

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	11 642.47	-139.88	-1.19%	0.23%	-12.23%	-12.06%
S&P 500 Index	1 289.59	-15.73	-1.21%	0.37%	-12.17%	-11.29%
Nasdaq Composite Index	2 430.61	-9.34	-0.38%	3.44%	-8.36%	-4.49%
S&P/TSX Composite Index	13 167.00	-36.19	-0.27%	-0.57%	-4.81%	-2.22%
FTSE 100 (UK)	5 534.50	-7.30	-0.13%	1.47%	-14.29%	-8.34%
DAX (Germany)	6 585.87	-23.76	-0.36%	1.03%	-18.36%	-10.31%
NIKKEI 225 (Japan)	13 303.60	-127.31	-0.95%	3.01%	-13.09%	-20.64%
HANG SENG (Hong-Kong)	21 640.89	-218.45	-1.00%	-1.41%	-22.19%	-0.70%

MARKET REVIEW

Canadian trade surplus increases

The S&P/TSX index was virtually unchanged today. The S&P/TSX Composite lost 36.19 points, or 0.27%, to 13167. Crude prices declined \$1.23 to \$113.22/barrel. Gold pulled back \$9.05 to \$814.80/ounce.

However the loonie ended an eight-day downtrend after news emerged regarding Canada's merchandise trade balance.

The Canadian trade surplus expanded to \$5.8B in June, compared to \$5.2B in May. Exports rose by \$1.3B (+3.1%), marking a sixth straight month of advances, spurred by rising energy (+11.5%) and automotive products (+7.7) shipments. Imports rose by \$0.75B (+2%), their third straight monthly increase. The rise in imports was also led by energy (+17.9%) and automotive products (+7.4%) shipments. In volume terms, exports fell at an annualized rate of 6.8% in Q2, while imports rose by 5.7%.

Thomson Reuters Corp. reported today that its profits fell during Q2, due to rising costs related to the Reuters Group Plc buyout. The company's net income slipped by 54% to \$173 million (\$0.22 per share), from \$377 million (\$0.58 per share) a year earlier. Its pro-forma sales climbed 11 % to \$3.44 billion.

In the U.S., stocks lost ground. The financial sector in particular reacted badly to news of deteriorating trading conditions at JPMorgan. The Dow Jones Industrials Average declined 139.88 points, or 1.19%, to 11642.47. The S&P 500 Composite pulled back 15.73 points, or 1.21%, to 1289.59. The Nasdaq Composite retreated 9.34 points, or 0.38%, to 2430.61.

The U.S. trade deficit narrowed unexpectedly to \$56.8 billion in June, compared to \$59.2 billion in May. The improvement stemmed primarily from a 4.0 % rise in exports, while imports increased by just 1.8%. Excluding petroleum, the improvement in imports was much larger: from \$26.4 billion in May to \$20.4 billion in June. In real terms, exports posted a solid gain of 4% while imports fell by 0.6%.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Eastern Platinum Ltd (ELR)	\$1.38	-\$0.04	5 647 032
High River Gold Mines Ltd (HRG)	\$1.15	\$0.07	1 101 138
Bombardier Inc (BBD/B)	\$7.57	-\$0.27	7 361 738
HudBay Minerals Inc (HBM)	\$10.17	-\$0.12	1 561 940
Nexen Inc (NXY)	\$30.35	-\$0.19	2 540 139

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Cisco Systems Inc (CSCO)	\$24.50	-\$0.12	17 687 684
Microsoft Corp (MSFT)	\$28.12	\$0.22	26 833 320
Intel Corp (INTC)	\$24.52	\$0.14	22 930 915
Sprint Nextel Corp (S)	\$8.68	-\$0.12	5 916 900
Oracle Corp (ORCL)	\$22.90	-\$0.18	13 328 264

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	-0.13%	2.06%
MATERIALS	2.07%	-4.63%
INDUSTRIALS	-2.87%	2.44%
CONSUMER DISCRETIONARY	0.31%	-20.26%
CONSUMER STAPLES	0.30%	-8.26%
HEALTH CARE	0.67%	-13.83%
FINANCIALS	-1.11%	-10.91%
INFORMATION TECHNOLOGY	-2.45%	12.16%
TELECOMMUNICATIONS SERVICES	0.58%	-10.27%
UTILITIES	-0.55%	-6.03%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	2.74%	2.75%
CAN GOVT 5 YR	3.10%	3.12%
CAN GOVT 7 YR	3.33%	3.35%
CAN GOVT 10 YR	3.60%	3.63%
CAN GOVT 30 YR	4.03%	4.05%

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$113.22	\$114.45	\$71.47
GOLD SPOT (\$/OZ)	\$814.80	\$823.85	\$672.80
CAD per USD	1.0639	1.0692	1.0532
CAD per EURO	1.5871	1.5941	1.4422
USD per EURO	1.4918	1.4909	1.3693
YEN per USD	109.321	110.060	118.400

Source: Bloomberg