



## Market Summary

|             |          |        |                |        |       |             |        |         |
|-------------|----------|--------|----------------|--------|-------|-------------|--------|---------|
| DOW         | 16498.21 | -16.16 | PEYTO ENERGY   | 40.50  | +1.13 | POLARIS     | 2.91   | +0.01   |
| TSE         | 14568.53 | +12.56 | WESTERN FOREST | 2.25   | -0.01 | CANADIAN \$ | 0.9052 | -0.0016 |
| S&P         | 1877.75  | -1.80  | CATALYST       | 2.27   | --    | EURO        | 1.3830 | +0.0030 |
| NASDAQ      | 4137.89  | -23.60 | CANFOR         | 24.53  | -0.39 | COPPER      | 3.03   | --      |
| TSX VENTURE | 1006.40  | +1.52  | REDSTAR GOLD   | 0.055  | --    | CRUDE OIL   | 101.42 | -0.32   |
| SILVER      | 19.44    | +0.06  | LUMBER         | 324.00 | -5.30 | NATURAL GAS | 4.81   | +0.03   |
| GOLD        | 1281.40  | +0.30  | TIM HORTON'S   | 61.39  | +0.03 | PRIME RATE  | 3.00%  |         |

## Market Commentary

- **Procter & Gamble** quarterly profit rises on home care sales
- **Boeing's** quarterly revenue rises 8 helped by a rise in commercial aircraft deliveries.
- **Dow Chemical** profit rises 75 pct on strong plastics pricing, margins
- **China** factory activity shrinks for 4th month, decline slows

China's factory activity shrank for the fourth straight month in April, signalling economic weakness into the second quarter, a preliminary survey showed, although the pace of decline eased helped by policy steps to arrest the slowdown.

TSX saw a slightly higher open before retreating on signs of a slowing Chinese economy and worries about Ukraine offset some positive European economic data. **U.S. stock indexes** also had a lower open. **European shares** edged down after three days of gains and **Asian stocks** were mixed. The **dollar** was a touch lower against both the **euro** and **yen** and the **Australian dollar** tumbled to a two-week low after data showed low inflation. **Brent crude** edged higher early on but fell after the inventory report revealed another large build, **gold** moved slightly higher.

- **Canadian National Railway Co** (CNR). The railroad company reported first-quarter earnings that topped expectations and reaffirmed its 2014 financial outlook, even as an extremely cold winter hampered operations. Net earnings rose to C\$623 million, or 75 Canadian cents per share, from C\$555 million, or 65 Canadian cents per share, in the same period a year ago. Revenue rose 9 percent to C\$2.69 billion and adjusted earnings per share were 66 Canadian cents.
- **Celestica Inc** (CLS). Canadian contract electronics manufacturer's quarterly profit more than tripled. The company's net profit rose to \$37.3 million, or 20 cents per share, in the first quarter. It received \$2.5 million as recoveries from settlement of class action lawsuits. Celestica reported a profit of \$10.5 million, or 6 cents per share, a year earlier, when it took a restructuring charge of \$7.3 million. Revenue fell 4.4 percent to \$1.31 billion.
- **Barrick Gold Corp** (ABX). Australia could spawn a new mega gold producer if the company and Newmont Mining Corp (NEM) spin off their Asia-Pacific assets, heating up competition with the country's underperforming market leader Newcrest Mining Ltd. If the two companies' Asia-Pacific mines were grouped together, annual output could exceed 2.3 million ounces, challenging Newcrest as Australia's biggest gold producer and the world's fifth largest.
- **Canadian Imperial Bank of Commerce** (CM). The bank and two private equity consortia are exploring offers for global asset manager Russell Investments, according to several people familiar with the matter. Private equity firms CVC Capital Partners Ltd and Silver Lake have teamed up to pursue Russell Investments, as have Warburg Pincus LLC and TPG Capital LP, the people said this week.

### ANALYSTS' RECOMMENDATIONS

- **Canadian Pacific Railway Ltd** (CP). Canaccord Genuity raises target price to C\$182 from C\$178, says the company's outlook remains good and sees strong earnings growth
  - **Teck Resources** (TCKb). Canaccord Genuity raises price target to C\$28 from C\$27 on the company's better-than-estimated first-quarter results
  - **Roxgold Inc** (ROG). Canaccord Genuity raises target price by C\$0.20 to C\$1.10, sees the company's Yaramoko gold project feasibility study positive
  - **Russel Metals Inc** (RUS). CIBC raises target to C\$31 from C\$29 based on the company's improved first-quarter outlook
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