

Weekly Market Wrap

September 28, 2009

Christopher Grant, CFA | (647) 428-8242
cgrant@dundeesecurities.com

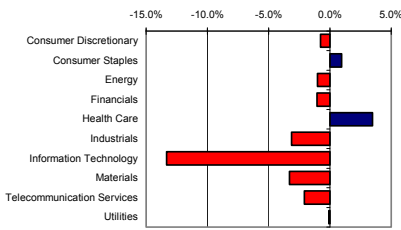
Michael Zienchuk, MBA | (647) 428-8350
mzienchuk@dundeewealth.com

Executive Summary

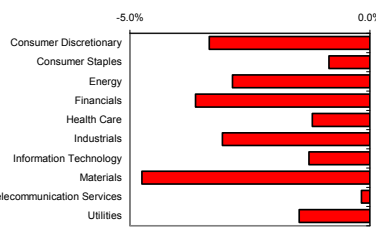
- **Canadian Equities** Following an active marketing trip out west, this week's offering will err on light side. We will be in full force next week. We note the deterioration of the Baltic Dry Index and the decrease in international commercial activity that it implies.
- **Canadian Equity PCR Advantage and 'Quant 10' Portfolios** – This week we provide an updated snapshot of the holdings in the PCR Advantage Canadian Equity Core and Income portfolios.
- **U.S. Equities** – US equity markets began deteriorating following the Fed's FOMC meeting, as equity market volatility rose given the continued Fed position of remaining accommodative. Economic data on the week was negative, and credit markets were mixed where investment grade credit performed worse than high yield.
- **U.S. Equity PCR Advantage Portfolios** – This week we provide an updated snapshot and commentary on our **PCR Advantage US Equity**, **PCR Advantage US Equity Income** and **PCR Advantage US Equity Quant Factor '15'** portfolios, as well as a recap of position related news.

Weekly Market Statistics

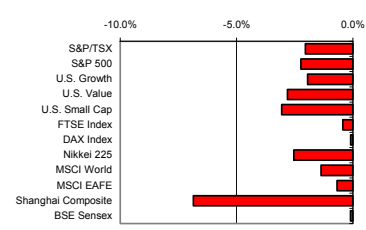
S&P/TSX Sector Returns
Sep 21 - Sep 25



S&P500 Sector Returns
Sep 21 - Sep 25



World Equity Indices
Sep 21 - Sep 25



Canadian Sector Data

	Price		Price Change		P/E	P/E Rel to 3 yr Avg	Price Mo*	Earnings		Index		Weight*	
	25-Sep-09		5-day	YTD				Rev*	Weight	MM	MR	CG	
Consumer Discretionary	847.82		-0.8%	4.8%	16.91	0.8	53.57	70.20	4%	▲	▼	●	
Consumer Staples	1,437.18		1.0%	-1.4%	14.30	0.6	50.74	111.30	3%	▲	●	▲	
Energy	2,695.99		-1.0%	27.5%	10.81	0.6	56.60	169.13	27%	▲	▲	▲	
Financials	1,565.46		-1.0%	38.0%	20.47	1.4	57.45	124.08	32%	▲	▲	▲	
Health Care	327.40		3.5%	29.7%	12.83	0.2	69.04	24.80	0%	▲	●	●	
Industrials	1,030.56		-3.1%	12.4%	14.10	0.8	52.81	75.94	5%	●	●	▲	
Information Technology	265.69		-13.3%	47.2%	17.83	0.2	43.13	19.86	4%	●	▲	●	
Materials	2,770.66		-3.3%	22.4%	24.75	1.0	52.76	167.37	18%	▼	▲	▼	
Telecommunication Services	673.28		-2.1%	-6.6%	11.57	0.6	50.64	59.85	4%	▲	▼	▼	
Utilities	1,504.07		-0.1%	-0.4%	17.21	0.8	53.57	116.20	2%	●	▼	▼	
TSX Index	11,212.39		-2.0%	24.8%	15.71		55.70		100%				

U.S. Sector Data

	Price		Price Change		P/E	P/E Rel to 3 yr Avg	Price Mo*	Earnings		Index		Weight*	
	25-Sep-09		5-day	YTD				Rev*	Weight	MM	MR	MZ	
Consumer Discretionary	212.13		-3.3%	25.2%	16.85	0.1	57.41	13.71	9%	▲	▼	▼	
Consumer Staples	260.43		-0.9%	5.6%	14.80	0.8	61.31	19.64	12%	▲	●	▲	
Energy	406.91		-2.9%	5.3%	10.78	0.9	54.36	32.52	12%	▼	▲	▼	
Financials	196.53		-3.6%	16.4%	N/A	N/A	56.35	13.18	15%	▲	●	▼	
Health Care	330.89		-1.2%	6.9%	12.07	0.5	56.56	29.55	13%	▲	●	▼	
Industrials	230.64		-3.1%	11.3%	13.59	0.8	59.70	14.76	10%	●	●	▼	
Information Technology	331.61		-1.3%	43.1%	20.46	0.8	61.76	21.44	19%	▲	▲	▲	
Materials	184.02		-4.8%	33.7%	25.47	1.6	55.16	10.73	3%	▲	▲	▲	
Telecommunication Services	107.60		-0.2%	-3.7%	12.19	0.6	54.49	8.25	3%	●	▲	▼	
Utilities	148.63		-1.5%	0.5%	12.16	0.7	54.67	12.85	4%	●	▼	▼	
S&P 500	1,044.38		-2.2%	15.6%	19.69		58.72		100%				

World Equity Indices

	Price		Local Currency			C\$ Return		YoY
	25-Sep-09		5-day	YTD	YoY	5-day	YTD	
S&P/TSX	11,212.39		-2.0%	24.8%	-8%	-2.0%	24.8%	-7.5%
S&P 500	1,044.38		-2.2%	15.6%	-14%	-0.9%	4.8%	-9.8%
U.S. Growth	373.71		-1.9%	23.9%	-9%	-0.6%	12.3%	-4.7%
U.S. Value	713.39		-2.8%	11.1%	-18%	-1.5%	0.7%	-13.9%
U.S. Small Cap	598.94		-3.1%	19.9%	-15%	-1.8%	8.7%	-11.0%
FTSE Index	5,112.14		-0.4%	15.3%	0%	-1.2%	12.5%	-7.1%
DAX Index	5,662.96		-0.1%	17.7%	-7%	0.0%	12.5%	-8.0%
Nikkei 225	10,009.52		-2.5%	13.0%	-16%	-5.0%	11.7%	-27.6%
MSCI World	1,115.40		-1.4%	21.2%	-11%	0.0%	9.9%	-6.5%
MSCI EAFE	1,542.95		-0.7%	24.7%	-8%	0.6%	13.0%	-3.3%
Shanghai Composite	2,763.53		-6.9%	51.8%	20%	-5.6%	37.3%	26.6%
BSE Sensex	16,693.00		-0.1%	73.0%	27%	1.5%	58.3%	30.3%

KEY:

*Price Momentum: A Relative Strength Index (RSI) over a 30 day period. Readings are on a scale between 0 and 100. A reading between 70 and 80 warns of an overbought condition and is likely to encounter a downward correction. Readings between 30 and 20 are considered an oversold condition, and warns of an upward correction.

**Earnings Revisions: Percentage change in the earnings estimate; today versus 6 months ago.

***Weight: Over/under weight relative to index

MM = Martin Murenbeeld
MR = Martin Roberge
CG = Chris Grant Core Growth Portfolio
MZ = Michael Zienchuk Core Growth Portfolio

Interest Rates

	Yield	Historical Yields		
	28-Sep-09	5-day	31-Dec-06	Year Ago
CAN 3 month	0.24%	0.22%	0.83%	1.92%
CAN 2 years	1.30%	1.28%	1.10%	2.83%
CAN 5 years	2.62%	2.64%	1.69%	3.14%
CAN 10 years	3.37%	3.41%	2.68%	3.68%
US 3 month	0.09%	0.08%	0.08%	0.84%
US 2 years	1.00%	0.98%	0.76%	2.10%
US 5 years	2.38%	2.45%	1.55%	3.05%
US 10 years	3.34%	3.48%	2.21%	3.85%

Currencies

	Price	Price Change		
	28-Sep-09	5-day	YTD	YoY
C\$/US\$*	0.9147	1.32%	-10.33%	4.56%
US\$ Trade wt.	76.847	0.09%	-5.49%	-0.14%
Euro*	1.4659	0.14%	-4.69%	-1.53%
Yen*	89.62	-2.58%	-1.14%	-16.25%

*Price changes reflect the relative strength of the US dollar

Commodities

	Price	Price Change		
	28-Sep-09	5-day	YTD	YoY
Oil	66.16	-5.1%	48.3%	-38.1%
Nat Gas	3.985	11.4%	-29.1%	-46.7%
Copper	268.50	-3.8%	92.5%	-12.8%

Source: Bloomberg

Canadian Equity Market Commentary

Mark Neale, James Gauthier and I spent the previous week on a western marketing trip that saw ten presentations given in seven different cities over a period of four days. What a great opportunity it was to meet many of you for the first time and put faces to names and voices. (Having ~~tasted~~ gorged on the cookies at numerous hotels and golf courses in the west, we are pleased to announce that Nanaimo brought the best cookie game, though we also learned that there really is no such thing as a bad cookie.) We hope to be more present in the field going forward.

A by-product of this trip was, of course, a week-long estrangement from our models. As such, this week's Canadian portion of the Weekly Wrap will be abbreviated. We will, however, be back in full force next week.

Noteworthy events of the last week included:

1. Bombardier won \$4bln train contract.
2. Patheon takeover talks were extended.
3. Celestica to redeem 2011 notes before maturity.
4. Manulife venture to expand in China.
5. Research in Motion sales (and sales guidance) came in weaker than estimated.
6. Centerra Gold cut its output estimate for Kumtor mine.
7. Hudbay Minerals shares surged on copper/gold find.
8. RBC announced new compensation rules for capital markets.
9. Thomson Reuters to buy back \$100mm of debt.
10. Constructive Investor Day from Maple Leaf Foods.
11. Potash Corp. cut profit outlook.
12. TransCanada CEO predicts that electricity prices will quadruple as countries toughen stance on greenhouse gas.

On the economic front, data flow was extremely light last week. Furthermore, it will remain so until Wednesday of this week when Canadian GDP data for July is made available.

However, the Bank of Canada has continued to remain busy with announcements that it would allow the Term PRA Facility for private sector instruments, as well as the Term Loan Facility to wind down at the end of October 2009. The Bank cited continued improvement in market conditions as impetus for the decision.

Bank of Canada Governor Carney was on the speaking circuit, as was Deputy Governor Longworth. Both speeches were consistent with the known Bank of Canada stance, however Longworth did reiterate the currency stance, suggesting that persistent strength in the loonie remains a risk to growth and a return to the Bank's inflation target.

On balance, there remains little evidence to suggest that the Bank will stray from its current monetary policy stance in the near future.

S&P/TSX Composite Index: Price

The S&P/TSX Composite Index continues to climb the 'wall of worry' and is not trading in the 50%-61.8% retracement box. We deem this to be material as the 61.8% level represents the approximately level that provided support to the selloffs (and rebounds) of 2007. We call this a 'change of polarity' and will continue to monitor.



Source: Dundee Private Client Research, Bloomberg

Canadian Dollar vs. US Dollar: Price

The Canadian dollar appears confined at resistance (support on the accompanying chart) unable to take that last step back towards parity.

We believe that range-bound oil has been a key factor to the stalling of the Canadian dollar rally.

We believe that a *true* global economy recovery will be constructive to both higher crude oil prices and, as such, the Canadian dollar. Until such time as a further recovery is reflected in the crude oil market, the loonie may prove hard pressed to challenge parity.



Source: Dundee Private Client Research, Bloomberg

Gold: Price

Gold appeared to print an upside break to the multi-month pennant formation that had been in effect. However, gold proved unable to breach \$1,000 on a sustainable basis.

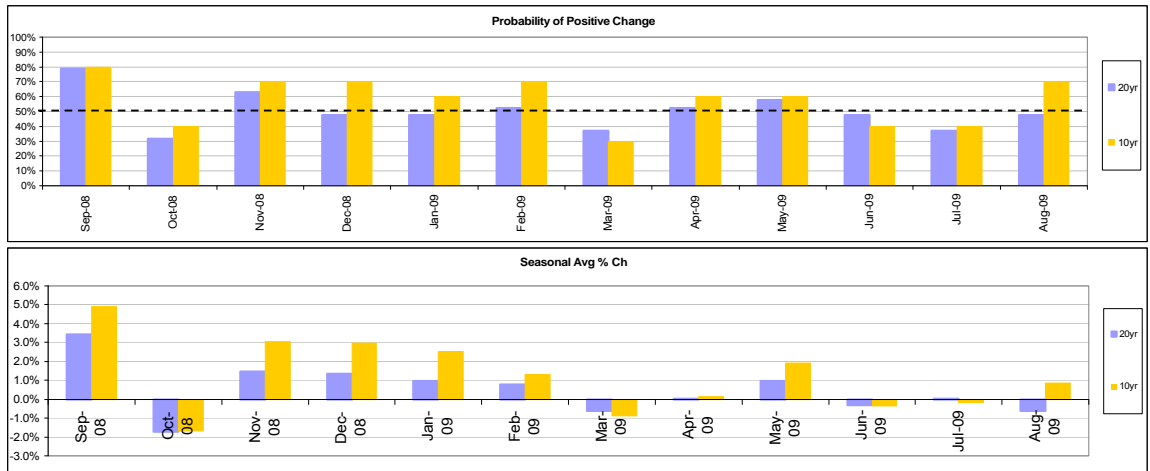
Copper printed somewhat of a similar pattern back in 2007 and resolved to the downside. We believe that this is a risk.



Source: Dundee Private Client Research, Bloomberg

September has historically proven to be a constructive month for spot gold price appreciation. Save for the month of October, the August –to– February period stands out as the strongest monthly cluster.

Seasonal Snapshot: Gold



Source: Dundee Private Client Research, Bloomberg

Crude Oil: Price

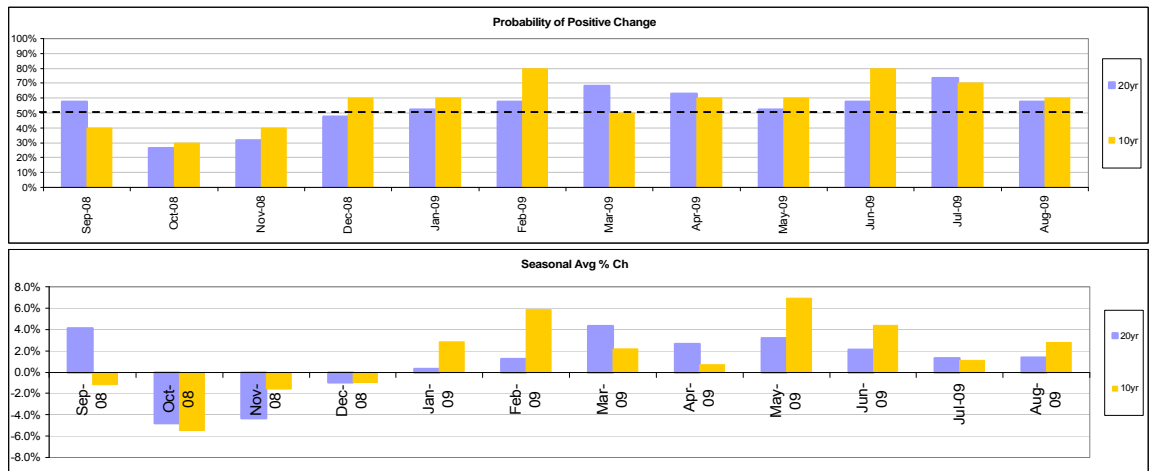
Crude oil has made several attempts at breaking through resistance but has proven unable to do so.

We note that, the October-November period have historically proven challenging for the price action of crude oil.



Source: Dundee Private Client Research, Bloomberg

Seasonal Snapshot: Crude Oil



Source: Dundee Private Client Research, Bloomberg

LME 3-Month Copper: Price

Copper prices have been toiling in the 'box' for several months now and appear to be resolving to the downside.

We believe that the trend remains up as no material trendline has yet to be broken to the downside.



Source: Dundee Private Client Research, Bloomberg

LME 2-Month Zinc: Price

The short-term trend of zinc remains up. However, we note that longer-term trend resistance is being challenged at current levels.

We remind that, while copper has traded back up to the 61.8% retracement level, zinc has yet to come even remotely close to such a retracement. Given the positive seasonality of zinc vis-à-vis copper, we would suggest that there could remain scope for further upside to zinc prices.

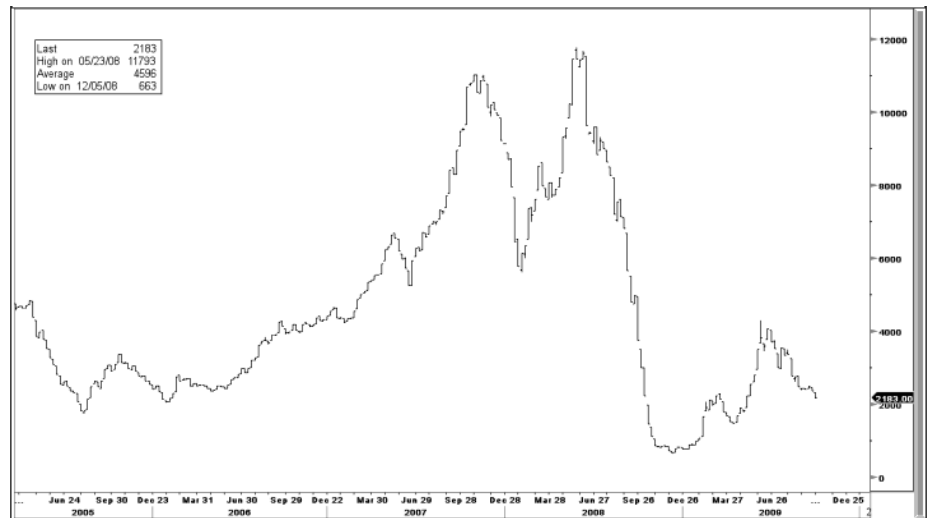


Source: Dundee Private Client Research, Bloomberg

Baltic Dry Index: Price

The Baltic Dry Index has retraced materially from recent highs. This during a seasonal period that historically proven to be a strong one.

We believe that the Baltic Dry Index is an important gauge of international commercial activity. At present, this gauge is headed due south. Our spidey-senses are tingling on this one as further deterioration could challenge the lows, in terms of activity, of the entire recession.



Source: Dundee Private Client Research, Bloomberg

Please remember that historical performance does not always map to future performance.

Canadian Equity Model Portfolios Updated Snapshot

Canadian Equity Core Growth Model Portfolio											
Company Name	Symbol	Mrkt Cap \$mm	Current Price	Price Paid	Date Acq'd	Beta	Div Yield	Number of Shares Held	Latest Div Pay Date	Weight in Portfolio	Weight in S&P/TSX Comp
Financials											16%
Toronto-Dominion Bank/The	TD	57,733	\$67.48	\$ 72.84	29-Jun-07	0.95	3.62	135	10/31/2009	4.1%	4.75%
Manulife Financial Corp	MFC	35,058	\$21.72	\$ 39.44	29-Jun-07	1.36	2.39	220	9/21/2009	2.2%	2.88%
Home Capital Group Inc	HCG	1,275	\$37.07	\$ 17.77	18-Feb-09	1.11	1.62	380	9/1/2009	6.4%	0.09%
Power Corp of Canada/Canada	POW	13,192	\$28.88	\$ 40.36	13-Dec-07	1.11	4.02	260	9/30/2009	3.4%	0.79%
Information Technology											4%
Research In Motion Ltd	RIM	42,596	\$75.04	\$ 69.58	15/08/2007	0.83	0.00	105	-	3.6%	3.08%
Health Care											0%
N/A											0%
Industrials											12%
CAE Inc	CAE	2,287	\$8.95	\$ 14.32	29-Jun-07	0.96	1.34	885	9/30/2009	3.6%	0.19%
Bombardier Inc	BBD/B	8,023	\$4.57	\$ 7.40	24-Jun-08	1.17	2.19	1,750	10/31/2009	3.6%	0.55%
Stantec Inc	STN	1,229	\$27.01	\$ 21.66	11-Mar-09	0.97	0.00	390	#N/A N Ap	4.8%	0.10%
Consumer Discretionary											5%
Shaw Communications Inc	SJR/B	8,213	\$19.04	\$ 22.30	26/07/2007	0.70	4.41	230	10/29/2009	2.0%	0.57%
Reitmans Canada Ltd	RET/A	1,069	\$15.85	\$ 10.78	18-Feb-09	0.72	4.54	390	10/29/2009	2.8%	0.07%
Energy											27%
EnCana Corp	ECA	45,608	\$60.80	\$ 65.24	29-Jun-07	1.22	2.84	300	9/30/2009	8.3%	3.75%
Enbridge Inc	ENB	15,433	\$41.10	\$ 40.39	03-Jul-09	0.67	3.60	305	9/1/2009	5.7%	1.27%
Crescent Point Energy Corp	CPG-U	6,165	\$37.15	#DIV/0!	07-Apr-09	1.17	7.43	380	10/15/2009	6.4%	0.49%
Nexen Inc	NXY	12,810	\$24.56	\$ 33.37	14-Apr-08	1.53	0.81	315	10/1/2009	3.5%	1.05%
Daylight Resources Trust	DAY-U	1,032	\$8.43	\$ 9.34	14-Apr-08	1.07	11.39	845	10/15/2009	3.2%	0.08%
Consumer Staples											4%
Shoppers Drug Mart Corp	SC	9,609	\$44.20	\$ 51.29	29-Jun-07	0.52	1.95	200	10/15/2009	4.0%	0.79%
Utilities											0%
N/A											2%
Telecommunication Services											4%
Rogers Communications Inc	RCI/B	18,508	\$29.61	\$ 45.19	29-Jun-07	0.77	3.92	280	10/1/2009	3.8%	1.25%
Materials											9%
Agnico-Eagle Mines Ltd	AEM	10,911	\$69.92	\$ 38.79	29-Jun-07	0.86	0.33	165	3/27/2009	5.2%	0.90%
Sino-Forest Corp	TRE	3,826	\$16.00	\$ 15.22	29-Jun-07	1.38	0.00	500	-	3.6%	0.29%
SPTSX Index			11,212				2.861505				
Portfolio Totals							2.32		80%		

Portfolio Position			
Starting Value	\$250,000		29-Jun-07
Current Cash Totals	\$43,978	19.92%	
Current Equity Position	\$176,796	80.08%	
Current Portfolio Value	\$220,774	88.31%	29-Sep-09

Performance	SPTSX Index	Portfolio
1 WK	-2.48%	-2.55%
4Wk	2.13%	1.42%
12Wk	9.01%	7.56%
YTD	21.42%	16.19%
Port. Life	-19.37%	-11.69%

Source: Bloomberg, Dundee Private Client Research

Canadian Equity Income Model Portfolio										
Company Name	Symbol	Mrkt Cap \$mm	Current Price	Price Paid	Date Acq'd	Beta	Div Yield	Number of Shares Held	Weight in Portfolio	Weight in SP/TSX Comp
Financials									21%	32%
Power Corp of Canada/Canada	POW	13,192	\$28.88	\$ 40.36	13-Dec-07	1.11	4.02	420	5.4%	0.79%
IGM Financial Inc	IGM	11,026	\$41.75	\$ 51.77	29-Jun-07	0.89	4.91	240	4.4%	0.36%
Sun Life Financial Inc	SLF	17,957	\$32.02	\$ 54.80	13-Dec-07	1.24	4.50	150	2.1%	1.48%
RioCan Real Estate Investment Trust	REI-U	4,207	\$18.00	\$ 23.59	29-Jun-07	0.79	7.67	645	5.1%	0.35%
Calloway Real Estate Investment Trust	CWT-U	1,868	\$18.87	\$ 25.09	29-Jun-07	1.05	8.20	505	4.2%	0.11%
Industrials									6%	4%
Westshore Terminals Income Fund	WTE-U	1,005	\$13.53	\$ 8.56	13-Mar-09	0.94	9.46	1,010	6.0%	0.07%
Health Care									7%	0%
CML Healthcare Income Fund	CLC-U	1,195	\$13.34	\$ 15.70	29-Jun-07	0.53	8.03	1,105	6.5%	0.10%
Consumer Discretionary									12%	4%
Davis & Henderson Income Fund	DHF-U	763	\$14.33	\$ 19.15	29-Jun-07	0.85	12.84	645	4.1%	0.06%
Yellow Pages Income Fund	YLO-U	2,873	\$5.64	\$ 13.87	29-Jun-07	0.90	14.19	910	2.3%	0.24%
Reitmans Canada Ltd	RET/A	1,069	\$15.85	\$ 11.30	11-Feb-09	0.72	4.54	810	5.7%	0.07%
Energy									23%	27%
ARC Energy Trust	AET-U	4,423	\$18.82	\$ 21.97	29-Jun-07	1.19	6.38	565	4.7%	0.36%
Vermilion Energy Trust	VET-U	2,149	\$30.15	\$ 35.67	29-Jun-07	1.09	7.56	430	5.7%	0.18%
Crescent Point Energy Corp	CPG	6,165	\$37.15	\$ 19.61	29-Jun-07	1.17	7.43	315	5.2%	0.49%
TransCanada Corp	TRP	22,982	\$33.73	\$ 36.30	29-Jun-07	0.62	4.51	345	5.1%	1.89%
Daylight Resources Trust	DAY-U	1,032	\$8.43	\$ 9.34	14-Apr-07	1.07	11.39	670	2.5%	0.08%
Consumer Staples									0%	3%
Utilities									4%	2%
Just Energy Income Fund	JE-U	1,701	\$13.75	\$ 14.49	29-Jun-07	0.80	9.02	655	4.0%	0.13%
Telecommunication Services									8%	4%
Manitoba Telecom Services Inc	MBT	2,111	\$32.65	\$ 47.07	29-Jun-07	0.51	7.96	315	4.5%	0.17%
BCE Inc	BCE	20,023	\$26.10	\$ 24.94	11-Mar-09	0.40	6.21	340	3.9%	1.65%
SPTSX Index			11,212				2,861,505			
Portfolio Totals							6.06		82%	

Portfolio Position			
Starting Value	\$250,000		29-Jun-07
Current Cash Totals	\$41,812	18.48%	
Current Equity Position	\$184,462	81.52%	
Current Portfolio Value	\$226,273	90.51%	25-Sep-09

Performance	SPTSX Index	Portfolio
1 WK	-2.46%	0.39%
4Wk	2.13%	3.06%
12Wk	9.01%	10.52%
YTD	21.42%	17.97%
Port. Life	-19.37%	-9.49%

Source: Bloomberg, Dundee Private Client Research

PCR Advantage Canadian Equity 'Quant 10'													28/09/2009	
Company Name	Symbol	Mrkt Cap \$mm	Current Price	Price Paid	Date Acq'd	Beta	Div Yield	Number of Shares Held	Latest Div Pay Date	Price Return Since Added	Weight in Portfolio	Weight in S&P/TSX Comp		
Metro Inc	MRU/A	3,821	\$ 34.73	\$ 28.25	10-Oct-08	0.50	1.58	3,200	11/17/2009	22.94%	9.8%	0.31%		
Home Capital Group Inc	HCG	1,275	\$ 37.07	\$ 32.17	12-Jun-09	1.11	1.62	3,700	9/1/2009	15.23%	12.0%			
IAMGOLD Corp	IMG	5,201	\$ 14.16	\$ 13.08	28-Aug-09	0.82	0.52	8,550	1/12/2009	8.26%	10.6%	0.43%		
Biovail Corp	BVF	2,546	\$ 16.09	\$ 12.98	09-Jan-09	0.71	2.44	8,800		23.96%	12.4%	0.21%		
BCE Inc	BCE	20,023	\$ 26.10	\$ 23.97	03-Jul-09	0.40	6.21	4,410		8.89%	10.1%	1.65%		
Keyera Facilities Income Fund	KEY-U	1,234	\$ 19.40	\$ 16.92	09-May-09	0.79	9.28	6,030		14.66%	10.3%	0.10%		
Enbridge Inc	ENB	15,433	\$ 41.10	\$ 40.31	03-Jul-09	0.67	3.60	2,620		1.95%	9.5%	1.27%		
Alimentation Couche Tard Inc	ATD/B	3,527	\$ 19.30	\$ 14.70	13-Nov-08	0.57	0.73	7,530		31.26%	12.8%	0.21%		
SPTSX Index			\$ 11,212.39				2.861505							
Portfolio Totals							0.71							

Portfolio Position			
Starting Value	\$1,000,000	\$	39,717.00
Current Cash Totals	\$142,986	12.55%	
Current Equity Position	\$996,049	87.45%	
Current Portfolio Value	\$1,139,035	113.90%	25-Sep-09

Performance	SPTSX Index	Portfolio
1 WK	-2.46%	-1.00%
4 Week	2.55%	1.83%
12 Week	9.03%	7.64%
YTD	21.42%	16.23%
Port. Life	-7.53%	13.90%

Source: Bloomberg, Dundee Private Client Research

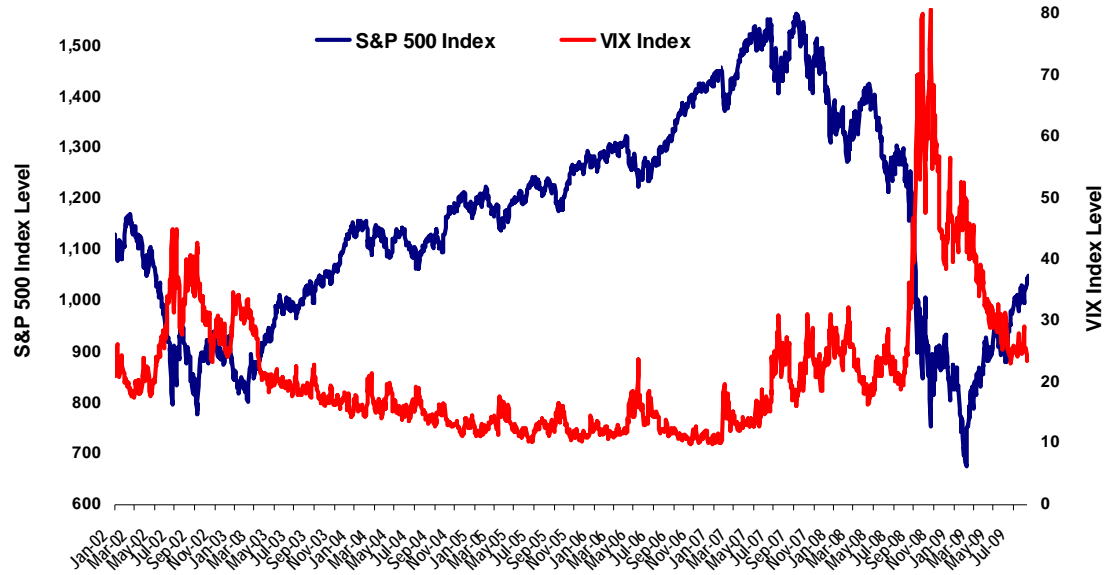
U.S. Equity Market Commentary

Events that affected US equity markets this past week:

- 1) Dell agreed to acquire Perot Systems for \$3.9 billion as a way to increase its technology services offering. Following in this direction, Xerox announced that it would acquire Affiliated Computer Services for \$6.4 billion to bolster its presence in tech services as well;
- 2) SEC sought to increase its influence in the derivatives market, as it asked Congress to enhance its power over securities and options markets, excluding index options, which would be the domain of the Commodity Futures Trading Commission (CFTC) – which currently regulates the futures markets;
- 3) The G20 leaders meeting occurred in Pittsburgh, where not much new was announced, other than they all agreed to leave stimulus programs in place to support economic recovery;
- 4) The FOMC meeting ended with the target fed funds rate left unchanged at 0.00%-0.25% for an extended period, while it would wind down the \$300 billion program to buy US Treasury bills at the end of October, and will purchase a total of \$1.25 trillion of agency mortgage-backed securities and \$200 billion of agency debt, to be completed by the end of 1Q10;
- 5) The IPO market has picked up, as 7 companies listed for the first time on equity exchanges in the US on Thursday and Friday of last week. A123, an electric-car battery maker, soared 50% on its first day of trading. Thursday's five deals raised \$2.97 billion from new investors;
- 6) Economic data for the week were mostly negative, as leading economic indicators, Richmond Fed manufacturing, house prices, existing home sales, durable goods orders and new home sales data all came in weaker than expected. Only weekly jobless claims and University of Michigan consumer confidence readings were better than expected.

Prior to last week, September 2009 had bucked the general historical trend of being the most volatile month for equity markets. Last week, though, with an FOMC meeting, G20 leaders meeting and generally weak economic data, equity markets fell through the latter half of the week, with volatility rising for the first time in the month.

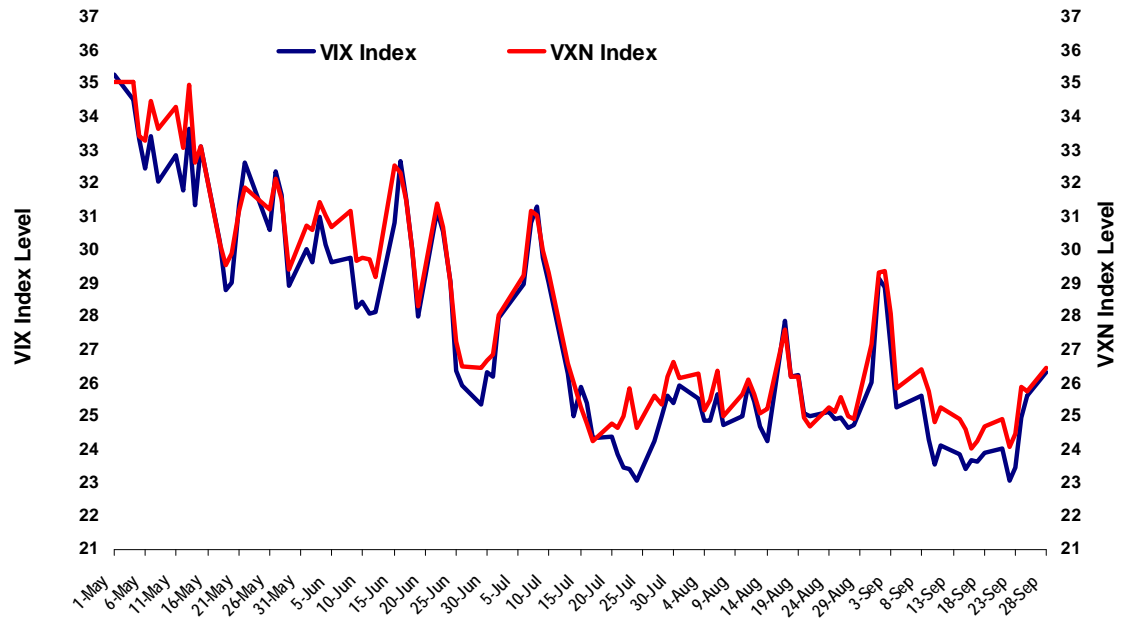
The S&P 500 and VIX Indices



Source: Private Client Research & Portfolio Solutions; Bloomberg

Both the VIX (S&P 100 option index) and the VXN (Nasdaq's equivalent) both climbed steadily, closing the week above the 25 level for the first time since in early September.

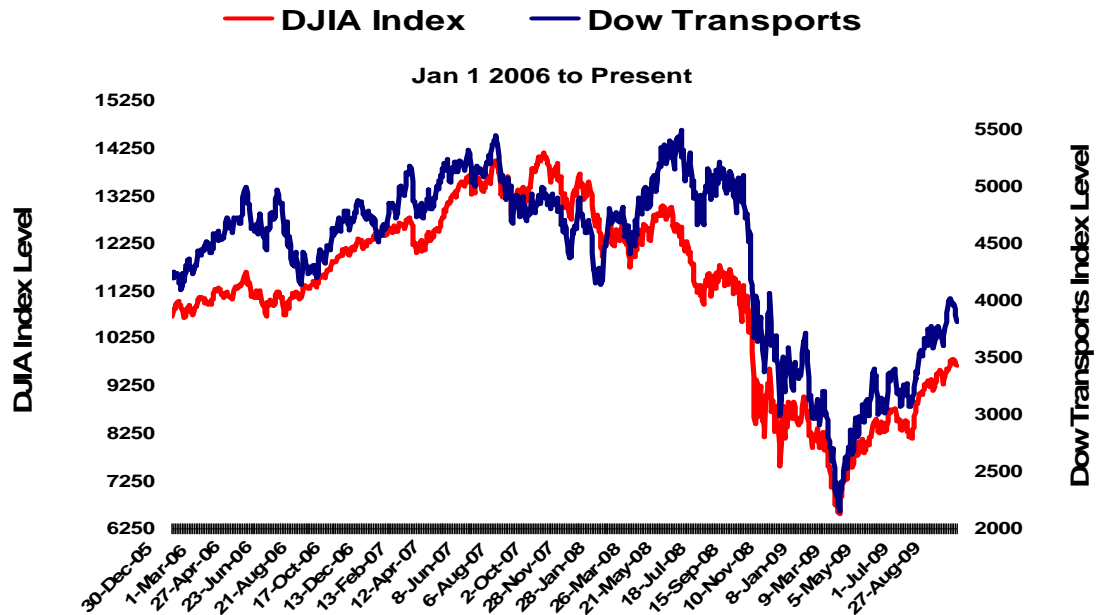
VIX and VXN Indices since May 2009



Source: Private Client Research & Portfolio Solutions; Bloomberg

Another indicator of a weakening market was the shift in the Dow Industrials Transport index, which turned downwards on the week, leading the DJIA Index lower. We remain watchful of this as a potential indicator of equity market weakness.

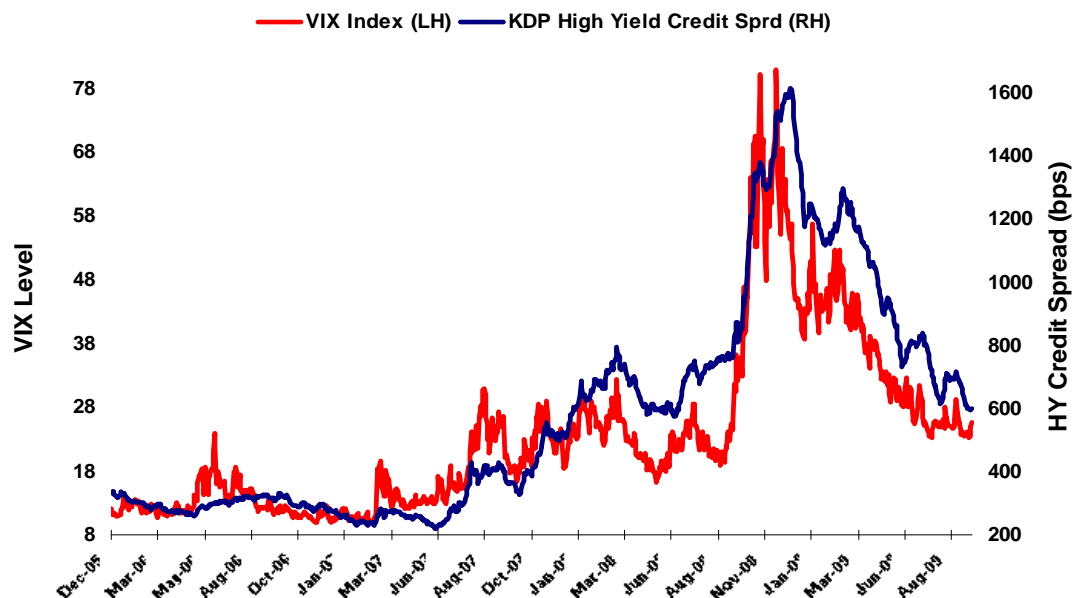
Dow Theory – Transports & DJIA Index Running Out of Steam?



Source: Private Client Research & Portfolio Solutions; Bloomberg

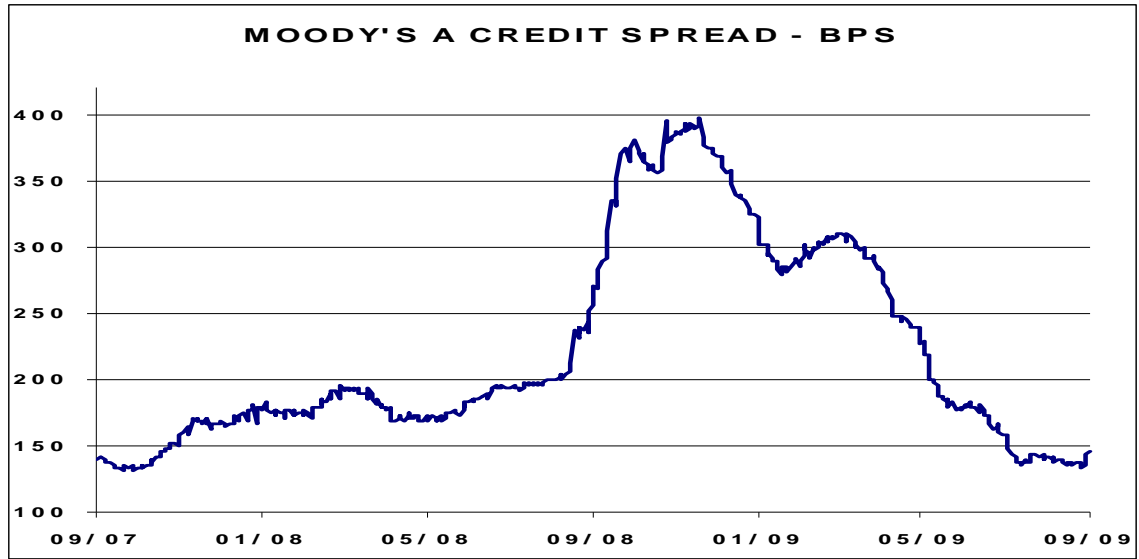
Credit spreads were mixed, as high yield credit continued to tightened, a few basis points on the week. However, investment grade credit spreads tended to follow equity markets, widening a few to several basis points on the week. Below we show the credit spread dynamic of high yield as well as ‘A’ rated investment grade corporate bonds, and it was in the higher quality credit market where spreads widened, reflecting an increased sense of market riskiness – similar to what was seen in equities during the past week.

KDP High Yield Corporate Credit Spreads and VIX Index Dec 2005 – Sep 2009



Source: Private Client Research & Portfolio Solutions; Bloomberg

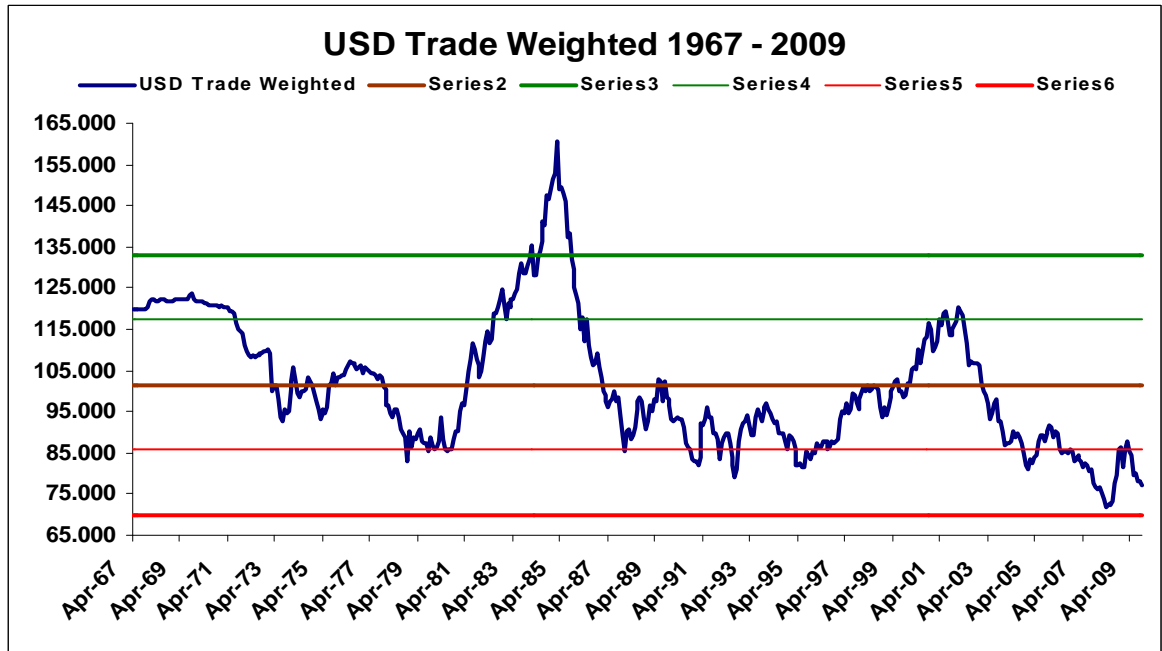
Investment Grade Moody's 'BAA' Corporate Credit Spreads Sep 2007-Sep 2009



Source: Private Client Research & Portfolio Solutions; Bloomberg

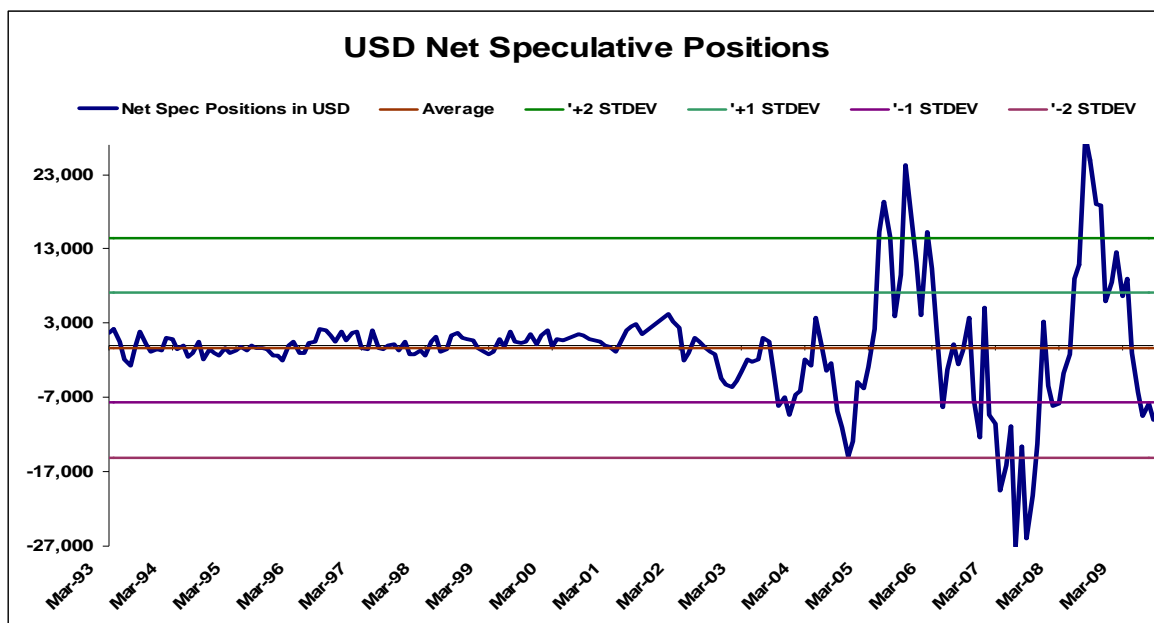
Not only did equity and investment grade credit markets see an increase in investor skittishness, but the USD also weakened during the week, as it appeared that more speculative positions went towards the short side against the USD. On a trade weighted basis, the USD declined slightly, while speculative short positions increased after a brief hiatus.

USD Trade Weighted – Continues to Weaken



Source: Private Client Research & Portfolio Solutions; Bloomberg

Net Speculative Positions in the USD – Shorts Crowded Again!



Source: Private Client Research & Portfolio Solutions; Bloomberg

US Equity Market Sector Performance

US equity markets suffered from weak economic data and commentary following the FOMC rate decision meeting that focused on the Fed’s continued committed to maintain stimulus, given that economic recovery still remained anaemic. The Fed continued to see a target fed funds rate of 0.00-0.25% for some while. The resulting weakness in equity markets for the latter part of the week affected **Material** stocks the most (sector was down 4.7% on the week), followed by **Financials** (-3.6%) and **Consumer Discretionary** (-3.3%) as risk aversion by investors increased. No sector closed the week out in positive territory, with **Telecom Services** (-0.2%), **Health Care** (-1.2%) and **Info Technology** (-1.3%) performing best.

US Equity Market Indices

(as of 16:00, 25/09/2009)

Name	% Weight in the Index	25/09/2009 Last Price	Prev Price	% change on day	% change 5 days ago	% change 1 mnth ago	% change YTD
Dow Jones Indust Ave Index		9665.19	9707.44	-0.435%	-1.578%	1.27%	10.13%
S&P 500 Composite Index		1044.38	1050.78	-0.609%	-2.239%	1.50%	15.62%
S&P 500 FINANCIALS INDEX	15.06	196.53	198.73	-1.107%	-3.633%	-0.81%	16.43%
S&P 500 INFO TECH INDEX	18.65	331.61	333.94	-0.698%	-1.268%	2.28%	43.05%
S&P 500 HEALTH CARE IDX	13.16	330.89	331.29	-0.121%	-1.203%	-0.20%	6.94%
S&P 500 INDUSTRIALS IDX	10.27	230.64	233.16	-1.081%	-3.076%	4.75%	11.31%
S&P 500 CONS DISCRET IDX	9.09	212.13	213.99	-0.869%	-3.344%	1.36%	25.22%
S&P 500 ENERGY INDEX	11.78	406.91	407.32	-0.101%	-2.862%	2.08%	5.32%
S&P 500 CONS STAPLES IDX	11.56	260.43	261.06	-0.241%	-0.853%	2.52%	5.58%
S&P 500 TELECOM SERV IDX	3.19	107.6	108.02	-0.389%	-0.176%	1.55%	-3.67%
S&P 500 UTILITIES INDEX	3.76	148.63	149.14	-0.342%	-1.472%	-0.19%	0.47%
S&P 500 MATERIALS INDEX	3.49	184.02	186.17	-1.155%	-4.752%	1.63%	33.75%

Source: Private Client Research & Portfolio Solutions; Bloomberg

PCR Advantage U.S. Equity Portfolios

With volatility in equity markets making its first traditional September showing, we noted that our portfolios that were either heavily weighted in cash (PCR US Equity Quantitative Factor '15') or focused on dividend yield (PCR US Equity Income) performed better than growth/momentum style orientation. We remain wary that with the better part of September coming in better than most investors expected, and month and quarter end fast approaching (Wednesday, September 30th), we look to remain watchful for any further increases in volatility or investor risk aversion.

Companies held reporting earnings/announcements this week:

- 1) **Paychex** (PAYX – US Equity Income). **Negative** – PAYX reported 1Q10 EPS ex-items of \$0.34, in line with consensus estimates. Revenues fell 6.3% year over year, worse than expected and by a steeper rate than in 4Q09 or 3Q09. Operating margins fell 255 bps. F2010 total revenue guidance was lowered, with a forecast of a revenue drop year over year of 2-5% (from the earlier anticipated drop of 1-4%), while net income was guided to fall by 10-12% year over year (as earlier).

Upgrades: Hewlett-Packard (**HPQ** – US Equity) raised to “outperform”; Cisco Systems (**CSCO** – US Equity) raised to “overweight”.

Downgrades: none.

Initiated/Resumed: none.

U.S. Equity Portfolios - Updated Snapshot

U.S. Equity Core Growth Model Portfolio											
Company Name	Symbol	Mrkt Cap \$mm	Current Price	Price Paid*	Date Acq'd	Beta	Div Yield	Number of Shares Held	Latest Div Pay Date	Price Return Since Added	Weight in Portfolio
Financials											
ProShares Ultra Financials	UYG	2,145	\$5.67	\$ 2.62	11-Mar-09	1.62	0.60	3,500	9/30/2009	116.35%	11% 10.7%
Information Technology											
Cognizant Technology Solutions Corp	CTSH	11,086	\$37.81	\$ 42.57	05-Oct-07	-	0.00	200	-	-11.17%	4.1%
Cisco Systems Inc	CSCO	130,956	\$22.62	\$ 27.87	29-Jun-07	1.00	0.00	600	-	-18.83%	7.3%
Hewlett-Packard Co	HPQ	111,488	\$47.02	\$ 44.84	29-Jun-07	0.91	0.68	350	10/7/2009	4.87%	8.9%
Oracle Corp	ORCL	104,575	\$20.86	\$ 22.69	24-Dec-07	0.81	0.96	225	-	-8.08%	2.5%
Health Care											
Humana Inc	HUM	6,379	\$37.60	\$ 61.15	29-Jun-07	1.08	0.00	140	-	-38.51%	7% 2.8%
Celgene Corp	CELG	25,013	\$54.54	\$ 54.11	14-Jan-08	0.83	0.00	150	-	0.80%	4.4%
Industrials											
Republic Services Inc	RSG	9,977	\$26.31	\$ 21.87	05-Dec-08	1.00	2.89	360	-	20.30%	8% 5.1%
EMCOR Group Inc	EME	1,617	\$24.55	\$ 26.84	24-Dec-07	1.41	0.00	200	-	-8.52%	2.7%
Consumer Discretionary											
ITT Educational Services Inc	ESI	3,996	\$105.96	\$ 123.74	05-Oct-07	0.81	0.00	75	11/18/1987	-14.37%	4.3%
Guess? Inc	GES	3,270	\$35.49	\$ 39.67	04-Sep-08	1.26	1.41	250	9/25/2009	-10.54%	4.8%
Lowe's Cos Inc	LOW	31,103	\$21.05	\$ 20.12	04-Jun-09	1.23	1.71	400	10/30/2009	4.62%	4.5%
Energy											
Diamond Offshore Drilling Inc	DO	12,684	\$91.25	\$ 92.85	29-Jun-07	1.11	0.55	50	9/1/2009	-1.72%	7% 2.5%
Murphy Oil Corp	MUR	10,995	\$57.62	\$ 73.38	05-Oct-07	-	1.74	150	9/1/2009	-21.48%	4.7%
Consumer Staples											
Wal-Mart Stores Inc	WMT	190,797	\$49.47	\$ 48.18	29-Jun-07	0.68	2.20	150	1/4/2010	2.69%	11% 4.0%
CVS Caremark Corp	CVS	50,802	\$35.20	\$ 36.64	29-Jun-07	0.73	0.87	350	11/3/2009	-3.93%	6.7%
Utilities											
Telecommunication Services											
Materials											
CF Industries Holdings Inc	CF	4,084	\$84.29	\$ 164.57	20-Jun-08	1.09	0.47	100	8/31/2009	-48.78%	4.6%
SPDR Gold Trust	GLD	34,775	\$97.00	\$ 81.48	14-Sep-07	0.88	0.00	100	-	19.05%	5.2%
Freeport-McMoRan Copper & Gold Inc	FCX	28,677	\$66.69	\$ 77.12	04-Apr-08	1.38	0.00	250	-	-13.53%	9.0%
SPX Index			1,044.38								
Portfolio Totals							0.70		99%		

Portfolio Position		
Starting Value	\$250,000	29-Jun-07
Current Cash Totals	\$2,227	1.20%
Current Equity Position	\$182,943	98.80%
Current Portfolio Value	\$185,170	74.07% 25-Sep-09

Performance	SPX Index	Portfolio
1 WK	-2.24%	-3.06%
4 WK	1.50%	0.81%
12 WK	16.51%	21.49%
YTD	15.62%	34.53%
Port. Life	-30.53%	-25.93%

Source: Dundee Private Client Research & Portfolio Solutions; Bloomberg

U.S. Equity High Income Model Portfolio											
Company Name	Symbol	Mrkt Cap \$mm	Current Price	Price Paid*	Date Acq'd	Beta	Div Yield	Number of Shares Held	Latest Div Pay Date	Price Return Since Added	Weight in Portfolio
Financials											0%
Information Technology											
Intel Corp	INTC	108,433	\$19.37	\$ 25.64	05-Oct-07	1.00	2.89	900	12/1/2009	-24.47%	9.6%
Paychex Inc	PAYX	10,401	\$28.78	\$ 39.10	29-Jun-07	0.92	4.31	450	8/17/2009	-26.40%	7.1%
Microsoft Corp	MSFT	227,668	\$25.55	\$ 28.24	20-Jun-08	0.83	2.03	200	12/10/2009	-9.53%	2.8%
Health Care											
Bristol-Myers Squibb Co	BMJ	44,412	\$22.42	\$ 21.51	17-Apr-08	0.83	5.53	200	11/2/2009	4.23%	2.5%
Eli Lilly & Co	LLY	37,550	\$32.68	\$ 54.70	29-Jun-07	0.91	5.99	350	9/10/2009	-40.26%	6.3%
Industrials											
Emerson Electric Co	EMR	29,252	\$38.92	\$ 47.03	29-Jun-07	0.94	3.39	400	9/10/2009	-17.25%	8.6%
Waste Management Inc	WM	14,278	\$28.98	\$ 39.17	29-Jun-07	0.80	4.00	400	9/25/2009	-26.01%	6.4%
General Electric Co	GE	173,961	\$16.37	\$ 18.76	24-Dec-07	1.18	2.44	425	10/26/2009	-12.74%	3.8%
Consumer Discretionary											
Stanley Works/The	SWK	3,267	\$41.17	\$ 48.62	24-Dec-07	1.15	3.20	200	9/22/2009	-15.33%	4.5%
Home Depot Inc	HD	45,767	\$26.85	\$ 22.65	19-Mar-09	1.14	3.35	250	9/17/2009	18.54%	3.7%
Tupperware Brands Corp	TUP	2,440	\$38.74	\$ 26.56	04-Jun-09	1.39	2.27	300	10/2/2009	45.86%	6.4%
Energy											
Spectra Energy Corp	SE	12,317	\$19.07	\$ 25.88	29-Jun-07	-	5.24	300	9/14/2009	-26.31%	3.2%
Chevron Corp	CVX	141,710	\$70.66	\$ 84.55	29-Jun-07	0.97	3.85	100	9/10/2009	-16.43%	3.9%
Consumer Staples											
Reynolds American Inc	RAI	13,021	\$44.69	\$ 65.02	29-Jun-07	0.62	7.60	250	10/1/2009	-31.26%	6.2%
HJ Heinz Co	HNZ	12,519	\$39.72	\$ 47.54	29-Jun-07	0.72	4.23	200	10/10/2009	-16.45%	4.4%
Kimberly-Clark Corp	KMB	23,916	\$57.70	\$ 66.86	29-Jun-07	0.73	4.16	100	10/2/2009	-13.70%	3.2%
Utilities											
Consolidated Edison Inc	ED	11,294	\$41.07	\$ 45.14	29-Jun-07	0.65	5.74	100	9/15/2009	-9.01%	2.3%
Public Service Enterprise Group Inc	PEG	15,832	\$31.29	\$ 45.80	20-Jun-08	0.76	4.25	100	9/30/2009	-31.68%	1.7%
Telecommunication Services											
Frontier Communications Corp	FTR	2,277	\$7.29	\$ 15.28	29-Jun-07	1.08	13.72	300	9/30/2009	-52.29%	1.2%
Windstream Corp	WIN	4,310	\$9.87	\$ 14.76	29-Jun-07	0.94	10.12	200	10/15/2009	-33.14%	1.1%
Materials											
Freeport-McMoRan Copper & Gold Inc	FCX M	28,677	\$97.90	\$ 50.62	10-Feb-09	#N/A N Ap	6.70	100	11/1/2009	93.40%	5.4%
El Du Pont de Nemours & Co	DD	28,681	\$31.74	\$ 51.04	17-Apr-08	1.07	5.16	200	9/11/2009	-37.81%	3.5%
SPX Index			1,044.38				2.148616				
Portfolio Totals											98%

Portfolio Position		
Starting Value	\$250,000	29-Jun-07
Current Cash Totals	\$3,981	2.20%
Current Equity Position	\$177,310	97.80%
Current Portfolio Value	\$181,291	72.52% 25-Sep-09

Performance	SPX Index	Portfolio
1 WK	-2.24%	-2.49%
4 WK	1.50%	0.84%
12 WK	16.51%	17.14%
YTD	15.62%	12.63%
Port. Life	-30.53%	-27.48%

Source: Dundee Private Client Research & Portfolio Solutions; Bloomberg

U.S. Equity Quant Factor '15' Portfolio											
Company Name	Symbol	Mrkt Cap \$mm	Current Price	Price Paid*	Date Acq'd	Beta	Div Yield	Number of Shares Held	Latest Div Pay Date	Price Return Since Added	Weight in Portfolio
Quant Factor '15'											
World Fuel Services Corp	INT	1,405	\$47.40	\$ 33.68	27-Mar-09	1.06	0.63	2,000	10/7/2009	40.74%	8.7%
Symantec Corp	SYMC	12,731	\$15.63	\$ 15.12	27-Mar-09	0.90	0.00	4,400	-	3.37%	6.3%
Omnicare Inc	OCR	2,707	\$22.68	\$ 24.82	27-Mar-09	0.99	0.40	2,700	9/14/2009	-8.62%	5.6%
Endo Pharmaceuticals Holdings Inc	ENDP	2,594	\$22.14	\$ 17.54	27-Mar-09	0.90	0.00	3,800	-	26.23%	7.7%
Forest Laboratories Inc	FRX	8,601	\$28.51	\$ 22.11	27-Mar-09	0.90	0.00	3,000	-	28.95%	7.8%
Casey's General Stores Inc	CASY	1,568	\$30.81	\$ 26.74	04-Jun-09	0.88	1.10	2,500	-	15.22%	7.0%
Odyssey HealthCare Inc	ODSY	412	\$12.51	\$ 9.65	27-Mar-09	0.99	0.00	7,000	-	29.64%	8.0%
Black Box Corp	BBOX	447	\$25.45	\$ 34.36	04-Jun-09	1.22	0.94	1,950	10/9/2009	-25.93%	4.5%
Western Digital Corp	WDC	7,907	\$35.19	\$ 24.06	04-Jun-09	1.21	0.00	2,900	#N/A N Ap	46.26%	9.3%
SPX Index			1,044.38						2.15		
Portfolio Totals								0.20		65.0%	

Portfolio Position		
Starting Value	\$1,000,000	27-Mar-09
Current Cash Totals	\$382,728	35.00%
Current Equity Position	\$710,744	65.00%
Current Portfolio Value	\$1,093,472	109.35% 25-Sep-09

Performance	SPX Index	Portfolio
1 WK	-2.24%	-1.73%
4 WK	1.50%	0.32%
12 WK	16.51%	8.79%
YTD	15.62%	N/A
Port. Life	27.47%	9.35%

Source: Dundee Private Client Research & Portfolio Solutions; Bloomberg

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12-Month Investment Banking (IBK): Dundee Securities Corporation has provided investment banking services in the past 12 months to the companies indicated in the table below.

Market Maker (MM): Dundee Securities Corporation is a market maker in the securities of the companies indicated in the table on the next page.

Ticker	Company Name	Significant Holdings	12-Month Investment Banking	Directors	Market Maker
AEM	Agnico-Eagle Mines Ltd.				MM
CWT.UN	Calloway REIT		IBK		
CPG.UN	Crescent Point Energy Trust				MM
DAY.UN	Daylight Resources Trust		IBK		
IMG	IAMGOLD Corp		IBK		
TD	TD Bank Financial Group		IBK		

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