



Market Summary

DOW	16518.96	-50.32	PEYTO ENERGY	36.23	--	POLARIS	2.68	+.06
TSE	15216.48	+1.22	WESTERN FOREST	2.34	+.04	CANADIAN \$	0.9129	-.0037
S&P	1933.26	-5.73	CATALYST	2.06	+.04	EURO	1.3362	-.0059
NASDAQ	4376.22	-7.67	CANFOR	22.77	--	COPPER	3.21	-.03
TSX VENTURE	997.86	-2.77	REDSTAR GOLD	0.05	--	CRUDE OIL	97.82	-.47
SILVER	19.87	-.36	LUMBER	328.50	+2.60	NATURAL GAS	3.90	+.07
GOLD	1285.80	-3.10	TIM HORTON'S	60.01	-.35	PRIME RATE	3.00%	

Market Commentary

• Slowdown in China's property market

The HSBC index of China service businesses activity based on a survey of 400 companies fell to 50.0 in July from 53.1 in the previous month.

• Toyota reliance on U.S. deepens as emerging markets falter

Toyota Motor Corp's reliance on the U.S. market to drive record profits is deepening this year, its latest outlook showed, with strong sales of refurbished SUVs and Camry sedans expected to offset weakness in Thailand and other emerging markets.

• AIG profit rises, beats estimates on strong growth

Insurer American International Group Inc reported a better-than-expected 12.5 percent rise in quarterly profit, helped by strong performance across its major businesses and the sale of its former aircraft leasing unit.

Canadian stocks opened flat, turned lower only to recover to unchanged again as investors return from an extended weekend. **U.S. stock indexes** open slightly lower after gaining yesterday, ahead of a U.S. survey that could cast fresh light on the pace of recovery in the world's biggest economy. **European shares** edged higher driven by upbeat earnings from a number of blue-chip companies. The **euro** fell after a survey of Italian service sector purchasing managers disappointed on the low side, while a surprise bounce for equivalent numbers in Sweden drove the **crown** higher.

• **HSBC Bank Canada** (HSB_pc). The company announced a second-quarter earnings of 35 Canadian cents per share compared with 23 Canadian cents per share in the comparable quarter a year earlier.

• **Ritchie Bros Auctioneers Inc** (RBA). The company reported second-quarter net income of 36 cents per share, compared with 28 cents per share, a year earlier. Revenue rose to \$141 million from \$128 million.

• **Athabasca Oil Corp** (ATH). PetroChina plans to pay the more than \$1 billion it needs to complete a takeover of the Dover oil sands project from the company by the end of September, a person with knowledge of the deal told Reuters.

• **BlackBerry Ltd** (BB). The company has concluded a protracted and painful restructuring process and is back on a growth footing, according to an internal memo to all its employees viewed by Reuters. In the memo, CEO John Chen told employees that he is confident it will meet its goal of being cash flow positive by the end of the current fiscal year.

• **Onex Corp** (OCX). The provider of home care services to the elderly and disabled, ResCare, owned by Onex is in the early stages of exploring a sale that could fetch more than \$1 billion, according to people familiar with the matter.

• **Sears Canada Inc** (SCC). Sycamore Partners is considering a bid for Sears Canada, the New York Post reported, citing a person familiar with the matter. Eddie Lampert, who owns a controlling stake in Sears Holdings Corp, expects up to \$2 billion for the chain, the New York Post said.

ANALYSTS' RECOMMENDATIONS

• **Fortis Inc** (FTS). CIBC raises rating to sector outperformer from sector performer on strong expected earnings growth

• **Prometic Life Sciences Inc** (PLI). Panmure starts coverage with buy rating and a target price of C\$1.95, says the company's transformation into a vertically integrated developer and commercial supplier of plasma-derived drugs is on target

• **Rona Inc** (RON). National Bank Financial raises target price to C\$12 from C\$11.50 to reflect increased confidence in management's ability to execute against the strategy

• **Surge Energy Inc** (SGY). CIBC cuts rating to sector performer from sector outperformer on the back of strong recent share price performance

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