



Market Summary

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|-------------|----------|---------|----------------|--------|-------|-------------|--------|---------|
| DOW | 18094.79 | +134.76 | PEYTO ENERGY | 35.41 | +0.66 | POLARIS | 2.37 | +0.03 |
| TSE | 14943.01 | +69.08 | WESTERN FOREST | 1.92 | +0.02 | CANADIAN \$ | 0.7939 | +0.0078 |
| S&P | 2104.01 | +14.74 | CATALYST | 3.18 | -- | EURO | 1.0792 | +0.0131 |
| NASDAQ | 5026.84 | +34.46 | CANFOR | 25.21 | -0.07 | COPPER | 2.71 | +0.05 |
| TSX VENTURE | 667.73 | 0.64 | REDSTAR GOLD | 0.035 | -- | BRENT CRUDE | 55.36 | +0.93 |
| SILVER | 16.37 | +0.26 | LUMBER | 280.20 | -- | NATURAL GAS | 2.90 | +0.07 |
| GOLD | 1177.10 | +8.10 | FIRST MAJESTIC | 7.28 | +0.19 | PRIME RATE | 2.85% | |

Market Commentary

• Nike profit trumps Street, strong dollar weighs on forecast

Nike Inc's quarterly profit beat market estimates as the world's largest sportswear maker sold more higher margin shoes and apparel, but the company warned Wall Street that the stronger dollar would take a toll on its current quarter.

• U.S. regulators give Amazon go-ahead for drone tests

Amazon.com Inc has won approval from U.S. federal regulators to test a delivery drone outdoors, as the e-commerce company pursues its goal of sending packages to customers by air, even as it faces public concern about safety and privacy.

• Deutsche Bahn says reached out-of-court settlement with Bombardier

German railway operator Deutsche Bahn said it had reached an out-of-court settlement with Bombardier Inc on various vehicle projects, putting an "amicable" end to years of legal disputes.

• Canadian Inflation steady at 1% as energy costs hold back data

Canada's inflation rate held at the bottom of the central bank's target band in February as falling gasoline prices were countered by higher costs for home insurance and meat. The consumer price index rose by 1.0 per cent for a second month in February, Statistics Canada said Friday from Ottawa. The core rate, which excludes eight volatile products, slowed to 2.1 per cent from 2.2 per cent. Both rates matched the median in Bloomberg economist forecasts.

• Canada's January retail sales slide more than expected

Canadian retail sales tumbled more than expected in January as the price of gasoline fell and consumers spent less on new cars, data from Statistics Canada showed on Friday. Sales fell 1.7 per cent, surpassing the 0.7 per cent drop economists had forecast. In volume terms, retail sales overall dropped 1.2 per cent. Sales at gasoline stations fell 8.8 per cent, the largest decline since November 2008 on lower prices at the pump. It was the seventh straight monthly decrease. Receipts at motor vehicle and parts dealers decreased for the fourth month in a row, falling 1.4 per cent on weaker sales at new car dealers.

• Broadcasters to feel the pain from CRTC 'pick-and-pay' TV ruling

As Canadian television moves to an unbundled world over the next two years, experts say cable companies will face some revenue pressures but broadcasters will be hit harder.

The Canadian Radio-television and Telecommunications Commission issued its long-awaited "pick-and-pay" ruling Thursday, confirming that by the end of 2016, television distributors will have to offer a basic package capped at \$25 and give customers the ability to add individual channels or small bundles on top of that.

Analysts expect customers will take advantage of the new options and create personally tailored television packages to watch in addition to online programming services like Netflix, whose viewership is growing rapidly.

Stock pointed higher for **Canada's main stock index** as inflation data and retail sales for January are digested. **U.S. stock indexes** pointed higher also for Wall Street after a volatile week. **European markets** were in the green, buoyed by gains in the construction sector after Holcim and Lafarge agreed to new merger terms. **Asian stocks** closed mixed. The **dollar** index traded lower. **Oil** prices fell in early trading but rose as equity trading began, still on track for a third weekly loss, while **gold** gained to trade near a two-week high.

• **Bombardier Inc** (BBD.TO). German railway operator Deutsche Bahn said it had reached an out-of-court settlement with the company on various vehicle projects, putting an "amicable" end to years of legal disputes. "In recent months we've been working really hard on a solution to this extremely complex and difficult situation and so reached an acceptable settlement for both parties," said Gerd Becht, Deutsche Bahn's legal affairs executive. Deutsche Bahn had been suing Bombardier for 350 million euros in damages, alleging "serious defects" with the brakes and wheels after the collapse of earlier attempts by the two companies to reach an out-of-court settlement.

- **Agnico Eagle Mines Ltd** (AEM). The gold producer said it appointed Ammar Al-Joundi, former chief financial officer of **Barrick Gold Corp** (ABX), president as it grooms him as a potential chief executive. Al-Joundi was Agnico's CFO for about two years until June 2012 when he joined Barrick.
- **TransCanada Corp** (TRP). The Canadian government's review of the company's proposed Energy East pipeline is deeply flawed, Quebec aboriginal leaders said on Thursday, signaling they could line up with opponents of the C\$12 billion project. The Canadian government previously approved **Enbridge Inc's** (ENB) Northern Gateway pipeline linking oil-rich Alberta to the Pacific coast in 2014. But that project has stalled, facing rising costs related to more than 200 conditions imposed by the government as well as fierce opposition from environmentalists and many aboriginal groups along the proposed route.

ANALYSTS' RECOMMENDATION

- **Northland Power Inc** (NPI). CIBC raised target price to C\$25 from C\$23 after company announced that the EURO1.2 billion Nordsee One project has reached financial close.
- **Terago Inc** (TGO). CIBC raised target price to C\$6.50 from C\$6 saying that company announced a deal to acquire RackForce, an enterprise cloud service provider, for total consideration of \$33 million.
- **Yamana Gold Inc** (AUY). HSBC raised rating to overweight from neutral citing company's low cost production and manageable debt profile.

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