

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	11 543.96	-171.22	-1.46%	-0.72%	-12.97%	-13.13%
S&P 500 Index	1 282.83	-17.85	-1.37%	-0.73%	-12.64%	-12.36%
Nasdaq Composite Index	2 367.52	-44.12	-1.83%	-1.95%	-10.74%	-7.63%
S&P/TSX Composite Index	13 771.25	20.77	0.15%	2.41%	-0.45%	2.08%
FTSE 100 (UK)	5 636.60	35.40	0.63%	2.38%	-12.70%	-8.08%
DAX (Germany)	6 422.30	1.76	0.03%	1.26%	-20.39%	-13.67%
NIKKEI 225 (Japan)	13 072.87	304.62	2.39%	3.21%	-14.60%	-18.36%
HANG SENG (Hong-Kong)	21 261.89	289.60	1.38%	4.27%	-23.55%	-7.64%

## MARKET REVIEW

### Canada registers disappointing GDP numbers

The S&P/TSX index remained virtually unchanged today, despite news that the Canadian economy has been growing more slowly than expected. The S&P/TSX Composite increased 20.77 points, or 0.15%, to 13771.25.

Real Canadian GDP edged up by just 0.3% during the second quarter, thus narrowly avoiding a technical recession following the first quarter's 0.8% decline. Personal consumption expenditures increased by 2.5% (annual rate) during the period, down slightly from the 3.1% growth during Q1. The weakest PCE component was durable goods purchases, which declined by 1.2% during Q2. Investment also weakened, due to a 1.4% drop in spending on non-residential structures and equipment. Trade was the biggest drag on growth during Q2, removing 2.8% from GDP growth. Exports fell (-5.9%) for the fourth consecutive quarter, while imports rose by 2.3% after falling by 9% the previous quarter. Final domestic demand remained resilient at +2%, buoyed by rising disposable income.

The Canadian loonie declined to US 0.94107 today from US 0.9516, due in part to the weak GDP report.

U.S. equities also lost ground today after the release of a worse-than-expected report regarding personal incomes. The Dow Jones Industrials Average declined 171.22 points, or 1.46%, to 11543.96. The S&P 500 Composite retreated 17.85 points, or 1.37%, to 1282.83. The Nasdaq Composite lost 44.12 points, or 1.83%, to 2367.52.

U.S. personal income plunged by 0.7% in July following a 0.1% gain in June. Personal consumption expenditures rose by 0.2% after a gain of 0.6% the month before. In real terms, personal disposable income fell by 1.7% during July after a 2.6% decrease in June. On the consumption side, household spending fell by 0.4%, following a 0.1% decline in June.

Energy prices remained stable today despite the fact that tropical storm Gustav continued its approach to the Gulf of Mexico. Crude prices declined \$0.04 to \$115.55/barrel.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Bombardier Inc (BBD/B)	\$8.22	\$0.25	12 400 035
Uranium One Inc (UUU)	\$4.49	\$0.18	9 463 052
Royal Bank of Canada (RY)	\$48.54	\$0.41	3 692 369
Eastern Platinum Ltd (ELR)	\$1.56	-\$0.01	3 622 001
Kinross Gold Corp (K)	\$17.45	-\$0.31	3 300 303

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Dell Inc (DELL)	\$21.73	-\$3.48	37 797 818
Microsoft Corp (MSFT)	\$27.29	-\$0.65	23 344 389
Intel Corp (INTC)	\$22.87	-\$0.72	20 083 363
Merrill Lynch & Co Inc (MER)	\$28.35	\$0.83	18 143 300
Oracle Corp (ORCL)	\$21.93	-\$0.71	15 744 942

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	0.70%	11.27%
MATERIALS	0.24%	2.56%
INDUSTRIALS	0.47%	5.67%
CONSUMER DISCRETIONARY	0.29%	-19.93%
CONSUMER STAPLES	0.13%	-5.95%
HEALTH CARE	1.21%	-11.28%
FINANCIALS	0.05%	-9.86%
INFORMATION TECHNOLOGY	-2.45%	7.68%
TELECOMMUNICATIONS SERVICES	-0.73%	-7.23%
UTILITIES	0.22%	-2.89%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	2.71%	2.74%
CAN GOVT 5 YR	3.03%	3.03%
CAN GOVT 7 YR	3.25%	3.24%
CAN GOVT 10 YR	3.54%	3.51%
CAN GOVT 30 YR	4.02%	4.00%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$115.55	\$115.59	\$73.51
GOLD SPOT (\$/OZ)	\$830.73	\$834.05	\$667.60
CAD per USD	1.0626	1.0510	1.0601
CAD per EURO	1.5585	1.5459	1.4500
USD per EURO	1.4667	1.4706	1.3677
YEN per USD	108.837	109.500	116.180

Source: Bloomberg