



Market Summary

DOW	16527.12	+78.38	PEYTO ENERGY	40.29	+41	POLARIS	2.74	+07
TSE	14579.94	+49.03	WESTERN FOREST	2.24	+05	CANADIAN \$	0.9118	+0055
S&P	1876.24	+6.77	CATALYST	2.30	--	EURO	1.3816	-0033
NASDAQ	4876.46	+7.03	CANFOR	25.13	-08	COPPER	3.07	-02
TSX VENTURE	1000.48	-9.10	REDSTAR GOLD	0.055	--	CRUDE OIL	101.88	+1.04
SILVER	29.52	-.09	LUMBER	333.00	+2.30	NATURAL GAS	4.83	+02
GOLD	1299.10	+10	TIM HORTON'S	60.30	-.20	PRIME RATE	3.00%	

Market Commentary

- **Merck 1st-quarter profit tops estimate, but revenue misses**

Merck & Co Inc reported better-than-expected quarterly earnings, helped by cost cuts and asset sales, but revenue came in slightly below expectations.

- **UK economy grows fastest in over 6 years, but shy of forecasts**

Britain's economy racked up its strongest annual growth in more than six years in early 2014 despite falling a touch short of forecasts, official data showed.

- **Deutsche Bank Q1 pretax profit tumbles as trading weighs**

Deutsche Bank's pretax profit fell by 30 percent in the first quarter to 1.68 billion euros, the bank said, depressed by an industry-wide slump in bond trading revenue.

The **TSX** pointed higher on optimism surrounding corporate earnings and merger moves. **U.S. stock indexes** rose following a batch of early corporate results that were better than expected. **European shares** rose, led by Nokia and Shire, while **Asian stocks** had a mixed session. The **euro** inched up against the **dollar**, helped by comments from ECB cooling any expectations the bank will respond to low inflation by easing monetary conditions further. **Brent** rose, while **gold** was steady.

- **Ballard Power Systems Inc (BLD)**. The fuel cell maker posted a smaller-than-expected first-quarter loss, helped by higher revenue from its engineering services and material handling businesses. Net loss narrowed to \$3.8 million, or 3 cents per share, from \$7.9 million, or 7 cents per share, a year earlier. Revenue rose 13 percent to \$14 million. Analysts on average had expected a loss of 4 cents per share on revenue of \$15.3 million.

- **Suncor Energy Inc (SU)**. The oil and gas company said on Monday its first-quarter profit rose 36 percent on strong oil prices and a lower Canadian dollar. It reported net income of C\$1.49 billion, or C\$1.01 per share, up from C\$1.09 billion, or 72 Canadian cents, in the first quarter of 2013. Adjusted earnings rose 31 percent to C\$1.79 billion, or C\$1.22 per share, from C\$1.38 billion, or 90 Canadian cents. The adjusted result was well ahead of the average analyst forecast for the measure of 93 Canadian cents per share.

- **Africa Oil Corp (AOI)**. British explorer Tullow Oil and partner Africa Oil Corp aim to submit development plans to the Kenyan government late next year for their oil discovery in the northwest of the country, executives from the firms said. Robin Sutherland, Tullow Oil's exploration manager for sub-Saharan Africa said discussions were under way on who will lead the development of a pipeline to transport the crude oil to Lamu on the Kenyan coast.

- **Barrick Gold Corp (ABX)**. The Canada Pension Plan Investment Board plans to vote against the gold miner's new executive compensation plan, the investment management group said in a proxy voting notice on its website Monday. CPPIB, which manages investments for Canada's national pension plan, said that, while the company has made progress in better aligning itself with shareholder interests, it has not fully addressed issues around its co-chairman's compensation.

- **Quebecor Inc (QBRb)**. The CEO of regional media, cable and telecom company Quebecor, Robert Dépatie, will retire from his positions due to health reasons, the company said on Monday. He will be replaced as CEO of Quebecor and Quebecor Media by Pierre Dion, who the company said has been involved in strategic direction for a decade and helped launched its wireless service.

ANALYSTS' RECOMMENDATIONS

- **Aurico Gold Inc** (AUQ). CIBC raises to sector outperform from sector performer, sees the company's Young-Davidson mine well designed and benefiting it in the long term
- **Contrans Group Inc** (CSS). BMO raises target price to C\$14.50 from C\$14 on the company's strong organic growth driving first-quarter earnings above estimates
- **Plaza Retail Reit** (PLZ_u). CIBC starts with sector outperformer rating and price target C\$4.50, says the company's successful execution of the its value creation strategies may augment growth in its NAV, FFO/unit and AFFO/unit over time
- **Precision Drilling Corp** (PD). Barclays raises price target to C\$15 from C\$14 citing the company's overall top line first-quarter results coming in above expectations, says it has a strong management team and a solid strategy in place
- **Terago Inc** (TGO). National Bank Financial starts with outperform and target price of C\$6.50, sees the company benefiting from its attractive bundle of services, retention initiatives and its new data centre M&A strategy

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