

Dow Jones Capital Markets Report

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With 89 worldwide news bureaus and the ability to leverage Dow Jones's renowned media properties such as Dow Jones Newswires, The Wall Street Journal and Barron's – Dow Jones Capital Markets Report is a comprehensive real-time news platform serving bond and currency traders, and analysts and portfolio managers.

Dow Jones Capital Markets Report offers debt and forex market participants:

- First-to-know confidence in market decisions
- Headlines that are informative, actionable – and fast
- Perspective on trends, insiders and sectors
- Extensive source for market intelligence and research

Information You Can't Afford to Trade Without

Dow Jones Capital Markets Report has led reporting on credit and forex markets for over 25 years. It is a trusted source for breaking news and unique commentary from award-winning Dow Jones reporters covering all credit instruments, foreign exchange, the Fed and leading central banks, and U.S. and world economies.

- DJ Market Talk – Minute-to-minute scrolling commentary triggered by top stories and market activity.
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- Technical Analysis – Key technical columns – Charting Forex, Charting Markets and Charting Trends – keep traders informed about important money market developments and trends.

Powerful New Features Help You Make Better Market Decisions

Dow Jones Capital Markets Report continues to build on its award-winning content with compelling new features and information solutions.

Dow Jones NewsPlus – Capital Markets Report – When you need a quick market overview, this award-winning web site companion helps you work more efficiently, bringing you what's moving the markets in an easy to use format.

The screenshot displays the Dow Jones NewsPlus website interface. At the top, there is a navigation bar with 'HOME' and 'LOGOUT' links. The main content area is divided into several sections:

- TOP STORIES:** Features a headline "Will Giants' Victory Help Stocks?" with a sub-headline "The Super Bowl was a great football game and great for Giants fans. But does it matter for the stock market?" and another headline "Time Warner To Separate AOL, May Act On Cable" with a sub-headline "CEO Jeff Bewkes says the media giant plans to separate AOL's internet-access business and is in ongoing discussions to potentially reduce its holdings in the company's cable affiliate."
- MARKET TALK:** Features a headline "MARKET TALK: Kroszner: Overhaul Of Mortgage Rules 'Highest Priority'" and "1345 EST MARKET TALK: Risk Aversion Gives M2USDS Downside Bias -8BZ".
- ANALYSIS & COMMENTARY:** Features a headline "Lawyers Eye Blame Game At ASF 2008" and "There's been a lot of finger pointing at the American Securitization Forum this week as investors try to figure out how exactly the subprime mortgage market meltdown got as ugly as it did."
- MARKET WATCH:** Includes sections like "Latest on Bonds", "Latest on Corporates", "Latest on Currencies", and "Latest on Stocks".
- INDICATOR WATCH:** Shows a table of indicators such as "US 4Q Productivity" (1.3% vs 0.5% est), "US Service Sector" (41.3 vs 52.5 est), and "US Factory Orders" (-2.2% vs -2.5% est).
- BANKER WATCH:** Includes a section "Philly Fed's Plosser says he is prepared to advocate more rate cuts if the economy sputters even more than expected, but also warned that the Fed must keep an eye on higher inflation."

For more information about Dow Jones Capital Markets Report, email sales&trading@dowjones.com or call 877-339-0352

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- **Tomorrow's News Today** – Get a jump on the next day's news at the end of every day with recaps of key events, market roundups and Talking Points, one of many key features.
- **CMR Morning Briefing** – The latest addition to a growing lineup of early morning roundups of information market participants need to know to start their business day
- **Talk Back** – A networking feature designed to stimulate online conversation with Dow Jones editors

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DOW JONES
Tomorrow's News Today
 from Capital Markets Report
 A Service Of Dow Jones Newswires Monday, February 4, 2008

G7 CALENDAR

Tuesday

3:45 a.m. ITA
Jan NTC/ADAFI PMI Sves

3:50 a.m. FRA
Jan NTC/CDAF PMI Sves

3:55 a.m. GER
Jan NTC PMI Sves

4:00 a.m. EU
Jan RBS/NTC Eurozone PMI Sves

4:30 a.m. UK
Jan CIPS PMI Sves

5:00 a.m. ITA
Jan Cities CPI

5:00 a.m. ITA
Jan Provisional CPI

5:00 a.m. EU
Dec Retail Trade

Retail Sales, monthly (previous +0.5%)

6:00 a.m. FRA
Dec OECD CPI

7:45 a.m. US
Feb 2 ICSG-UIBS Chain Store Sales Index (previous +1.2%)

8:15 a.m. CAN
Jan Monetary Reserves, in US dollars (previous +229M)

8:30 a.m. CAN
Stocks Of Canadian grain at Dec 31

8:55 a.m. US
Feb 2 Redbook Retail Sales Index Johnson Redbook Index (previous +0.3%)

10:00 a.m. US
Tsy Secy Paulson participates in a Senate Finance Committee hearing on the president's fiscal-year 2009 budget proposal in Washington

10:00 a.m. US
Tsy Undersecy McCormick holds a press conference on the G7 fin mins' meeting

TODAY'S MARKET WRAPS

TREASURYS: Longer-dated Treasury bonds were under the gun Monday, weighed down on the upcoming supply of \$22 billion later this week. As longer-dated Treasuries underperformed their two-year peers, the benchmark yield curve, or the yield gap between the two- and 10-year sectors, continued its steepening trend, widening Monday to 157 basis points from 151 basis points Friday. Monday's spread was the widest since 2004. The Treasury Department is slated to sell \$13 billion in 10-year notes Wednesday, followed by \$9 billion in 30-year debt a day later. Increasing supply tends to push down prices and lift yields.

CORPORATES: UnitedHealth Group has launched its \$3 billion four-part deal through lead managers BAS, Citi and J.P. Morgan, according to a syndicate official working on the deal. The company is planning to sell a \$250 million three-year fixed-rate note at 130 bps over Libor, as well as a five-year fixed-rate bond at a spread of 218 bps over Treasuries. In addition, there is a 10-year and a 30-year fixed-rate portion, expected to price at 237.5 bps and 262.5 bps over Treasuries, respectively. There has not been any visible secondary market trade in the new notes of Petroleum Development, which priced a \$203 million issue Friday, according to KDP.

FOREX: The dollar was stronger against the yen and down against the euro Monday in New York, but has traded mostly within a narrow range throughout the session without the release of key data or market-moving speeches. Monday afternoon in New York, the euro was at \$1.4826 from \$1.4800 late Friday, while the dollar was at ¥106.71 from ¥106.58. The euro was at ¥158.26 from ¥157.70 late Friday.

ENERGY: Crude oil futures climbed more than \$1 a barrel Monday as tensions in oil-producing Iraq and Nigeria prompted jitters about oil supply. Light, sweet crude for March delivery was recently up 99 cents, or 1.1%, at \$89.95 a barrel on the New York Mercantile Exchange, after reaching \$90.10 a barrel. Brent crude on the ICE futures exchange rose 64 cents to \$90.28 a barrel. Oil futures ascended steadily during the pit session after reports that Turkish warplanes had hit some 70 Kurdish rebel targets inside northern Iraq, the fifth air attack inside Iraqi borders in the last two months. Iraq now produces about 2.5 million barrels of oil a day, or 3% of world oil demand.

STOCKS: Stocks fell Monday as investors chewed over more weak economic data and analyst downgrades of credit-card issuers. The Dow Jones Industrial Average was off 0.6%, or 79 points, at 12664, led lower by a 2.9% drop in component American Express to \$48, which was cut to a sell rating by UBS. Financial stocks have languished for months amid revelations of bad mortgage bets and concern about recession. But some money managers are beginning to look at the sector as a bargain. "Everyone got punished in the initial wave of concern about what's on these companies' balance sheets," said Randy Bateman, chief investment officer at Huntington Asset Advisors in Columbus, Ohio.

TOMORROW'S TOP MONEY HEADLINES

Bush Budget Request Sees Near-Record Deficits

The federal budget deficit will soar to near-record levels in fiscal 2008 and 2009, the Bush administration said in its \$3.1 trillion budget request, a surge in red ink attributable to cooling corporate tax receipts and the cost of a short-term economic stimulus package.

The White House expects the deficit to reach \$410 billion in the current fiscal year, just short of the record set four years ago. In fiscal 2009, which begins in October, the budget gap is seen at \$407 billion. As a percentage of gross domestic product, the deficit would be 2.9% in fiscal 2008 and 2.7% the following year. The projections represent a significant short-term deterioration in the U.S.'s fiscal outlook.

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Tomorrow's News Today – Today's Wrap-Up, Tomorrow's Outlook

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