



Weekly Global Market Commentary

March 8th, 2010

Stock Market Performance

	02/05/10	W-o-W	M-o-M	Y-o-Y
BSX	1,765	-7.1%	-14.0%	-34.7%
DJIA	10,566	2.3%	5.5%	60.2%
S&P 500	1,139	3.1%	6.8%	66.8%
S&P/TSX	11,975	3.0%	6.7%	57.0%
S&P/TSX-V	1,558	1.7%	7.0%	87.8%
FSTE100	5,600	4.6%	10.6%	58.6%
DAX	5,877	5.0%	8.2%	59.0%
CAC	3,910	5.4%	9.7%	52.2%
Nikkei	10,369	2.4%	3.1%	39.5%
Hang Seng	20,788	0.9%	5.7%	70.2%
Shanghai	3,031	-0.7%	3.1%	36.5%
MSCI World	1,170	3.3%	6.8%	67.1%

Key Rates and Prices

Currencies	02/05/10	Month ago	Year ago
EUR	\$1.36	\$1.37	\$1.25
GBP	\$1.51	\$1.56	\$1.41
JPY	¥90.28	¥89.25	¥98.07
CAD	\$0.97	\$0.93	\$0.77
CHF	\$0.93	\$0.93	\$0.85
AUD	\$0.91	\$0.87	\$0.64

Fixed Income

3M LIBOR	3	0.25	1.28
3M Treasury Bill	0.15	0.09	0.19
2Yr Treasury Note	0.90	0.77	0.89
10Yr Treasury Note	3.68	3.57	2.81
Fed Funds Rate	0.25	0.25	0.25

Commodities

Gold/oz.	1,134.65	1,066.30	932.40
Silver/oz.	17.36	15.17	13.25
Copper/lb.	3.42	2.85	1.67
Oil	81.50	71.19	43.61

The US Labor Department said the economy lost 36K jobs last months after shedding a revised 26K positions in December, and the unemployment rate held at 9.7%. Job losses were expected to be larger than reported as the recent snowstorms in the East Coast impacted hiring. The news increased confidence among market participants that labor markets continued to stabilize last month although we have a long way to go before we see some robust hiring activity. Manufacturing payrolls increased for the second month in a row and hiring of temporary workers jumped by 48K indicating improved confidence among employers. Companies will likely continue to rely on temporary workers and await further signs of stabilization in economic growth before they resume hiring full-time employees.

Although income growth remains anemic by historical standards, higher pay for existing workers is expected to provide some much needed support for consumer spending in the months ahead. A separate report by the Federal Reserve showed consumer demand for credit rose by \$5 billion in January, the first gain in a year, signaling improved consumer confidence.

It is a light week for data, with nothing of note before Wednesday's release of January's wholesale inventories and February's monthly budget statement. Along with the usual weekly initial claims data, Thursday brings the release of January's trade report, followed on Friday by February's retail sales figures and the provisional University of Michigan confidence survey for March.

Moving to the euro area, Greece will remain in the spotlight in the coming week. But after the Parliament on Friday passed the additional €4.8bn of budgetary tightening measures demanded by the EU, and the long-awaited 10Y Greek bond issue was successfully issued, the saga is currently unfolding as we envisaged. On the weekend, French President Sarkozy was the latest euro area leader to provide words of encouragement for the Greeks, implying that financial assistance would be forthcoming from the eurozone should it be required. The next key date is one week today, when the Finance Ministers meet to endorse formally the Greek plans.

Tomorrow is a relatively quiet day on the data front, with just French trade data for January due for release, while on Wednesday we will get January's industrial production data for France and Italy, and German trade figures for the same period. Final Italian GDP data for Q409 and German inflation figures for February are also scheduled for publication. French payrolls and budget data are expected on Thursday, and on Friday we will get the aggregate euro area production figures for January, along with Italian labor cost and French current account data.

These recommendations do not represent specific trade ideas. Not suitable for all investors.

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