

# Market Review

January 5, 2010

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	10 572.02	-11.94	-0.11%	0.25%	1.38%	18.08%
S&P 500 Index	1 136.52	3.53	0.31%	0.92%	1.92%	22.54%
Nasdaq Composite Index	2 308.71	0.29	0.01%	0.89%	1.74%	41.81%
S&P/TSX Composite Index	11 888.08	21.18	0.18%	1.59%	1.21%	28.03%
FTSE 100 (UK)	5 522.50	22.16	0.40%	1.56%	2.03%	20.59%
DAX (Germany)	6 031.86	-16.44	-0.27%	0.34%	1.25%	21.02%
NIKKEI 225 (Japan)	10 681.83	27.04	0.25%	0.41%	1.28%	18.12%
HANG SENG (Hong-Kong)	22 279.58	456.30	2.09%	3.63%	1.86%	43.15%

## MARKET REVIEW

### U.S. Stocks Fall After S&P 500 Hits Seven-Year Valuation High

U.S. stocks retreated, pulling benchmark gauges down from 15-month highs, after a 10-month rally left the Standard & Poor's 500 Index trading at its highest valuation in more than seven years. The Dow Jones Industrials Average retreated 11.94 points, or 0.11%, to 10572.02. The S&P 500 Composite advanced 3.53 points, or 0.31%, to 1136.52. The Nasdaq Composite rose 0.29 points, or 0.01%, to 2308.71.

Factory orders in the U.S. increased 1.1 percent in November, led by gains in demand for business equipment that indicate companies are boosting spending and production. The data offset a separate National Association of Realtors report showing a 16 percent slump in pending sales of existing homes.

Kraft Foods Inc. rose after its biggest shareholder, Warren Buffett's Berkshire Hathaway Inc., voted against the company's proposal to sell as many as 370 million shares to buy Cadbury Plc. Berkshire Hathaway said it would endorse a transaction that didn't "destroy value for Kraft shareholders."

Canadian stocks rose for a fourth day as Potash Corp. of Saskatchewan Inc. gained on an analyst upgrade and precious metals advanced as the U.S. dollar weakened. "There's an overall optimism toward the overall market, partly to do with the low interest rates that developed markets like Canada and the U.S. have," said Ian Nakamoto, director of research at Macdougall Macdougall & Mactier Inc. "If you have a little bit more confidence, you will take more risk." The S&P/TSX Composite gained 21.18 points, or 0.18%, to 11888.08.

The Canadian dollar hit a 2 1/2-month high against the U.S. dollar on Tuesday as the commodity-linked currency got a lift from a rally in oil prices. The currency climbed nearly a U.S. cent against the greenback, touching a high of C\$1.0336 to the U.S. dollar, or 96.75 U.S. cents, its highest level since Oct. 20.

Crude prices increased \$0.35 to \$81.86/barrel. Gold lost \$2.15 to \$1119.05/ounce.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Manulife Financial Corp (MFC)	\$20.65	\$0.70	8 246 624
Yamana Gold Inc (YRI)	\$12.25	-\$0.03	6 959 552
Precision Drilling Trust (PD-U)	\$8.64	\$0.73	4 660 085
Lundin Mining Corp (LUN)	\$4.64	\$0.17	4 590 280
Bombardier Inc (BBD/B)	\$4.86	-\$0.01	4 154 191

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Citigroup Inc (C)	\$3.53	\$0.13	113 989 600
Bank of America Corp (BAC)	\$16.20	\$0.51	30 871 700
Ford Motor Co (F)	\$10.96	\$0.68	24 949 400
Intel Corp (INTC)	\$20.87	-\$0.01	14 279 283
Cisco Systems Inc (CSCO)	\$24.58	-\$0.11	13 889 193

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	0.16%	2.00%
MATERIALS	1.76%	4.35%
INDUSTRIALS	0.08%	0.01%
CONSUMER DISCRETIONARY	0.03%	0.51%
CONSUMER STAPLES	-0.64%	-0.46%
HEALTH CARE	0.27%	2.54%
FINANCIALS	-0.39%	-0.01%
INFORMATION TECHNOLOGY	-0.74%	-3.29%
TELECOMMUNICATIONS SERVICES	-1.12%	-1.74%
UTILITIES	-0.72%	-0.89%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	1.39%	1.46%
CAN GOVT 5 YR	2.71%	2.76%
CAN GOVT 7 YR	3.04%	3.09%
CAN GOVT 10 YR	3.56%	3.61%
CAN GOVT 30 YR	4.08%	4.10%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$81.86	\$81.51	\$48.81
GOLD SPOT (\$/OZ)	\$1 119.05	\$1 121.20	\$859.50
CAD per USD	1.0396	1.0416	1.1890
CAD per EURO	1.4937	1.5012	1.6204
USD per EURO	1.4368	1.4413	1.3635
YEN per USD	91.720	92.500	93.440

Source: Bloomberg



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