



Market Summary

DOW	16664.32	+58.05	PEYTO ENERGY	37.68	-.09	POLARIS	2.90	+.05
TSE	14678.17	-35.62	WESTERN FOREST	2.35	--	CANADIAN \$	0.9217	+.0011
S&P	1907.64	+7.11	CATALYST	2.65	--	EURO	1.3631	-.0015
NASDAQ	4216.19	+30.38	CANFOR	24.68	--	COPPER	3.18	+.02
TSX VENTURE	990.25	-4.65	REDSTAR GOLD	0.06	--	CRUDE OIL	103.75	-.60
SILVER	19.13	-.29	LUMBER	317.30	--	NATURAL GAS	4.46	+.06
GOLD	1275.40	-16.50	TIM HORTON'S	59.37	+.07	PRIME RATE	3.00%	

Market Commentary

• Durables orders for April came in higher than expected, thanks to transportation

Also, March was revised significantly higher. Durables orders advanced 0.8 percent, following a 3.6 percent jump in March (previously up 2.5 percent). Market expectations for April were for a 0.8 percent dip. Excluding transportation, durables orders edged up 0.1 percent in April, following a 2.9 percent spike the month before. Analysts forecast a 0.1 percent decline.

• The S&P/Case-Shiller 20-city home price index (SA) in February came in as expected

Gained 0.8 percent versus increases of 0.8 percent and 0.7 percent in January and December. The unadjusted rate came in unchanged as expected in February which is a seasonally slow month for home sales. However, year-on-year rates are coming down though slowly.

• Pfizer walks away from \$118 bln AstraZeneca deal

• China pushing banks to remove IBM servers in spy dispute-Bloomberg

The Chinese government is pushing domestic banks to remove high-end servers made by International Business Machines Corp and replace them with a local brand, the latest move by Beijing over U.S. spying claims, Bloomberg reported.

• ECB watching deflation risks and ready to act, says Draghi

The European Central Bank must be "particularly watchful" for any negative price spiral in the euro zone, ECB chief Mario Draghi said on Monday, adding that the bank was not resigned to inflation being too low for too long.

The TSX was higher briefly but a drop in crude and gold stocks has lead it lower. **Wall Street** opened higher on stable economic data and tracking gains in global markets after European Central Bank chief Mario Draghi said the bank was ready to act on deflation.. **European shares** traded higher supported by gains in travel and leisure sector. **Asian stocks** were broadly lower although Japan's **Nikkei** touched a seven-week intraday high. The **dollar** lost ground against a basket of currencies. **Crude slipped**, while **gold** took a hit once again.

• **Bank of Nova Scotia (BNS)**. The bank said its second-quarter profit rose 14 percent, beating estimates, as higher income at its domestic banking and global wealth units offset a flat performance in international retail banking. The bank said it would buy back up to 1 percent of its outstanding shares. Scotiabank earned a net C\$1.80 billion, or C\$1.39 a share in the quarter compared with C\$1.58 billion, or C\$1.22 a share, a year earlier.

ANALYSTS' RECOMMENDATIONS

• **Augusta Resource Corp (AZC)**. National Bank Financial cuts target to C\$4.10 from C\$4.40, sees more timing risks and delays for the company's development assets than previously thought

• **Hudbay Minerals Inc (HBM)**. CIBC cuts to sector performer from sector outperformer on the basis of relative valuation

• **Transcontinental Inc (TCLa)**. RBC cuts rating to sector perform from outperform on the company's relative returns, says entering a new sector in the competitive U.S. market will be challenging

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