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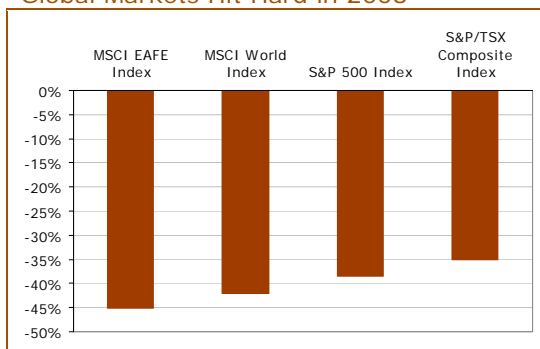
## Index Return Monitor

2008: The Second Worst Year Since 1920

When the S&P/TSX Composite Index surpassed the 15,000 level in June, it is unlikely anyone had surmised that 2008 would end up being the second worst year for the Canadian market in the past 88 years. It was a difficult year for investors everywhere, with more than US\$30 trillion of value destroyed in equity markets worldwide. Yet 2008 taught us at least a couple of important, albeit painful, lessons.

Perhaps most important to investors living in a commodity-rich country, we learned that the widely touted notion of “decoupling” was a myth. In the first half of last year, some strategists contended that a downturn in the U.S. would have little impact on the economic growth of emerging nations – and that demand from such countries for Canada’s exports would offset slowing demand from the U.S. Instead of decoupling, what has become very evident is that world economies are continuously evolving toward greater integration through trade and financial markets. Hence, as the tentacles of the credit crisis tightened around the global economy last year, a vicious cascading effect

### Global Markets Hit Hard in 2008



Source: Bloomberg

was set into motion for Canada: growth in developed economies stalled, causing the export and manufacturing markets of emerging economies to falter. In turn, this caused demand for some of Canada’s largest exports, including oil and base metals, to slump. As commodity prices tanked, so did the Canadian dollar, which often is referred to as a “petro dollar”. For the year, the natural-resource-laden TSX sank 35.0% as Canada veered toward a recession.

2008 was a year in which we also discovered that market confidence can be just as important as economic and financial fundamentals. As the credit crisis intensified and renowned financial institutions began to fail, banks became more reluctant to lend to one another, let alone to retail and business customers. The credit freeze was evidenced by a sharp spike in the TED spread (the difference between the three-month London Interbank Offered Rate and the three-month U.S. Treasury Bill yield) to 4.6% in mid October. The TED Spread ended the year at 1.4%, suggesting that banks were becoming more willing to extend loans to one another.

Similarly, after hitting a high of 81 on November 20, 2008, the CBOE Volatility Index (VIX), a commonly-cited measure of expectations of near-term U.S. stock market volatility, eased to 40 by December 31, as traders became more optimistic about the prospects for stocks.

On the other hand, the U.S. Conference Board Consumer Confidence Index ended 2008 at a record low of 38, despite a large drop in the price of gasoline. To put things into perspective, the index stood at 90.6 at the start of the year. Deflating housing prices, depreciating equity markets and spiralling job losses resulted in dour sentiment, and further selling pressure on stocks.

In more ways than one, 2008 was a truly unprecedented year – today’s financial crisis is the most severe since the Great Depression. As such, many of the issues that plagued markets last year will likely spill over into 2009 and continue to challenge markets until we get clear indications that global economic growth is stabilizing and market confidence is improving.

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### Bellwether Indices

	Price Index 31-Dec-08	Price Performance % Change				
		1 mo	3 mo	6 mo	12 mo	YTD
S&P/TSX COMPOSITE INDEX	8,988	-3.1	-23.5	-37.9	-35.0	-35.0
S&P 500 INDEX	903	0.8	-22.6	-29.4	-38.5	-38.5
DOW JONES INDUS. AVG	8,776	-0.6	-19.1	-22.7	-33.8	-33.8
NASDAQ COMPOSITE INDEX	1,577	2.7	-24.6	-31.2	-40.5	-40.5

Source: Bloomberg, local currency

## Trusts Caught In Market Rout

The Income Trust Index bested the TSX by a narrow margin of 126 basis points (bps), falling 33.8% in 2008; taking distributions into account, the picture was slightly rosier, with the Income Trust Total Return Index depreciating 26.1%. The Energy Trust Index lost 35.4% in 2008 on the back of a whopping 50.5% slide in the price of West Texas Intermediate (WTI) crude oil and a 24.9% decline in the value of NYMEX natural gas.

Perhaps more surprising was the 43.1% hammering taken by the REIT Index last year. The sector was considered by many to be more defensive than the broad market. Many REIT investors who were spooked by the carnage in the U.S. housing market and the pervasive credit crisis sold their holdings, sending the index sharply lower in the year.

### Income Trust Indices\*

	Price Index	Price Performance % Change				
	31-Dec-08	1 mo	3 mo	6 mo	12 mo	YTD
Income Trust Total Return	176.3	-8.6	-28.5	-40.6	-26.1	-26.1
Income Trust Index	95.4	-9.9	-31.2	-44.2	-33.8	-33.8
Energy Trust Total Return	214.5	-12.3	-33.5	-48.5	-27.1	-27.1
Energy Trust Index	106.7	-13.5	-36.2	-52.0	-35.4	-35.4
REIT Total Return	127.9	-1.4	-30.6	-34.6	-38.3	-38.3
REIT Index	81.1	-2.3	-32.5	-37.5	-43.1	-43.1

\* All are based on S&P/TSX Capped Indices  
Source: Bloomberg, local currencies

## Short Term Government Yields Drop Sharply

The dramatic run-up in the price of oil towards US\$147 per barrel from the start of the year to mid July somewhat handcuffed central bankers, as the prospects of accelerating inflation had to be balanced against those of an economic slowdown. However, with oil falling roughly 77% from its July peak to its December trough, policy makers worldwide went from fretting about accelerating prices to focusing on the dire consequences of stag-deflation, a situation in which prices fall while economic activity stagnates.

With the U.S. economy in cardiac arrest, U.S. Federal Reserve (Fed) Chairman Ben Bernanke, a noted student of economic crises, responded with aggressive monetary policy, cutting the federal funds rate by 400 bps in 2008 to a range of 0% to 0.25%. Likewise, the Bank of Canada slashed its target overnight rate by 275 bps to 1.5%.

In 2008, bond yields were also pushed lower by traders, who, with a heightened sense of risk aversion, rushed out of risky assets such as stocks and credit derivatives in earnest and sought refuge in the safety and liquidity of U.S. T-Bills en masse. Remarkably, the U.S. three-month T-bill yield fell from 3.24% at the start of the year to 0.08% at its end, while its Canadian counterpart fell from 3.82% to 0.83%. As a result, some concluded that a bubble had formed in the Treasury market.

### Canada & U.S. Yields

	Yield as of				
	31-Dec-08	-1 mo	-3 mo	-6 mo	-12 mo
3-month Canada T-Bills	0.83	1.67	1.89	2.48	3.82
Canada 5yr Notes	1.69	2.44	3.16	3.46	3.87
Canada 10yr Notes	2.68	3.32	3.76	3.73	3.99
Canada 30yr Notes	3.46	3.90	4.23	4.08	4.10
US 3-month T-Bills	0.08	0.04	0.90	1.73	3.24
US 5yr Treasuries	1.55	1.91	2.98	3.33	3.44
US 10yr Treasuries	2.21	2.92	3.82	3.97	4.02
US 30yr Treasuries	2.68	3.44	4.31	4.52	4.45

Source: Bloomberg

## Worst Year For Commodities In Five Decades

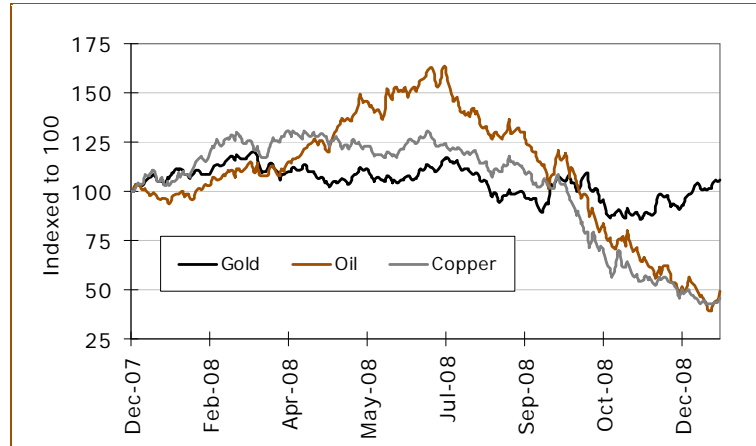
Virtually all commodities, ranging from silver to lumber, had a dreadful 2008. Indeed, the Reuters/Jefferies CRB Index had its largest annual decline ever. Commodity trading in the year was characterized by sharp volatility; perhaps most jarring was the price action of oil. After WTI crude oil hit a record high of US\$146.93 per barrel on July 14, it fell some 76% to a low of US\$35.35 per barrel on Christmas Eve, only to recover to US\$44.60 per barrel to end the year.

The story for 2008 was one of demand destruction in the oil patch. As it turns out, the best moderator of energy consumption is higher prices. In the summer, faced with rising gasoline prices, people parked their gas guzzling SUVs and trucks, opting instead to drive smaller, more fuel efficient vehicles. A recession in the U.S., Europe and Japan, the first time all three regions were in a recession simultaneously since World War II, and rapid economic deceleration in newly industrialized nations also dampened energy demand.

Base metals faced many of the same headwinds as fossil fuels in 2008, as weakening global economic growth reduced demand for raw materials ranging from zinc to nickel. Consequently, base metals depreciated roughly 49%, on average.

While demand destruction was the headline for commodities in 2008, the story for 2009 might be one of supply destruction. Faced with plunging commodity prices, natural resource exploration and production companies have slashed their capital expenditure budgets. Ultimately, this might help to ration supply, which in turn should be supportive of prices.

### Gold Gains In 2008



Source: Bloomberg

All that ailed the economy was bullish for gold, which ended 2008 5.8% higher – appreciating for the eighth consecutive year. Gold has a long history of being a store of value. Hence, during times of economic turmoil and expansionary monetary policy, traders often flock to gold in order to hedge against uncertainty.

### Commodity Prices

	Prices (US\$)					
	31-Dec-08	-1 mo	-3 mo	-6 mo	-12 mo	YTD (%)
Gold Spot US\$/oz	882.05	818.05	870.95	925.40	833.92	5.8
Silver Spot US\$/oz	11.39	10.30	12.03	17.41	14.80	-23.0
Brent Crude Oil	39.53	53.09	97.83	140.91	94.92	-58.4
West Texas Intermediate Oil	44.60	55.82	100.80	141.61	90.11	-50.5
NYMEX Natural gas	5.62	6.51	7.44	13.35	7.48	-24.9
Lumber	169.40	193.50	203.50	242.00	234.50	-27.8
Copper 3-month	1.39	1.64	2.88	3.86	3.03	-54.0
Nickel 3-month	5.31	4.63	7.19	9.96	11.93	-55.5
Aluminum 3-month	0.70	0.80	1.10	1.41	1.09	-36.1
Zinc 3-month	0.55	0.55	0.76	0.88	1.08	-49.0

Source: Bloomberg

## Yen Gains As Risk Aversion Rises

The Japanese yen was perhaps the greatest beneficiary of financial markets uncertainty last year. Increasingly risk-averse traders and hedge fund managers unwound yen-carry trades, initially entered into by borrowing funds at relatively low interest rates in Japan and purchasing higher-yielding (often higher risk) assets in other markets. As traders sold the higher-yielding assets and then repurchased the yen to pay back their yen-denominated loans, the currency appreciated 18.9% against the U.S. dollar.

The U.S. Dollar Index, which tracks the greenback against a trade-weighted basket of 6 major currencies, rose 6.0%. In 2008, frightened investors searching for liquidity and safety turned to the U.S. Treasury market, which was very supportive for the greenback. The loonie lost 18.1% against its U.S. counterpart thanks in large part to the swoon in commodity prices.

### Currency Moves

	Level 31-Dec-08	Change				
		1 mo	3 mo	6 mo	12 mo	YTD
Canadian vs. U.S. Dollar	0.8205	1.7%	-12.7%	-16.2%	-18.1%	-18.1%
Euro vs. Canadian Dollar	1.7039	8.3%	13.6%	5.9%	17.0%	17.0%
Euro vs. U.S. Dollar	1.3971	10.1%	-0.9%	-11.3%	-4.2%	-4.2%
U.S. Dollar vs. Japanese Yen	90.64	-5.1%	-14.6%	-14.7%	-18.9%	-18.9%
Trade Weighted U.S. Dollar	81.31	-6.0%	2.3%	12.2%	6.0%	6.0%

Source: Bloomberg

## Strong Greenback Benefits Canadian Investors

Canadian investors holding U.S.-dollar denominated securities benefited greatly from the rally of the greenback against the loonie. For instance, while the S&P 500 Index lost 38.5% in U.S. dollar terms, the loss was a more modest 24.9% when converted to Canadian dollars.

### Index Returns In Canadian Dollars

	Price Performance % Change				
	1 mo	3 mo	6 mo	12 mo	YTD
S&P/TSX COMPOSITE Index	-3.1	-23.5	-37.9	-35.0	-35.0
S&P 500 Index	-0.9	-11.3	-15.8	-24.9	-24.9
DOW JONES INDUS. AVERAGE	-2.3	-7.4	-7.7	-19.2	-19.2
NASDAQ COMPOSITE Index	1.0	-13.7	-17.9	-27.4	-27.4
BLOOMBERG EUROPEAN 500 Index	5.5	-10.2	-27.2	-35.6	-35.6
MSCI EAFE Index	4.1	-8.8	-24.9	-33.0	-33.0
MSCI WORLD Index	1.3	-10.9	-21.7	-29.3	-29.3

Source: Bloomberg, as of December 31, 2008

## Preservation Strategy Significantly Outperforms Growth

In a year in which global equity markets were hammered and bonds rallied as central banks lowered interest rates, the bond-heavy and equity-light Capital Preservation strategy outperformed the Aggressive Growth portfolio by 26.8%.

### Long-Term Strategic Asset Allocation Investor Profiles (All In C\$)

	(Global Equity/Cdn Equity/Bonds/Cash)	Performance % Change				
		1 mo	3 mo	6 mo	12 mo	YTD
CAPITAL PRESERVATION	(10 / 5 / 65 / 20)	1.9	0.7	-1.6	-0.4	-0.4
INCOME	(20 / 15 / 55 / 10)	1.5	-3.4	-8.5	-8.2	-8.2
INCOME & GROWTH	(30 / 20 / 40 / 10)	1.1	-6.3	-13.2	-13.8	-13.8
GROWTH	(45 / 25 / 25 / 5)	0.7	-9.7	-18.9	-20.7	-20.7
AGGRESSIVE GROWTH	(60 / 30 / 10 / 0)	0.3	-13.1	-24.2	-27.2	-27.2

Source: Bloomberg, pcbond.com as of December 31, 2008

## Bonds Beat Stocks In 2008

Bonds significantly outperformed stocks, even on a total return basis, on both sides of the border in 2008. The Canadian and U.S. total return stock indices fell 33.0% and 37.0%, respectively. As economies in North America began to succumb to the credit crisis, central bankers responded by slashing borrowing costs in an attempt to encourage a revival of economic activity. Declining interest rates spurred a rally in bonds, with the DEX Short Term Bond Index appreciating 8.5% last year. Long-term bonds did not fare as well, rising 2.7%.

### Asset Class Returns

	Total Return % Change					Level 31-Dec-08
	1 mo	3 mo	6 mo	12 mo	YTD	
<b>EQUITIES</b>						
S&P/TSX Composite Total Return	-2.6	-22.7	-36.8	-33.0	-33.0	22968.0
S&P 500 Total Return	1.1	-21.9	-28.5	-37.0	-37.0	1453.0
<b>BONDS</b>						
DEX Universe Bond	2.9	4.5	4.1	6.4	6.4	
DEX Long Term Bond	5.3	5.2	2.0	2.7	2.7	
DEX Mid Term Bond	2.7	4.3	4.0	6.8	6.8	
DEX Short Term Bond	1.7	4.3	5.5	8.5	8.5	

Source: PCBOND.COM, The Globe & Mail, as of December 31, 2008

## No Sectors Were Unscathed In The Market Meltdown

2008 offered investors few places to seek shelter from the market maelstrom. The Consumer Staples sector, which is not very sensitive to economic fluctuations, fared the best, sliding 7.8% for the year. Conversely, Consumer Discretionary stocks, which are very sensitive to changes in economic expectations, plunged 37.5%.

After gaining 22.4% in the first half of the year, the Energy sector fell precipitously, ending the year 36.3% lower, in sympathy with a 50.5% decline in the price of WTI oil.

Canadian banks, albeit generally healthier than their U.S. counterparts, still reported exposure to toxic assets and write-downs ensued. Insurance companies were also hampered by losses on variable annuity products. To shore up regulatory capital ratios, all of Canada's six largest banks and a number insurance companies raised capital. Overall, the Financial sector ended the year down 39.0%.

Despite a 3.6% gain in the Gold sector, the overall Materials sector was weighed down by fertilizer, base metals and steel stocks and finished the year 27.1% lower.

The Construction and Engineering sub-sector mounted an impressive 26.9% rally in the last two months of the year; nonetheless, the Industrials sector depreciated 26.9% in 2008.

### S&P/TSX Composite Sector Returns (GICS Sectors)

	Index Price Index		Price Performance % Change				
	Weight	31-Dec-08	1 mo	3 mo	6 mo	12 mo	YTD
Consumer Discretionary	4.6	809	1.0	-13.1	-17.0	-37.5	-37.5
Consumer Staples	3.3	1,457	8.0	2.8	-2.5	-7.8	-7.8
Energy	28.0	2,115	-8.9	-28.2	-48.0	-36.3	-36.3
Financial	28.8	1,134	-9.4	-30.8	-29.6	-39.0	-39.0
Health Care	0.4	252	-3.8	-12.7	-22.7	-34.4	-34.4
Industrials	6.1	917	4.1	-16.0	-27.2	-26.9	-26.9
Info Technology	3.3	181	-8.1	-27.3	-54.9	-54.3	-54.3
Materials	17.6	2,264	15.1	-12.5	-42.0	-27.1	-27.1
Telecom Services	6.0	721	-0.8	-13.8	-18.3	-27.4	-27.4
Utilities	1.9	1,510	1.7	-7.9	-23.0	-24.0	-24.0

Source: Bloomberg

## International Markets Underperform

What started as a problem in the U.S. subprime mortgage market some 17 months ago quickly morphed into a global economic disaster. Interestingly, even though the genesis of the crisis was in the U.S., international markets notably underperformed North American equity markets in 2008.

Hardest hit were the once white-hot export-oriented emerging economies, as evidenced by the 54.5% drop in the MSCI Emerging Markets Index. With the U.S. and other developed nations officially in a recession, China's manufacturing activity shrank the most on record in November while inflation cooled to the slowest pace in two years. With inflation seemingly at bay, the People's Bank of China cut borrowing costs and eased bank reserve requirements in hopes of reviving the world's fourth largest economy. The situation was similar across Asia with India, South Korea and Taiwan, to name just a few countries, pursuing dovish monetary policy to bolster economic growth.

Industrial output also fell across the European Union and housing prices continued to deflate. Waning economic activity and lower inflation expectations encouraged even the notoriously hawkish European Central Bank to pursue an overtly expansionary monetary policy.

### International Indices

	Price Index	Price Performance % Change				
	31-Dec-08	1 mo	3 mo	6 mo	12 mo	YTD
Bloomberg Euro 500	144	-2.6	-20.9	-31.2	-44.9	-44.9
FTSE Eurotop 100	1,799	-3.7	-20.7	-28.7	-43.2	-43.2
England FTSE 100	4,434	3.4	-9.6	-21.2	-31.3	-31.3
German DAX	4,810	3.0	-17.5	-25.1	-40.4	-40.4
French CAC 40	3,218	-1.4	-20.2	-27.4	-42.7	-42.7
MSCI World	920	3.1	-22.2	-34.4	-42.1	-42.1
MSCI EAFE	1,237	5.9	-20.3	-37.1	-45.1	-45.1
MSCI Emerging Markets	567	7.6	-27.9	-47.8	-54.5	-54.5
Japan Nikkei 225	8,860	4.1	-21.3	-34.3	-42.1	-42.1
Hong Kong Hang Seng	14,387	3.6	-20.1	-34.9	-48.3	-48.3
Australia S&P/ASX 200	3,722	-0.5	-19.1	-28.6	-41.3	-41.3
Taiwan Weighted	4,591	2.9	-19.7	-39.0	-46.0	-46.0
Korea Comp	1,124	4.5	-22.3	-32.9	-40.7	-40.7

Source: Bloomberg, local currencies

## A Brutal Year For Canadian Small Caps

Investors desperately sought security during a period of unprecedented uncertainty. As a result, market agents sold shares of small- and micro-cap stocks, many of which tend to be quite speculative. As a result, the S&P/TSX Venture Composite Index fell a stunning 71.9% in 2008.

### Small Vs. Large Cap

	Price Index	Price Performance % Change				
	31-Dec-08	1 mo	3 mo	6 mo	12 mo	YTD
<b>CANADA</b>						
S&P/TSX 60 INDEX	541.8	-3.8	-23.4	-37.2	-33.0	-33.0
S&P/TSX MIDCAP INDEX	517.4	-0.2	-23.9	-40.0	-41.4	-41.4
S&P/TSX SMALLCAP INDEX	367.6	5.7	-27.9	-46.7	-47.9	-47.9
S&P/TSX VENTURE COMP INDEX	797.0	4.0	-43.7	-69.8	-71.9	-71.9
<b>U.S.</b>						
S&P 100 INDEX	431.5	-0.3	-20.8	-25.7	-37.1	-37.1
S&P 500 INDEX	903.3	0.8	-22.6	-29.4	-38.5	-38.5
RUSSELL 1000 INDEX	487.8	1.3	-23.0	-30.6	-39.0	-39.0
S&P 400 MIDCAP INDEX	538.3	4.6	-26.0	-34.3	-37.3	-37.3
S&P 600 SMALLCAP INDEX	268.7	5.9	-25.5	-26.4	-32.0	-32.0
RUSSELL 2000 INDEX	499.5	5.6	-26.5	-27.6	-34.8	-34.8

Source: Bloomberg, local currency

## Growth Styles Deliver Mixed Results

The DJ Canada Growth Index managed to outperform the DJ Canada Value Index by 720 bps in 2008. Financial institutions, which are generally held by value investors, had a difficult time on both sides of the border. With respect to small cap stocks, the story was the opposite, with small cap value stocks outperforming small cap growth stocks.

### Style Indices

	Price Index	Price Performance % Change				
	31-Dec-08	1 mo	3 mo	6 mo	12 mo	YTD
<b>GROWTH</b>						
DJ CANADA GROWTH INDEX	1042.6	2.0	-16.1	-37.8	-29.8	-29.8
S&P BARRA GROWTH INDX	450.6	1.0	-20.6	-29.8	-35.9	-35.9
RUSSELL 1000 GROWTH INDX	371.2	1.6	-23.2	-32.9	-39.3	-39.3
S&P MID 400 BARRA GROWTH	224.4	4.6	-26.2	-37.1	-38.0	-38.0
S&P 600 BARRA GROWTH INDX	181.8	5.2	-26.0	-29.4	-33.3	-33.3
RUSSELL 2000 GROWTH INDX	257.1	5.3	-27.6	-32.8	-39.0	-39.0
<b>VALUE</b>						
DJ CANADA VALUE INDEX	1883.0	-8.7	-30.3	-38.2	-37.0	-37.0
S&P BARRA VALUE INDX	447.1	0.5	-24.7	-29.0	-41.2	-41.2
RUSSELL 1000 VALUE INDX	487.1	1.0	-23.0	-28.2	-38.8	-38.8
S&P MID 400 BARRA VALUE	202.9	4.6	-25.8	-31.4	-36.6	-36.6
S&P 600 BARRA VALUE INDX	194.9	6.5	-25.0	-23.6	-31.0	-31.0
RUSSELL 2000 VALUE INDX	735.4	5.8	-25.5	-22.2	-30.6	-30.6

Source: Bloomberg, local currency

## Hedge Fund Indices

Hedge funds and other alternative investments remain popular across the Canadian private client investment industry and as a result, the *Index Return Monitor* includes the Credit Suisse Tremont hedge fund indices. Listed below is the performance for a number of the more popular strategies on both a short-term and long-term basis.

**\*\* Note - There is a one-month delay on hedge fund performance data \*\***

### Hedge Fund Indices

	Price Performance % Change				
	1 mo	3 mo	6 mo	12 mo	YTD
CS Tremont Hedge Fund Index	-4.1	-16.1	-19.5	-18.7	-19.0
CS Tremont Hedge Multi-Strategy	-4.6	-17.8	-20.8	-22.7	-22.4
CS Tremont Hedge Equity Market Neutral	-40.5	-42.4	-42.4	-40.3	-40.6
CS Tremont Hedge Dedicated Short Bias	3.0	6.1	13.8	16.9	16.8
CS Tremont Hedge Distressed	-5.0	-15.0	-17.7	-18.4	-18.4
CS Tremont Managed Futures	3.2	7.7	5.5	16.0	15.6

Source: Bloomberg, as of November 30, 2008

### Long Term Hedge Fund Indices

	Price Performance % Change				
	1-Year	2-Year	3-Year	5-Year	10-Year
CS Tremont Hedge Fund Index	-18.7	-3.7	1.8	4.5	7.3
CS Tremont Hedge Multi-Strategy	-22.7	-6.8	-0.1	3.0	6.0
CS Tremont Hedge Equity Market Neutral	-40.3	-19.1	-9.9	-3.8	3.3
CS Tremont Hedge Dedicated Short Bias	16.9	11.7	4.3	3.7	-1.1
CS Tremont Hedge Distressed	-18.4	-5.2	1.3	6.1	9.6
CS Tremont Managed Futures	16.0	12.9	8.9	8.1	7.0

Source: Bloomberg, as of November 30, 2008

## Long Term Returns

### Long Term Returns (As Of 31-Dec-08)

	Return % Change (Annualized)						
	1 yr	2 yr	3 yr	5 yr	10 yr	15 yr	20 yr
S&P/TSX Composite (price)	-35.0	-16.6	-7.3	1.8	3.3	5.0	5.0
S&P/TSX Composite Total Return	-33.0	-14.2	-4.8	4.2	5.3	7.1	7.5
S&P/TSX Income Trust Tot Return	-26.1	-11.2	-8.5	4.9	na	na	na
Dow Jones Industrial Average	-33.8	-16.1	-6.4	-3.4	-0.5	5.8	7.2
Dow Jones Industrial Avg Tot Return	-31.9	-13.9	-4.1	-1.1	1.7	8.1	na
S&P 500	-38.5	-20.2	-10.2	-4.1	-3.0	4.5	6.1
S&P 500 Total Return	-37.0	-18.5	-8.4	-2.2	-1.4	6.5	na
Nasdaq Comp	-40.5	-19.2	-10.6	-4.7	-3.2	4.8	7.4
FTSE 100 Index	-31.3	-15.6	-7.6	-0.2	-2.8	1.7	na
German DAX	-40.4	-14.6	-3.8	3.9	-0.4	5.1	6.6
France CAC 40	-42.7	-23.8	-12.0	-2.0	-2.0	2.4	na
Japan Nikkei 225	-42.1	-28.3	-18.1	-3.7	-4.4	-4.4	-5.9
MSCI World	-42.1	-21.2	-9.9	-2.3	-2.2	2.9	3.2
MSCI (EMU) Europe	-49.2	-23.0	-7.6	-0.1	-1.5	4.6	na
MSCI Emerging Markets	-54.5	-21.2	-7.1	5.1	6.6	0.3	na
MSCI EAFE	-45.1	-22.8	-9.7	-0.8	-1.3	1.6	1.3
MSCI Far East	-33.8	-19.1	-11.1	-0.2	-0.3	-2.1	-2.8

Source: Bloomberg, CIBC World Markets, local currencies unless otherwise noted

### Long Term Returns In Canadian Dollars (As Of 31-Dec-08)

	Return % Change (Annualized)						
	1 yr	2 yr	3 yr	5 yr	10 yr	15 yr	20 yr
S&P/TSX Composite (price)	-35.0	-16.6	-7.3	1.8	3.3	5.0	5.0
S&P/TSX Composite Total Return	-33.0	-14.2	-4.8	4.2	5.3	7.1	7.5
Dow Jones Industrial Average (in C\$)	-19.2	-14.2	-4.9	-4.6	-2.7	5.2	7.4
Dow Jones Industrial Avg Tot Ret. (in C\$)	-16.9	-12.0	-2.5	-2.3	-0.7	7.5	na
S&P 500 (in C\$)	-24.9	-18.4	-8.8	-5.3	-5.3	3.9	6.2
S&P 500 Total Return (in C\$)	-23.1	-16.6	-6.9	-3.4	-3.7	5.9	na
Russell 2000 (in C\$)	-20.4	-18.6	-8.0	-3.4	-0.6	3.9	6.4
Nasdaq Comp (in C\$)	-27.4	-17.4	-9.1	-5.9	-5.5	4.2	7.5
MSCI World (in C\$)	-29.3	-19.5	-8.4	-3.6	-4.5	2.3	3.3
MSCI EMU Europe (in C\$)	-38.0	-21.3	-6.1	-1.3	-3.7	4.0	na
MSCI Emerging Markets (in C\$)	-44.4	-19.4	-5.6	3.8	4.2	-0.2	na
MSCI EAFE (in C\$)	-33.0	-21.0	-8.2	-2.0	-3.5	1.0	1.4
MSCI Far East (in C\$)	-19.2	-17.3	-9.7	-1.4	-2.6	-2.7	-2.7

Source: Bloomberg, CIBC World Markets, Canadian Dollar based returns

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