



## Market Summary

DOW	17889.53	+9.98	PEYTO ENERGY	34.70	+1.05	POLARIS	1.89	+0.01
TSE	14750.97	+130.87	WESTERN FOREST	2.49	+0.01	CANADIAN \$	0.8804	+0.0039
S&P	2070.28	+3.73	CATALYST	2.80	-0.03	EURO	1.2311	-0.0070
NASDAQ	4766.05	+10.24	CANFOR	27.70	+0.25	COPPER	2.87	-0.02
TSX VENTURE	723.28	+2.99	REDSTAR GOLD	0.04	--	BRENT CRUDE	70.87	+0.33
SILVER	16.52	+0.07	LUMBER	332.90	+4.00	NATURAL GAS	3.80	-0.07
GOLD	1212.60	+13.20	TIM HORTON'S	95.17	+1.02	PRIME RATE	3.00%	

## Market Commentary

### • Euro zone risks return to contraction, China outlook smoggy

The euro zone economy may face another contraction after business activity grew less than expected in November despite heavy discounting, surveys showed, although Asian readings were more upbeat.

### • Better terms win Morgan Stanley \$4.8 bln Ping An share placement deal-sources

A lucrative, last-minute pitch by Morgan Stanley won it the role of sole placing agent for last week's \$4.8 billion stake sale in Ping An Insurance Group Co of China Ltd, people with knowledge of the matter said.

### • Abercrombie profit falls on lower mall traffic, higher discounts

Struggling apparel retailer Abercrombie & Fitch Co reported a 25 percent fall in adjusted quarterly profit due to lower mall traffic, higher discounts and weak demand.

TSX climbed as gold and oil prices strengthened and the Bank of Canada kept its key interest rate unchanged. The Canadian dollar is at 87.88 cents (U.S.), rising 0.11 of a cent after the central bank's decision. In its rate announcement, the central bank says inflation climbed faster than expected due to the temporary effects of a lower Canadian dollar and price jumps in certain consumer sectors. The BoC also pointed to falling oil prices and household debt as economic risks.

TSX financials rose 0.3 per cent following quarterly results from Royal Bank, which said an improvement in its Canadian operations helped increase its fourth-quarter profit by 11 per cent to \$2.33-billion (Canadian).

On Wall Street, indexes inched higher. A report from the U.S. Labor Department said workers' productivity increased at an annual rate of 2.3 per cent in the third quarter, which was a slightly faster pace than previously estimated while labour costs declined for a second straight quarter. Overseas, central banks for the United Kingdom and European Union make their statements on Thursday.

• **DHX Media Ltd (DHXA).** The company which produces children's entertainment shows said on Tuesday it has agreed to buy privately held Nerd Corps Entertainment for about C\$57 million, in a move to expand its library. Halifax-based DHX said the deal will bring many hours of proprietary children's content to its library, including the hit comedy adventure series "Slugterra," which has been broadcast in over 150 countries and is one of the most popular titles on the Disney XD channel in both Canada and the United States. Under the acquisition agreement, DHX will pay up to C\$32.7 million in cash for Nerd Corps, with the remainder paid in the form of equity.

• **Royal Bank of Canada (RY).** The bank reported a stronger fourth-quarter profit as gains at its core personal and commercial banking and wealth management businesses offset weakness at its capital markets arm. Canada's largest bank reported net income of C\$2.3 billion, or C\$1.57 a share on a fully diluted basis, for the fourth-quarter, compared with C\$2.1 billion, or C\$1.39 a share, a year earlier. The bank said cash diluted earnings per share were C\$1.59.

• **TransCanada Corp (TRP).** The pipeline operator is pausing work on a proposed oil export terminal in Quebec, after a federal committee recommended that Beluga whales in the St. Lawrence river be listed as an 'endangered' species. The Committee on the Status of Endangered Wildlife in Canada said on Monday that the St. Lawrence Estuary Beluga faces increased environmental threats and that without protection, the population was at risk of extinction.

## ANALYSTS' RECOMMENDATIONS

• **DHX Media (DHXb).** CIBC raises price target to C\$10 from C\$9.50 as the company announced its intention to buy Nerd Corps Entertainment (Nerd), a children's animation company based in Vancouver.

Visit [www.mgardner.ca](http://www.mgardner.ca) or email [mgardner@globalsec.com](mailto:mgardner@globalsec.com) for more information.

*The information contained herein is drawn from sources believed to be reliable, but the accuracy or completeness is neither warranted nor guaranteed, nor in providing it does Global Securities Corporation assume any responsibility or liability therefore. This publication is not, nor is it to be construed as, a solicitation or a recommendation to a specific investor to purchase or sell any of the securities referred to herein. This publication is intended for distribution only in those jurisdictions where Global Securities Corporation is registered to trade securities, and may not be reproduced in whole or in part without the prior written consent of Global Securities Corporation. Copyright 2012 Global Securities Corporation. All rights reserved. Global Securities Corporation Member - Canadian Investor Protection Fund.*