

Market Review

August 9, 2010

INDEX	CLOSE	NET CHANGE	DAILY % CHANGE	WEEKLY % CHANGE	% YTD	% LAST 12 MONTHS
Dow Jones Industrial Average	10 698.75	45.19	0.42%	0.23%	2.60%	14.18%
S&P 500 Index	1 127.79	6.15	0.55%	0.17%	1.14%	11.61%
Nasdaq Composite Index	2 305.69	17.22	0.75%	0.45%	1.61%	15.27%
S&P/TSX Composite Index	11 863.56	63.59	0.54%	1.28%	1.00%	8.99%
FTSE 100 (UK)	5 410.52	78.13	1.47%	0.25%	-0.04%	14.35%
DAX (Germany)	6 351.60	91.97	1.47%	0.95%	6.62%	16.35%
NIKKEI 225 (Japan)	9 572.49	-69.63	-0.72%	0.02%	-9.23%	-8.06%
HANG SENG (Hong-Kong)	21 801.59	122.79	0.57%	1.82%	-0.32%	7.00%

MARKET REVIEW

North American Markets Rebounds

U.S. stocks climbed, with the Standard & Poor's 500 Index building on last week's rally, amid speculation the Federal Reserve may introduce measures to stimulate economic growth tomorrow. "The hot idea is that the Fed will do another round of quantitative easing," said Ralph Shive, the South Bend, Indiana-based manager of the \$1.5 billion Wasatch-1st Source Income Equity Fund. "It's good for equities because it pumps more money into the system if they buy back mortgage-backed securities and Treasuries. On the other the hand, if they do it they also acknowledge the deep hole we're in." The S&P 500 increased 1.8% last week, sending the benchmark measure of U.S. stocks to the highest level since May, after companies from Pfizer Inc. to News Corp. beat earnings estimates and reports showed expansion in the service and manufacturing industries. The Dow Jones Industrials Average increased 45.19 points, or 0.42%, to 10698.75. The S&P 500 Composite advanced 6.15 points, or 0.55%, to 1127.79. The Nasdaq Composite gained 17.22 points, or 0.75%, to 2305.69.

Toronto's main stock index was slightly higher on Monday morning as firm oil and base-metals prices helped to boost the market's resource-linked shares. The energy sector got a boost from firm oil prices, which rose above \$81 a barrel, helped by U.S. dollar weakness. Copper prices edged higher, supported in part by the generally weaker U.S. dollar and sliding inventories. Despite the rise, investors remained cautious on the outlook for the second half of the year, said Barry Schwartz, vice president and portfolio manager Baskin Financial Services. "There's some concerns. Second-quarter earnings were strong but what's the real story as we head into the third and fourth quarter?" he said. "No one expects them to raise rates, but there's chatter out there of new forms of quantitative easing and different ways to continue to provide liquidity to the system as banks in U.S. are still not lending and consumers are still cautious on spending," Schwartz said. The S&P/TSX Composite rose 63.59 points, or 0.54%, to 11863.56.

Crude prices increased \$0.77 to \$81.47/barrel. Gold declined \$3.95 to \$1201.45/ounce.

MOST ACTIVE BY VOLUME IN S&P/TSX	LAST PRICE	VAR DAY \$	VOLUME
Uranium One Inc (UUU)	\$3.12	\$0.28	9 931 288
Bombardier Inc (BBD/B)	\$4.83	-\$0.02	9 838 406
Yamana Gold Inc (YRI)	\$10.13	-\$0.11	6 104 873
Consolidated Thompson Iron Mines Ltd (CLM)	\$8.06	-\$0.14	5 499 999
Manulife Financial Corp (MFC)	\$14.27	\$0.24	5 212 080

MOST ACTIVE BY VOLUME IN S&P 500	LAST PRICE	VAR DAY \$	VOLUME
Hewlett-Packard Co (HPQ)	\$42.60	-\$3.70	26 045 300
Citigroup Inc (C)	\$4.08	\$0.02	24 272 300
Bank of America Corp (BAC)	\$13.91	-\$0.05	21 047 800
Cisco Systems Inc (CSCO)	\$24.77	\$0.69	18 953 306
Microsoft Corp (MSFT)	\$25.61	\$0.06	17 698 858

S&P/TSX INDUSTRY GROUP	DAILY % CHANGE	YTD
ENERGY	0.53%	-2.94%
MATERIALS	0.16%	4.12%
INDUSTRIALS	0.11%	6.54%
CONSUMER DISCRETIONARY	0.10%	11.31%
CONSUMER STAPLES	0.04%	-1.19%
HEALTH CARE	1.90%	31.16%
FINANCIALS	0.77%	0.21%
INFORMATION TECHNOLOGY	2.68%	-15.30%
TELECOMMUNICATIONS SERVICES	0.88%	10.98%
UTILITIES	-0.17%	1.61%

INTEREST RATES	LAST YIELD	PREVIOUS
CAN GOVT 2 YR	1.45%	#VALUE!
CAN GOVT 5 YR	2.25%	#VALUE!
CAN GOVT 7 YR	2.66%	2.67%
CAN GOVT 10 YR	3.08%	3.08%
CAN GOVT 30 YR	3.65%	#VALUE!

CURRENCIES & COMMODITIES	LAST PRICE	PREVIOUS	1 YEAR AGO
OIL WTI (\$/BARREL)	\$81.47	\$80.70	\$70.93
GOLD SPOT (\$/OZ)	\$1 201.45	\$1 205.40	\$954.95
CAD per USD	1.0273	1.0274	1.0813
CAD per EURO	1.3593	1.3645	1.5335
USD per EURO	1.3232	1.3280	1.4183
YEN per USD	85.880	85.510	97.570

Source: Bloomberg



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