

## Weekly Global Market Commentary

### February 8<sup>th</sup>, 2010

#### Stock Market Performance

	02/05/10	W-o-W	M-o-M	Y-o-Y
BSX	2,053	2.0%	-0.9%	-33.6%
DJIA	10,012	-0.5%	-5.3%	24.2%
S&P 500	1,066	-0.7%	-6.2%	26.0%
S&P/TSX	11,223	1.2%	-5.6%	26.7%
S&P/TSX-V	1,455	-2.5%	-6.2%	62.0%
FSTE100	5,061	-2.5%	-8.4%	19.7%
DAX	5,434	-3.1%	-9.9%	20.5%
CAC	3,564	-4.7%	-11.2%	16.2%
Nikkei	10,057	-1.4%	-5.8%	26.5%
Hang Seng	19,665	-2.3%	-11.7%	49.2%
Shanghai	2,939	-1.7%	-10.4%	40.1%
MSCI World	1,095	-2.1%	-8.2%	28.4%

#### Market Recap - Week Ending 02/05/10

Following a week of strong corporate earnings and a mixed employment report, North American equities staged an impressive rally on Friday, rebounding from a steep early decline. Foreign equity markets, however — particularly those in Europe — continued to sell off, with ongoing worries over deteriorating sovereign debt. These concerns helped the U.S. dollar and treasury bonds post strong gains, while commodity prices slumped, notable crude oil, which looks to fall below the \$70 level for the first time since last September. Worldwide stock indices are now down 10% or more from their mid-January highs, which technically signals a market correction.

#### The Week Ahead

While last week's economic data predominantly took the temperature of the labour market, this week's limited slate of releases involve foreign trade and sales. The big American numbers come mid-week with Trade Balance on Wednesday and Retail Sales on Thursday. However, most eyes will be focused on Europe—given the chatter about a Greek debt default and the potential of a "domino effect" in other troubled EMU states such as Portugal and Spain. A speech from ECB president Trichet kicks things off on Monday evening, followed by Germany's CPI on Tuesday, and important EMU releases in GDP and Industrial Production on Friday. On the earnings side, over 60% of S&P stocks have reported, with earnings having doubled (but revenues up a scant 7%) on a year-over-year basis. Major releases this week come from Coke, Walt Disney, UBS, Credit Suisse, BHP Billiton, Sprint Nextel, and Viacom.

#### Key Rates and Prices

Currencies	02/05/10	Month ago	Year ago
EUR	\$1.37	\$1.44	\$1.28
GBP	\$1.56	\$1.60	\$1.46
JPY	¥89.26	¥91.71	¥91.23
CAD	\$0.93	\$0.96	\$0.81
CHF	\$0.93	\$0.97	\$0.85
AUD	\$0.87	\$0.91	\$0.65

#### Fixed Income

3M LIBOR	0.25	0.25	1.24
3M Treasury Bill	0.09	0.07	0.28
2Yr Treasury Note	0.77	1.01	0.97
10Yr Treasury Note	3.57	3.76	2.91
Fed Funds Rate	0.25	0.25	0.25

#### Commodities

Gold/oz.	1,066.30	1,118.00	914.55
Silver/oz.	15.17	17.79	12.86
Copper/lb.	2.85	3.40	1.51
Oil	71.19	81.77	41.17

#### Global Economic Calendar (Feb. 8 - Feb. 12)

Mon: ECB Trichet Speech (EMU), Trade Balance (Jap)  
 Tue: CPI (Ger), Trade Balance (UK), Retail Sales (UK)  
 Wed: Trade Balance (US), BoE Governor King Speech (UK), Industrial Production (UK)  
 Thur: Retail Sales (US), ECB Monthly Report (EMU), Unemployment Rate (Aus), CPI (Switz)  
 Fri: GDP (EMU), GDP (Ger), Industrial Production (EMU), Reuters/Michigan Consumer Sentiment (US)

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