

# Market Review

July 2, 2009

| INDEX                        | CLOSE     | NET CHANGE | DAILY % CHANGE | WEEKLY % CHANGE | % YTD  | % LAST 12 MONTHS |
|------------------------------|-----------|------------|----------------|-----------------|--------|------------------|
| Dow Jones Industrial Average | 8,280.74  | -223.32    | -2.63%         | -2.26%          | -5.65% | -26.17%          |
| S&P 500 Index                | 896.48    | -26.85     | -2.91%         | -2.58%          | -0.75% | -28.94%          |
| Nasdaq Composite Index       | 1,796.52  | -49.20     | -2.67%         | -1.80%          | 13.92% | -20.21%          |
| S&P/TSX Composite Index      | 10,245.91 | -129.00    | -1.24%         | -1.06%          | 14.00% | -26.99%          |
| FTSE 100 (UK)                | 4,234.27  | -106.44    | -2.45%         | -0.43%          | -4.51% | -21.97%          |
| DAX (Germany)                | 4,718.49  | -186.95    | -3.81%         | -1.71%          | -1.91% | -25.17%          |
| NIKKEI 225 (Japan)           | 9,876.15  | -63.78     | -0.64%         | 0.82%           | 11.47% | -25.67%          |
| HANG SENG (Hong-Kong)        | 18,178.05 | -200.68    | -1.09%         | -0.53%          | 26.35% | -16.25%          |

## MARKET REVIEW

### U.S. unemployment rate rose to the highest in almost 26 years

Payrolls declined by 467,000 in June and followed a 322,000 drop in May, according to the Labor Department. The jobless rate rose to 9.5 percent, the highest since August 1983, from 9.4 percent.

Stocks tumbled and bond yields fell as investors bet the 18th straight month of job cuts will further sap consumer spending, weakening a recovery from the deepest recession in half a century. The economy has lost about 6.5 million jobs since December 2007. The Dow Jones Industrials Average lost 223.32 points, or 2.63%, to 8280.74. The S&P 500 Composite pulled back 26.85 points, or 2.91%, to 896.48. The Nasdaq Composite declined 49.2 points, or 2.67%, to 1796.52.

Exelon Corp., the largest U.S. utility owner by market value, raised its hostile takeover bid for NRG Energy Inc. 12 percent to \$7.45 billion after a drop in its share price whittled away the premium it was offering.

Canadian stocks declined for a second day as energy producers fell after the U.S. reported more job losses than expected in June, increasing concern the recession in Canada's largest trading partner will linger.

Suncor Energy Inc., the world's second-largest oil-sands producer, sank more than 5 percent as crude fell more than \$2 a barrel. Natural gas producer Canadian Natural Resources Ltd. lost more than 4.1 percent as the fuel declined. The S&P/TSX Composite pulled back 129 points, or 1.24%, to 10245.91. Crude prices retreated \$2.58 to \$66.73/barrel. Gold lost \$9.80 to \$931.00/ounce.

Onex Corp. and Alex Yemendjian, a former president of MGM Mirage, acquired a majority stake in the Tropicana Las Vegas Hotel and Casino after it emerged from bankruptcy protection.

The European Central Bank left its benchmark rate at a record low of 1 percent. Jean-Claude Trichet signaled the ECB will keep interest rates at a record low for the coming months as officials deploy new tools to fight the worst recession since World War II.

| MOST ACTIVE BY VOLUME IN S&P/TSX | LAST PRICE | VAR DAY \$ | VOLUME    |
|----------------------------------|------------|------------|-----------|
| Manulife Financial Corp (MFC)    | \$19.82    | -\$0.37    | 8,690,923 |
| Equinox Minerals Ltd (EQN)       | \$2.51     | -\$0.18    | 7,559,135 |
| Bombardier Inc (BBD/B)           | \$3.36     | -\$0.09    | 5,241,913 |
| Bank of Nova Scotia (BNS)        | \$43.24    | -\$0.18    | 4,971,570 |
| Royal Bank of Canada (RY)        | \$47.47    | -\$0.10    | 4,924,526 |

| MOST ACTIVE BY VOLUME IN S&P 500 | LAST PRICE | VAR DAY \$ | VOLUME     |
|----------------------------------|------------|------------|------------|
| Bank of America Corp (BAC)       | \$12.64    | -\$0.41    | 21,702,600 |
| Microsoft Corp (MSFT)            | \$23.37    | -\$0.67    | 20,086,214 |
| Citigroup Inc (C)                | \$2.90     | -\$0.07    | 18,712,800 |
| Dell Inc (DELL)                  | \$12.97    | -\$0.42    | 17,590,558 |
| Intel Corp (INTC)                | \$16.72    | -\$0.32    | 17,340,253 |

| S&P/TSX INDUSTRY GROUP      | DAILY % CHANGE | YTD     |
|-----------------------------|----------------|---------|
| ENERGY                      | -3.45%         | 15.14%  |
| MATERIALS                   | 1.93%          | 14.23%  |
| INDUSTRIALS                 | -1.48%         | 2.12%   |
| CONSUMER DISCRETIONARY      | -0.98%         | -0.64%  |
| CONSUMER STAPLES            | -0.75%         | 1.00%   |
| HEALTH CARE                 | 0.09%          | 9.33%   |
| FINANCIALS                  | -1.27%         | 20.99%  |
| INFORMATION TECHNOLOGY      | -1.78%         | 53.13%  |
| TELECOMMUNICATIONS SERVICES | 0.10%          | -10.91% |
| UTILITIES                   | -0.43%         | -1.79%  |

| INTEREST RATES | LAST YIELD | PREVIOUS |
|----------------|------------|----------|
| CAN GOVT 2 YR  | 1.17%      | 1.21%    |
| CAN GOVT 5 YR  | 2.43%      | 2.46%    |
| CAN GOVT 7 YR  | 2.87%      | 2.90%    |
| CAN GOVT 10 YR | 3.35%      | 3.36%    |
| CAN GOVT 30 YR | 3.85%      | 3.86%    |

| CURRENCIES & COMMODITIES | LAST PRICE | PREVIOUS | 1 YEAR AGO |
|--------------------------|------------|----------|------------|
| OIL WTI (\$/BARREL)      | \$66.73    | \$69.31  | \$143.57   |
| GOLD SPOT (\$/OZ)        | \$931.00   | \$940.80 | \$945.15   |
| CAD per USD              | 1.1610     | 1.1496   | 1.0124     |
| CAD per EURO             | 1.6258     | 1.6257   | 1.6079     |
| USD per EURO             | 1.4005     | 1.4142   | 1.5882     |
| YEN per USD              | 95.870     | 96.650   | 105.910    |

Source: Bloomberg



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