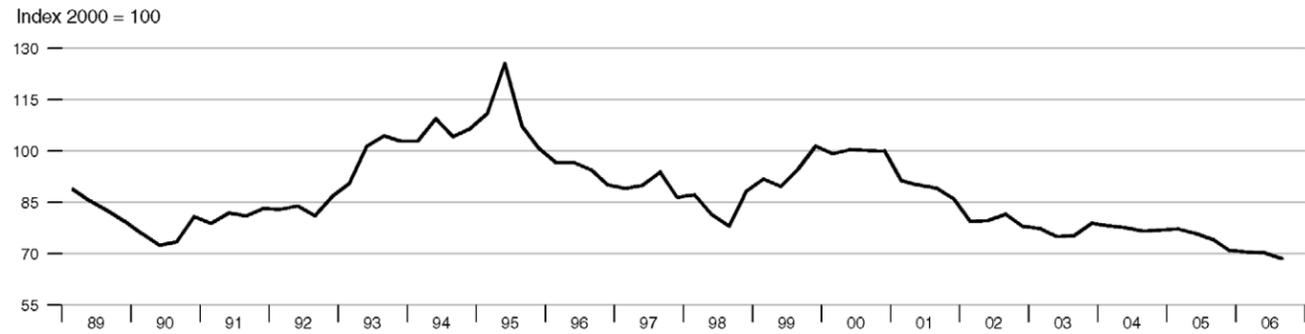
**Current Account Balance**



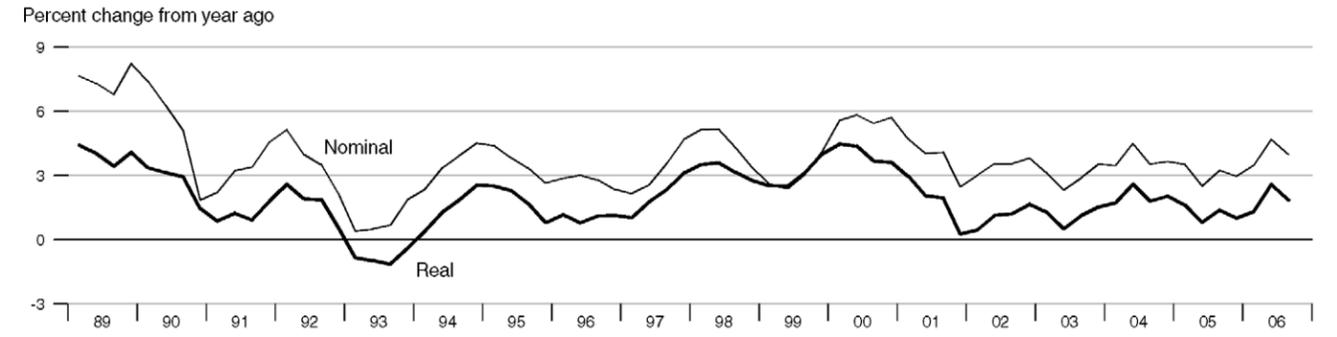
**Foreign Exchange Reserves**



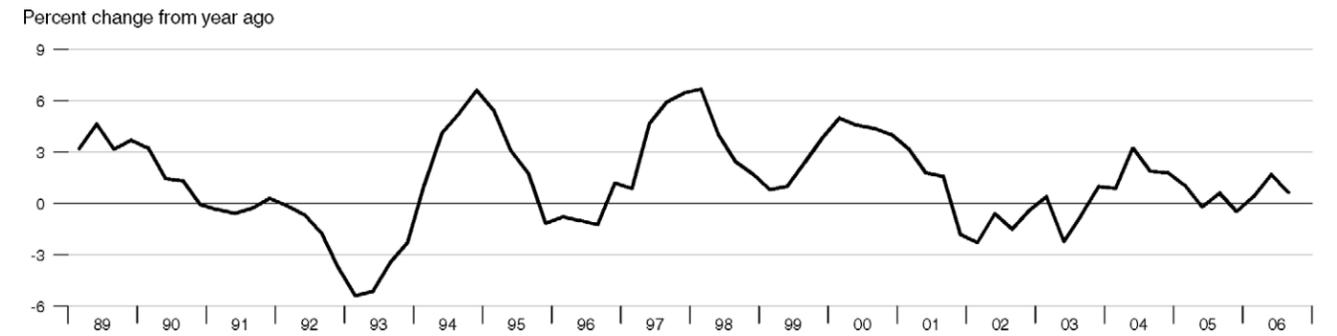
**Real Effective Exchange Rate**



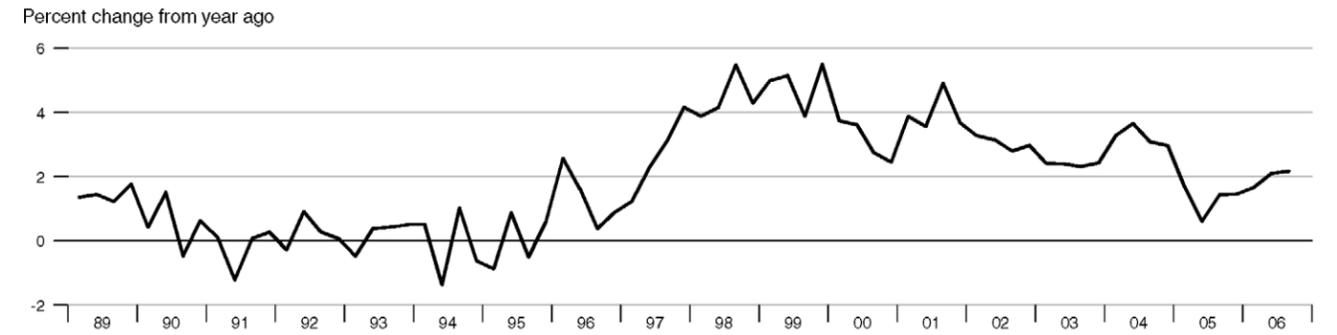
**GDP**



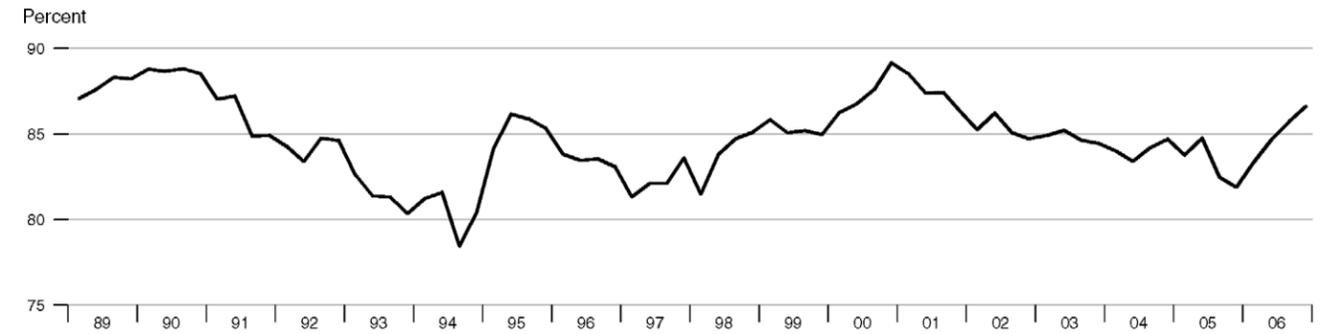
**Industrial Production**



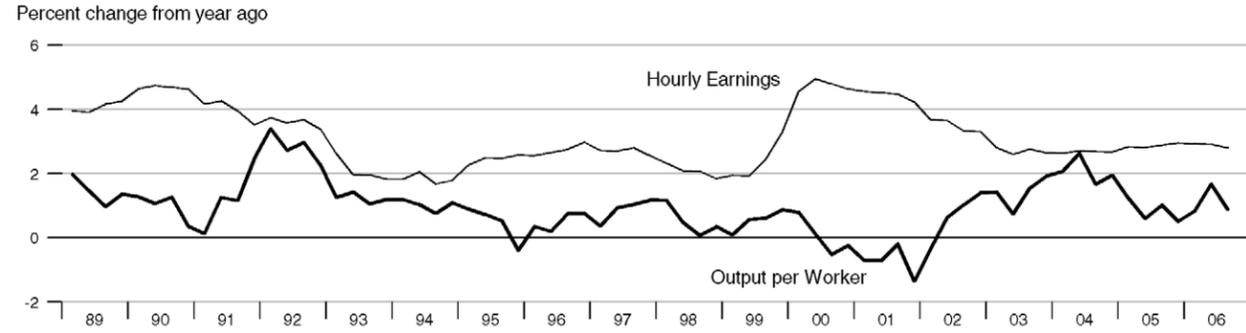
**Retail Sales**



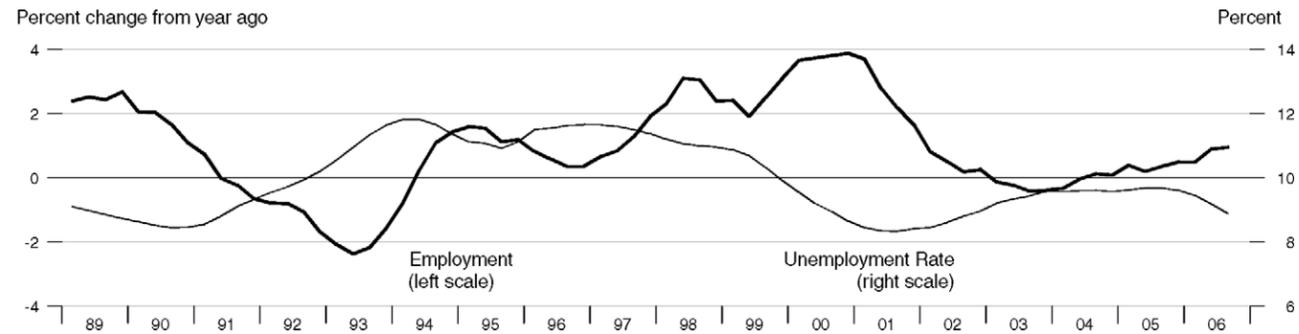
**Capacity Utilization**



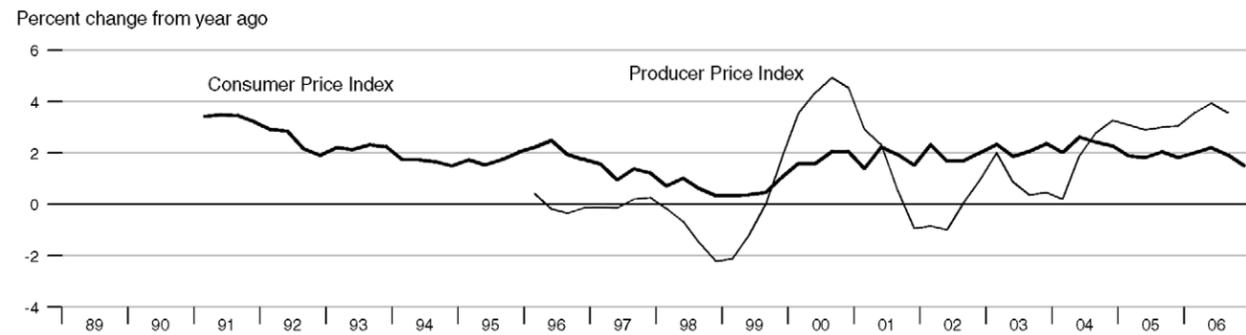
Real Hourly Earnings and Output per Worker



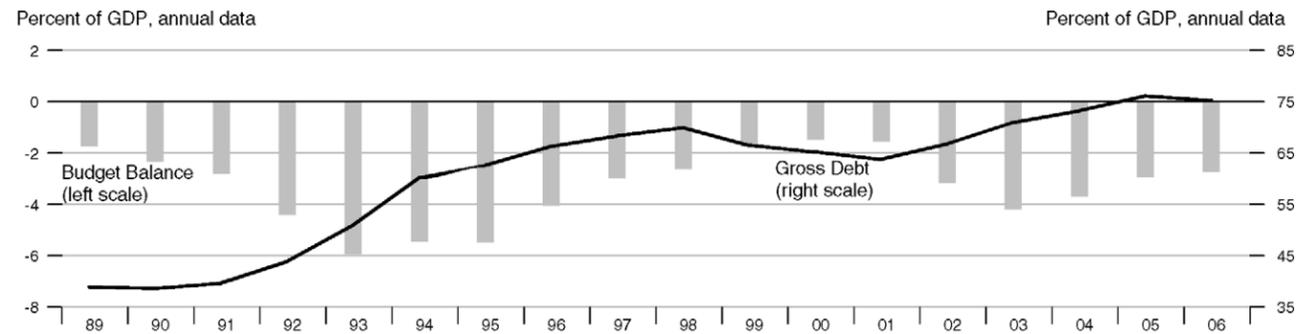
Labor Force Indicators



Inflation



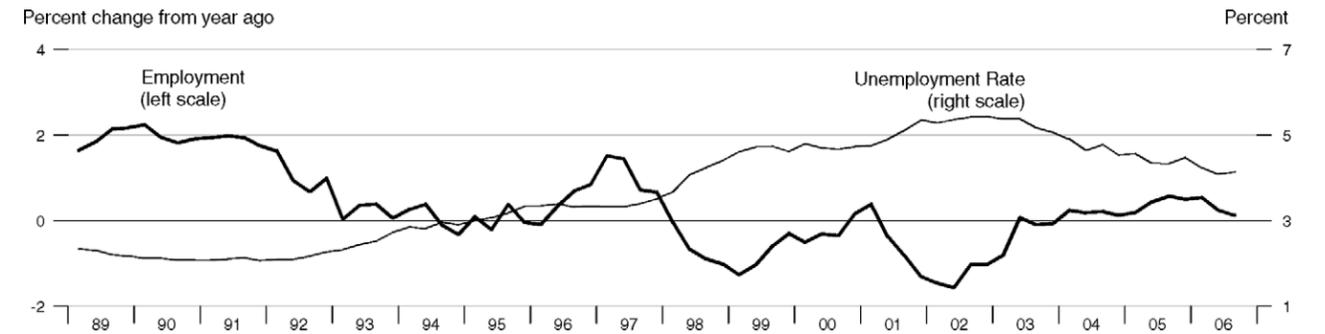
Gross Government Debt and Budget Balance



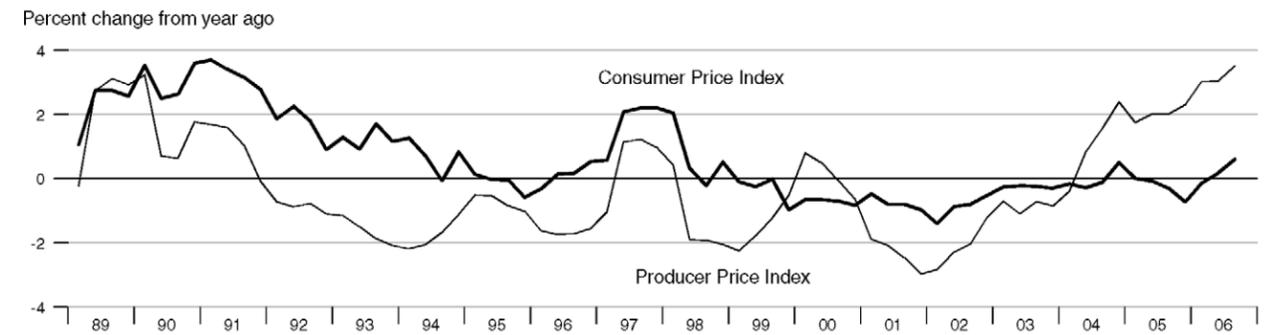
Real Monthly Earnings and Output per Worker



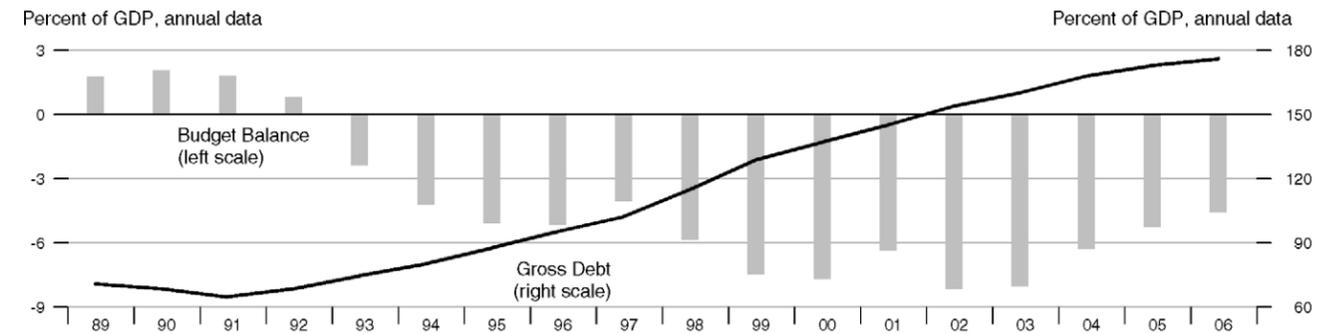
Labor Force Indicators



Inflation

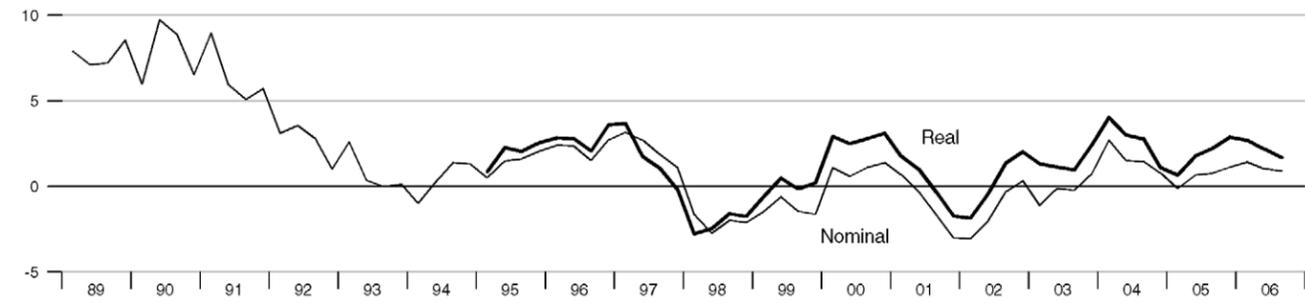


Gross Government Debt and Budget Balance



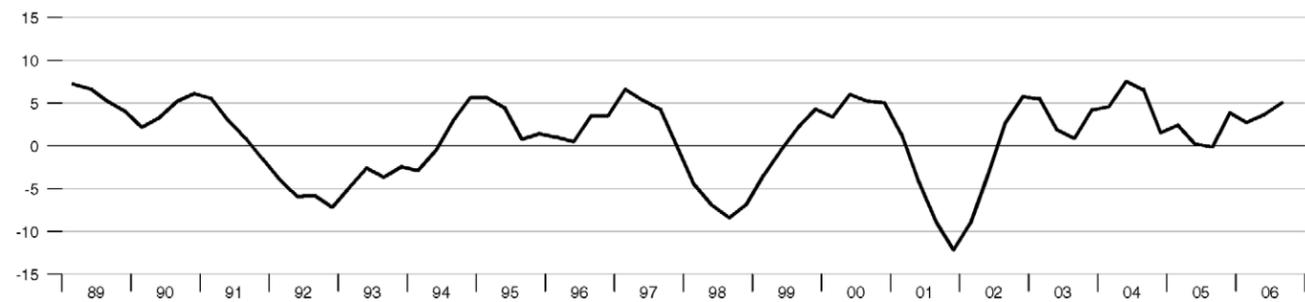
**GDP**

Percent change from year ago



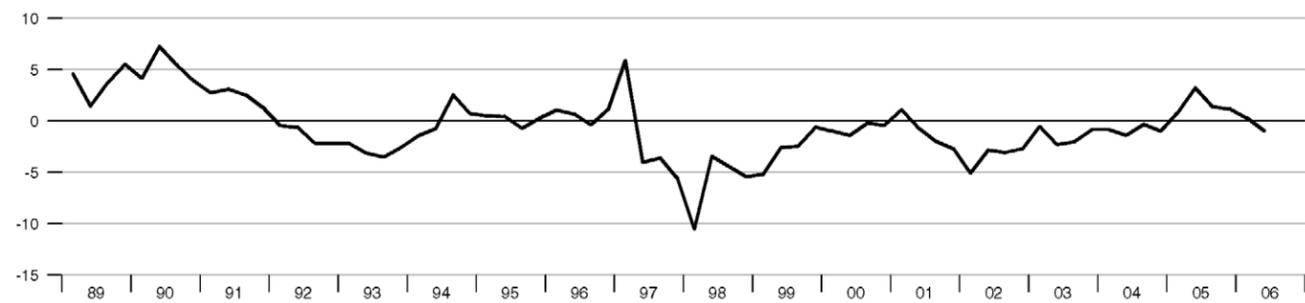
**Industrial Production**

Percent change from year ago



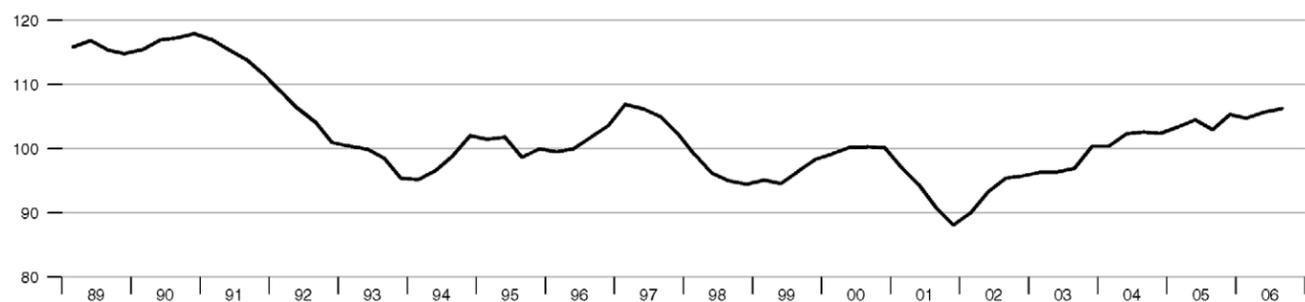
**Retail Sales**

Percent change from year ago



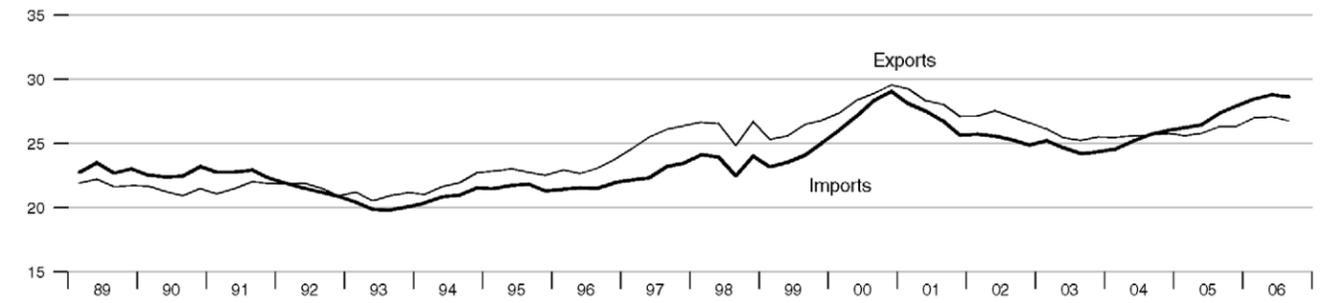
**Capacity Utilization**

2000 = 100



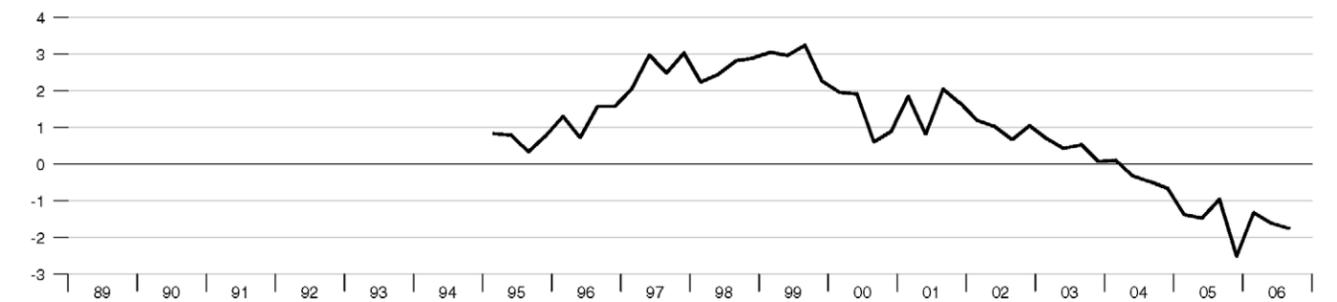
**International Trade - Goods and Services**

Percent of GDP



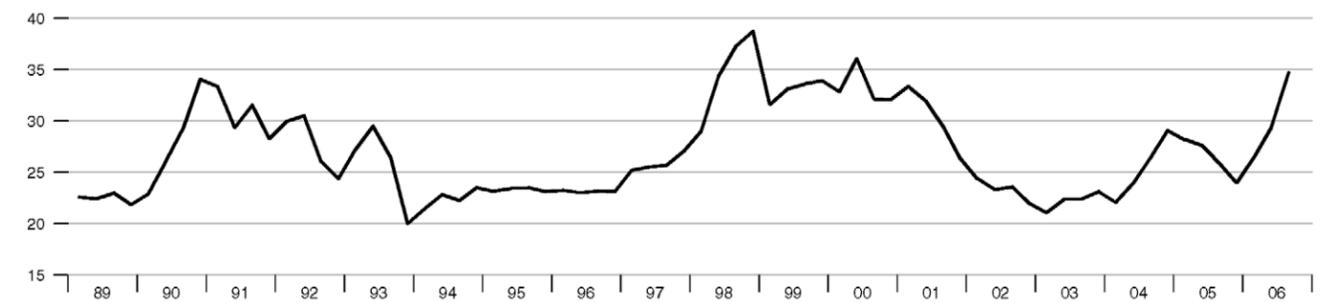
**Current Account Balance**

Percent of GDP



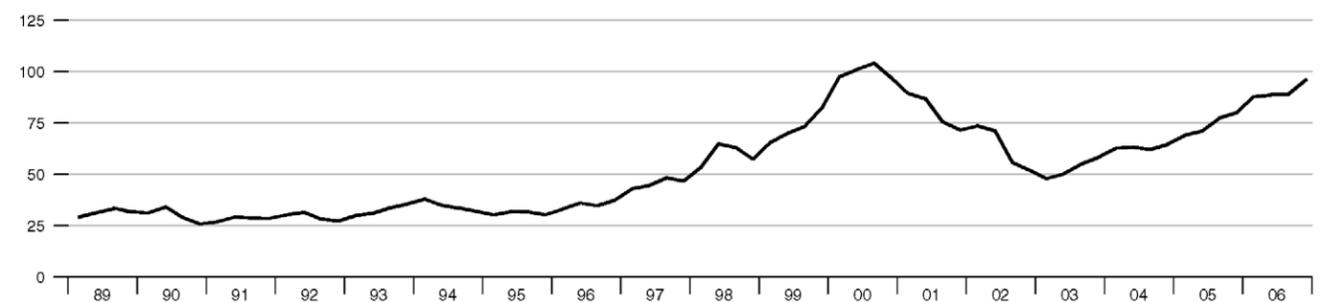
**Foreign Exchange Reserves**

Billions of US\$

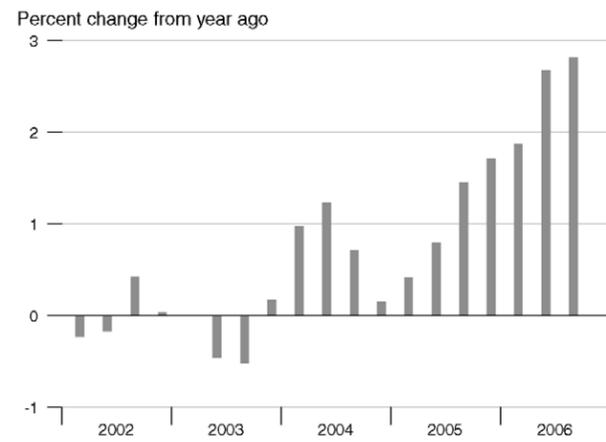


**Stock Exchange Index - SBF 250**

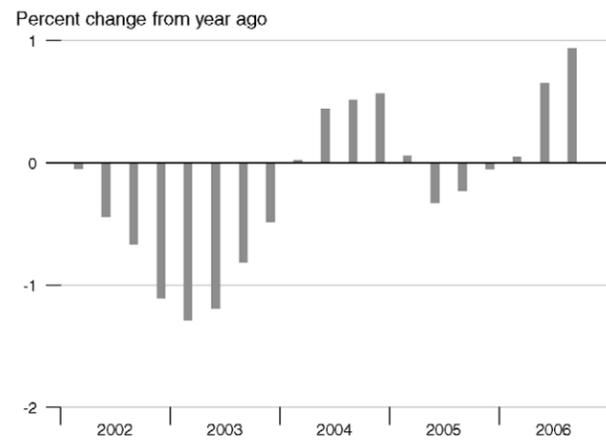
2000 = 100



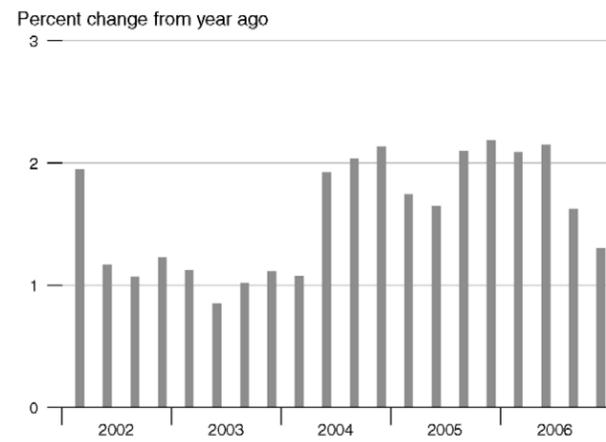
**Real GDP**



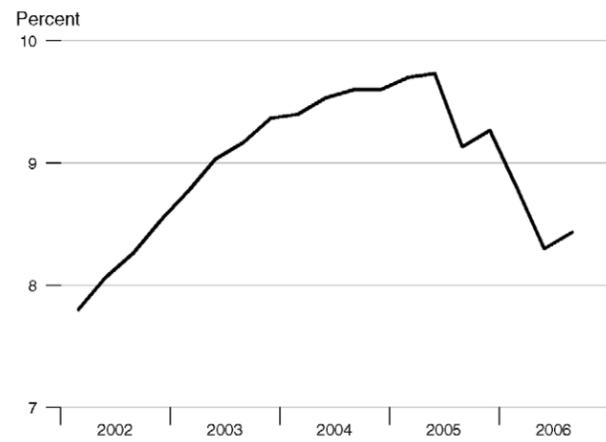
**Employment**



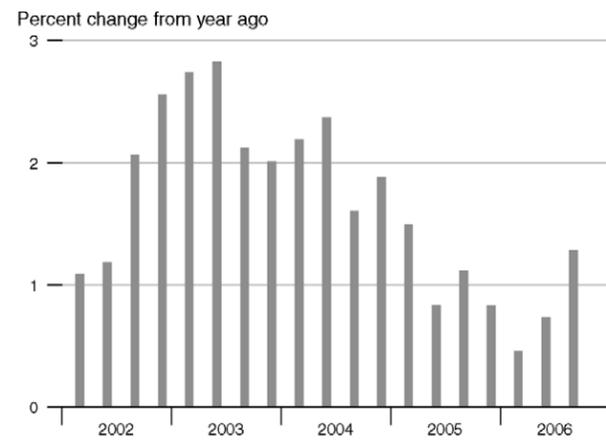
**Consumer Price Index**



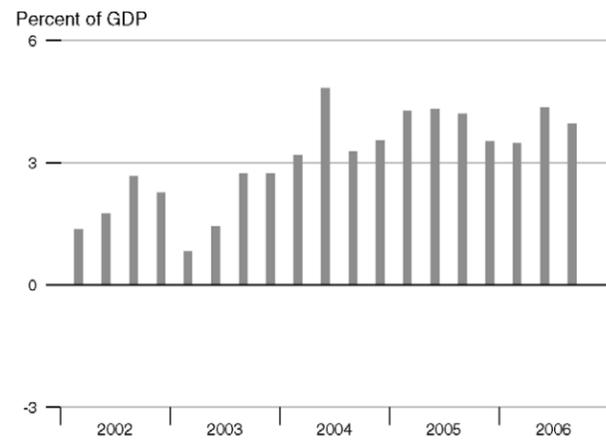
**Unemployment Rate**



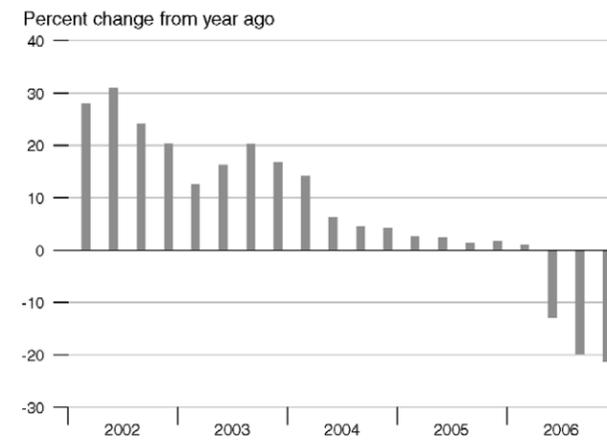
**Real Hourly Earnings**



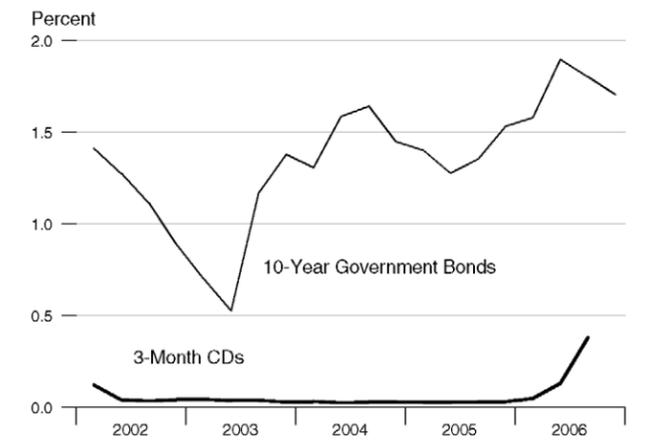
**Current Account Balance**



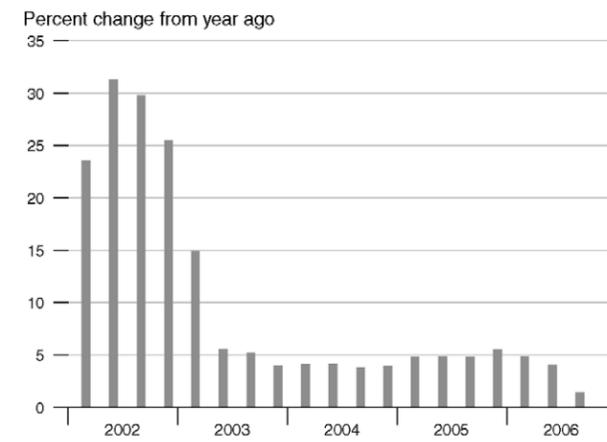
**Adjusted Monetary Base**



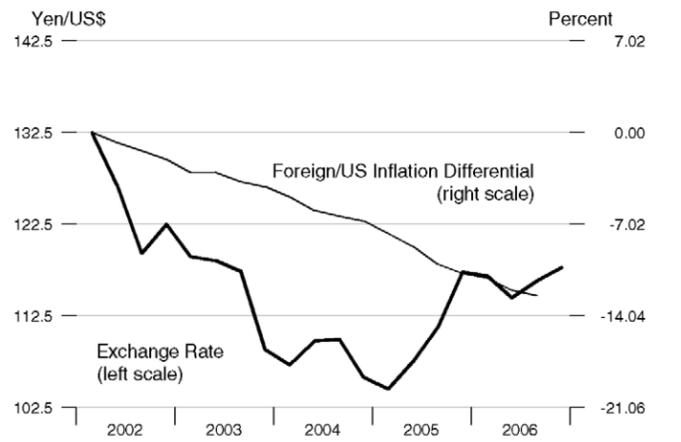
**Interest Rates**



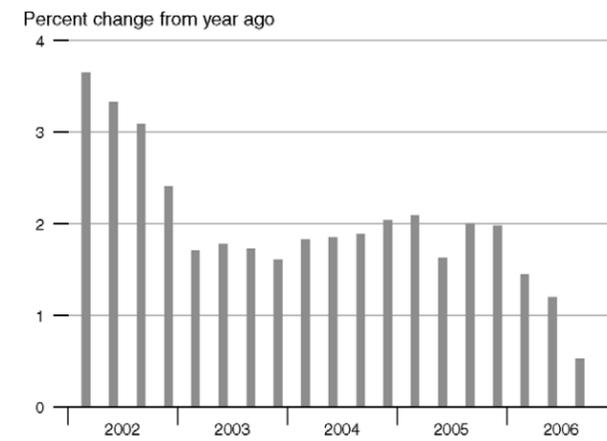
**M1**



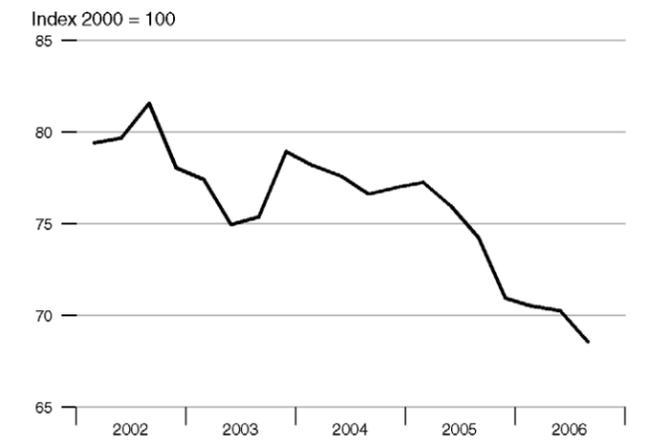
**Exchange Rate and Inflation Differential**



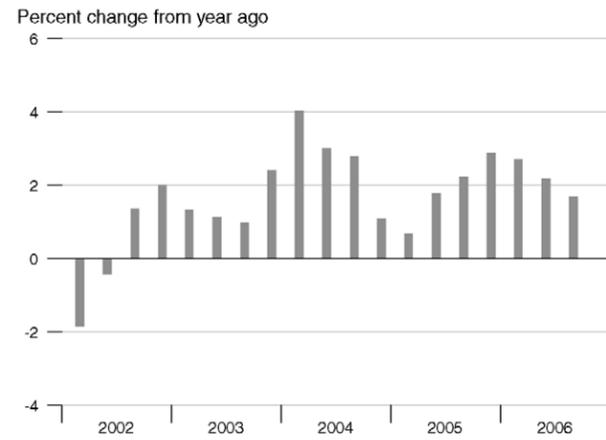
**M2**



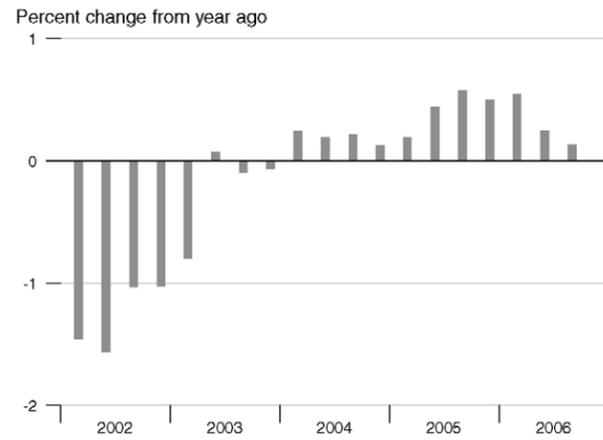
**Real Effective Exchange Rate**



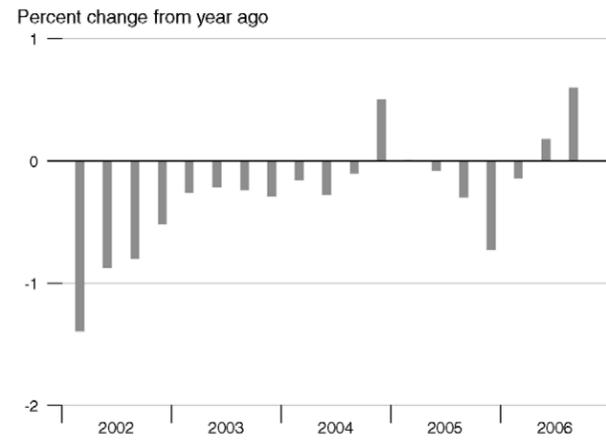
**Real GDP**



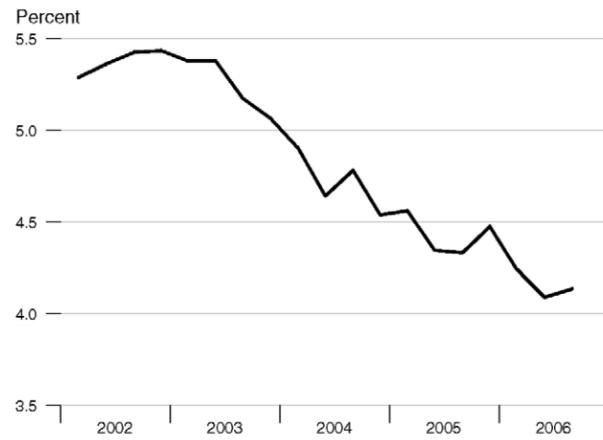
**Employment**



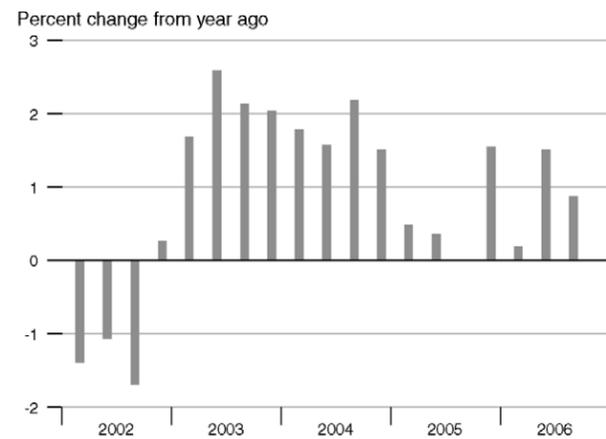
**Consumer Price Index**



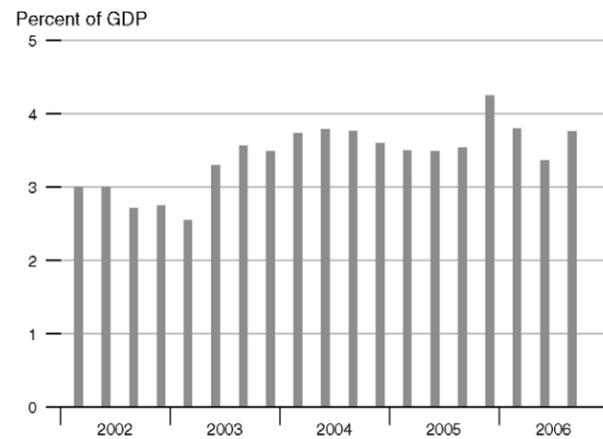
**Unemployment Rate**



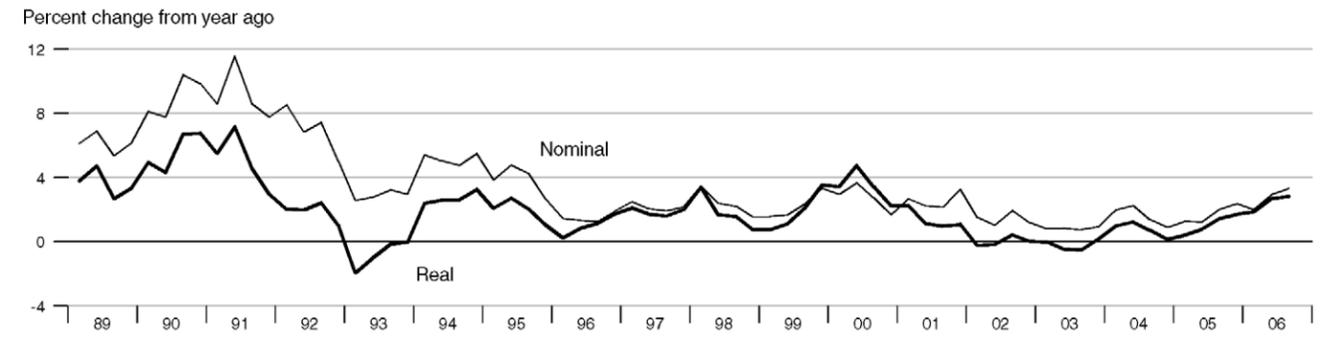
**Real Monthly Earnings**



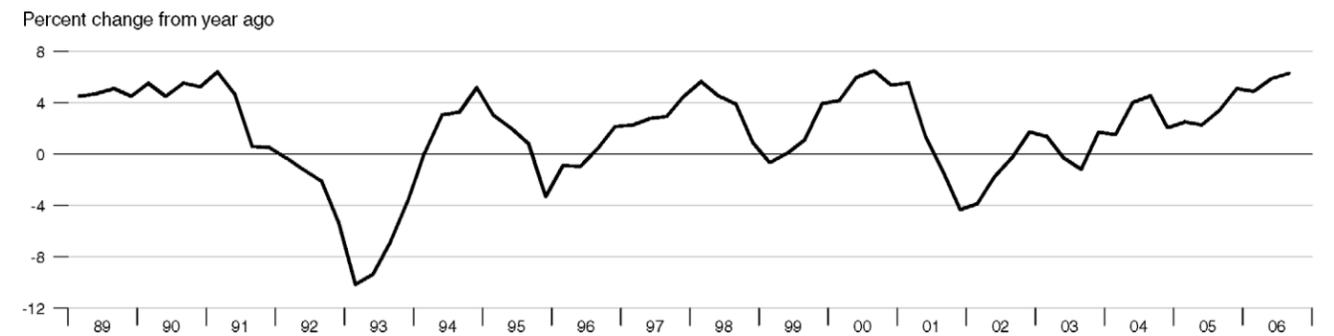
**Current Account Balance**



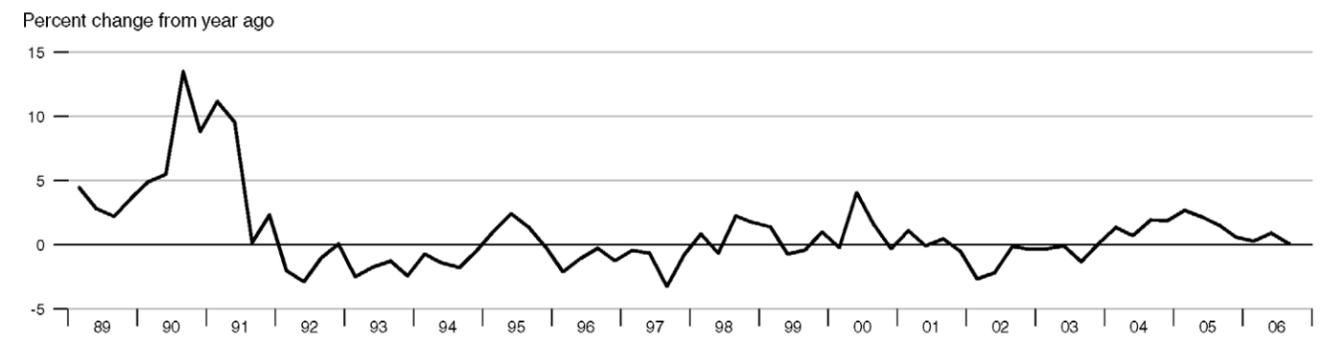
**GDP**



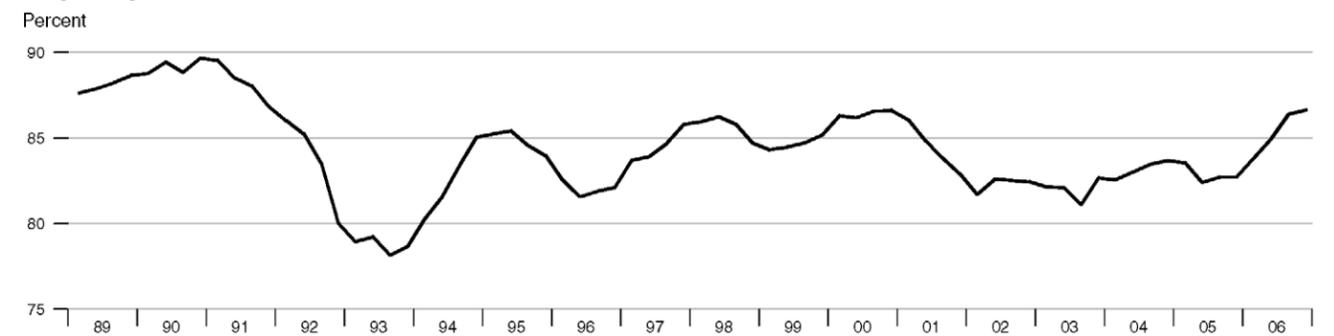
**Industrial Production**



**Retail Sales**



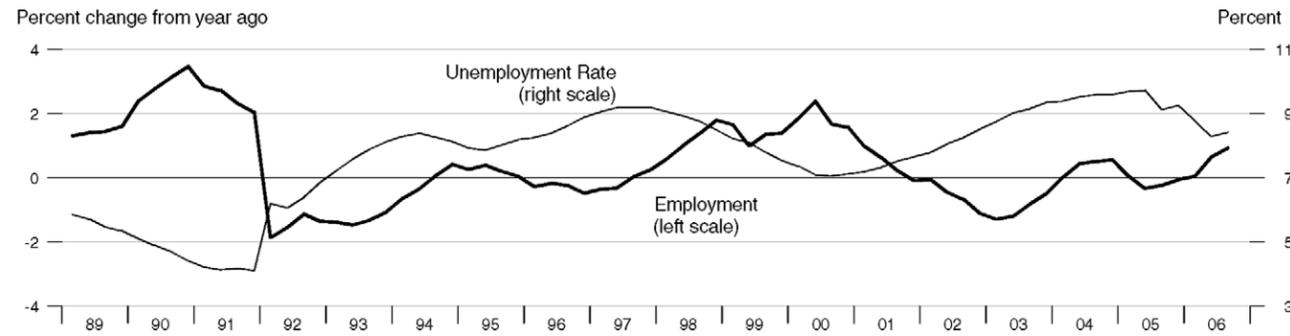
**Capacity Utilization**



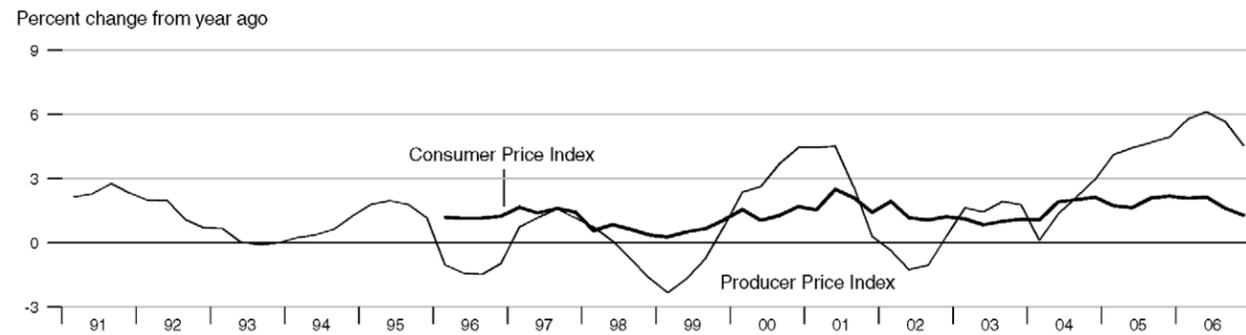
**Real Hourly Earnings and Output per Worker**



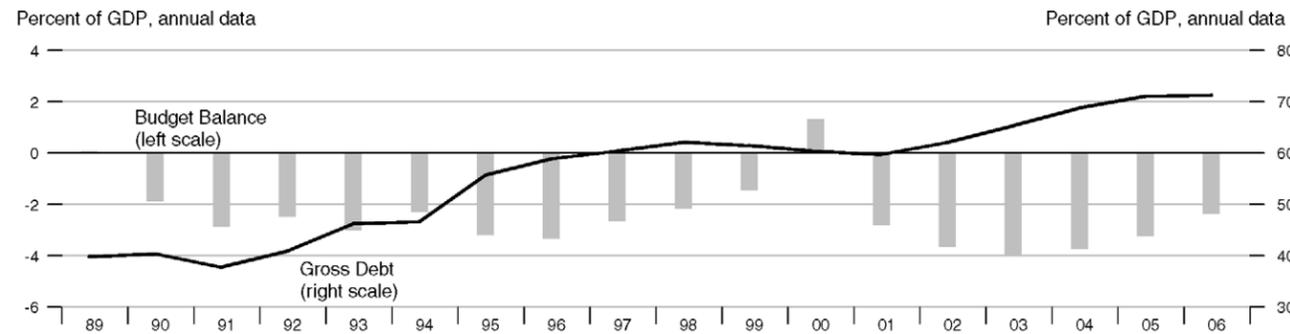
**Labor Force Indicators**



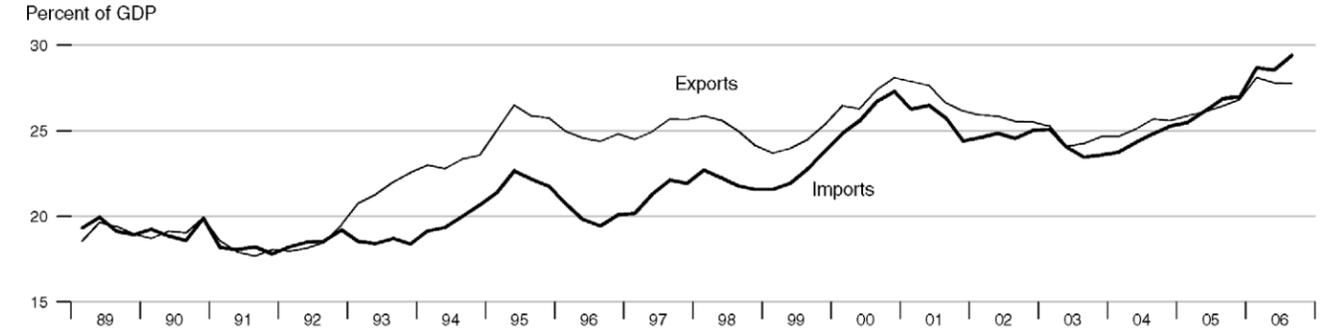
**Inflation**



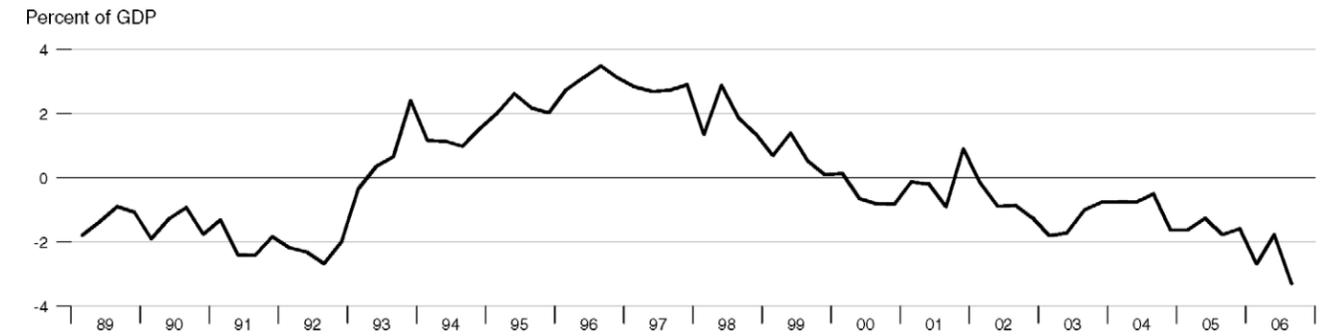
**Gross Government Debt and Budget Balance**



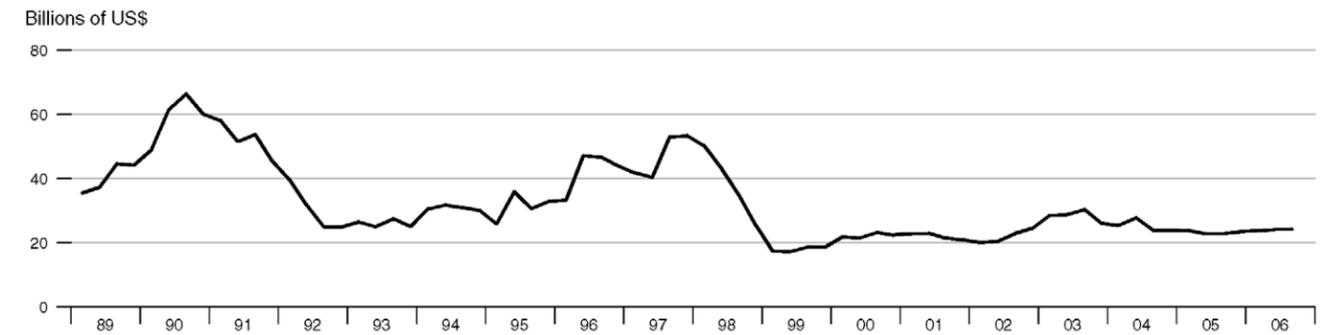
**International Trade - Goods and Services**



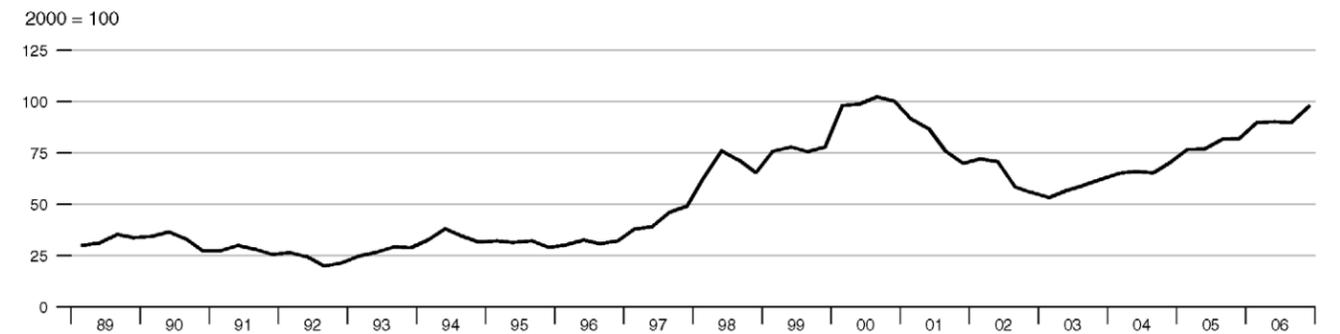
**Current Account Balance**



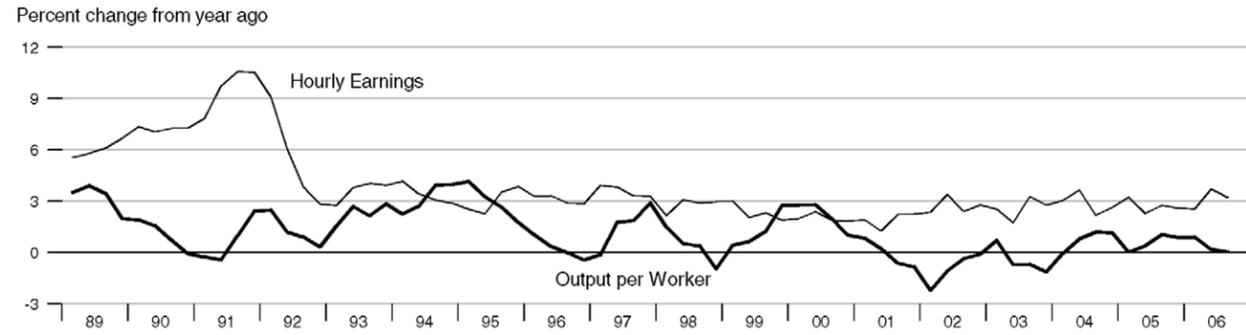
**Foreign Exchange Reserves**



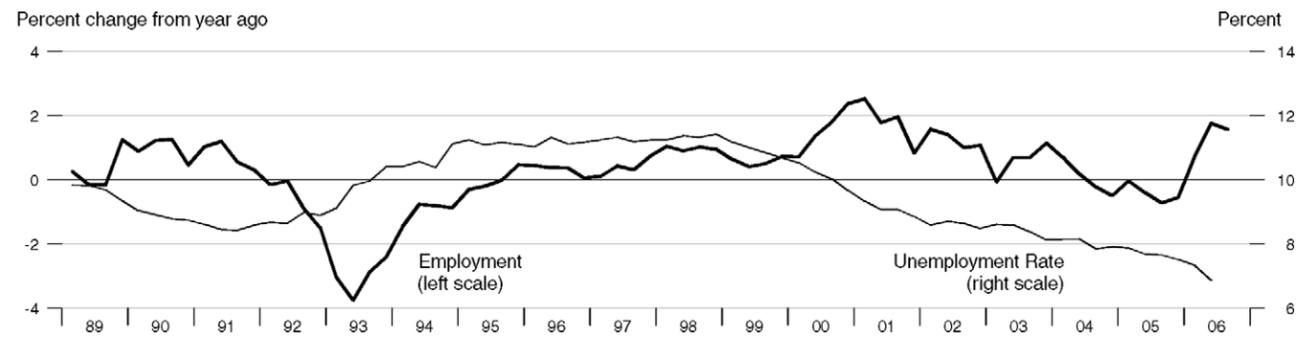
**Stock Exchange Index - Milan Stock Exchange**



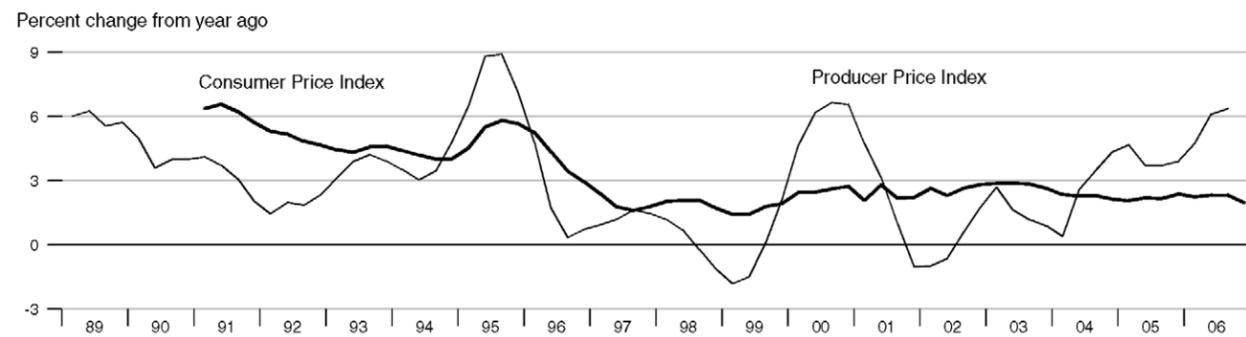
**Real Hourly Earnings and Output per Worker**



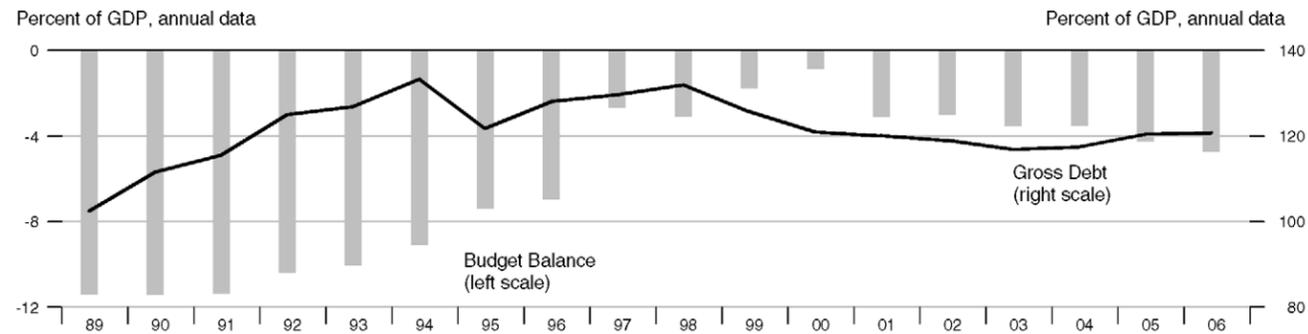
**Labor Force Indicators**



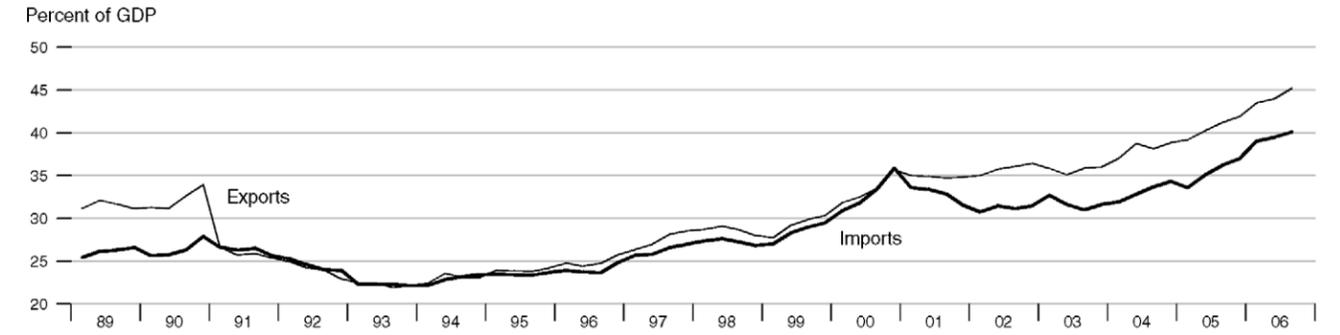
**Inflation**



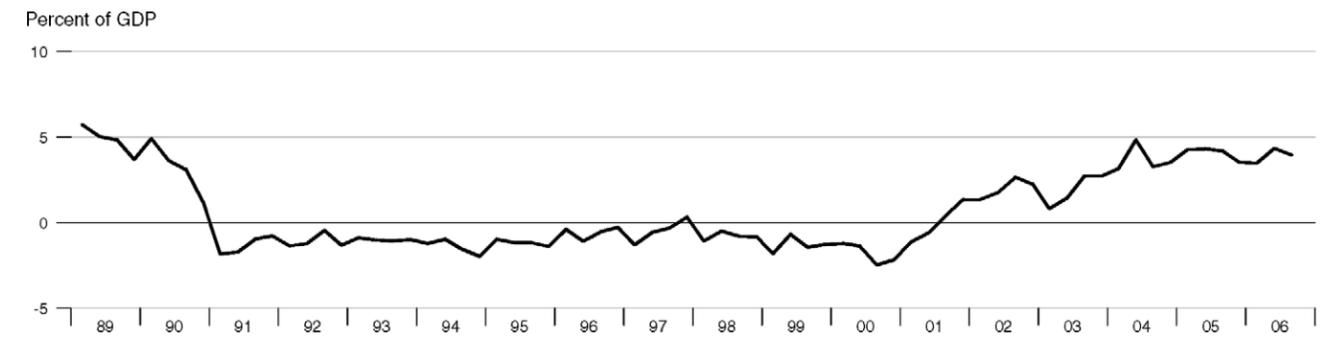
**Gross Government Debt and Budget Balance**



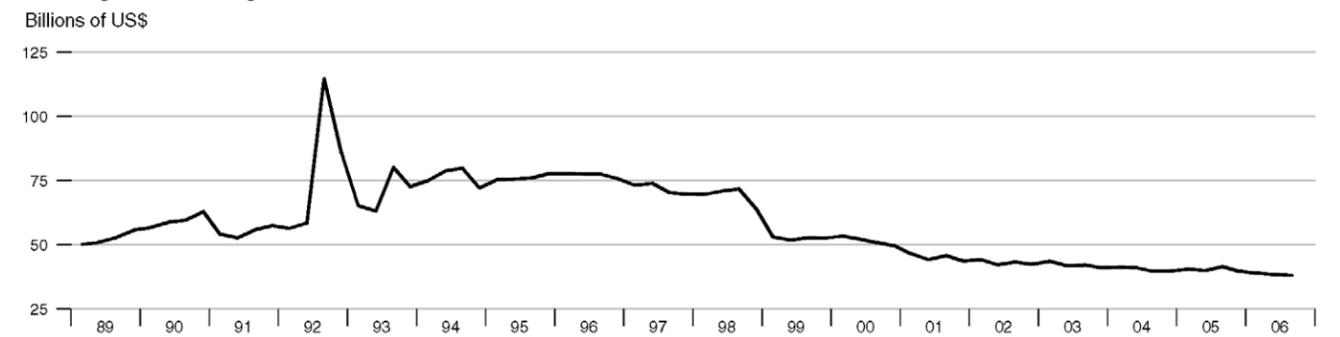
**International Trade - Goods and Services**



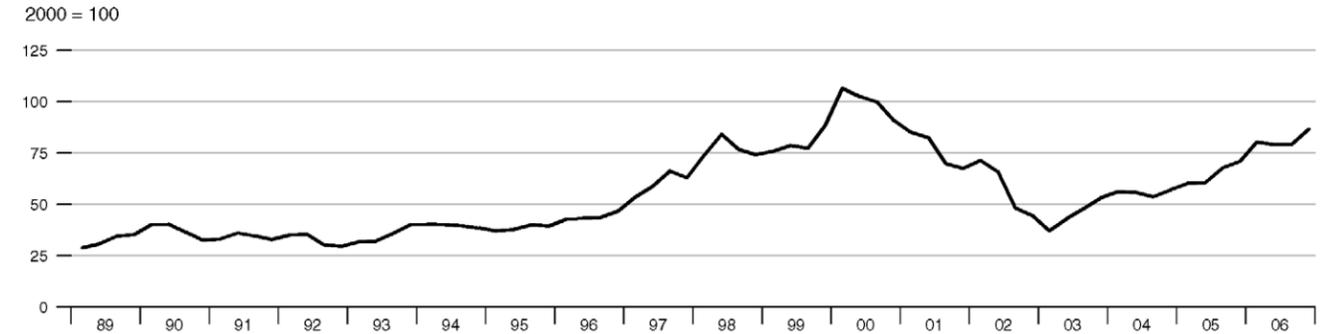
**Current Account Balance**



**Foreign Exchange Reserves**

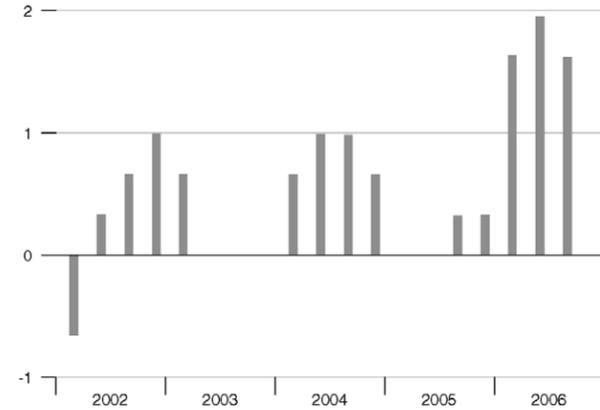


**Stock Exchange Index - CDAX**



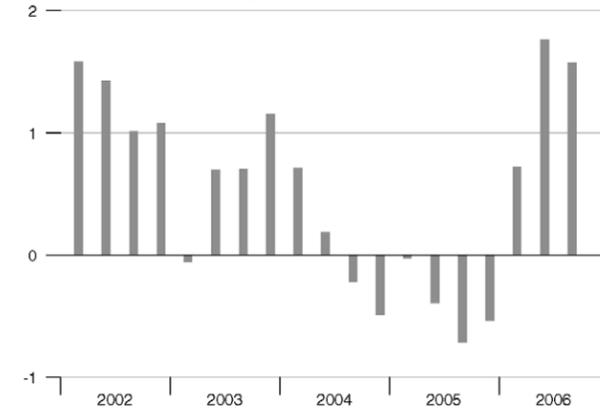
**Real GDP**

Percent change from year ago



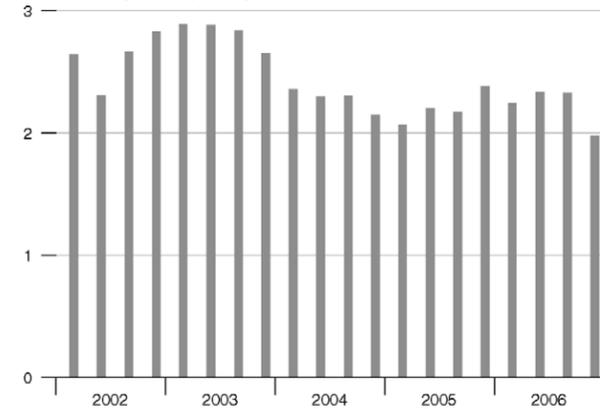
**Employment**

Percent change from year ago



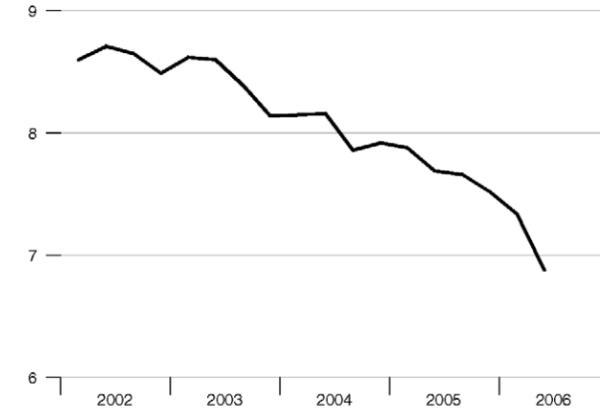
**Consumer Price Index**

Percent change from year ago



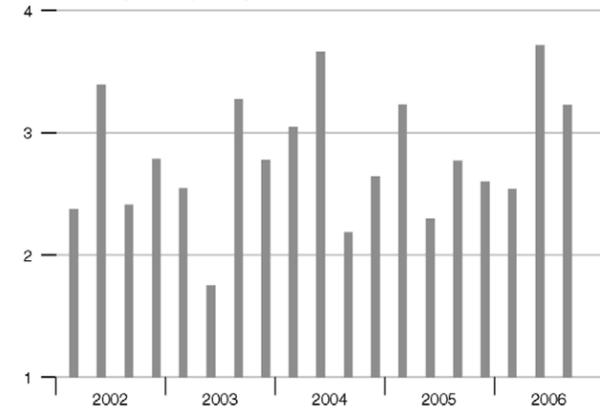
**Unemployment Rate**

Percent



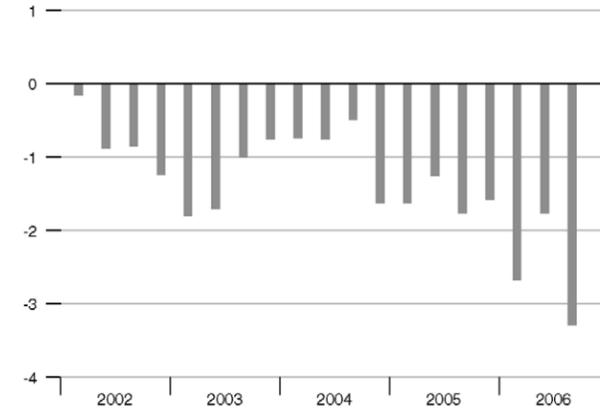
**Real Hourly Earnings**

Percent change from year ago



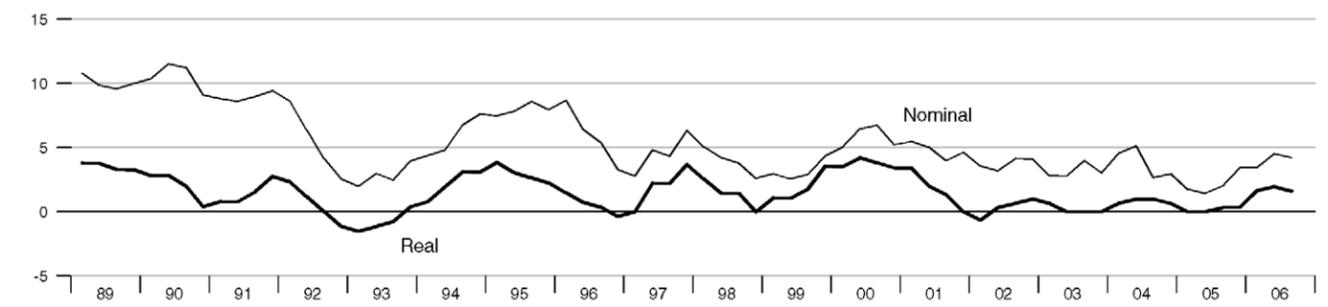
**Current Account Balance**

Percent of GDP



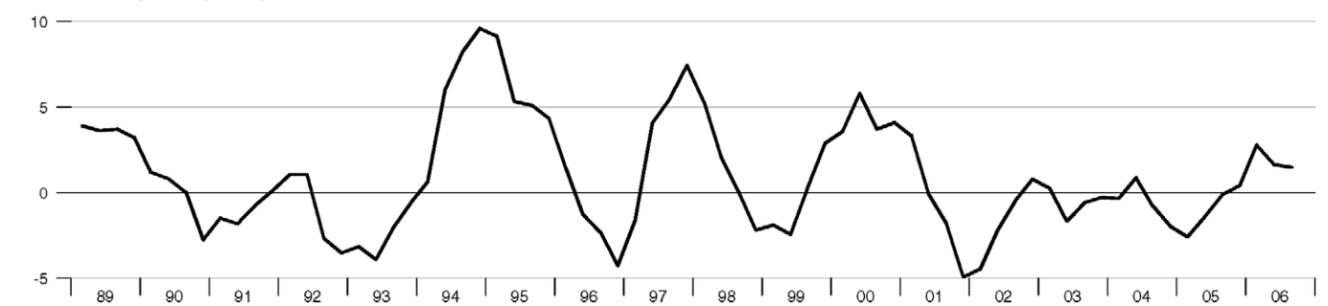
**GDP**

Percent change from year ago



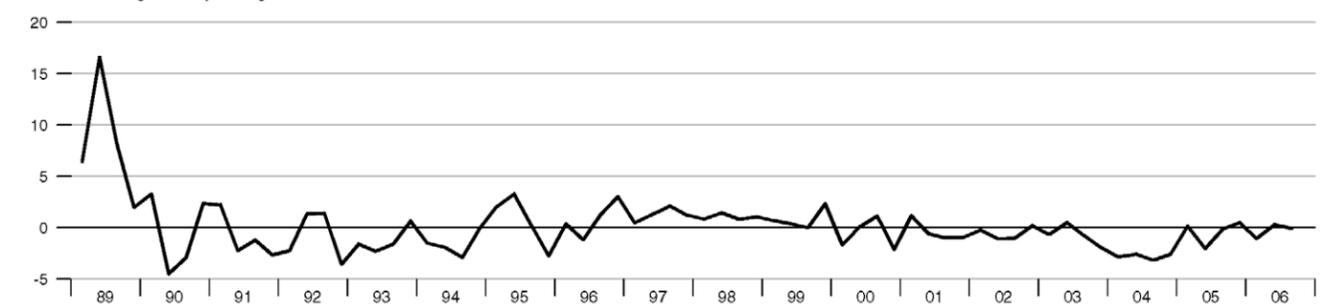
**Industrial Production**

Percent change from year ago



**Retail Sales**

Percent change from year ago



**Capacity Utilization**

Percent

