



Market Summary

| | | | | | | | | |
|-------------|----------|---------|----------------|--------|-------|-------------|--------|--------|
| DOW | 17686.66 | -165.82 | PEYTO ENERGY | 32.82 | -.45 | POLARIS | 1.81 | +.06 |
| TSE | 14106.62 | -37.55 | WESTERN FOREST | 2.47 | -.01 | CANADIAN \$ | 0.8750 | +.0037 |
| S&P | 2045.18 | -15.13 | CATALYST | 2.69 | +.03 | EURO | 1.2407 | +.0091 |
| NASDAQ | 4712.82 | -27.87 | CANFOR | 28.69 | -.28 | COPPER | 2.93 | +.05 |
| TSX VENTURE | 678.21 | -1.62 | REDSTAR GOLD | 0.03 | -- | BRENT CRUDE | 66.71 | +.52 |
| SILVER | 17.18 | +.91 | LUMBER | 338.50 | -3.10 | NATURAL GAS | 3.70 | +.10 |
| GOLD | 1231.70 | +36.80 | TIM HORTON'S | 95.81 | -.36 | PRIME RATE | 3.00% | |

Market Commentary

• Greek yields surge after government brings forward presidential vote

Greece bond yields surged after the government brought forward a presidential vote in a political gamble that raised uncertainty over the country's transition out of its bailout.

China led the region lower after a weaker than expected Chinese International number helped catalyze a sell off. European markets aren't faring much better today, trading in the red across the board, after German Industrial Production data missed estimates, but more-so over rising political concerns in Greece, with an announcement of a Presidential election next week, and the Athen's stock exchange trading lower to the tune of 10%, causing general negative sentiment for the region. China, where there are several catalysts to choose from. Those include a report that China will forego more stimulus in favour of slower growth and structural reforms, and a tightening of the rules for short-term loans. And we have data that is underwhelming the markets, including U.K. industrial production, German trade data, and Australian business confidence.

Following weakness in the **global markets** on worries over global growth after oil prices slid to fresh five-year lows, **Canada's main stock index** saw a sharply lower start but has since trimmed those losses. Commodity-linked currencies falling to a four-year low and the **Canadian dollar** hitting a five-year low has stabilized, while the safe-haven **yen** rose against the greenback and the **euro**. The US dollar has begun to fall and is helping **Brent** rebound after hitting a fresh five-year low near \$67 a barrel and **gold** rose for a second straight session well above \$1,200 an ounce.

- **Tim Hortons Inc (THI)**. The company's chief executive will get a C\$1 million bonus following the C\$12.64 billion takeover deal by Burger King Worldwide, the Canadian coffee and donut chain said in a regulatory filing on Monday. The company said the discretionary bonus for CEO Marc Caira was awarded due to a substantially increased workload as a result of the merger deal and strong quarterly results that beat market expectations.
- **Valeant Pharmaceuticals International Inc (VRX)**. The drugmaker is abandoning its growth-by-acquisitions strategy for the time being to try to reduce debt, boost its stock price and one day return to its traditional deal-making in a stronger position, people familiar with the matter told Reuters. After spending \$19 billion on 40 acquisitions since 2008, the company is regrouping after failing last month to acquire Botox-maker Allergan Inc, they said.
- **Talisman Energy Inc (TLM)**. The oil producer said it has been approached by a number of parties, including Spain's Repsol SA, for various transactions. Bloomberg reported on Monday that Repsol and Talisman have revived talks and are in the process of discussing options that could include sale of a selection of assets or the entire company.

ANALYSTS' RECOMMENDATIONS

- **Morneau Shepell (MSI)**. CIBC raises to sector outperformer to sector performer based on valuation call, with the stock at current levels caught in the recent market downturn, implying ~24% total return to price target.

Visit www.mgardner.ca or email 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.