



Market Summary

DOW	16448.45	+80.18	PEYTO ENERGY	36.01	-.18	POLARIS	2.50	-.02
TSE	1515205	+33.36	WESTERN FOREST	2.32	+.01	CANADIAN \$	0.9103	-.0046
S&P	1917.39	+7.82	CATALYST	2.00	+.10	EURO	1.3410	+.0048
NASDAQ	4348.75	+13.78	CANFOR	21.92	--	COPPER	3.18	--
TSX VENTURE	995.23	-.42	REDSTAR GOLD	0.05	--	CRUDE OIL	97.43	+.09
SILVER	19.99	-.01	LUMBER	349.50	+3.20	NATURAL GAS	3.94	+.06
GOLD	1312.90	+.40	TIM HORTON'S	67.65	+1.12	PRIME RATE	3.00%	

Market Commentary - Tech issues prevented yesterday's letter

• Canada adds 200 jobs in July as labour woes continue

Expectations were for 20,000 new jobs, most new jobs were part time. The data has led the Loonie lower

• Trade boost may not save German economy from Q2 contraction

German exports and imports rebounded in June, suggesting the West's standoff with Russia over Ukraine is not seriously hurting Europe's largest economy but failing to dispel concerns of a contraction in the second quarter.

• U.S. starts aid airdrops in Iraq while US President Obama authorizes strikes yet

The United States began to drop relief supplies to beleaguered Yazidi refugees fleeing Islamist militants in Iraq, but there was no immediate sign of U.S. air strikes to halt the sweeping advance of Islamic State fighters.

TSX open higher despite the poor monthly employment report. Economists expected the labor market to bounce back from June's unexpected decline. **U.S. stock indexes** edged up, reversing sharp losses earlier that came on the back of a U.S. government authorization of air strikes in Iraq, which added to concerns about escalating conflicts in Ukraine and the Gaza Strip. **European** and **Asian markets** were lower. **The dollar** fell to a two-week low against the safe-haven **yen**. **Gold** is steady near a three-week high and **Brent** is also steady near levels not seen since January.

• **AutoCanada Inc (ACQ)**. The company posted second-quarter net earnings of 59 Canadian cents per share compared with 53 Canadian cents per share in the same quarter a year earlier. Revenue came in at C\$465.3 million.

• **Capstone Mining Corp (CS)**. The company reported second-quarter results with earnings of 4 cents per share compared with earnings of 2 cents per share in the comparable quarter a year earlier. Revenue rose to \$171.7 million from \$58.3 million.

• **Enerflex Ltd (EFX)**. The company posted net earnings of 14 Canadian cents per share in the second quarter which fell from 24 Canadian cents per share in the year-ago quarter. Revenue reported was C\$446.1 million.

• **Freehold Royalties Ltd (FRU)**. Second-quarter funds from operation came in at 55 Canadian cents per share, for the company, compared with 45 Canadian cents per share in the same quarter a year earlier. Revenue rose to C\$54.7 million from C\$44.1 million.

• **Labrador Iron Ore Royalty Corp (LIF)**. The company's net income for the second-quarter fell to 56 Canadian cents per share from 61 Canadian cents per share in the comparable quarter a year earlier. Revenue fell to C\$33.8 million from C\$42.2 million.

• **TMX Group Ltd (X)**. The operator of the Toronto Stock Exchange took a massive writedown on its U.S. options investment that pushed it to a net loss in the second quarter, but its adjusted profit rose 13 percent on flat revenue. Net loss attributable to shareholders was C\$26.4 million, or 49 Canadian cents per share, compared with a profit of C\$25.5 million, or 47 Canadian cents per share, a year earlier. Revenue was flat at C\$182.3 million. Excluding items, the company earned C\$1.01 per share.

• **Magna International Inc (MG)**. The auto parts maker reported a higher second-quarter profit bolstered by robust demand in North America and continued recovery in Europe. Net income rose \$510 million, or \$2.32 per share, from \$415 million, or \$1.78 per share, from a year earlier. Sales rose 5.6 percent to \$9.46 billion during the quarter.

• **Pengrowth Energy Corp (PGF)**. The company posted funds flow from operations of 23 Canadian cents per share in the second quarter compared with funds flow from operations of 28 Canadian cents per share in the year-ago quarter.

• **Tekmira Pharmaceutical Corp (TKM)**. The company said on Thursday that the U.S. Food and Drug Administration had modified its clinical hold status on Tekmira's experimental Ebola treatment to enable its potential use in humans infected with the virus.

ANALYSTS' RECOMMENDATIONS

• **Avigilon Corp (AVO)**. National Bank Financial cuts price target to C\$35 from C\$40 to reflect the company's reduced EPS outlook

• **Capstone Mining Corp (CS)**. National Bank Financial cuts price target to C\$3.40 from C\$3.50 on the company's reduction

of reserves in its Cozamin mine

- **Etrion SA** (ETX). National Bank Financial raises price target to C\$0.65 from C\$0.50 and raises rating to sector perform from underperform, sees the company more than doubling its gross capacity before year end
- **Sun Life Financial Inc** (SLF). Barclays raises target price to C\$44 from C\$41 to reflect the company's second-quarter earnings coming in well ahead of expectations

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