



Commodities Pull the TSX Into the Red

Description

Weaker than expected Chinese PMI had the commodity space in a tizzy from the get-go today. On a day that saw WTI oil, NYMEX natural gas, gold and copper down 2.7%, 0.5%, 1.4%, and 3.8% respectively, there was no way our market was going to finish in positive territory.

The **S&P/TSX Composite** (TSX:^OSPTX) finished above its lows of the day but still fell 135 points for a decline of 1.1%. The U.S. Fed wrapped up its two-day policy-setting meeting by indicating that it remains poised to increase its stimulus program should the economy weaken. This 2pm announcement gave the Canadian market a bit of a shot in the arm, however, after bouncing, stocks drifted lower into the close.

Movers

With the physical commodities having such a bad day it's little wonder that several of the biggest contributors to today's decline were resource related. After leading the index higher yesterday **Suncor Energy** (TSX:SU) was today's biggest drag as the stock declined 2.7%. The combined impact that **Goldcorp** (TSX:G) and **Yamana** (TSX:YRI) had also helped pull the market lower. These stocks fell 2.5% and 6.5% respectively.

With its 4.7% move higher **Loblaw** (TSX:L) made the day's most significant positive contribution. Loblaw released better than expected quarterly results this morning and hiked the dividend more than expected.

The S&P/TSX Composite Index is loaded with resource and financial stocks. Because of this, investors that rely on Canadian Index funds or ETFs severely lack diversification in their portfolio. We have created a special report that outlines an easy to implement strategy and 5 Canadian stocks that reduce the risks involved with passively investing in the Canadian market. [Click here now](#) to receive "**5 Stocks To Replace Your Canadian Index Fund**" – FREE!

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Fool contributor Iain Butler is short \$32 July 2013 put options on Goldcorp. The Motley Fool has no positions in the stocks mentioned above.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:L (Loblaw Companies Limited)
2. TSX:SU (Suncor Energy Inc.)
3. TSX:YRI (Yamana Gold)

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