

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	11,971.19	-128.11	-1.06%	-4.24%	-9.75%	-4.06%
S&P 500 Index	1,310.50	-14.69	-1.11%	-5.10%	-10.75%	-7.90%
Nasdaq Composite Index	2,292.27	-47.75	-2.04%	-5.18%	-13.57%	-5.71%
S&P/TSX Composite Index	12,640.89	508.76	4.19%	-5.08%	-8.62%	-0.51%
FTSE 100 (UK)	5,740.10	161.90	2.90%	-4.74%	-11.10%	-7.69%
DAX (Germany)	6,769.47	-20.72	-0.31%	-10.53%	-16.09%	1.23%
NIKKEI 225 (Japan)	12,573.05	-752.89	-5.65%	-10.02%	-17.86%	-27.84%
HANG SENG (Hong-Kong)	21,757.63	-2,061.23	-8.65%	-15.79%	-21.77%	4.74%

MARKET REVIEW

The Fed saves the day

The day began on a sour note with investors worrying about the effects that declines in Asian stock prices in overnight trading would have on North American markets today. For example Hong Kong's Hang Seng index fell by 8.65%.

However relief arrived quickly. Before North American markets opened, the Federal Open Market Committee (FOMC) announced a 75 basis point inter-meeting cut to its policy rate (which is now 3.5%) to help rejuvenate investor sentiment. The FOMC justified its action stating that "broader financial market conditions have continued to deteriorate and credit has tightened further for some businesses and households".

The FOMC cut prevented what was expected to be a massive pullback in U.S stocks, which morphed instead into more moderate declines. Investors continue to be concerned over the impact that a slowing U.S. economy will have on earnings. The Dow Jones Industrials Average lost 128.11 points, or 1.06%, to 11971.19. The S&P 500 Composite pulled back 14.69 points, or 1.11%, to 1310.5. The Nasdaq Composite retreated 47.75 points, or 2.04%, to 2292.27.

Ten-year government bonds rallied today as yields fell by 15.3 basis points to 3.477%. Three-month yields fell by 53 basis points to 2.26%.

The Bank of Canada also lowered its overnight rate today, by 25 basis points to 4%. Unlike the FOMC cut, the BOC action was widely expected.

For its part, the S&P/TSX composite index experienced a solid rebound after five straight days of decline. The Material and Financial sectors led the advance. The S&P/TSX Composite rose 508.76 points, or 4.19%, to 12640.89.

The U.S. dollar fell today versus major currencies prompting gold prices to rebound after yesterday's decline. Gold gained \$27.63 to \$892.63/ounce. Crude prices retreated \$0.72 to \$89.85/barrel. The Canadian dollar rose sharply to US\$0.9729 from US\$0.9663.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Bombardier Inc (BBD/B)	\$4.62	\$0.37	16,941,709
BCE Inc (BCE)	\$35.00	\$0.58	10,057,096
Yamana Gold Inc (YRI)	\$16.10	\$1.80	9,321,736
Equinox Minerals Ltd (EQN)	\$4.55	\$0.29	9,167,536
Eastern Platinum Ltd (ELR)	\$2.64	-\$0.01	8,772,463

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Intel Corp (INTC)	\$18.61	-\$0.39	76,819,704
Citigroup Inc (C)	\$24.42	-\$0.03	64,679,400
Microsoft Corp (MSFT)	\$31.96	-\$1.05	64,658,917
Cisco Systems Inc (CSCO)	\$23.48	-\$0.83	63,002,954
Oracle Corp (ORCL)	\$20.11	-\$1.47	39,354,909

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	3.08%	-10.15%
MATERIALS	8.39%	-0.57%
INDUSTRIALS	2.73%	-11.71%
CONSUMER DISCRETIONARY	2.96%	-13.37%
CONSUMER STAPLES	0.99%	-6.52%
HEALTH CARE	0.34%	-7.56%
FINANCIALS	3.35%	-9.10%
INFORMATION TECHNOLOGY	7.66%	-14.27%
TELECOMMUNICATIONS SERVICES	2.34%	-12.52%
UTILITIES	2.52%	-5.91%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	3.12%	3.11%
CAN GOVT 5 YR	3.41%	3.37%
CAN GOVT 7 YR	3.59%	3.53%
CAN GOVT 10 YR	3.82%	3.74%
CAN GOVT 30 YR	4.14%	4.06%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$89.85	\$90.57	\$51.13
GOLD SPOT (\$/OZ)	\$892.63	\$865.00	\$633.40
CAN/US	1.0284	1.0349	1.1823
CAN/EURO	1.5054	1.4959	1.5311
EURO/US	1.4639	1.4455	1.2950
YEN/US	106.385	105.960	121.660

Source: Bloomberg