



Market Summary

DOW	17638.43	-137.69	PEYTO ENERGY	33.95	-.01	POLARIS	2.53	+.16
TSE	14908.09	+2.65	WESTERN FOREST	1.94	-.03	CANADIAN \$.7912	+.0031
S&P	2055.86	-12.03	CATALYST	4.21	--	EURO	1.0777	+.0047
NASDAQ	4862.65	-38.03	CANFOR	25.11	-.24	COPPER	2.74	--
TSX VENTURE	682.32	+2.25	REDSTAR GOLD	.035	--	BRENT CRUDE	55.73	+.62
SILVER	16.90	+.31	LUMBER	274.20	-4.00	NATURAL GAS	2.60	-.04
GOLD	1203.20	+20.00	FIRST MAJESTIC	6.94	+.11	PRIME RATE	2.75	

Market Commentary

• European factories buoyant but weak Asia adds to stimulus calls

Companies struggled in China and much of the rest of Asia in March, suggesting central banks may have to resort to more stimulus, just as factories in the euro zone begin to reap rewards from ultra-easy policy there.

• U.S. corporations pressure two states accused of curbing gay rights

Arkansas lawmakers passed a Religious Freedom Restoration Act on Tuesday that critics said would allow businesses to deny service to gays and lesbians, drawing a swift demand from Wal-Mart Stores Inc. for the governor to veto the bill.

• GoDaddy IPO values company at \$4.5 billion

Web hosting company GoDaddy Inc. has priced its initial public offering at \$20 per share, above its previously indicated \$17 to \$19 per share range, valuing it at around \$4.5 billion, including debt, according to underwriting sources.

• GE could fund turnaround of Puerto Rico utility, documents show

General Electric would commit to financing a new natural gas plant in Puerto Rico under a debt restructuring plan proposed by creditors of the island's struggling power utility, according to plan documents obtained by Reuters.

• Automakers post weak results

Ford and GM saw a decline while Fiat Chrysler posted a small gain due to the Jeep brand

• US ISM manufacturing PMI falls to 14-month low in March

Manufacturing activity in the U.S. expanded at the slowest pace in 14 months in March, fuelling concerns over the health of the economy, industry data showed on Wednesday.

In a report, the Institute for Supply Management said its index of purchasing managers fell to 51.5 last month from a reading of 52.9 in February. Analysts had expected the manufacturing PMI to decline to 52.5 in March.

The New Orders Index registered 51.8, a decrease of 0.7 points from the reading of 52.5 in February.

• Canada's manufacturing sector contracts for second straight month

It is the first back-to-back deterioration in the survey's history, data showed on Wednesday.

The RBC Canadian Manufacturing Purchasing Managers' index (PMI), a measure of manufacturing business conditions, edged up marginally to a seasonally adjusted 48.9 last month from February's record low of 48.7.

A reading below 50 shows contraction in the sector. The index averaged 49.5 for the first quarter, its weakest since the survey began in 2010. Economists expect the economy overall to grow modestly in the first quarter, though they note there is a risk it could contract.

• US crude inventories rose 4.77m barrels vs. expectations of 4.2m

Gasoline inventories fell 4.26 million barrels versus estimates for a drop of 650,000.

Manufacturing PMI and jobs data along with Greece uncertainty weigh on investors today. We saw a flat open for the **TSX** as commodity stocks help it remain in the green. **U.S. stock indexes** are lower. Better-than-expected manufacturing data across the euro area added to signs the bloc's economy is recovering and pushed **European shares** higher. **Asian shares** closed mostly lower, taking their lead from weaker U.S. markets in the previous session. **Oil futures** slipped on speculation that a last-minute deal over Iran's nuclear program would be reached, paving way for more Iranian crude to come into world markets and **spot gold** has risen on a weaker UDS dollar.

• **Keyera Corp (KEY)**. The company and midstream company Kinder Morgan Inc plan to build 4.8 million barrels of new crude oil storage in the marketing hub of Edmonton, Alberta, the two companies said on Tuesday. Capacity at the new terminal has potential to increase to 6.6 million barrels, depending on future demand. The terminal will be a 50-50 joint venture with Keyera's share of costs expected to be C\$330 million (\$260.36 million), while Kinder Morgan will potentially spend C\$342 million on construction of tanks and a further C\$69 million on connecting pipelines and infrastructure.

- **Cara Foods** going public again. Fairfax too it private over a decade ago and on April 10th will trade once again with its old symbol CAO

ANALYSTS' RECOMMENDATION

- **Belo Sun Mining** (BSX). CIBC raises price target to C\$0.70 from C\$0.40 based on the company's feasibility study results for its Volta Grande project in Brazil, which is likely to increase returns and a larger production profile should draw back investor attention to the project.
- **Tricon Capital Group Inc** (TCN). CIBC raises price target to C\$12.50 from C\$11.35 on expectations of higher EPS estimates after the company increased its portfolio of US single-family rental homes by 27.8% to 6,377 homes.

Morning Newsletter data source courtesy of



thomsonreuters.com

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