

Market Review

November 2, 2009

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	9 789.44	76.71	0.79%	-0.80%	11.54%	4.98%
S&P 500 Index	1 042.88	6.69	0.65%	-2.26%	15.46%	7.65%
Nasdaq Composite Index	2 049.20	4.09	0.20%	-4.33%	29.94%	19.07%
S&P/TSX Composite Index	10 878.35	-32.40	-0.30%	-3.17%	21.04%	11.43%
FTSE 100 (UK)	5 104.50	59.95	1.19%	-1.68%	15.12%	16.61%
DAX (Germany)	5 430.82	15.86	0.29%	-3.75%	12.90%	8.88%
NIKKEI 225 (Japan)	9 802.95	-231.79	-2.31%	-5.40%	10.65%	14.29%
HANG SENG (Hong-Kong)	21 620.19	-132.68	-0.61%	-4.29%	50.27%	54.78%

MARKET REVIEW

Manufacturing in the U.S. expanded faster than anticipated in October

U.S. stocks fluctuated as a Federal Reserve official said the banking system is still "far from robust," triggering a slide in financials that tempered an earlier rally following better-than-estimated economic data. Citigroup Inc., Wells Fargo & Co. and Goldman Sachs Group Inc. declined as Jon Greenlee, associate director of the Fed division that regulates banks, said lenders still face threats from defaults on commercial-real estate loans. "Financials have been leading the rally, so any indication that it could be based on false hope could worry people," said Scott Tapley, who helps oversee \$2.5 billion at 1st Source Investment Advisors Inc. "The sudden lurches lower, we haven't seen anything like that for a while. It gets some people wondering if we're not going to go back into a meltdown." The Dow Jones Industrials Average gained 76.71 points, or 0.79%, to 9789.44. The S&P 500 Composite rose 6.69 points, or 0.65%, to 1042.88. The Nasdaq Composite advanced 4.09 points, or 0.20%, to 2049.2.

Manufacturing in the U.S. expanded faster than anticipated in October, easing concern the economic recovery will be cut short once government aid wanes. The Institute for Supply Management's factory index rose to 55.7, a three-year high and exceeding expectations of 53

Canadian stocks fell for a second day as Research In Motion Ltd. dropped on an analyst downgrade and the biggest insurance companies slid on concern that earnings reports this week will show lingering effects of the recession. The index lost fell 4.3% in October, posting the first monthly decline since February as U.S. consumer spending, consumer confidence and home sales missed economists' forecasts. The S&P/TSX Composite pulled back 32.4 points, or 0.30%, to 10878.35.

Canada's dollar advanced from the lowest level in a month against its U.S. counterpart after commodities including crude oil increased, making currencies tied to risk more attractive.

Crude prices gained \$1.09 to \$78.09/barrel.
Gold rose \$14.70 to \$1060.10/ounce.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
UTS Energy Corp (UTS)	\$2.11	\$0.07	12 589 778
Lundin Mining Corp (LUN)	\$4.25	-\$0.10	7 682 459
Yamana Gold Inc (YRI)	\$11.63	\$0.15	6 383 394
Manulife Financial Corp (MFC)	\$20.13	-\$0.17	4 874 332
Kinross Gold Corp (K)	\$19.70	-\$0.40	4 847 639

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Citigroup Inc (C)	\$3.99	-\$0.10	109 552 500
Bank of America Corp (BAC)	\$14.63	\$0.05	44 736 500
Ford Motor Co (F)	\$7.58	\$0.58	27 031 500
General Electric Co (GE)	\$14.47	\$0.21	23 727 300
Intel Corp (INTC)	\$19.01	-\$0.10	22 479 139

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	-0.91%	25.95%
MATERIALS	0.20%	21.63%
INDUSTRIALS	0.17%	9.89%
CONSUMER DISCRETIONARY	-0.21%	2.28%
CONSUMER STAPLES	0.51%	-2.81%
HEALTH CARE	-0.22%	23.43%
FINANCIALS	0.27%	30.61%
INFORMATION TECHNOLOGY	-4.74%	24.00%
TELECOMMUNICATIONS SERVICES	-0.20%	-5.26%
UTILITIES	-0.10%	-0.51%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	1.41%	1.39%
CAN GOVT 5 YR	2.70%	2.68%
CAN GOVT 7 YR	2.96%	2.95%
CAN GOVT 10 YR	3.44%	#VALUE!
CAN GOVT 30 YR	3.94%	3.92%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$78.09	\$77.00	\$67.81
GOLD SPOT (\$/OZ)	\$1 060.10	\$1 045.40	\$724.55
CAD per USD	1.0780	1.0848	1.2125
CAD per EURO	1.5921	1.5967	1.5440
USD per EURO	1.4769	1.4719	1.2726
YEN per USD	90.350	90.090	98.460

Source: Bloomberg



1) National Bank Financial Group is an indirect wholly-owned subsidiary of National Bank of Canada.

2) National Bank of Canada is a public company listed on Canadian stock exchanges.

3) National Bank Financial Group may act as financial advisor, fiscal agent or underwriter for certain companies mentioned herein and may receive remuneration for its services.

4) National Bank Financial and/or its officers, directors, representatives or associates may have a position in the securities mentioned herein and may make purchases and/or sales of these securities from time to time in the open market or otherwise. 5) The information contained herein was obtained from sources which we believe to be reliable, however we cannot represent that it is accurate or complete. 6) This is not a recommendation for any security or investment sector as it may not be suitable for all types of investors. Please contact your investment advisor before purchase to discuss your investor profile and to further discuss these risk factors.