

Market Review

September 1, 2010

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	10 269.47	254.75	2.54%	2.08%	-1.52%	10.30%
S&P 500 Index	1 080.29	30.96	2.95%	2.37%	-3.12%	8.24%
Nasdaq Composite Index	2 176.84	62.81	2.97%	1.65%	-4.07%	10.56%
S&P/TSX Composite Index	12 003.78	89.92	0.75%	3.05%	2.19%	12.29%
FTSE 100 (UK)	5 366.41	141.19	2.70%	5.03%	-0.86%	11.34%
DAX (Germany)	6 083.90	158.68	2.68%	3.13%	2.12%	14.20%
NIKKEI 225 (Japan)	8 927.02	102.96	1.17%	0.92%	-15.36%	-15.22%
HANG SENG (Hong-Kong)	20 623.83	87.34	0.43%	-0.05%	-5.71%	3.78%

MARKET REVIEW

World Stock Markets Rally

Global stocks surged the most since May, Treasuries tumbled and copper rallied as manufacturing in the U.S. and China grew faster than economists estimated. The dollar, yen and Swiss franc weakened. Equities rebounded from the biggest August plunge in nine years as the expansion in manufacturing tempered concern that the global economy will slow as governments withdraw stimulus measures. Some Federal Reserve policy makers saw greater risks to the recovery yet the central bank signaled it's hesitant to undertake another round of debt purchases to boost growth, according to minutes of an August meeting released yesterday. "It's a combination of better industrial data out of China and the ISM data here in the United States," said Mark Bronzo, an Irvington, New York-based fund manager at Security Global Investors, "People have become extremely negative and as a result the data was better than expected and you're seeing a sharp snap back." Stocks extended gains after the Institute for Supply Management's gauge of manufacturing unexpectedly rose to 56.3 in August from 55.5 a month earlier. Readings greater than 50 signal growth. Economists forecast the index would decline to 52.8. The Dow Jones Industrials Average gained 254.75 points, or 2.54%, to 10269.47. The S&P 500 Composite advanced 30.96 points, or 2.95%, to 1080.29. The Nasdaq Composite increased 62.81 points, or 2.97%, to 2176.84.

Canadian stocks rose for a sixth day, the longest rally since June 17, as faster-than-forecast growth in U.S. and Chinese manufacturing bolstered confidence in the global economic recovery. "Canadian equities are being driven today by a recovery in risk appetite" spurred by the Chinese manufacturing data and declines in inventories of oil and copper, said Bob Decker, who helps manage C\$4.2 billion at Aurion Capital Management in Toronto. "There are some investor flows into equities generally, so financials are stronger as well." The S&P/TSX Composite rose 89.92 points, or 0.75%, to 12003.78.

Crude prices gained \$2.06 to \$73.98/barrel. Gold lost \$3.05 to \$1244.40/ounce.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Manulife Financial Corp (MFC)	\$12.51	\$0.64	13 014 714
Kinross Gold Corp (K)	\$17.61	-\$0.42	7 146 323
Western Coal Corp (WTN)	\$4.32	\$0.32	6 896 370
Bombardier Inc (BBD/B)	\$4.59	\$0.15	6 388 199
Equinox Minerals Ltd (EQN)	\$5.23	\$0.47	6 041 717

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Citigroup Inc (C)	\$3.84	\$0.12	47 872 500
Bank of America Corp (BAC)	\$13.19	\$0.74	27 780 100
Cisco Systems Inc (CSCO)	\$20.31	\$0.26	17 931 884
Microsoft Corp (MSFT)	\$23.92	\$0.43	14 793 357
Intel Corp (INTC)	\$18.14	\$0.42	14 575 976

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	1.62%	-4.93%
MATERIALS	-1.23%	14.98%
INDUSTRIALS	2.00%	7.28%
CONSUMER DISCRETIONARY	1.32%	12.49%
CONSUMER STAPLES	1.53%	3.09%
HEALTH CARE	1.13%	39.53%
FINANCIALS	1.26%	-1.17%
INFORMATION TECHNOLOGY	1.04%	-26.70%
TELECOMMUNICATIONS SERVICES	-0.57%	13.81%
UTILITIES	1.60%	3.84%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	1.27%	1.21%
CAN GOVT 5 YR	2.10%	2.04%
CAN GOVT 7 YR	2.39%	2.32%
CAN GOVT 10 YR	2.85%	2.78%
CAN GOVT 30 YR	3.50%	3.43%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$73.98	\$71.92	\$68.05
GOLD SPOT (\$/OZ)	\$1 244.40	\$1 247.45	\$956.35
CAD per USD	1.0505	1.0656	1.1042
CAD per EURO	1.3454	1.3512	1.5707
USD per EURO	1.2807	1.2680	1.4224
YEN per USD	84.430	84.200	92.920

Source: Bloomberg



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