



Those who cannot remember the past are condemned to repeat it. Santayana

January 19, 2009

THAT WAS THE WEEK THAT WAS

Monday, January 19th.

- Royal Bank of Scotland warns that it could post a loss for 2008 of \$51 billion (U.S.), with \$36 billion (U.S.) related to the acquisition of the Dutch banking giant ABN Amro. Meanwhile, the U.K. Government announced that it has converted its preferred shares in RBS to common shares, thereby increasing its stake from 58% to 70%.
- The U.K. Government announces a second \$147 billion (U.S.) bank rescue package to guaranty lending and insure banks bad debts.

Tuesday, January 20th.

- State Street announces that its 4th. quarter profit declined by 71% and it warned of the risk of further big losses due to credit exposures.
- Bank of Canada cuts its bank rate by 50 basis points to 1%, representing the lowest rate since the Bank was established in 1934
- Bell Canada offers retirement incentives to 1,500 unionized employees scheduled to retire in 2009 and 2010
- Canadian factory shipments fell 6.4% in November
- FIAT takes a 35% interest in Chrysler
- Suncor cuts 2009 capital spending plans by 50% to \$3 billion (CAD)
- Rio Tinto / Alcan announces 1,100 job layoffs worldwide, 220 in Quebec
- Rohm and Haas announces 900 job layoffs
- Bose Corporation announces 1,000 job layoffs
- March Networks to cut 7% of its work force

Wednesday, January 21st.

- General Motors total vehicle sales fell 11% in 2008 and company forecasts a difficult 2009
- BHP Billiton announces 6,000 job layoffs, takes a \$1.6 billion (U.S.) write down and closes its giant Ravensthorpe nickel mine in Australia
- Canadian wholesale sales fell 1.6% in November
- Ericsson 4th. quarter profit falls and company announces 5,000 job layoffs
- Precision Drilling cuts its distribution by 69%
- Intel to consolidate operations affecting up to 6,000 workers
- Standard & Poors downgrades Portugal's sovereign credit rating to AA minus
- United Airlines to cut 1,000 jobs

Thursday, January 22nd.

- U.S. first time claims for jobless benefits rose by 62,000 to 589,000 last week and continuing claims rose to 4.6 million
- U.S. housing starts declined by 15.5% to 550,000 in December
- U.S. building permits declined by 10.7% to 549,000 in December
- Microsoft announces 5,000 job layoffs and warns of lower profit outlook for 2009
- UBS to cut jobs at its investment banking unit
- Canadian retail sales fell 2.4% in November



THE LONG WAVE ANALYST



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- China's GDP declined to 6.8% in the 4th. quarter
- TD Bank to raise \$275 million (CAD) in capital via the sale of preferred shares
- National Bank to raise \$175 million (CAD) in capital via the sale of common shares
- Nokia's 4th. quarter profit falls 69%, as the company warns of reduced profit outlook for 2009

Friday, January 23rd.

- U.K. economy contracted by 1.5% in the 4th. quarter
- Canadian consumer prices fall by 0.7% in December, resulting in a 2008 inflation rate of 1.2%
- Pfizer reportedly in talks to buy Wyeth for \$60 billion (U.S.)
- Harley Davidson announces the closing of some plants and 1,100 job layoffs
- Schlumberger announces 5,000 job layoffs

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