



## Market Summary

DOW	16232.70	+53.04	PEYTO ENERGY	35.12	-.23	POLARIS	2.46	+.06
TSE	14202.03	+13.05	WESTERN FOREST	2.58	-.02	CANADIAN \$	0.9000	-.0020
S&P	1852.30	+7.18	CATALYST	2.85	+.05	EURO	1.3661	-.0084
NASDAQ	4314.80	+27.21	CANFOR	28.73	+.42	COPPER	3.21	-.01
TSX VENTURE	1009.55	-1.19	REDSTAR GOLD	0.06	--	CRUDE OIL	102.74	+.91
SILVER	21.26	-.75	LUMBER	356.00	-1.20	NATURAL GAS	4.45	-.14
GOLD	1326.00	-13.70	TIM HORTON'S	58.79	+.40	PRIME RATE	3.00%	

## Market Commentary

- **German consumer morale hits highest level since Jan 2007-GfK**

German consumer morale rose to its highest level in seven years heading into March as shoppers in Europe's biggest economy became more upbeat about their future income.

- **UK recovery broadens, helped by long-awaited investment**

Britain's economic recovery broadened in the last three months of 2013, driven by a pick-up in business investment and trade that will hearten the Bank of England and the government.

- **Chesapeake swings to quarterly loss on charges**

Chesapeake Energy Corp swung to a quarterly net loss, hurt by charges related to its efforts to reduce debt and simplify its balance sheet.

- **New home sales hit five-and-a-half year high in January**

Sales of new U.S. single-family homes surged to a 5-1/2-year high in January, possibly easing concerns of a sharp slowdown in the housing market. The Commerce Department said on Wednesday that sales jumped 9.6 percent to a seasonally adjusted annual rate of 468,000 units, the highest level since July 2008. December's sales were revised up to a 427,000-unit pace from the previously reported 414,000-unit rate. Economists polled by Reuters had forecast new home sales, which are measured when contracts are signed, falling to a 400,000-unit pace in January.

Even as investors remained cautious over opaque policy moves in China, **Canada's main stock index** saw a slightly higher open supported by positive economic data from Germany and UK. **U.S. stock indexes** edged higher, indicating the **S&P 500** could again make a run at record levels that have been serving as resistance. **European shares** turned lower, dragged down by Credit Suisse, while most **Asian markets** ended higher. The **dollar** edged up and the **Chinese yuan** stabilized. **Gold** rose to its highest in four months in early only to fall after some strong US economic data, also sending **Brent** higher.

- **Davis + Henderson Corp (DH)**. The company's fourth-quarter adjusted net income came in at 52 Canadian cents per share compared with 44 Canadian cents per share in the comparable quarter a year earlier. Revenue rose to C\$259.1 million from C\$172.5 million.
- **Dundee Industrial Real Estate Investment Trust (DIRu)**. The company announced fourth-quarter adjusted funds from operations of 19 cents per basic unit compared with 17 cents per basic unit, the prior year. Investment properties revenue increased to \$41.1 million from \$17.2 million.
- **First National Financial Corp (FN)**. The company posted net income of 66 Canadian cents per share in the fourth quarter, compared with 54 Canadian cents per share, a year earlier. Revenue increased to C\$200.9 million from C\$156.1 million.
- **Gran Tierra Energy Inc (GTE)**. The company reported a fourth-quarter net loss of 4 cents per share, compared with a profit of 15 cents per share, a year earlier. Revenue rose to \$159.8 million from \$145.2 million.
- **Innergex Renewable Energy Inc (INE)**. The company posted fourth-quarter results with earnings coming in at 5 Canadian cents a share compared with break even a share, a year earlier. Revenues fell to C\$41.4 million from C\$47.1 million.
- **Macdonald Dettwiler & Associates Ltd (MDA)**. The company announced fourth-quarter earnings of 70 Canadian cents per share compared with 35 Canadian cents per share, in the comparable quarter a year earlier. Consolidated revenues came in at C\$476.7 million compared with C\$372.6 million.

- **Royal Bank of Canada (RY)**. The bank's quarterly profit topped analysts' estimates, rising 2 percent on the back of higher capital markets income, and the bank raised its dividend by 6 percent. It said it had earned C\$2.09 billion, or C\$1.38 a share, in the first quarter, compared with C\$2.05 billion, or C\$1.34 a share, a year earlier. Excluding items, earnings were C\$1.47 a share. Analysts on average had expected C\$1.43.
- **Sears Canada Inc (SCC)**. The struggling department store operator posted a fall in quarterly same-store sales due to severe winter weather and power outages. It said same-store sales fell 6.4 percent in the fourth-quarter. Net income rose to C\$373.7 million, or C\$3.67 per share, in the quarter from C\$39.9 million, or 39 Canadian cents per share, helped mainly by a pre-tax gain related to early lease terminations and amendments.
- **Encana Corp (ECA)**. The company and Chesapeake Energy Corp are negotiating civil settlements with the state of Michigan to try to end its criminal investigation into whether the energy companies colluded to keep oil and gas lease prices artificially low in the state. Legal experts said the oil and gas companies may be required to pay fines to settle the probe, though the size of any monetary penalties remain unclear.

#### **ANALYSTS' RECOMMENDATIONS**

- **Altus Group Ltd (AIF)**. CIBC raises target price to C\$18.50 from C\$17 based after the company's fourth-quarter results beat estimates
- **Bank of Montreal (BMO)**. KBW raises price target to C\$68 from C\$67, based on the company's better-than-expected first-quarter results, expectation of a continued low provision in the US in 2014 and the per share estimated accretion from the acquisition of F&C
- **Macdonald Dettwiler & Associates Ltd (MDA)**. CIBC raises target price to C\$94 from C\$90 considering the company's better-than-expected fourth-quarter results, sees growth opportunities from its SS/L

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