

Market Review

October 22, 2009

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	10 081.31	131.95	1.33%	0.18%	14.87%	18.34%
S&P 500 Index	1 092.91	11.51	1.06%	-0.33%	21.00%	21.87%
Nasdaq Composite Index	2 165.29	14.56	0.68%	-0.37%	37.30%	34.01%
S&P/TSX Composite Index	11 533.37	91.35	0.80%	0.25%	28.32%	24.86%
FTSE 100 (UK)	5 207.36	-50.49	-0.96%	-0.30%	17.44%	28.87%
DAX (Germany)	5 762.93	-70.56	-1.21%	-1.16%	19.81%	26.07%
NIKKEI 225 (Japan)	10 267.17	-66.22	-0.64%	0.28%	15.89%	18.36%
HANG SENG (Hong-Kong)	22 210.52	-107.59	-0.48%	0.96%	54.37%	55.68%

MARKET REVIEW

Canadian retail sales increased twice as fast as forecast

Canada's main equity index erased a loss and advanced, led by financial stocks and BlackBerry maker Research In Motion Ltd. The Dow Jones Industrials Average increased 131.95 points, or 1.33%, to 10081.31. The S&P 500 Composite advanced 11.51 points, or 1.06%, to 1092.91. The Nasdaq Composite rose 14.56 points, or 0.68%, to 2165.29.

Canadian retail sales increased twice as fast as forecast in August, climbing 0.8% from the previous month because of new truck purchases and higher prices at gasoline stations. Sales climbed to C\$34.5 billion, rebounding from a revised 0.5% drop the prior month. The Ontario province raised his deficit projections and will run a record deficit of C\$24.7 billion in the current fiscal year, compared with a June forecast of C\$18.5 billion. The C\$65.2 billion of projected cumulative deficits is almost twice the C\$36 billion three-year gap forecast when the budget was released last March.

Korea National Oil Corp. agreed to buy Harvest Energy Trust at a 37% premium. The South Korean explorer will pay C\$1.8 billion in cash, or C\$10.00 per unit. It will assume C\$2.3 billion of debt, bringing the total acquisition price to C\$4.1 billion.

U.S. stocks advanced for the first time in three days as better-than-estimated earnings at companies from Travelers Cos. to McDonald's Corp. boosted speculation that the worst recession since the 1930s is over. The S&P/TSX Composite gained 91.35 points, or 0.80%, to 11533.37. Crude prices lost \$0.18 to \$81.19/barrel. Gold advanced \$1.80 to \$1060.80/ounce.

The index of U.S. leading economic indicators rose in September for a sixth straight month, showing the economy is likely to expand into early 2010. The Conference Board's gauge of the economic outlook for the next three to six months climbed a greater-than-forecast 1%, contributing to the biggest six-month gain in 26 years. Other reports showed jobless claims rose more than forecast and home prices fell.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Harvest Energy Trust (HTE-U)	\$9.78	\$2.48	41 500 725
Lundin Mining Corp (LUN)	\$4.67	\$0.14	5 282 196
Yamana Gold Inc (YRI)	\$12.52	-\$0.03	4 754 661
Bombardier Inc (BBD/B)	\$4.70	-\$0.06	4 274 758
Manulife Financial Corp (MFC)	\$22.39	\$0.59	4 052 052

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Citigroup Inc (C)	\$4.46	\$0.04	49 642 900
Bank of America Corp (BAC)	\$16.52	\$0.01	36 258 700
Marshall & Ilsley Corp (MI)	\$6.10	\$0.09	28 953 200
General Electric Co (GE)	\$15.34	-\$0.19	25 022 700
Microsoft Corp (MSFT)	\$26.59	-\$0.02	22 167 559

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	0.43%	35.90%
MATERIALS	-0.09%	31.04%
INDUSTRIALS	0.03%	15.44%
CONSUMER DISCRETIONARY	1.48%	6.27%
CONSUMER STAPLES	0.62%	-0.81%
HEALTH CARE	1.68%	26.45%
FINANCIALS	1.51%	36.71%
INFORMATION TECHNOLOGY	2.55%	42.13%
TELECOMMUNICATIONS SERVICES	1.02%	-8.01%
UTILITIES	0.88%	2.82%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	1.50%	1.51%
CAN GOVT 5 YR	2.73%	2.73%
CAN GOVT 7 YR	2.99%	2.99%
CAN GOVT 10 YR	3.46%	3.45%
CAN GOVT 30 YR	3.95%	3.94%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$81.19	\$81.37	\$66.75
GOLD SPOT (\$/OZ)	\$1 060.80	\$1 059.00	\$730.45
CAD per USD	1.0473	1.0429	1.2539
CAD per EURO	1.5749	1.5662	1.6116
USD per EURO	1.5037	1.5016	1.2855
YEN per USD	91.280	90.970	97.660

Source: Bloomberg



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