

**CALCUL DU TAUX DE RENDEMENT SUR
L'AVOIR DES ACTIONNAIRES ORDINAIRES SELON LA FORMULE AUTORISÉE
PAR LA RÉGIE DE L'ÉNERGIE DANS SA DÉCISION D-99-11**

No			
ligne			
1	Rendement autorisé en 2002		9,670%
2			
3	Ajustement pour l'année 2003		
4			
	Prévision du taux obligataire 30 ans		
5	Prévision du taux des obligations 10 ans ⁽¹⁾	5,650%	
6			
7	Écart entre les taux 30 ans et 10 ans	<u>0,450%</u>	
8			
9	Prévision des obligations 30 ans en 2003	6,100%	
10			
11	Obligation Canada 30 ans 2002	<u>5,805%</u>	
12			
13	Écart entre les années 2003 et 2002	0,295%	
14			
15	Facteur d'élasticité	<u>75%</u>	
16			
17	Ajustement du rendement pour l'année 2003	0,221%	<u>0,221%</u>
18			
19	Rendement établi pour l'année 2003		<u>9,891%</u>
20			
21		<u>Arrondi à :</u>	<u>9,89%</u>
22			
23			

24 ⁽¹⁾ Référence : *Consensus forecast* de juillet 2002.

**CALCUL DE L'ÉCART ENTRE
LE TAUX DES OBLIGATIONS 30 ANS ET 10 ANS
AU COURS DU MOIS DE JUILLET 2002**

	TAUX OBLIGATAIRES (%)		
	30 ans	10 ans	Écart
1	5,833	5,431	0,402
2	5,744	5,342	0,402
3	5,751	5,355	0,396
4	5,751	5,359	0,392
5	5,822	5,475	0,347
8	5,812	5,453	0,359
9	5,794	5,417	0,377
10	5,762	5,341	0,421
11	5,777	5,369	0,408
12	5,726	5,279	0,447
15	5,770	5,317	0,453
16	5,796	5,344	0,452
17	5,786	5,336	0,450
18	5,760	5,281	0,479
19	5,687	5,219	0,468
22	5,642	5,148	0,494
23	5,656	5,110	0,546
24	5,740	5,228	0,512
25	5,678	5,141	0,537
26	5,736	5,167	0,569
29	5,803	5,291	0,512
30	5,788	5,293	0,495
31	5,727	5,222	0,505

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JULY 2002

	Average % Change on Previous Calendar Year												Annual Total			
	Gross Domestic Product		Personal Expenditure		Machinery & Equipment Investment		Pre - Tax Profits		Industrial Production		Consumer Prices		Industrial Product Prices		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>Construction de Logements mises en chantier, milliers</i>	
Economic Forecasters	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Bank of Montreal ✓	3.9	4.6	2.7	3.6	-3.0	6.4	2.0	11.5	na	na	1.5	1.7	na	na	180	168
Conf Board of Canada ✓	3.6	3.9	2.1	3.1	-2.4	8.1	8.3	15.2	na	na	2.0	2.3	0.1	2.8	189	168
CIBC World Markets ✓	3.5	3.2	2.2	2.5	-3.4	6.1	3.8	10.9	na	na	1.7	2.3	na	na	184	164
Informetrica ✓	3.5	3.5	2.8	2.8	0.0	8.0	4.0	15.0	1.0	4.0	1.5	2.0	1.0	4.0	183	169
JP Morgan ✓	3.5	3.7	2.1	2.5	-2.6	8.8	5.0	16.6	3.2	6.9	1.8	2.3	-0.3	3.0	190	180
Merrill Lynch Canada ✓	3.5	3.3	2.4	2.3	-3.7	5.6	na	na	1.3	4.0	1.8	2.3	-0.5	2.0	190	173
National Bank Financial ✓	3.5	3.7	2.6	2.5	-4.1	6.9	1.8	10.3	na	na	1.5	2.7	na	na	179	166
University of Toronto ✓	3.5	4.0	2.8	3.7	-4.3	3.8	-0.6	6.1	na	na	1.9	2.1	na	na	180	170
BMO Nesbitt Burns ✓	3.4	3.9	2.6	2.8	-3.3	7.3	3.0	12.0	3.3	4.2	1.8	2.0	-0.5	1.5	185	170
Economap ✓	3.4	4.0	2.8	3.4	-3.5	6.5	2.5	12.5	3.0	4.5	1.7	2.1	0.5	2.5	183	170
Scotia Economics ✓	3.3	3.4	2.5	2.8	-3.7	6.7	4.0	14.0	1.2	4.0	1.8	2.5	na	na	185	165
Caisse de Depot ✓	3.1	3.5	3.0	3.5	-5.0	4.3	na	na	na	na	1.6	2.2	na	na	190	180
Consensus (Mean)	3.5	3.7	2.6	3.0	-3.3	6.5	3.4	12.4	2.2	4.6	1.7	2.2	0.1	2.6	185	170
Last Month's Mean	3.2	3.8	2.5	2.9	-3.7	6.5	2.1	12.3	0.7	4.3	1.7	2.2	0.5	2.8	181	169
3 Months Ago	2.7	3.6	2.3	2.9	-4.4	5.5	-2.2	11.3	-0.5	4.3	1.4	2.0	1.1	3.1	168	163
High	3.9	4.6	3.0	3.7	0.0	8.8	8.3	16.6	3.3	6.9	2.0	2.7	1.0	4.0	190	180
Low	3.1	3.2	2.1	2.3	-5.0	3.8	-0.6	6.1	1.0	4.0	1.5	1.7	-0.5	1.5	179	164
Standard Deviation	0.2	0.4	0.3	0.5	1.2	1.5	2.3	3.0	1.1	1.1	0.2	0.3	0.6	0.9	4	5
Comparison Forecasts																
IMF (Apr. '02)	2.5	3.6	3.0	3.3							0.9	1.8				
OECD (Apr. '02)	3.2	4.0	2.8	3.1												

Government and Background Data

Prime Minister - Mr. Jean Chrétien (Liberal). Government - The Liberals hold 172 of the 301 seats in parliament. Next Election - By 2005 (general election). Nominal GDP - C\$1,056bn (2000). Population - 30.8mn (mid-year, 2000). C\$/US\$ Exchange Rate - 1.49 (average, 2000).

Quarterly Consensus Forecasts

Historical Data and Forecasts (bold italics) From Survey of June 10, 2002

	2001		2002			2003				
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Gross Domestic Product	0.6	0.8	2.1	2.9	3.9	4.1	3.9	3.8	3.8	3.8
Personal Expenditure	1.6	2.2	2.0	2.2	3.0	2.7	3.0	3.0	3.1	3.1
Consumer Prices	2.7	1.1	1.5	1.4	1.5	2.4	2.5	2.0	2.1	2.1

Percentage Change (year-on-year)

Historical Data

* % change on previous year	1998	1999	2000	2001
Gross Domestic Product*	4.1	5.4	4.5	1.5
Personal Expenditure*	2.8	3.9	3.7	2.6
Machinery & Eqpt Investment*	8.6	11.4	9.3	-2.2
Pre - Tax Profits*	-2.0	26.3	19.4	-8.9
Industrial Production*	3.4	5.6	5.5	-2.9
Consumer Prices*	1.0	1.7	2.7	2.5
Industrial Product Prices*	0.4	1.8	4.2	1.0
Housing Starts, '000 units	138	149	153	164
Unemployment Rate, %	8.3	7.6	6.8	7.2
Current Account, C\$ bn	-11.4	2.0	27.8	30.1
Federal Govt Budget				
Balance, fiscal years, C\$ bn	2.9	12.3	17.1	6.6 e
3 mth Trsy Bill, % (end yr)	4.6	5.0	5.5	2.1
10 Yr Govt Bond, % (end yr)	4.9	6.2	5.4	5.4

e = consensus estimate based on latest survey

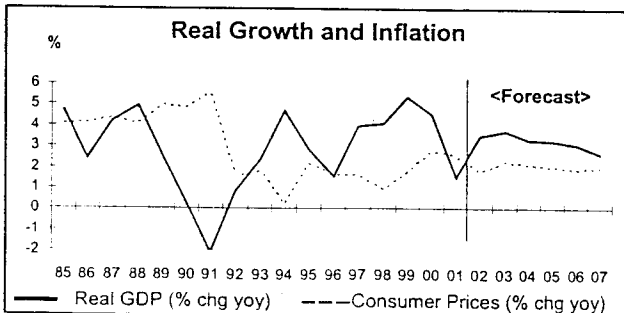
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Year Avg	Annual Total	Fiscal Years (Apr-Mar)		Rates on Survey Date			
				2.8%		5.5%	
Unemployment Rate (%)	Current Account (C\$ bn)	Federal Govt Budget Balance (C\$ bn)		3 month Treasury Bill Rate (%)		10 Year Government Bond Yield (%)	
Taux de Chômage (%)	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 %	
2002 2003	2002 2003	FY 02-03	FY 03-04	End Oct'02	End Jul'03	End Oct'02	End Jul'03
7.6 7.2	15.1 14.0	na na		3.1 4.5		5.7 6.3	
7.8 7.1	25.8 27.9	2.3 4.1		2.8 4.2		5.9 6.6	
7.5 7.1	24.7 30.6	8.0 5.0		2.7 3.4		5.0 6.0	
7.6 7.2	28.0 30.0	8.0 7.0		3.1 4.0		5.9 6.2	
7.5 7.0	29.7 37.9	3.0 3.0		3.2 4.5		5.6 6.1	
7.6 6.9	24.5 28.0	10.0 12.0		3.4 4.6		5.8 6.2	
7.6 7.1	23.8 30.0	10.0 3.0		3.4 4.9		5.9 6.4	
7.6 7.1	25.9 31.7	na na		na na		na na	
7.5 7.1	26.0 30.0	5.0 5.0		3.4 4.3		5.4 5.7	
7.5 7.1	25.0 30.0	5.0 9.0		3.3 4.5		5.3 5.7	
7.6 7.3	29.0 40.0	4.0 5.0		3.0 3.9		5.7 6.2	
7.5 6.8	20.0 27.0	3.0 6.0		3.0 4.1		5.8 6.0	
7.6 7.1	24.8 29.8	5.8 5.9		3.1 4.3		5.6 6.1	
7.6 7.1	22.4 29.6	5.5 6.3					
7.7 7.3	20.2 27.3	2.6 5.3					
7.8 7.3	29.7 40.0	10.0 12.0		3.4 4.9		5.9 6.6	
7.5 6.8	15.1 14.0	2.3 3.0		2.7 3.4		5.0 5.7	
0.1 0.1	4.0 6.3	2.9 2.8		0.2 0.4		0.3 0.3	
7.1 6.7							

Forecasts Rise Despite US Economic Uncertainty
Events in the US have, to a certain extent, dominated Canadian expectations this month, although the outlook remains exceptionally strong. Growth forecasts for 2002, for example, have risen again this month and have done so since the beginning of the year. In particular, the release of the first quarter national accounts underscored the strength of the recovery. Moreover, output-based GDP in April continued its upward trend following on from the economy's first quarter expansion. GDP rose by 0.8% m-o-m, up from 0.2% in March and surged from 2.0% in the previous month to 3.0% y-o-y. The rise was led primarily by strong manufacturing production and, in other data releases covering the start of the second quarter, the industrial sector appears to be going from strength to strength. April's factory report showed shipments surging by 5.0% m-o-m compared with a 0.2% decline in March, while new orders accelerated by 4.5% m-o-m from a similar fall in the previous month. Moreover, with US manufacturing also improving and Canadian business sentiment on the rise, 2002 forecasts for investment and, in particular, industrial production have been upgraded again this month.

However, there is increased uncertainty over the outlook for consumer activity. Despite an exceptionally strong domestic housing market, stock market volatility emanating from the US has not helped and, with a relatively sizeable proportion of Canadian disposable income dependent on asset prices, consumer sentiment may start to wane. A slip in US consumer spending would also affect demand for Canadian exports, exacerbated by recent C\$ appreciation. Currency strength would also subtract from profits growth which showed a resurgence in the first quarter. Falling stock market prices and a stronger currency translate into tighter monetary conditions; this could allow the Bank of Canada to hold back from tightening monetary policy. An interest rate hike, however, looks increasingly likely in the wake of a robust second quarter employment report and relatively strong core inflation.



Direction of Trade First Half 2001			
Major Export Markets (% of Total)		Major Import Suppliers (% of Total)	
United States	88.1	United States	64.3
Japan	2.0	Japan	4.2
United Kingdom	1.3	United Kingdom	3.6
Asia (ex. Japan)	2.6	Asia (ex. Japan)	8.6
Latin America	1.4	Latin America	5.3
Middle East	0.5	Middle East	0.8

