



Market Summary

DOW	16444.76	-2.05	PEYTO ENERGY	37.54	-.39	POLARIS	2.86	-.04
TSE	14529.86	-59.03	WESTERN FOREST	2.39	-.01	CANADIAN \$	0.9191	+.0011
S&P	1871.83	+0.98	CATALYST	2.96	--	EURO	1.3704	-.0006
NASDAQ	4057.65	-11.65	CANFOR	25.26	+.36	COPPER	3.15	--
TSX VENTURE	976.02	+1.37	REDSTAR GOLD	0.055	-.005	CRUDE OIL	101.61	+.48
SILVER	19.37	-.11	LUMBER	332.50	+2.90	NATURAL GAS	4.44	-.04
GOLD	1293.80	+0.20	TIM HORTON'S	59.64	-.33	PRIME RATE	3.00%	

Market Commentary

• Canada trimmed Russia sanctions to protect business interests

Canada broke with the United States and did not impose sanctions on two key allies of Russian President Vladimir Putin because the pair had Canadian business interests, according to sources familiar with the matter.

• U.S. housing starts up sharply; permits highest since 2008

U.S. housing starts jumped in April and building permits hit their highest level in nearly six years, offering hope that the troubled housing market could be stabilizing. Groundbreaking increased 13.2% to a seasonally adjusted annual pace of 1.07 million units, the highest level since November 2013. Economists polled had forecast starts rising to a 980,000-unit rate last month.

• US consumer confidence fell to a reading of 81.8 from 84.5

• J.C. Penney's back-to-the-future strategy pays off as sales rise

The company's return to "old school" retailing paid off for the second consecutive quarter. Comparable store sales rose 6.2 percent in the first quarter, helped by demand for household goods, men's and women's clothing, and jewelry, the company reported on Thursday.

• Buffett's Berkshire Hathaway buys stake in Verizon, adds to Wal-Mart

Warren Buffett's Berkshire Hathaway Inc bought a new stake of 11 million shares in Verizon Communications Inc in the first quarter and added to its holding in Wal-Mart Stores Inc, according to a regulatory filing on Thursday.

The TSX extends previous session's losses. **U.S. stock indexes had** extended their decline to a third day as investors continued to be wary of weakness in small-cap names but has since recovered. Data on foreign investment in Canadian securities and Canadian investment in foreign securities are on the economic calendar. **European shares** slipped, weighed down by weaker-than-forecast growth figures from euro zone countries such as Italy and France. **Asian shares** were mostly lower, with Indian stocks bucking the trend after BJP and its allies swept the country's elections. The **dollar** slipped against the **yen** and the **euro** rebound from a two and a half month low. **Brent** rose on supply concerns and **gold** is steady.

• **Onex Corp (OCX)**. The private equity firm reported a first-quarter profit and slightly higher revenue. Onex said it had earned \$99 million, compared with a year-earlier loss of \$271 million. Revenue rose 3 percent to \$6.5 billion, while capital per share increased by 18 percent, above the company's long-term goal of 15 percent.

• **Martinrea International Inc (MRE)**. The company announced first-quarter results with earnings of 21 Canadian cents per share compared with 24 Canadian cents per share in the comparable quarter a year earlier. Sales rose to C\$864.5 million compared with C\$769.1 million. A cash dividend of C\$0.03 per share has been declared by the Board of Directors payable to shareholders of record on June 30, 2014 on or about July 15, 2014

• **Canadian Imperial Bank of Commerce (CM)**. The company said on Thursday it will take a non-cash goodwill impairment charge of C\$420 million on its Caribbean unit due to challenging economic conditions in the region. It said the charge will be included in its results for the fiscal second quarter.

ANALYSTS' RECOMMENDATIONS

• **Air Canada (ACb)**. Canaccord Genuity raises target price to C\$11.50 on the company's in-line first-quarter results, says second-quarter and 2014 guidance look positive

• **CanElson Drilling Inc (CDI)**. National Bank Financial raises target to C\$9 from C\$8.50 citing the company's first-quarter results being ahead of street expectations

- **Stantec Inc (STN)**. CIBC raises to sector outperformer from sector performer rating citing robust first-quarter results, solid fundamentals driving growth in 2014 and acquisition activity picking up with five acquisitions announced

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