

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	8 149.09	-679.95	-7.70%	-3.49%	-38.57%	-39.06%
S&P 500 Index	816.21	-80.03	-8.93%	-4.18%	-44.41%	-44.89%
Nasdaq Composite Index	1 398.07	-137.50	-8.95%	-5.02%	-47.29%	-47.46%
S&P/TSX Composite Index	8 406.21	-864.41	-9.32%	-0.41%	-39.23%	-38.59%
FTSE 100 (UK)	4 065.49	-222.52	-5.19%	-2.11%	-37.04%	-36.80%
DAX (Germany)	4 394.79	-274.65	-5.88%	-3.50%	-45.52%	-44.16%
NIKKEI 225 (Japan)	8 397.22	-115.05	-1.35%	6.15%	-45.14%	-46.45%
HANG SENG (Hong-Kong)	14 108.84	220.60	1.59%	13.25%	-49.27%	-50.74%

MARKET REVIEW

North American stocks plunge

U.S. equity indexes began December with sharp declines as economic concerns grabbed center stage. The NBER officially announced today that the U.S. economy has been in recession since December of last year. The Dow Jones Industrials Average retreated 679.95 points, or 7.70%, to 8149.09. The S&P 500 Composite pulled back 80.03 points, or 8.93%, to 816.21. The Nasdaq Composite lost 137.5 points, or 8.95%, to 1398.07.

U.S. 10-year government bonds rallied after Federal Reserve chairman Ben S. Bernanke said that he has limited room to cut interest rates further. Bernanke added that he may resort to less conventional policies to support the economy. Ten-year bond yields fell today to 2.75% from 2.92%, a fifth consecutive decline.

The S&P/TSX index fell sharply today led by resource stocks. All sectors lost ground including materials (-13.7%) and Energy (-11.4%). The S&P/TSX Composite declined 864.41 points, or 9.32%, to 8406.21.

Commodity prices fell sharply, with gold, which suffered its biggest daily drop in eight months, being hit hard. Gold pulled back \$46.88 to \$771.17/ounce. Crude prices retreated \$5.28 to \$49.15/barrel.

Canadian real GDP increased at an annualized rate of 1.3% during Q3, following a 0.6% advance during Q2 (revised up from 0.3%). Personal consumption expenditures rose by 0.7% (annual rate) their weakest increase since Q3 of 2001. The weakness in consumption stemmed from a 5.8% decline in transport expenditures. Motor vehicles sales were particularly hard hit. Both residential (+0.4%) and non-residential investment (+0.8%) rose during the third quarter. Inventories also increased, adding 0.1% to GDP growth. Trade was not a drag on growth this quarter. The decline in exports (-5.4%) was offset by a 6.1% decline in imports. Final domestic demand slowed to a 0.6% annualized growth rate, down from 2.1% the previous quarter. Profits rose by 5.7% sequentially in Q3, their seventh consecutive increase.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
BCE Inc (BCE)	\$23.02	-\$1.93	12 551 139
Bombardier Inc (BBD/B)	\$4.04	-\$0.30	12 282 036
Yamana Gold Inc (YRI)	\$6.02	-\$1.46	9 154 815
Uranium One Inc (UUU)	\$1.21	-\$0.08	8 790 979
Teck Cominco Ltd (TCK/B)	\$4.96	-\$1.04	8 786 296

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Citigroup Inc (C)	\$6.45	-\$1.84	44 297 700
Microsoft Corp (MSFT)	\$18.61	-\$1.61	37 255 057
Ford Motor Co (F)	\$2.55	-\$0.14	31 677 800
Cisco Systems Inc (CSCO)	\$14.96	-\$1.58	28 637 550
Intel Corp (INTC)	\$12.56	-\$1.24	27 267 406

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	-11.42%	-38.09%
MATERIALS	-13.70%	-45.38%
INDUSTRIALS	-7.74%	-35.19%
CONSUMER DISCRETIONARY	-4.69%	-41.04%
CONSUMER STAPLES	-2.01%	-16.42%
HEALTH CARE	-3.50%	-34.17%
FINANCIALS	-8.55%	-38.41%
INFORMATION TECHNOLOGY	-7.72%	-54.06%
TELECOMMUNICATIONS SERVICES	-4.90%	-30.43%
UTILITIES	-0.34%	-25.49%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	1.59%	1.70%
CAN GOVT 5 YR	2.27%	2.44%
CAN GOVT 7 YR	2.66%	2.84%
CAN GOVT 10 YR	3.14%	3.32%
CAN GOVT 30 YR	3.75%	3.90%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$49.15	\$54.43	\$88.71
GOLD SPOT (\$/OZ)	\$771.17	\$818.05	\$783.75
CAD per USD	1.2435	1.2398	0.9987
CAD per EURO	1.5701	1.5727	1.4613
USD per EURO	1.2626	1.2691	1.4633
YEN per USD	93.230	95.520	111.240

Source: Bloomberg