

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	11 015.70	-372.74	-3.27%	0.90%	-16.96%	-20.29%
S&P 500 Index	1 207.09	-47.99	-3.82%	1.21%	-17.79%	-20.89%
Nasdaq Composite Index	2 178.98	-94.92	-4.17%	-0.04%	-17.85%	-18.43%
S&P/TSX Composite Index	12 638.10	-274.89	-2.13%	3.13%	-8.64%	-9.34%
FTSE 100 (UK)	5 236.26	-75.04	-1.41%	0.62%	-18.90%	-18.90%
DAX (Germany)	6 107.75	-81.78	-1.32%	0.72%	-24.29%	-21.64%
NIKKEI 225 (Japan)	12 090.60	169.74	1.42%	-1.02%	-21.02%	-25.88%
HANG SENG (Hong-Kong)	19 632.20	304.47	1.58%	1.44%	-29.41%	-24.04%

MARKET REVIEW

Latest U.S. financial sector news rattles markets

U.S. stocks lost ground today after the Federal Reserve approved an initiative to transform Goldman Sachs and Morgan Stanley into banks. The financial sector, which reacted badly to the news, trailed all sectors today. The Dow Jones Industrials Average retreated 372.74 points, or 3.27%, to 11015.7. The S&P 500 Composite pulled back 47.99 points, or 3.82%, to 1207.09. The Nasdaq Composite declined 94.92 points, or 4.17%, to 2178.98.

The Fed's move regarding Goldman Sachs and Morgan Stanley effectively reversed the Glass-Steagall Act of 1933, which separated investment banking from commercial banking.

This weekend's decision will have both advantages and disadvantages for the investment banks. The new entities will have greater access to the Fed's discount window and direct access to deposits (a much more stable source of capital). They will also be allowed to buy banks. However the Fed will have oversight over the new entities which will have to respect banking sector capital ratios.

The commodity market benefited from the recent changes as well as from the new-found weakness in the U.S. dollar. Crude oil had its best one-day increase ever, due to increased demand for safe haven assets. Crude prices increased \$15.45 to \$120.00/barrel. Bullion also advanced. Gold rose \$29.45 to \$903.00/ounce.

The S&P/TSX Composite lost 274.89 points, or 2.13%, to 12638.1.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Yamana Gold Inc (YRI)	\$10.86	\$0.88	13 997 980
Eastern Platinum Ltd (ELR)	\$1.01	-\$0.04	9 697 718
Bombardier Inc (BBD/B)	\$6.48	-\$0.14	8 341 019
Barrick Gold Corp (ABX)	\$39.57	\$3.07	7 868 436
UTS Energy Corp (UTS)	\$1.65	-\$0.04	7 733 032

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
American International Group Inc (AIG)	\$4.72	\$0.87	45 748 500
Microsoft Corp (MSFT)	\$25.40	\$0.24	42 927 094
Cisco Systems Inc (CSCO)	\$23.11	-\$1.18	21 670 036
Washington Mutual Inc (WM)	\$3.33	-\$0.92	20 992 100
Intel Corp (INTC)	\$18.50	-\$0.73	20 008 619

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	-1.56%	-2.71%
MATERIALS	2.78%	-1.65%
INDUSTRIALS	-4.58%	-7.15%
CONSUMER DISCRETIONARY	-3.56%	-24.97%
CONSUMER STAPLES	-2.58%	-8.67%
HEALTH CARE	-2.64%	-24.15%
FINANCIALS	-3.71%	-12.62%
INFORMATION TECHNOLOGY	-6.92%	-15.38%
TELECOMMUNICATIONS SERVICES	-4.02%	-15.67%
UTILITIES	-4.34%	-11.77%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	2.84%	2.88%
CAN GOVT 5 YR	3.14%	3.17%
CAN GOVT 7 YR	3.40%	3.43%
CAN GOVT 10 YR	3.65%	3.69%
CAN GOVT 30 YR	4.10%	4.14%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$120.00	\$104.55	\$81.62
GOLD SPOT (\$/OZ)	\$903.00	\$873.55	\$731.50
CAD per USD	1.0343	1.0470	1.0008
CAD per EURO	1.5314	1.5149	1.4102
USD per EURO	1.4804	1.4466	1.4091
YEN per USD	105.385	107.450	115.500

Source: Bloomberg