

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	10 917.50	-504.49	-4.42%	-5.15%	-17.70%	-18.78%
S&P 500 Index	1 192.70	-59.00	-4.71%	-5.92%	-18.77%	-19.64%
Nasdaq Composite Index	2 179.91	-81.36	-3.60%	-3.96%	-17.81%	-16.23%
S&P/TSX Composite Index	12 254.00	-515.58	-4.04%	-3.01%	-11.42%	-11.50%
FTSE 100 (UK)	5 204.20	-212.50	-3.92%	-4.45%	-19.40%	-17.25%
DAX (Germany)	6 064.16	-170.73	-2.74%	-3.19%	-24.83%	-19.12%
NIKKEI 225 (Japan)	12 214.80	0.04	0.00%	-3.24%	-20.21%	-24.26%
HANG SENG (Hong-Kong)	19 352.90	0.00	0.00%	-6.93%	-30.42%	-22.27%

MARKET REVIEW

U.S. financial crisis deepens

U.S. stocks recorded major losses today. The bad news started at the opening bell as markets reacted to reports that Lehman Brothers Holdings was filing for bankruptcy and that Merrill Lynch was being acquired by Bank of America. The Dow Jones Industrials Average lost 504.49 points, or 4.42%, to 10917.5. The S&P 500 Composite pulled back 59 points, or 4.71%, to 1192.7. The Nasdaq Composite retreated 81.36 points, or 3.60%, to 2179.91.

Lehman Brothers' stock was under pressure all of last week as it tried to make a deal with the Korean Development Bank that would ensure its survival. After that effort and several other attempts over the weekend came to naught, Lehman filed for bankruptcy protection today.

In related news, Merrill Lynch's shares surged as much as 30% after Bank of America announced that it would acquire the company for \$50 billion. However BOA's shares declined on the news.

This Sunday, the U.S. Federal Reserve Board announced several new initiatives to provide support to struggling financial markets. The Fed broadened its definition of what collateral is eligible to be pledged at the Primary Dealer Credit Facility and the Term Securities Lending Facility. The move is expected to make liquidity available to financial institutions.

U.S. bond yields fell sharply as markets reacted to the weekend news. Investors piling into Treasuries are beginning to price in an increased probability of Fed rate cuts taking place. U.S. 10-year government bond yields fell to 3.41% from 3.72% while two-year yields fell to 1.73% from 2.2%.

In Canada stocks also lost ground. The Energy sector fell over 5% due in large part to the fact that crude oil prices fell significantly below the \$100 per barrel mark. The S&P/TSX Composite declined 515.58 points, or 4.04%, to 12254.

Crude prices lost \$6.90 to \$94.28/barrel. Gold rose \$21.60 to \$787.10/ounce.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Yamana Gold Inc (YRI)	\$8.60	-\$0.40	8 918 179
Royal Bank of Canada (RY)	\$48.10	-\$1.10	7 851 069
Bombardier Inc (BBD/B)	\$7.01	-\$0.37	6 090 608
Goldcorp Inc (G)	\$28.51	-\$2.85	5 904 205
BCE Inc (BCE)	\$37.85	-\$1.75	5 897 241

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
American International Group Inc (AIG)	\$4.76	-\$7.38	80 872 500
Citigroup Inc (C)	\$15.24	-\$2.72	45 640 800
Microsoft Corp (MSFT)	\$26.81	-\$0.81	39 691 746
Bank of America Corp (BAC)	\$26.55	-\$7.19	38 843 800
Intel Corp (INTC)	\$19.34	-\$0.82	37 647 088

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	-5.37%	-7.71%
MATERIALS	-6.13%	-15.14%
INDUSTRIALS	-1.80%	-2.37%
CONSUMER DISCRETIONARY	-2.88%	-23.34%
CONSUMER STAPLES	-0.15%	-6.53%
HEALTH CARE	-4.90%	-20.07%
FINANCIALS	-2.38%	-12.39%
INFORMATION TECHNOLOGY	-6.36%	-11.18%
TELECOMMUNICATIONS SERVICES	-2.97%	-11.83%
UTILITIES	-1.17%	-9.51%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	#VALUE!	#VALUE!
CAN GOVT 5 YR	#VALUE!	#VALUE!
CAN GOVT 7 YR	#VALUE!	#VALUE!
CAN GOVT 10 YR	#VALUE!	#VALUE!
CAN GOVT 30 YR	#VALUE!	#VALUE!

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$94.28	\$101.18	\$79.10
GOLD SPOT (\$/OZ)	\$787.10	\$765.50	\$707.60
CAD per USD	1.0687	1.0601	1.0299
CAD per EURO	1.5239	1.5074	1.4290
USD per EURO	1.4259	1.4224	1.3875
YEN per USD	104.865	107.940	115.360

Source: Bloomberg