

| INDEX | CLOSE | NET CHANGE | DAILY % CHANGE | WEEKLY % CHANGE | % YTD | % LAST 12 MONTHS |
|------------------------------|-----------|------------|----------------|-----------------|---------|------------------|
| Dow Jones Industrial Average | 11 022.10 | 196.93 | 1.82% | 0.02% | -16.91% | -20.01% |
| S&P 500 Index | 1 209.18 | 23.31 | 1.97% | 0.22% | -17.65% | -20.30% |
| Nasdaq Composite Index | 2 186.57 | 30.89 | 1.43% | -0.57% | -17.56% | -18.52% |
| S&P/TSX Composite Index | 12 546.50 | 33.14 | 0.26% | 3.99% | -9.30% | -10.37% |
| FTSE 100 (UK) | 5 197.02 | 101.45 | 1.99% | 6.50% | -19.51% | -18.76% |
| DAX (Germany) | 6 173.03 | 120.16 | 1.99% | 5.28% | -23.48% | -20.55% |
| NIKKEI 225 (Japan) | 12 006.50 | -108.53 | -0.90% | 4.50% | -21.57% | -26.80% |
| HANG SENG (Hong-Kong) | 18 934.40 | -27.59 | -0.15% | 7.38% | -31.92% | -28.36% |

MARKET REVIEW

U.S. stocks rally on hopes of a bailout agreement

The U.S. equity indexes gained ground today as investor confidence increased that an agreement between lawmakers concerning the rescue of the U.S. financial system is close to being reached. Momentum gained ground after President Bush went on national television yesterday evening to explain that the \$700 billion rescue plan is needed to avert "a long and painful" recession. Bush also warned the country that "our entire economy is in danger" and that "without immediate action by Congress, America could slip into a financial panic." The Dow Jones Industrials Average rose 196.93 points, or 1.82%, to 11022.1. The S&P 500 Composite gained 23.31 points, or 1.97%, to 1209.18. The Nasdaq Composite increased 30.89 points, or 1.43%, to 2186.57.

In Canada the S&P/TSX remained virtually unchanged, a sign that investors were awaiting developments in the U.S. The S&P/TSX Composite advanced 33.14 points, or 0.26%, to 12546.5.

Crude prices rose \$1.87 to \$107.60/barrel. Gold pulled back \$4.55 to \$878.08/ounce.

U.S. economic data looked grim today. U.S. initial jobless benefits claims rose to 493,000 last week, far larger than the 450,000 expected and the highest level so far this cycle. The trend is rising, an indication that the U.S. employment picture is worsening.

In other bad news, durable goods orders fell by 4.5% in August, following July's 0.8% increase. Durable goods, excluding transportation, declined by 3% in August compared to a 0.1% advance one month earlier. Both headline and core goods orders fell by more than analysts expected.

New home sales fell to 460,000 in August, much more than the 510,000 expected by analysts. The August total represents an 11.5% drop from July, a new cyclical low.

| MOST ACTIVE BY VOLUME IN S&P/TSX | LAST PRICE | VAR DAY \$ | VOLUME |
|----------------------------------|------------|------------|------------|
| Bombardier Inc (BBD/B) | \$6.06 | -\$0.02 | 11 867 472 |
| Thomson Reuters Corp (TRI) | \$30.58 | -\$1.17 | 11 140 433 |
| Yamana Gold Inc (YRI) | \$9.96 | -\$0.68 | 9 376 487 |
| Talisman Energy Inc (TLM) | \$16.62 | -\$0.26 | 9 370 995 |
| CAE Inc (CAE) | \$9.55 | -\$0.25 | 7 490 326 |

| MOST ACTIVE BY VOLUME IN S&P 500 | LAST PRICE | VAR DAY \$ | VOLUME |
|--|------------|------------|------------|
| Washington Mutual Inc (WM) | \$1.69 | -\$0.57 | 40 653 800 |
| American International Group Inc (AIG) | \$3.02 | -\$0.29 | 38 154 600 |
| Microsoft Corp (MSFT) | \$26.61 | \$0.89 | 37 034 839 |
| Intel Corp (INTC) | \$18.57 | -\$0.13 | 27 032 328 |
| Cisco Systems Inc (CSCO) | \$23.48 | \$0.68 | 23 671 940 |

| S&P/TSX INDUSTRY GROUP | DAILY % CHANGE | YTD |
|-----------------------------|----------------|---------|
| ENERGY | 1.35% | -3.65% |
| MATERIALS | -3.55% | -8.83% |
| INDUSTRIALS | 0.66% | -8.80% |
| CONSUMER DISCRETIONARY | 0.38% | -25.48% |
| CONSUMER STAPLES | 0.79% | -7.88% |
| HEALTH CARE | 3.80% | -22.89% |
| FINANCIALS | 1.41% | -9.56% |
| INFORMATION TECHNOLOGY | 0.26% | -15.88% |
| TELECOMMUNICATIONS SERVICES | 0.19% | -14.80% |
| UTILITIES | -0.97% | -13.62% |

| INTEREST RATES | LAST YIELD | PREVIOUS |
|----------------|------------|----------|
| CAN GOVT 2 YR | 2.88% | 2.85% |
| CAN GOVT 5 YR | 3.16% | 3.14% |
| CAN GOVT 7 YR | 3.43% | 3.40% |
| CAN GOVT 10 YR | 3.69% | 3.66% |
| CAN GOVT 30 YR | 4.12% | 4.12% |

| CURRENCIES & COMMODITIES | LAST PRICE | PREVIOUS | 1 YEAR AGO |
|--------------------------|------------|----------|------------|
| OIL WTI (\$/BARREL) | \$107.60 | \$105.73 | \$79.53 |
| GOLD SPOT (\$/OZ) | \$878.08 | \$882.63 | \$731.70 |
| CAD per USD | 1.0336 | 1.0386 | 1.0038 |
| CAD per EURO | 1.5106 | 1.5186 | 1.4192 |
| USD per EURO | 1.4614 | 1.4621 | 1.4138 |
| YEN per USD | 106.445 | 106.110 | 114.780 |

Source: Bloomberg