



Market Summary

DOW	16299.46	-36.73	PEYTO ENERGY	36.01	+0.23	POLARIS	2.55	+0.06
TSE	14364.02	-4.96	WESTERN FOREST	2.37	+0.02	CANADIAN \$	0.8900	-.0079
S&P	1869.33	-2.96	CATALYST	2.28	-.2	EURO	1.3846	-.0088
NASDAQ	4325.36	-7.96	CANFOR	27.30	+0.92	COPPER	2.98	+0.03
TSX VENTURE	1040.14	+1.19	REDSTAR GOLD	0.05	-.005	CRUDE OIL	99.15	+0.27
SILVER	20.67	-.19	LUMBER	337.60	+4.60	NATURAL GAS	4.45	+0.03
GOLD	1332.90	-26.10	TIM HORTON'S	61.26	-.16	PRIME RATE	3.00%	

Market Commentary

• **The departure of Jim Flaherty** from politics entirely has implications beyond the personal. The issue of continuity in the management of the country's finances will be reviewed by the world's traders, businesses and all reflected in the dollar. The Canadian dollar is trading weaker this morning at 89.49 – the lowest level since July 2009 – as our central banker's comments yesterday got the weakening rolling by speaking of lacklustre expectations for the Canadian economy over the next few years. Stephen Poloz's comments pushed out expectations for the first rate hike by a quarter to December 2015 from September 2015.

Joe Oliver, will be the next finance minister, may be an unknown quantity to most. His tenure in government is short (less than three years) although his history as an investment banker and with organizations such as the Ontario Securities Commission may give him street cred.

• **Mrs. Janet Yellen takes over as chair of her first meeting of the FOMC.** The statement comes out at 2 p.m. while her first post-meeting press conference is at 2:30. It should be noted that some of the new members of the committee (including vice-chair Stanley Fischer) will not be voting because their confirmations haven't been confirmed. The focus for the statement will be the continuation of the reduction in bond buying at the same pace (\$10 billion US per month) with a change in the language from a quantitative target (6.5% unemployment) to something more word-y and less defined for forward guidance

• **Oracle quarterly results disappoint Wall St**

Oracle posted higher 3rd quarter revenue and profit that failed to satisfy investors looking for signs of a sustained turnaround.

• **Adobe forecasts results above estimates as web subscriptions rise**

Adobe Systems Inc, the maker of Photoshop and Acrobat software, forecast current-quarter profit and revenue above analysts' estimates, citing strong demand for its Creative Cloud suite and digital marketing software.

• **Bank of England sees broader UK recovery, eyes sterling**

Britain's economic recovery is broadening but has some way to go before it is sustainable, Bank of England policymakers concluded at their March 5-6 meeting, minutes showed.

• **JPMorgan to sell physical commodities business to Mercuria –source**

U.S. investment bank JPMorgan has agreed to sell its physical commodities business to Swiss trade house Mercuria, a source close to the deal said.

Canada stock index futures opened flat, amid caution on Janet Yellen's inaugural policy review as U.S. Federal Reserve chief. The U.S. central bank is widely expected to reduce the size of its monthly bond purchase program. **Wall Street** opened flat also following a sharp two-day advance. **European shares** turned higher. **Asian stocks** were mostly down as military tensions between Ukraine and Russia ratcheted up. "I expect gradually the focus to shift away from the tensions between Russia and the West, unless we see actual violence or some type of events other than sanctions that would be seen as an escalation," Jan von Gerich, chief strategist at Nordea in Helsinki, said. **Oil** fell initially and then rose and **gold** fell for a third straight session.

• **Lake Shore Gold Corp (LSG).** The company announced a fourth-quarter net loss of 54 Canadian cents per share.

Adjusted net loss came in at C\$0.7 million compared with a net loss of C\$0.3 million in the comparable quarter a year earlier.

• **Maxim Power Corp (MXG).** The company reported a fourth-quarter loss of 18 Canadian cents per share compared with earnings of 1 Canadian cent per share in the year-ago quarter. Revenue fell to C\$36.8 million from C\$51.2 million.

• **Onex Corp (OCX).** Blackstone Group LP is working on a higher takeover bid for industrial conglomerate Gates Global Inc after its previous offer of roughly \$5.5 billion was turned down by Gates' owners last week, people familiar with the matter said on Tuesday. Blackstone is in negotiations with Gates' owners - Onex Corp and the Canada Pension Plan Investment

Board - about raising its bid to clinch a deal for the auto parts and building products maker, the people said.

- **Thomson Reuters Corp** (TRI). The news and information company said it has launched a central register of information to help banks meet increasing compliance demands on who they deal with and cut their costs by reducing duplication. It said the product would act as a central clearing house for banks, corporations, asset managers, hedge funds and others to check identity documentation for their counterparties.

ANALYSTS' RECOMMENDATIONS

- **Alimentation Couche-Tard Inc** (ATDb). CIBC raises target price to C\$95 from C\$83 based on the company's strong third-quarter results, signs of progress in its SFR and expected acquisition of store assets on both sides of the Atlantic
- **Cenovus Energy Inc** (CVE). CIBC starts with sector performer and a price target of \$34.00 considering the company's strong operational and capital efficiencies in its SAGD operations
- **Encana Corporation** (ECA). CIBC starts with sector performer rating and a price target of \$24 on the company's management structure being streamlined and its refocus on five of its core assets
- **Husky Energy Inc** (HSE). CIBC starts with sector performer and a price target of \$38, sees the company's growth comprising multiple projects across jurisdictions focused on heavy oil, light oil and premium-priced natural gas
- **Suncor Energy Inc** (SU). CIBC starts with sector outperformer rating and a price target of \$44.50 on the company's capital discipline, improved reliability, cost control and access to premium pricing

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