

**CALCUL DU TAUX DE RENDEMENT
SUR L'AVOIR DES ACTIONNAIRES ORDINAIRES
SELON LA FORMULE PROPOSÉE À LA RÉGIE DE L'ÉNERGIE
DANS LA CAUSE TARIFAIRE 2008⁽¹⁾**

Taux de rendement théorique avec moyenne historique des obligations Canada 30 ans **11,776%**

Ajustement pour l'année 2008

Prévision du taux obligataire 30 ans

Prévision du taux des obligations 10 ans en 2008 ⁽²⁾	4,850%
Écart entre les taux 30 ans et 10 ans	-0,070%
Prévision des obligations 30 ans en 2008	4,780%
Moyenne historique des obligations du Canada 30 ans	6,410%
Écart entre les années 2008 et moyenne historique	-1,630%
Facteur d'élasticité	75%
Ajustement du rendement pour l'année 2008	-1,223% -1,223%
Rendement établi pour l'année 2008	10,554%
"Arrondi à :	10,55%

(1) R-3630-2007, Gaz Métro-7, document 8

(2) Réf. : Consensus Forecast, août 2007

CANADA **AUGUST 2007**

	Average % Change on Previous Calendar Year														Annual Total			
	Gross Domestic Product		Personal Expenditure		Machinery & Equipment Investment		Pre - Tax Corporate Profits		Industrial Production		Consumer Prices		Industrial Product Prices		Average Hourly Earnings		Housing Starts (thousand units)	
	<i>Produit Intérieur Brut</i>		<i>Dépenses de Consommation des Ménages</i>		<i>Investissement Productif</i>		<i>Bénéfices des Sociétés avant Impôts</i>		<i>Production Industrielle</i>		<i>Prix à la Consommation</i>		<i>Prix des Produits Industriels</i>		<i>Rémunération Horaire Moyenne</i>		<i>Construction de Logements mises en chantier, milliers</i>	
Economic Forecasters	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
Informetrica	2.6	2.9	3.7	2.9	-0.5	6.3	6.2	5.5	0.1	1.8	2.3	2.0	3.2	1.9	3.8	3.1	225	190
Royal Bank of Canada	2.6	2.9	3.7	2.8	2.1	7.2	3.9	4.2	na	na	2.4	2.2	na	na	na	na	208	190
JP Morgan	2.6	2.7	4.2	2.7	1.8	5.8	5.6	3.0	1.0	2.6	2.4	2.4	3.3	2.6	3.9	4.5	215	200
Caisse de Depot	2.5	2.8	3.3	3.3	6.0	7.0	na	na	na	na	2.2	2.1	na	na	na	na	217	192
Conf Board of Canada	2.5	3.2	3.8	3.2	3.6	8.7	9.8	7.3	na	na	2.4	2.1	3.0	1.5	na	na	212	196
Desjardins	2.5	3.0	3.9	3.7	1.4	3.5	5.7	4.9	na	na	2.4	2.9	4.8	3.6	3.0	2.8	212	195
Global Insight	2.5	2.9	3.6	3.1	3.1	5.4	1.7	4.1	0.4	2.4	2.3	2.3	1.7	-1.9	3.1	2.8	219	212
Merrill Lynch Canada	2.5	2.0	4.1	3.4	na	na	na	na	na	na	2.3	1.9	na	na	na	na	223	212
Toronto Dominion Bank	2.5	2.5	3.7	2.9	2.1	7.2	6.2	3.5	na	na	2.6	2.2	na	na	na	na	214	193
BMO Capital Markets	2.4	2.8	3.7	3.0	1.6	6.2	6.0	4.0	0.0	1.5	2.5	2.6	3.5	3.0	3.9	4.2	215	190
CIBC World Markets	2.4	2.5	3.8	2.8	1.7	5.9	8.0	6.0	na	na	2.4	2.5	na	na	na	na	215	198
Economap	2.4	2.8	3.8	2.7	2.0	5.0	6.0	3.5	-0.2	1.7	2.5	2.4	3.0	2.5	3.2	2.8	210	185
Scotia Economics	2.4	2.5	3.7	2.7	1.5	5.5	5.0	3.5	0.0	2.0	2.4	2.4	na	na	na	na	213	195
EDC Economics	2.3	2.6	3.7	3.0	3.4	5.3	3.8	6.4	-0.2	2.0	2.5	2.2	na	na	3.6	2.4	217	199
University of Toronto	2.3	2.2	3.7	2.5	3.0	7.6	5.9	2.9	na	na	2.4	2.1	na	na	na	na	215	191
Consensus (Mean)	2.5	2.7	3.8	3.0	2.3	6.2	5.7	4.5	0.2	2.0	2.4	2.3	3.2	1.9	3.5	3.2	215	196
Last Month's Mean	2.5	2.8	3.6	3.0	2.9	6.2	5.5	3.9	0.0	2.1	2.4	2.2	3.4	1.9	3.2	3.1	210	194
3 Months Ago	2.4	2.8	3.3	2.9	5.0	6.0	3.3	3.7	0.2	2.1	2.1	2.1	2.2	2.1	2.6	2.9	206	193
High	2.6	3.2	4.2	3.7	6.0	8.7	9.8	7.3	1.0	2.6	2.6	2.9	4.8	3.6	3.9	4.5	225	212
Low	2.3	2.0	3.3	2.5	-0.5	3.5	1.7	2.9	-0.2	1.5	2.2	1.9	1.7	-1.9	3.0	2.4	208	185
Standard Deviation	0.1	0.3	0.2	0.3	1.5	1.3	2.0	1.4	0.4	0.4	0.1	0.3	0.9	1.8	0.4	0.8	4	8
Comparison Forecasts																		
IMF (Apr. '07)	2.4	2.9	3.3	2.8							1.7	2.0						
OECD (May '07)	2.5	3.0	3.0	2.7							2.0	2.1						

Government and Background Data
Prime Minister - Mr. Stephen Harper (Conservative). Government - The Conservatives lead a minority government, with 124 out of 308 seats in parliament (155 seats are needed for a clear majority). Next Election - By 2011 (general election). Nominal GDP - C\$1,371bn (2005). Population - 32.3mn (mid-year, 2005). C\$/US\$ Exchange Rate - 1.212 (average, 2005).

Historical Data

* % change on previous year	2003	2004	2005	2006
Gross Domestic Product*	1.9	3.1	3.1	2.8
Personal Expenditure*	3.0	3.4	3.8	4.2
Machinery & Eqpt Investment*	7.7	9.3	10.8	7.4
Pre - Tax Corporate Profits*	6.9	17.1	11.9	5.0
Industrial Production*	0.2	1.8	1.0	-0.5
Consumer Prices*	2.8	1.8	2.2	2.0
Industrial Product Prices*	-1.4	3.2	1.5	2.3
Average Hourly Earnings*	1.9	2.7	3.2	2.7
Housing Starts, '000 units	218	233	225	227
Unemployment Rate, %	7.6	7.2	6.8	6.3
Current Account, C\$ bn	14.7	29.1	27.9	23.6
Federal Govt Budget Balance, fiscal years, C\$ bn	9.1	1.5	13.2	7.6 e
3 mth Trsy Bill, % (end yr)	2.6	2.5	3.4	4.2
10 Yr Govt Bond, % (end yr)	4.8	4.3	4.0	4.1

e = consensus estimate based on latest survey

Quarterly Consensus Forecasts
Historical Data and Forecasts (bold italics) From Survey of June 11, 2007

	2006		2007				2008			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Gross Domestic Product	2.4	1.9	2.0	2.4	2.8	3.0	2.8	2.8	2.7	2.8
Personal Expenditure	4.5	4.5	4.1	3.7	3.3	3.2	3.0	2.9	2.9	2.9
Consumer Prices	1.6	1.3	1.9	2.1	2.4	2.9	2.5	2.2	2.2	2.2

Percentage Change (year-on-year).

AUGUST 2007

CANADA

Year Average	Annual Total		Fiscal Years (Apr-Mar)		Rates on Survey Date						
					4.5%		4.5%				
Unemployment Rate (%)	Current Account (C\$ bn)	Federal Govt Budget Balance (C\$ bn)	3 month Treasury Bill Rate (%)	10 Year Government Bond Yield (%)							
Taux de Chômage (%)	Balance Courante (C\$ md)	Balance Budgétaire (C\$ md)	Rendement sur les Bons du Trésor de 3 mois %	Rendement des Obligations d'État de 10 ans %							
2007 2008	2007 2008	FY 07-08 FY 08-09	End Nov'07	End Aug'08	End Nov'07	End Aug'08					
6.0	6.0	23.0	24.0	5.0	6.0	4.8	5.0	4.8	5.1		
6.2	6.3	19.4	16.8	na	na	5.1	5.3	5.1	5.5		
6.0	5.8	36.3	45.3	3.0	3.0	4.8	5.6	4.6	5.4		
6.1	6.3	20.0	20.0	5.0	3.0	4.6	4.3	4.7	4.8		
6.1	6.0	35.9	38.5	14.9	13.1	4.4	4.3	4.6	4.9		
6.1	5.8	29.9	24.6	5.0	6.0	4.8	4.9	4.9	5.2		
6.2	6.3	28.3	30.8	na	na	4.6	4.7	4.6	4.9		
6.1	6.2	28.4	11.1	na	na	4.5	4.3	4.4	4.5		
6.2	6.3	28.2	22.3	na	na	4.8	4.8	5.0	5.1		
6.1	6.2	30.0	22.0	5.0	5.0	4.8	4.8	4.6	5.0		
6.1	6.2	30.0	30.0	3.0	3.0	4.7	4.7	4.8	4.6		
6.2	6.3	28.0	21.0	6.0	5.0	4.7	4.8	4.8	5.2		
6.1	6.2	25.0	14.0	4.5	4.5	4.3	4.3	4.3	4.5		
6.1	6.0	30.3	43.6	na	na	4.8	4.8	4.9	5.2		
6.1	6.3	26.2	16.8	na	na	4.7	4.7	4.7	4.9		
6.1	6.1	27.9	25.4	5.7	5.4	4.7	4.7	4.7	5.0		
6.2	6.2	26.2	24.2	5.2	4.9						
6.2	6.3	20.1	19.2	4.2	3.9						
6.2	6.3	36.3	45.3	14.9	13.1	5.1	5.6	5.1	5.5		
6.0	5.8	19.4	11.1	3.0	3.0	4.3	4.3	4.3	4.5		
0.1	0.2	4.8	10.4	3.6	3.1	0.2	0.4	0.2	0.3		
6.2	6.2										
6.1	6.0										

Economic Resilience Underpinned by Domestic Demand

While US financial headwinds have buffeted the economy south of the border, Canadian activity remains firm: output-based GDP rebounded by 0.3% (m-o-m) in May following flat growth in the previous month, while the y-o-y rate accelerated from 2.2% to 2.5%. Manufacturing registered a 0.3% (m-o-m) rise while construction, utilities and mining (excluding oil and gas) also showed gains. However, this was offset by a 1.1% drop in energy output which, in turn, led to a 0.2% decline in industrial production as a whole. Elsewhere, May's factory report showed shipments and new orders declining by 0.1% and 0.5% (m-o-m), respectively, highlighting the adverse impact of a relatively strong C\$ on Canada's exporters. In spite of this, though, our panel's 2007 production forecast has edged up this month, perhaps as a result of the economy's overall resilience. Indeed, the May GDP report highlighted a 0.5% (m-o-m) gain in services, while wholesale and retail commerce suggested that the Canadian consumer remains strong. Retail trade soared by a whopping 2.5% m-o-m in May, lifted by a 4.0% surge in auto sales but, even excluding cars, sales continued to exhibit broad-based strength. This – coupled with a fall in the jobless rate to 6.0% in July (its lowest level since 1974) and a 4.9% y-o-y acceleration in fixed-weighted average hourly wages – should help to shore up consumption fundamentals. Our panel's forecast for personal expenditure in 2007 has consequently been upgraded to 3.8% this month. Despite housing starts falling from 225,300 units in June to 215,600 in July, the housing market remains relatively solid. Indeed, any moderation in the sector appears to be healthy, in contrast with the US where the depth and breadth of the housing downturn has spooked the financial markets. Canadian housing start forecasts have even risen.

The (so far) minimal impact of stock market turbulence in Canada should come as good news for the central bank. Price pressures could well guarantee another rate hike in the near future, though. Indeed, while June core inflation was flat in m-o-m terms, the y-o-y rate showed underlying prices picking up from 2.2% in May to 2.5%. Our panel is predicting a possible September rate increase (see box, below).

Direction of Trade – 2006

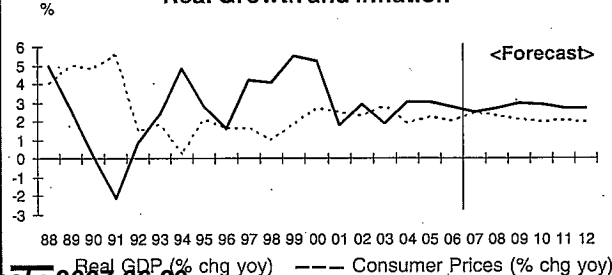
Major Export Markets (% of Total)		Major Import Suppliers (% of Total)	
United States	82.3	United States	55.7
United Kingdom	2.2	China	8.4
Japan	2.1	Mexico	3.9
Asia (ex. Japan)	4.4	Asia (ex. Japan)	14.0
Latin America	2.2	Latin America	7.1
Middle East	0.7	Africa	2.1

Likelihood of a Bank of Canada Interest Rate Change

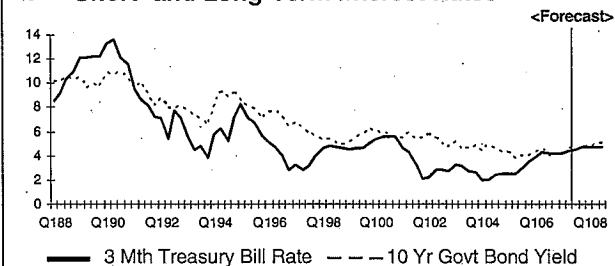
Our panel's estimated average probability of a change in the overnight lending rate (4.50% on survey date) at or before the next key policy meeting is:

INCREASE	NO CHANGE	DECREASE	
69.2	+	27.1	+ 3.8 = 100 %
Most likely rate change mentioned: +0.25 %			

Real Growth and Inflation



Short- and Long-Term Interest Rates



**CALCUL DE L'ÉCART ENTRE
LE TAUX DES OBLIGATIONS 30 ANS ET 10 ANS
AU COURS DU MOIS DE JUILLET 2007**

	TAUX OBLIGATAIRES (%)		
	30 ans	10 ans	Écart
2	4,49	4,55	-0,06
3	4,49	4,55	-0,06
4	4,51	4,58	-0,07
5	4,57	4,64	-0,07
6	4,63	4,70	-0,07
9	4,60	4,67	-0,08
10	4,51	4,58	-0,07
11	4,55	4,61	-0,06
12	4,60	4,66	-0,06
13	4,58	4,65	-0,07
16	4,53	4,60	-0,07
17	4,56	4,64	-0,08
18	4,54	4,61	-0,07
19	4,54	4,61	-0,07
20	4,50	4,56	-0,06
23	4,50	4,57	-0,06
24	4,51	4,58	-0,08
25	4,49	4,58	-0,09
26	4,45	4,52	-0,07
27	4,43	4,49	-0,06
30	4,47	4,54	-0,07
31	4,46	4,53	-0,07
Moyenne	4,52	4,59	-0,07

Source: Bloomberg