

# Market Review

January 4, 2010

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	10 583.96	155.91	1.50%	0.35%	1.50%	17.15%
S&P 500 Index	1 132.99	17.89	1.60%	0.46%	1.60%	21.59%
Nasdaq Composite Index	2 308.42	39.27	1.73%	0.76%	1.73%	41.43%
S&P/TSX Composite Index	11 866.90	120.79	1.03%	0.96%	1.03%	28.51%
FTSE 100 (UK)	5 500.34	87.46	1.62%	1.81%	1.62%	20.57%
DAX (Germany)	6 048.30	90.87	1.53%	0.76%	1.53%	21.62%
NIKKEI 225 (Japan)	10 654.79	108.35	1.03%	0.19%	1.03%	20.26%
HANG SENG (Hong-Kong)	21 823.28	-49.22	-0.23%	1.60%	-0.23%	45.07%

## MARKET REVIEW

### Stocks Rally, Dollar Falls on Manufacturing; Weather Lifts Oil

Stocks and commodities rallied and the dollar slumped on the first trading day of 2010 amid signs that manufacturing is improving around the world. Oil climbed above \$80 a barrel after freezing weather hit the U.S. Manufacturing in China, which led the recovery from the first global recession since World War II, expanded by the most since April 2004 last month, an industry report showed. The U.S. Institute for Supply Management's factory gauge climbed to 55.9, the highest level in more than three years. The Dow Jones Industrials Average advanced 155.91 points, or 1.50%, to 10583.96. The S&P 500 Composite increased 17.89 points, or 1.60%, to 1132.99. The Nasdaq Composite rose 39.27 points, or 1.73%, to 2308.42.

"The expectations for the new year are supported by some reasonably positive U.S. manufacturing data this morning" and China "remains a bright spot," said Kevin Caron, a market strategist at Stifel Nicolaus & Co. in Florham Park, New Jersey. "The bulls still make the case that the global economy is on the mend and there's a decent amount of optimism among strategists for market performance in 2010."

Canadian stocks rose for a third day as commodities producers gained after a report showed manufacturing in China expanded the most in five years last month and gold prices rallied on a weaker U.S. dollar. The S&P/TSX Composite gained 120.79 points, or 1.03%, to 11866.9. The benchmark index for Canadian stocks jumped 31 percent in 2009 for its biggest annual advance since 1979, beating the S&P 500 for a sixth straight year.

The Canadian currency touched the strongest level against the U.S. dollar since October as a rally in crude oil spurred demand for assets that historically benefit when the global economy expands.

Crude prices advanced \$2.17 to \$81.53/barrel. Gold increased \$22.78 to \$1120.10/ounce.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Yamana Gold Inc (YRI)	\$12.25	\$0.25	3 827 662
UTS Energy Corp (UTS)	\$2.32	\$0.04	558 265
Bombardier Inc (BBD/B)	\$4.85	\$0.05	3 106 799
Royal Bank of Canada (RY)	\$56.55	\$0.15	2 586 004
BCE Inc (BCE)	\$29.02	\$0.02	935 170

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Microsoft Corp (MSFT)	\$30.95	\$0.46	9 952 557
American International Group Inc (AIG)	\$29.89	-\$0.09	887 800
Morgan Stanley (MS)	\$30.91	\$1.31	4 243 100
Intel Corp (INTC)	\$20.88	\$0.48	13 905 703
Oracle Corp (ORCL)	\$24.85	\$0.31	7 833 182

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	1.84%	1.84%
MATERIALS	2.55%	2.55%
INDUSTRIALS	-0.06%	-0.06%
CONSUMER DISCRETIONARY	0.48%	0.48%
CONSUMER STAPLES	0.18%	0.18%
HEALTH CARE	2.27%	2.27%
FINANCIALS	0.38%	0.38%
INFORMATION TECHNOLOGY	-2.56%	-2.56%
TELECOMMUNICATIONS SERVICES	-0.63%	-0.63%
UTILITIES	-0.18%	-0.18%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	1.46%	1.47%
CAN GOVT 5 YR	2.76%	2.77%
CAN GOVT 7 YR	3.09%	3.09%
CAN GOVT 10 YR	3.60%	3.61%
CAN GOVT 30 YR	4.10%	4.08%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$81.53	\$79.36	\$46.34
GOLD SPOT (\$/OZ)	\$1 120.10	\$1 097.32	\$875.40
CAD per USD	1.0416	1.0528	1.2050
CAD per EURO	1.5014	1.5082	1.6771
USD per EURO	1.4414	1.4324	1.3921
YEN per USD	92.580	93.030	91.830

Source: Bloomberg



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