



Weekly Global Market Commentary August 24th, 2009

Stock Market Performance

	8/21/09	W-o-W	M-o-M	Y-o-Y
BSX	2,305	-0.7%	6.6%	-49.5%
DJIA	9,506	2.0%	6.6%	-16.8%
S&P 500	1,026	2.2%	7.5%	-19.7%
S&P/TSX	10,831	-0.2%	3.0%	-20.0%
S&P/TSX-V	1,192	-0.1%	6.9%	-38.9%
FSTE100	4,851	2.9%	8.3%	-9.7%
DAX	5,463	2.9%	7.2%	-12.4%
CAC	3,616	3.4%	9.5%	-16.0%
Nikkei	10,238	-3.4%	6.1%	-19.7%
Hang Seng	20,199	-3.3%	3.6%	-0.9%
Shanghai	2,961	-2.8%	-7.9%	21.8%
MSCI World	1,081	1.6%	7.5%	-18.6%

Market Recap - Week Ending 8/21/09

Despite the typical summer lull in trading volumes, many major equity indices including the Dow, S&P 500, DJ EURO STOXX 50, and MSCI World were able to close at their highest levels of 2009 on Friday. Economic data has been trickling in, supporting the market's expectations that the global recession is now over and a recovery has begun. The OECD G7 countries posted only a small 0.1% drop in GDP for the second quarter. More importantly, recent data showed Japan's GDP growing 0.9% in the second quarter, which follows news that Germany and France grew 0.3%. With three of the G7 officially out of recession, investors are optimistic that good news will continue to flow. In some cases, markets have been overlooking weak data but grabbing onto positive flow. For example, the U.S. has negative housing news on Tuesday and negative employment data on Thursday, but markets managed to close higher both days. When positive news finally came on Friday by way of better-than-expected existing home sales, the S&P 500 rallied 1.9%.

Key Rates and Prices

Currencies	8/14/09	Month ago	Year ago
EUR	\$1.43	\$1.42	\$1.49
GBP	\$1.65	\$1.65	\$1.88
JPY	¥94.38	¥93.74	¥108.43
CAD	\$0.92	\$0.91	\$0.96
CHF	\$0.94	\$0.94	\$0.92
AUD	\$0.83	\$0.82	\$0.88

Fixed Income

3M LIBOR	0.39	0.50	2.81
3M Treasury Bill	0.16	0.19	1.72
2Yr Treasury Note	1.09	0.93	2.31
10Yr Treasury Note	3.57	3.48	3.83
Fed Funds Rate	0.25	0.25	2.00

Commodities

Gold/oz.	953.85	948.50	837.00
Silver/oz.	14.18	13.55	13.85
Copper/lb.	2.84	2.45	3.56
Oil	73.89	64.72	121.18

The Week Ahead

Looking ahead, this week will be ripe with economic data. U.S. releases include consumer confidence, the Case-Shiller Home Price Index, new home sales, durable goods orders, and second quarter GDP. At the start of the week, markets were following Friday's rally with the Nikkei gaining 3.3% overnight, European markets trading up 1% midday, and U.S. markets up over 0.6% in early trading.

Global Economic Calendar (Aug. 24-Aug. 28)

- Mon:** Industrial New Orders (EMU); Retail Sales (Can.); Chicago Fed Activity (US)
- Tue:** GDP (Ger.); Nationwide Housing Prices (UK); Consumer Confidence, Housing Price Index (US)
- Wed:** IFO - Business Climate & Expectations (Ger.); Durable Goods Orders, MBA Mortgage Applications, New Home Sales, EIA Crude Oil Stocks (US)
- Thur:** CPI, GfK Consumer Confidence (Ger.); GDP, Personal Consumption, Initial Jobless Claims (US); Jobless Rate, CPI (Jap.)
- Fri:** GDP, Private Consumption (UK); Consumer Confidence (EMU); Personal Income and Spending (US)

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