



Weekly Global Market Commentary October 27th, 2008

Stock Market Performance

	10/24/08	W-o-W	M-o-M	Y-o-Y
DJIA	8,379	-5.3%	-22.6%	-38.7%
S&P 500	877	-6.8%	-26.1%	-42.2%
S&P/TSX	9,294	-2.8%	-25.7%	-34.0%
S&P/TSX-V	831	-12.2%	-46.4%	-72.5%
FSTE100	3,883	-4.4%	-23.8%	-40.1%
DAX	4,296	-10.2%	-29.0%	-45.1%
CAC	3,194	-4.1%	-22.4%	-43.7%
Nikkei	7,649	-12.0%	-36.9%	-53.2%
Hang Seng	12,618	-13.3%	-33.5%	-57.0%
Shanghai	1,840	-4.7%	-17.0%	-68.5%

Key Rates and Prices

Currencies	10/24/08	Month ago	Year ago
EUR	1.27	1.47	1.42
GBP	1.59	1.85	2.05
JPY	94.28	106.01	113.98
CAD	1.27	1.04	0.97
CHF	1.16	1.09	1.17
AUD	0.63	0.83	0.90

Fixed Income

1M U.S. Treasury	0.28	0.12	3.83
3M U.S. Treasury	0.82	0.44	3.67
1Yr U.S. Treasury	1.60	1.90	3.91
1M LIBOR	3.24	3.43	4.86
3M LIBOR	3.52	3.48	5.07
1Y LIBOR	3.51	3.76	4.69
Prime Rate	4.50	5.00	7.75
Fed Funds Rate	1.50	2.00	4.75

Commodities

Gold/oz.	734.75	882.63	763.95
Silver/oz.	9.36	13.26	13.58
Copper/lb.	1.71	3.13	3.49
Oil	64.15	105.73	87.10

For Immediate Release

All Pain, No Gain

Stocks followed their volatile trend last week with the Dow showing triple-digit swings every day. On Friday morning, Dow and S&P futures hit limit down following declines of 9.6% and 8.3% in the Nikkei and Hang Seng, respectively. The Dow finished 3.6% points down by the end of the day and was 5.3% down for the week. London's FTSE finished the week 4.4% in the red while Asian markets fared much worse on average.

Another Rough Start

Markets showed no signs of easing on Monday morning. The Nikkei closed down 6.4% to a 26-year low while the Hang Seng plummeted 12.7%. European markets were down 3%-8% by mid-day trading. U.S. markets were off around 1%-2% in early trading. The yen and dollar are showing continued strength this morning while oil followed its downward trend.

Looking Forward

A coordinated G7 intervention could potentially stabilize or weaken the yen, causing us to stick with the dollar for a bullish currency outlook. Expectations are high that the Federal Reserve will cut interest rates on Wednesday. It's unlikely that even the predicted 1/2 point rate reduction will do much to encourage spending, but another coordinated global rate cut may stimulate banks and equity markets.

Global Economic Calendar (Oct. 27-Oct. 31)

- Mon: CPI, IFO (Germany); New Home Sales, Paulson Speech (U.S.); Housing Prices (U.K.); Retail Trade (Japan)
- Tue: Consumer Confidence (U.S.)
- Wed: Fed Rate Decision, Durable Good Orders (U.S.)
- Thur: GDP (U.S.); Unemployment (Germany); IPP (Can.); Jobless Rate, CPI (Japan)
- Fri: Personal Income & Spending, Consumer Sentiment (U.S.); BoJ Rate Decision (Japan); Unemployment (E.M.U.); GDP (Can.)

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