

# International Figures of the Week

## Stocks

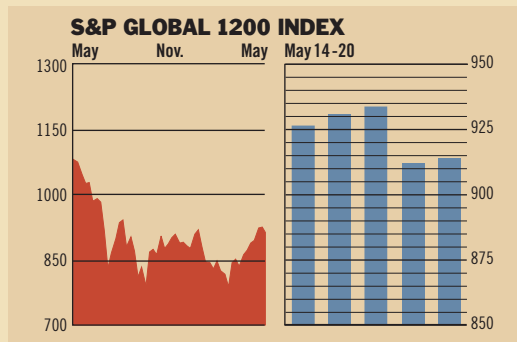
The Standard & Poor's Global 1200 finished lower for the week ended May 20.

In the U.S., a case of mad cow disease in Canada pushed McDonald's and Wendy's lower. A Supreme Court ruling upholding a Maine law allowing the state to negotiate bulk discounts from drug makers caused the sector to plunge. Strong earnings boosted Home Depot and Big Lots.

Reports that the Dutch, German, and Italian economies contracted in the first quarter, weighed on the S&P Euro 350. Retailers and exporters took a big hit. Deutsche Telekom rose 2.7% after CEO Kai-Uwe Ricke said the telecom should at least break even this year.

In Japan, the government said the economy was flat last quarter, and proposed a rescue of Resona Bank. The bank's holding company, Resona Holdings, along with Sumitomo Trust, and UFJ Holdings all fell over 10% on the week.

Data: Standard & Poor's



S&P GLOBAL 1200 SECTOR PERFORMANCE	May 20	% change		
		Week	4 Weeks	Year
Consumer Discretionary	967.9	-2.4	1.4	-20.2
Consumer Staples	965.4	-0.1	1.8	-15.0
Energy	1054.1	0.0	3.4	-12.7
Financials	966.2	-0.9	2.3	-15.7
Health Care	1150.2	-3.0	2.2	-10.4
Industrials	864.3	-2.0	1.7	-20.4
Information Technology	938.7	-3.7	1.9	-17.9
Materials	911.2	-1.3	2.1	-18.0
Telecommunications	712.3	-0.7	7.3	-6.6
Utilities	800.8	2.4	6.3	-12.3

S&P GLOBAL 100 BEST PERFORMING COMPANIES			
Company	4-week %	Company	52-week %
Lucent Technologies (U.S.)	39.9	AT&T (U.S.)	38.0
Reuters (U.K.)	33.7	EMC (U.S.)	20.2
AT&T (U.S.)	31.5	Dell Computer (U.S.)	12.7
NEC (Japan)	23.3	Vodafone (U.K.)	11.3
Ericsson (Sweden)	21.7	Colgate-Palmolive (U.S.)	9.4
Hitachi (Japan)	13.5	France Telecom (France)	4.7

## GLOBAL INDEXES

(U.S. Dollars)	May 20	% change		
		Week	4 Weeks	Year
S&P Global 1200	914.2	-1.5	2.6	-15.6
S&P 500 (US)	919.7	-2.4	0.9	-14.8
S&P Europe 350	850.2	0.2	5.0	-15.5
S&P/TOPIX 150 (Japan)	751.2	-2.5	6.2	-26.6
S&P Asia Pacific 100	1007.4	-1.5	1.7	-16.9
S&P/TSX 60 (Canada)	1095.1	3.1	9.4	3.0
S&P Latin America 40	831.1	-5.4	2.2	-17.1

## S&P EMERGING MARKETS INDEXES

Best-performing countries		Worst-performing countries	
Last 4 weeks %	Last 52 weeks %	Last 4 weeks %	Last 52 weeks %
Czech Rep. ....14.6	Argentina .....86.1	Argentina .....-8.3	Taiwan .....-27.4
Hungary .....14.3	Zimbabwe .....50.7	Taiwan .....-5.9	Philippines-27.0
Egypt .....11.3	Peru .....42.1	Philippines...-5.5	Korea .....-23.2
Indonesia ...11.3	Czech Rep...38.8	Turkey .....-0.8	Mexico .....-20.9
Poland .....8.3	Slovakia .....28.4	Colombia .....0.0	Malaysia ...-20.8

U.S. Dollars

## STOCK INDEXES

LOCAL CURRENCIES	May 20	May 13	Index	Currency	% chg. year ago
Australia / S&P ASX 200	2935.7	2981.4	-13.1	18.3	
Brazil / Bovespa	12745.1	13420.7	0.3	-17.7	
Britain / FTSE100	3971.6	3999.9	-23.6	12.4	
Canada / S&P TSX 60	382.7	380.8	-11.4	13.9	
Europe / S&P Europe 350	809.6	820.9	-33.5	27.2	
France / CAC 40	2877.3	2963.6	-34.6	0.0	
Germany / Xetra DAX	2838.9	2910.0	-43.0	0.0	
Hong Kong / Hang Seng	9050.4	9119.0	-23.0	0.0	
Italy / MIB 30	24061.0	24414.0	-22.5	0.0	
Japan / Nikkei 225	8059.5	8190.3	-31.7	6.4	
Mexico / IPC 35	6388.5	6491.9	-13.5	-7.1	
South Korea / Composite	602.1	614.1	-28.1	3.3	
Spain / IBEX 35	6298.1	6376.0	-20.8	0.0	

Data: Standard and Poor's

## Economic Indicators

### REAL GDP GROWTH

Country	Quarter	% chg. from		Full year 2002
		Prior qtr.*	Year ago	
Britain	Q1	0.8	2.3	1.8
Canada	Q4	1.6	0.4	3.4
France	Q1	1.0	1.0	1.2
Germany	Q1	-0.9	0.2	0.2
Italy	Q1	-0.4	-0.4	0.4
Japan	Q1	0.0	2.5	0.2
U.S.	Q1	1.6	2.1	2.4

\*Annual rate

Data: Global Insight Inc.

### TRADE-WEIGHTED EXCHANGE RATES

Country	May 20	Weekly %	Yearly %
Britain	97.7	0.7	-6.1
Canada	86.4	3.2	10.3
France	106.3	0.2	5.2
Germany	104.2	0.2	5.8
Italy	75.7	0.1	4.6
Japan	130.1	-1.1	-4.7
U.S.	102.3	-1.6	-13.7

Indexes, 1990=100

Data: J.P. Morgan Chase

## Country Focus / Canada

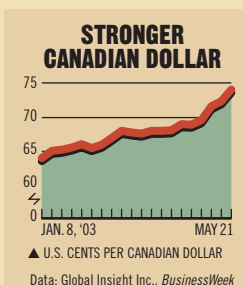
This year, the Canadian dollar has risen 16.5% against its U.S. counterpart. The rapid rise in the "loonie" could throw a kink into monetary policy and alter the Bank of Canada's currently hawkish stance.

The BOC has raised interest rates by 50 basis points this year in order bring inflation within its 1%-to-3% range and prevent a bubble in the housing market. The stronger loonie is also performing a similar inflation-fighting function as higher interest rates by making imports cheaper.

However, a stronger Canadian dollar is crimping exports, which account for about 40% of gross domestic product. This could

slow the economy down more than the BOC is anticipating. Already, March retail sales fell a sharper-than-expected 0.7% on weaker auto sales. The April index of leading economic indicators showed a decline in new orders, with the government pointing to slower export demand. Plus, the discovery of mad cow disease could seriously hurt ranchers.

The BOC is in a bind. Inflation remains above the upper limit of 3%. But additional rate hikes will attract bond investors, especially if central banks in the U.S. and euro zone cut rates, causing the dollar to rise more. That would further slow the export-heavy Canadian economy.



Data: Global Insight Inc., BusinessWeek

## Interest Rates

### BENCHMARK BOND YIELDS (10-YEAR GOVERNMENT\*)

	May 20	May 13	Year ago		May 20	May 13	Year ago
Australia	4.94	5.13	6.25	Italy	3.88	4.04	5.40
Britain	4.06	4.20	5.26	Japan	0.59	0.58	1.39
Canada	4.56	4.80	5.62	South Korea (3-Year)	4.22	4.34	6.28
France	3.81	3.96	5.25	Spain	3.82	3.98	5.33
Germany	3.74	3.90	5.17	United States	3.36	3.61	5.15
Hong Kong	3.78	4.01	5.86				

\*Average of Bid/Ask Data: Standard & Poor's, Global Insight Inc.

### CENTRAL BANK POLICY

	Policy rate*		Last action	
	May 20	Year ago	Date	Type
U.S. Federal Reserve	1.25	1.75	11/6/02	-0.50
European Central Bank	2.50	3.25	3/6/03	-0.25
Bank of Japan	0.00	0.00	3/19/01	-0.15
Bank of England	3.75	4.00	2/6/03	-0.25
Bank of Canada	3.25	2.25	4/15/03	0.25

\*Target overnight rate