



## Market Summary

DOW	16548.02	+12.65	PEYTO ENERGY	39.71	-.87	POLARIS	2.70	--
TSE	14624.84	+41.73	WESTERN FOREST	2.19	-.01	CANADIAN \$	0.9123	-.0011
S&P	1878.58	+0.25	CATALYST	2.30	--	EURO	1.3868	+0.0057
NASDAQ	4093.83	-9.71	CANFOR	24.73	-.33	COPPER	3.03	-.04
TSX VENTURE	996.87	-3.18	REDSTAR GOLD	0.06	--	CRUDE OIL	99.55	-1.73
SILVER	19.21	-.32	LUMBER	331.70	+0.50	NATURAL GAS	4.80	-.05
GOLD	1292.80	-3.50	TIM HORTON'S	60.14	+0.1	PRIME RATE	3.00%	

## Market Commentary

### • ADP Payroll came in better than expected

Private employers hired 220,000 more workers in April, the highest monthly total this year, payroll processor ADP reported Wednesday. ADP's report raises optimism about Friday's closely-followed Labor Department report on April employment. Labor's figures include the public sector.

### • US GDP drastically in the first three months of the year

Harsh winter exacted a toll on business activity. The slowdown, while worse than expected, is likely to be temporary as growth rebounds with warmer weather. Growth slowed to a barely discernible 0.1 per cent annual rate in the January-March quarter, the Commerce Department said Wednesday. That was the weakest pace since the end of 2012 and was down from a 2.6 per cent rate in the previous quarter.

### • Chicago PMI rose to a reading of 63 in April

The pace of business activity in the U.S. Midwest rose more than expected in April, jumping to its highest since October 2013, a report showed on Wednesday.

The Institute for Supply Management-Chicago business barometer was 63.0, up from 55.9 in March, which had been the lowest level for the index since August. Economists were looking for a reading of 56.7 in the month.

### • Canada's economy expanded by 0.2 per cent in February, in line with what economists were expecting.

Statistics Canada said Wednesday that goods-producing businesses boosted output by 0.5 per cent, while the service sector expanded by 0.1 per cent. The manufacturing, and oil and gas sectors both saw growth.

**The TSX** opened flat ahead of the Federal Reserve's policy meeting later in the day to decide on stimulus tapering. Growth and producer prices data are on the economic radar. **Wall Street** also opened flat after missed earnings and economic news. **Asian shares** were mixed and **European stocks** lost ground. The **euro** recovered, while a stronger **yen** weighed on the dollar after the Bank of Japan held policy steady as expected. **Brent** and **gold** edged lower.

• **Barrick Gold Corp** (ABX). The world's largest gold miner reported a 90 percent fall in quarterly earnings, hurt by lower gold prices and production. Net earnings fell to \$88 million, or 8 cents per share, in the first quarter, from \$847 million, or 85 cents per share, a year earlier. Revenue fell about 23 percent to \$2.63 billion.

• **Cenovus Energy Inc** (CVE). The oil and gas producer reported a 44 percent rise in first-quarter profit, helped by increased production at its Christina Lake oil sands project in northern Alberta. Profit jumped to C\$247 million, or 33 Canadian cents per share, from C\$171 million, or 23 Canadian cents per share, a year earlier. Operating profit fell to C\$378 million, or 50 Canadian cents per share.

• **CGI Group Inc** (GIBa). The information technology services provider quarterly net profit more than doubled on the back of a 7 percent rise in revenue. The company's net profit in the second quarter rose to C\$230.9 million, or 73 Canadian cents per share, from C\$114.2 million, or 36 Canadian cents per share. Revenue rose to \$2.7 billion.

• **Davis + Henderson Corp** (DH). The company reported first quarter earnings of 15 Canadian cents per share compared with 10 Canadian cents per share, a year earlier. Revenue rose to C\$266.3 million from C\$171.7 million.

• **Horizon North Logistics Inc** (HNL). The company announced first quarter earnings of 7 Canadian cents per share, compared with 15 Canadian cents per share in the year-ago quarter. Revenue reported fell to C\$122.2 million from C\$139.9 million.

• **Jean Coutu Group Inc** (PJCa). Canadian pharmacy chain reported an 8 percent rise in fourth-quarter profit, helped by higher sales at its Pro Doc generic drug outlets. Total sales rose marginally to C\$685.4 million (\$625 million) in the fourth quarter. Net profit rose to C\$57.7 million, or 30 Canadian cents per share, from C\$53.5 million, or 25 Canadian cents per share, a year earlier.

• **Loblaws Cos Ltd** (L). The country's largest grocer reported a 4 percent rise in first-quarter adjusted profit as same-store sales rose. Net income fell to C\$103 million, or 37 Canadian cents per basic share, from C\$171 million, or 61 Canadian cents per basic share, a year earlier. It said total revenue rose 1.2 percent to C\$7.29 billion.

- **Lundin Mining Corp** (LUN). The company posted first-quarter results earnings of 2 cents per share, compared with 9 cents per share, a year earlier. Sales fell to \$149.9 million from \$188.2 million, it recorded last year.
- **Genworth MI Canada Inc** (MIC). The company announced first-quarter earnings C\$1.00 per share, compared with 89 Canadian cents per share in the year-ago quarter. Net premiums earned fell to C\$141 million from C\$144 million.
- **Methanex Corp** (MX). The company posted earnings of \$1.65 per share for the first quarter compared with 92 cents per share in the comparable quarter in the previous year. Revenue increased to \$968 million from \$652 million.
- **Sherritt International Corp** (S). The miner reported a first-quarter loss compared with a profit a year earlier, due to costs related to a charge on a Madagascar mine and the weakening of Canadian dollar against the U.S. dollar. It reported a net loss of C\$48.2 million, or 16 Canadian cents per share, compared with a profit of C\$23.1 million, or 8 Canadian cents per share, a year earlier. Revenue rose 13 percent to C\$120.9 million.
- **Thomson Reuters Corp** (TRI). The global news and information provider reported a 14 percent increase in operating profit for the first quarter on growth at its Legal and Tax & Accounting divisions. Operating profit rose to \$528 million in the first quarter from \$462 million a year earlier. Revenue from ongoing businesses increased 1 percent to \$3.1 billion, in line with analysts estimates.
- **Yamana Gold Inc** (YRI). The miner's main focus in coming months will be on squeezing higher returns from a recent acquisition in Canada and the development of its Cerro Moro gold and silver project in Argentina, CEO Peter Marrone said on Tuesday. It also reported a sharp drop in adjusted earnings to \$12.1 million, or 2 cents a share on the back of weaker gold, silver and copper prices. That compared with earnings of \$116.1 million, or 16 cents a share, a year earlier.

#### **ANALYSTS' RECOMMENDATIONS**

- **Oceanagold Corp** (OGC). BMO raises target price to C\$3.25 from as the company's first-quarter results beat estimates
- **Suncor Energy Inc** (SU). Barclays raises price target to C\$55 from C\$48, says the company's strong first-quarter results will make a positive impact on the shares' near-term
- **Transalta Corp** (TA). National Bank Financial raises target price to C\$12 from C\$11 citing the company's first-quarter results beating estimates owing largely to higher than expected contributions from Energy Trading

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