

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	12 650.36	207.53	1.67%	2.20%	-4.63%	0.23%
S&P 500 Index	1 378.55	22.74	1.68%	1.96%	-6.12%	-4.15%
Nasdaq Composite Index	2 389.86	40.86	1.74%	1.23%	-9.89%	-3.01%
S&P/TSX Composite Index	13 155.08	156.87	1.21%	1.92%	-4.90%	0.93%
FTSE 100 (UK)	5 879.80	42.50	0.73%	0.07%	-8.94%	-5.21%
DAX (Germany)	6 851.75	-23.60	-0.34%	0.45%	-15.07%	0.92%
NIKKEI 225 (Japan)	13 592.47	247.44	1.85%	3.82%	-11.21%	-21.81%
HANG SENG (Hong-Kong)	23 455.74	-197.95	-0.84%	-0.35%	-15.67%	16.66%

MARKET REVIEW

Equities advance despite soft U.S. economic data

U.S. equities advanced today despite rising claims for jobless benefits and more bad news on the bond insurance front. The strength in equities was in part due to comments by the CEO of MBIA Inc., the U.S.- based bond insurer, suggesting that concerns regarding the sector are overdone. The Dow Jones Industrials Average increased 207.53 points, or 1.67%, to 12650.36. The S&P 500 Composite advanced 22.74 points, or 1.68%, to 1378.55. The Nasdaq Composite rose 40.86 points, or 1.74%, to 2389.86.

The comments came after MBIA reported a record US\$2.3 billion (US\$18.61 per share) fourth-quarter loss, compared to a profit of \$181 million (US\$1.32 per share) for the same period last year. The loss included a US\$3.5 billion write-off of credit derivatives linked to subprime mortgages. MBIA is now trying to raise capital to try to preserve its AAA credit rating. The company's stock price has declined by 81% from its December 2006 peak.

In Canada the S&P/TSX also gained ground led by the Financial sector. The S&P/TSX Composite gained 156.87 points, or 1.21%, to 13155.08.

Crude oil prices slipped today on concerns that U.S. energy demand will weaken as it moves closer towards a recession. Crude prices retreated \$0.75 to \$91.58/barrel.

In the U.S. the employment situation continues to soften. Initial claims for jobless benefits rose by 69,000 to 375,000 last week. This is the highest level since October 2005, the week Hurricane Katrina hit. In addition U.S. consumer spending increased just 0.2% in December, its slowest pace in six months.

Canadian real GDP at factor cost rose 0.1% in November, slowing from its 0.2% increase in October. Growth for goods producing industries fell 0.2%, marking a third consecutive decline. Service producing industries rose by 0.2%, compared to a 0.3% rise the previous month. Growth in services was widespread with 10 of 13 industries increasing in November.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
BCE Inc (BCE)	\$34.99	\$0.99	14 723 625
Eastern Platinum Ltd (ELR)	\$3.12	\$0.23	9 941 880
Allen-Vanguard Corp (VRS)	\$5.58	\$1.67	9 902 866
Talisman Energy Inc (TLM)	\$15.87	-\$0.11	9 567 586
Yamana Gold Inc (YRI)	\$16.63	-\$0.25	7 400 706

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Microsoft Corp (MSFT)	\$32.60	\$0.40	52 879 023
Intel Corp (INTC)	\$21.20	\$0.51	48 800 719
Citigroup Inc (C)	\$28.22	\$0.35	43 470 400
Cisco Systems Inc (CSCO)	\$24.50	\$0.14	37 807 936
Bank of America Corp (BAC)	\$44.35	\$2.14	29 262 900

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	1.09%	-6.97%
MATERIALS	0.48%	4.44%
INDUSTRIALS	2.26%	-3.93%
CONSUMER DISCRETIONARY	1.29%	-10.82%
CONSUMER STAPLES	0.80%	-6.75%
HEALTH CARE	1.67%	-5.87%
FINANCIALS	1.50%	-4.57%
INFORMATION TECHNOLOGY	0.89%	-13.77%
TELECOMMUNICATIONS SERVICES	1.69%	-12.17%
UTILITIES	0.50%	-2.51%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	3.19%	3.22%
CAN GOVT 5 YR	3.51%	3.52%
CAN GOVT 7 YR	3.67%	3.69%
CAN GOVT 10 YR	3.88%	3.90%
CAN GOVT 30 YR	4.19%	4.20%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$91.58	\$92.33	\$58.14
GOLD SPOT (\$/OZ)	\$925.53	\$929.40	\$653.20
CAD per USD	1.0033	0.9931	1.1768
CAD per EURO	1.4914	1.4759	1.5336
EURO per USD	1.4866	1.4861	1.3033
YEN per USD	106.508	106.240	120.690

Source: Bloomberg