



## Market Summary

DOW	16857.46	-54.65	PEYTO ENERGY	36.79	-.13	POLARIS	2.55	-.01
TSE	15493.05	+46.50	WESTERN FOREST	2.23	--	CANADIAN \$	0.9164	-.0047
S&P	1970.05	+0.10	CATALYST	2.40	--	EURO	1.3370	-.0039
NASDAQ	4455.28	+12.58	CANFOR	23.17	-.04	COPPER	3.24	+.02
TSX VENTURE	1016.16	-0.34	REDSTAR GOLD	0.05	--	CRUDE OIL	101.09	+.12
SILVER	20.57	-.01	LUMBER	324.00	+2.00	NATURAL GAS	3.76	-.06
GOLD	1296.00	-4.50	TIM HORTON'S	60.31	+.59	PRIME RATE	3.00%	

## Market Commentary

### • Barclays profits fall as investment bank income sags

The bank said its underlying profits fell 8 percent in the second quarter as the British bank's attempts to crack down on high-risk trading and subdued market activity took a toll on investment banking revenue.

### • AstraZeneca buys Almirall lung drugs for up to \$2.1 billion

The drugmaker took a major step to build up its respiratory medicine business by striking a deal worth up to \$2.1 billion for the rights to Spanish group Almirall's lung drugs.

### • Gross domestic product expanded at a 4.0 percent annual rate

U.S. economic growth accelerated more than expected in the second quarter and the decline in output in the prior period was less steep than previously reported, bolstering views for a stronger performance in the last six months of the year.

### • Inflation stirs as US producer prices rise by more than expected

The Labor Department said on Wednesday its producer price index for final demand increased 0.4 percent, reversing May's 0.2 percent decline.

Economists polled by Reuters had forecast prices received by the nation's farms, factories and refineries rising 0.2 percent.

**TSX** opened higher on a flurry of Canadian and U.S. economic data as well as the Federal Reserve meeting and its policy outlook. Lower loonie likely adding to Canadian stocks. **U.S. stock indexes** rose at first as investors sought bargains following a period of weakness, the inflation data caused them to ease with the DOW going from up 70 to down 70.

**European shares** dipped pressured by concerns over tightening sanctions on Russia. **Asian markets** touched a six-and-half-year peak with MSCI's broadest index of Asia-Pacific shares outside Japan gaining 0.5 percent. The **euro** hit an eight-month trough against the **dollar**, **Loonie also falls**. **Brent** was little changed, while **gold** fell despite some inflation data, the US dollar rising likely the reason for the weakness.

• **Ballard Power Systems Inc (BLD)**. The fuel cell maker reported a smaller second-quarter loss, helped by continuing demand for its fuel cells that are used in forklifts and telecom networks. Its net loss narrowed to \$4.5 million, or 3 cents per share from \$5.2 million, or 5 cents per share, a year earlier. Analysts on average had expected a loss of 2 cents per share. The company expects revenue growth for the year of about 30 percent.

• **Cenovus Energy Inc (CVE)**. The oil producer said its second-quarter profit more than tripled, helped by increased production at its Christina Lake oil sands project in northern Alberta. Net income rose to C\$615 million, or 81 Canadian cents per share, from C\$179 million, or 24 Canadian cents, a year earlier. Operating profit, which excludes most one-time items, rose 85 percent to C\$473 million, or 62 Canadian cents.

• **Centerra Gold Inc (CG)**. The company swung to a wider-than-expected loss in the second quarter, results showed on Tuesday, on the back of a lower gold price, higher share-based compensation for executives and a charge for inventory at its Kumtor mine in Kyrgyzstan. It reported a net loss of \$31.7 million, or 13 cents a share compared with earnings of \$1.6 million, or 1 cent, a year earlier. Analysts, on average, had been expecting a loss of 9.7 cents a share.

• **Detour Gold Corp (DGC)**. The company reported second-quarter loss of 12 cents per share, compared with a net loss of 10 cents per share, a year earlier. Revenue during the period was \$139 million.

• **DH Corp (DH)**. The company recorded a second-quarter profit of 36 Canadian cents a share, compared with 23 Canadian cents a share, a year earlier.

• **First National Financial Corp (FN)**. The company reported a second-quarter net income of 44 Canadian cents per share, compared with C\$1.10 per share, a year ago.

• **Genworth MI Canada Inc (MIC)**. The company reported second-quarter net income of C\$1.04 a share, compared with 89

Canadian cents a share, a year earlier.

- **Hydrogenics Corp** (HYG). The company reported a smaller quarterly loss as orders rose for its fuel cells. Net loss narrowed to \$125,000, or 1 cent per share, in the second quarter from \$4.2 million, or 49 cents per share, a year earlier. Revenue rose 10 percent to \$10.7 million.
- **MEG Energy Corp** (MEG). The company reported a second-quarter profit, compared with a year-earlier loss, helped by increased bitumen production in its oil sands operations and higher prices. Net profit came in at C\$248.95 million, or C\$1.11 per share, compared with a net loss of C\$62.31 million, or 28 Canadian cents per share, a year earlier.
- **Thomson Reuters Corp** (TRI). The company reported a 1 percent rise in revenue on growth in its Legal and Tax & Accounting divisions. It said that total second-quarter revenue from ongoing businesses was \$3.15 billion, compared with analysts' expectations of \$3.13 billion. Adjusted for special items, earnings were \$415 million, or 51 cents per share, compared with \$403 million, or 48 cents per share, in the same period a year ago.
- **Torstar Corp** (TSB). The company reported a 7 percent decline in revenue at its media business, which publishes the country's largest daily newspaper, the Toronto Star. Revenue fell to C\$237.3 million as the company continued to struggle with low print advertising sales. Net income from continuing operations rose to C\$18.1 million, or 23 Canadian cents per share, for the second quarter from C\$12.6 million, or 16 Canadian cents per share, a year earlier.

### ANALYSTS' RECOMMENDATIONS

- **FirstService Corp** (FSV). CIBC raises price target to C\$62 from C\$56 on the company's strong second-quarter operational results
- **Toromont Industries Ltd** (TIH). Saloman Partners raise target price to C\$27 from C\$26, cites the company's robust second-quarter results on the back of higher-than-expected revenues
- **Westjet Airlines Ltd** (WJA). CIBC raises target price to C\$34 from C\$33.25 with a sector outperformer rating, says the company's stronger-than-expected yields reflect its growth strategy, benefitting from positive mix and its ancillary revenue

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