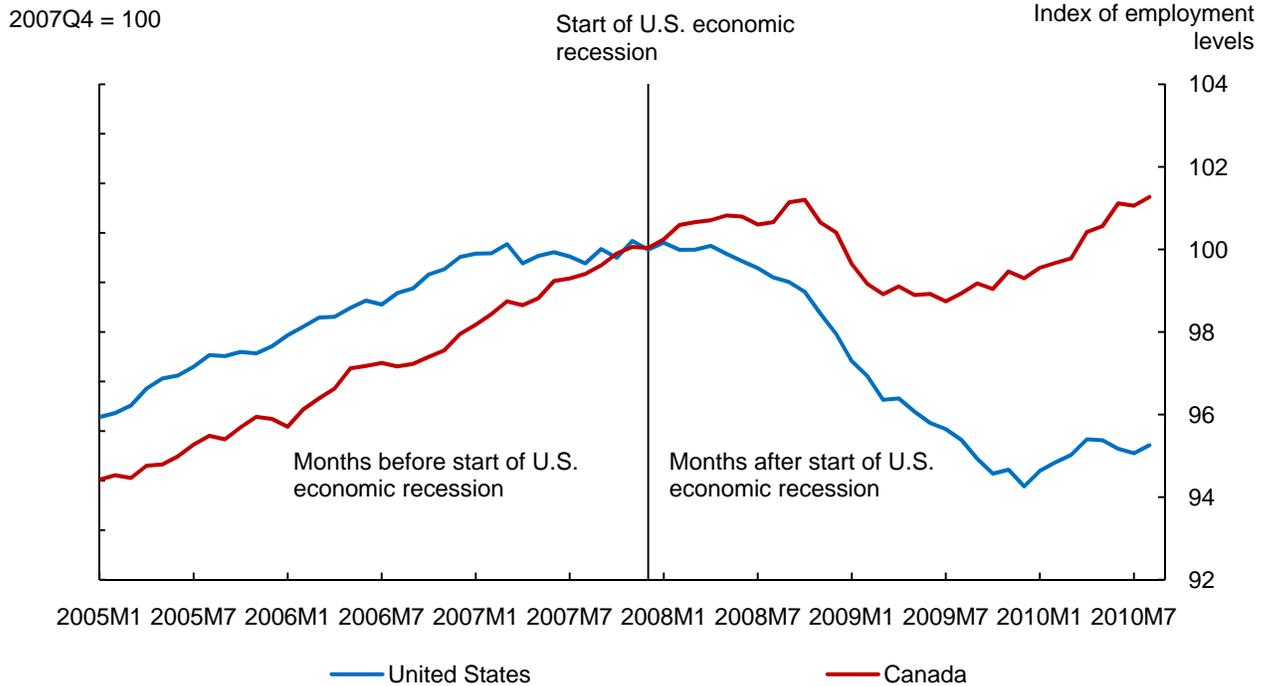


Chart 9: Canadian employment levels substantially stronger than U.S.



Sources: Statistics Canada, U.S. Bureau of Economic Analysis, NBER (dating of U.S. cycles), and Bank of Canada calculations

Last observation: 2010M8

Chart 10: Canadian household sector has become net borrower



Source: CANSIM

Last observation: 2010/Q2

* Household net borrowing/lending represents the difference between the household sector's current saving and its net investment in a given period (or equivalently, its net financial source/requirement). The household sector includes unincorporated businesses.