



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

January 26, 2009

## THAT WAS THE WEEK THAT WAS

### Monday, January 26th.

- Caterpillar warns of 1st. quarter loss and announces 20,000 job layoffs
- Dutch financial conglomerate ING Group posts 4th. quarter loss and announces 7,000 job layoffs
- Pfizer buys Wyeth for \$68 billion (U.S.) in cash and stock; records a 90% drop in profit in the 4th. quarter, while cutting 26,000 jobs, or, 10% of its work force and halving its dividend to 16 cents a share
- Home Depot announces 7,000 job layoffs, representing 10% of its work force and closes its Expo unit
- U.S. existing home sales increased 6.5% to a 4.74 million units in December
- U.S. leading economic indicators rose 0.3% in December versus a decline of 0.4% in November
- Sprint / Nextel announces 8,000 job layoffs
- CIBC to raise \$200 million (CAD) in capital via preferred share issue
- General Motors announces 2,000 additional job layoffs and schedules more down time at most of its assembly plants
- Texas Instruments announces 3,400 job layoffs, representing 12% of its work force
- Royal Philips Electronics, Europe's largest television manufacturer, announces 6,000 job layoffs after reporting its first quarterly loss in almost 6 years
- Corus, Europe's second largest steel maker announces 3,500 job layoffs, mostly in Britain.

### Tuesday, January 27th.

- U.S. Conference Board consumer confidence index plunged to an all time low of 37.7 in January
- Honda cuts vehicle production by 29,000 units in North America affecting Alliston, Ontario plant and announces 500 temporary job layoffs in Japan
- American Express 4th. quarter profit falls by 79%
- CP Rail to cut capital expenditure plans for 2009 by 20% to \$800 million (CAD)
- U.S. housing prices declined by 18% year-over-year in November
- Corning's 4th. quarter profit fell by 65% and the company announces 3,500 job layoffs, representing 13% of its work force
- Great Britain unveils \$3.2 billion (U.S.) bailout for its auto sector
- Citigroup cancels plan to buy \$50 million (U.S.) corporate jet
- World Trade Organization (WTO) warns that government bailouts could ignite trade wars
- Canada's budget forecasts \$85 billion (CAD) in deficits over the next 5 fiscal years

### Wednesday, January 28th.

- Moody's Investor Service warns of a potential downgrade in GE Capital's AAA credit rating
- Target Stores announces 600 job layoffs and 400 open positions at its Minnesota headquarters and closes a distribution center
- Best Buy will announce details of job layoffs at its headquarters on February 19th.
- Yahoo posts 4th. quarter loss, citing weak market for advertising
- Sun Microsystems posts 2nd. quarter loss, citing restructuring charges and lower profit margins



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- Boeing's 4th. quarter revenues declined to \$12.58 billion (U.S.) in 2008 versus \$13.4 billion (U.S.) in 2007. The company lowers profit expectations for 2009 and announces a total of 10,000 job layoffs worldwide during 2009.
- The International Labour Organization, a U.N. agency, forecasts the loss of 50 million jobs to the global economy during 2009
- FOMC leaves Fed Funds rate unchanged in the 0% – 0.25% range and announces that the rate is likely "to remain low for some time."

**Thursday January 29th.**

- Starbucks Coffee announces the closing of 300 more stores affecting 3,000 employees and will layoff 700 employees who don't work in stores.
- Ford Motor Co. posts a \$6 billion (U.S.) loss in the 4th. quarter, culminating in 2008 being its steepest 1-year loss in the company's history
- Ford Motor Credit announces 1,200 job layoffs
- U.S. jobless claims rose by 3,000 to 588,000 for the week ended January 24th. while continuing claims increased to 4.776 million from 4.617 million the prior week
- U.S. durable goods orders declined 2.6% in December
- Euro zone consumer confidence falls to a record low
- U.S. new home sales fell 14.7% in December
- Eastman Kodak announces 4,500 job layoffs
- AstraZenica announces 15,000 job layoffs
- Cessna to cut another 2,000 jobs

**Friday, January 30th.**

- Japan's NEC Corp. to cut 20,000 jobs worldwide
- Honda cuts profit forecast for 2009 by 57%
- U.S. 4th. quarter real Gross Domestic Product (GDP) declined by 3.8% (advance report – subject to revision)
- Canada's GDP contracted by 0.7% in November

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