



The Week of December 12th to December 18th, 2016
"A Brief Look Back Into Tomorrow"

Good Day

The new trading week began on **Monday, December 12th** with more and more investors liking the **post election 'Trump' effect** as the **major North American markets continued at or near multi-month or all-time highs.**

Leaving technical analysts **David Tippon & Ron Meisels** to comment - "Following its fall corrective period...this bull market has roared back to life. Near vertical advances risk a pullback at any time, buy **upside momentum may carry the markets substantially higher before the current move is exhausted.**" (For a complete copy of this report please contact 'Rod.Blake@canaccord.com'.)

While some won't admit to it, but the world is modernizing as the **International Energy Agency reported that global coal demand dropped by 15% this year** as increased demand from emerging markets was more than offset by weaker demand in the United States and China.

Emblem Corp. (EMC-V) shares soared up by over **1,000% to \$3.30** on the licensed Paris, Ontario based **marijuana producer began trading** on the TSX Venture Exchange.

Last week it was **Boeing Co. (BA-N)** and this week it was **Lockheed Martin (LMT-N)** whose **shares suffered after a negative Tweet from American President to be - Donald Trump.** Last week it was a knock on the price of the new Air force One command jet and this time with a negative swipe at the cost of the aerospace company's F-35 military jet program.

Tuesday, December 13th had the markets for the most part trading quietly one day ahead of the U.S Fed's much anticipated interest rate decision.

Politicians disapproved but investors approved of **US President Donald Trump's choice of ex Exxon Mobil (XOM-N) CEO Rex Tillerson as his secretary of state.**

Couriers **Fedex Corp. (FDX-N)** and **United Parcel Services (UPS-N)** both reported **record parcel volumes** going into the height of the Christmas shopping period.

Hertz Global Holdings (HTZ-N) shares' rose by 10.5% to US\$25.12 after the vehicle rental company **announced a partnership with used car online dealer Shift Technologies** to better market their out dated vehicles.

One of the longest waits ever for an interest rate decision finally came to an end on **Wednesday, December 14th** as the **U.S. Federal Reserve (Fed)** did what was widely expected and **raised its short term interest rate range up by 0.25% to 0.50 - 0.75%.**

With a survey result that should surprise no one - **Nielsen data** has found that **those American states that have endorsed the use of recreational marijuana have also seen a corresponding drop in beer sales.**

Radiant Technologies (RTI-V) shares' soared up by over 106% to \$0.31 after the company **joined forces with Aurora Cannabis (ACB-V)** to develop superior or standardized **cannabinoid extracts.**

The price of **Toro Oil & Gas (TOO-V)** surged up by **60% to \$0.36** after the company agreed to a **\$44.1-million all-stock takeover offer from Steelhead Petroleum.**

Thursday, December 15th had **Statistics Canada** once again reveal the fragility of the Canadian economy as the nations statistical monitor **reported the country's factory sales dropped by an unexpected 0.8% in October to \$51.0-billion.**

The price of **Empire Co. (EMP.A -T)** stock fell by **17% to \$3.18** after the Canadian food retailer **disappointed analysts with its 2nd-quarter financials.**

The **Canadian Real Estate Association** looked into its crystal ball and **forecast that the average Canadian home price will fall by 2.8% in 2017 to \$475,900.**

Women continue to make wage gains as on **Friday, December 16th** **Statistics Canada** reported that **women now account for about 22% of the country's top 1% wage earners** - compared to just **10%** of women who were in that category in the early 1980s.

The **Telegraph** reported that the **Christmas shopping season makes up for 1/6th of the annual United States retail sales.**

During the Week - the **TSX rose to a new 19-month high of 15,385** while the **Dow Industrials, S&P 500 and NASDAQ** all rose to respective record highs of **19,909, 2,272 and 5,474.** With commodities - **crude oil rose to a 17-month high of US\$53.94.**

BRP INC. (D00-T) at \$28.68, Gibson Energy (GEI-T) at \$19.24 and Pizza Pizza Royalty (PZA-T) at \$16.67 all reached new **TSX 52-week trading highs** while **HBP NYMEX Crude oil Bear+ ETF (HOD-T) at \$8.89, Premier Gold Mines (PG-T) at \$2.00 and Trillium Therapeutics (TR-T) at \$7.80** all fell to new **52-week trading lows.**

For the Week - the Dow Industrials gained 0.44% to 19,843, while the S&P 500 eased by 0.09% to 2,258 and the NASDAQ dropped by 0.13% to 5,438. To the frozen north, the TSX Composite lost 0.39% to 15,252 and the TSX Venture Exchange fell by 1.87% to 735.

With Commodities - gold bullion fell by 2.24% to US\$1,136, with copper down by 3.77% to US\$2.55, while crude oil gained 3.05% to US\$53.07 and natural gas dropped by 7.59% to US\$3.41. Overall, the CRB Spot Commodity Index was unchanged at 427.

The **Canadian dollar** fell by 1.13% against its southern counterpart to finish the week at an even US\$0.7500.

And the closely watched **CBOE Volatility Index** or VIX rose by 0.45-point to end the week at a little more nervous level of 12.20.

And Finally - as we ease into the year-end holiday season it is of note that a recent **Expedia.ca** survey revealed that the average Canadian takes only 14 of the 17.3-days off they receive each year.

And Finally - Finally - This will be our final publication of 2016 as the markets, brokers and investors will shortly be greatly distracted by the very important Christmas-to-New Year's holiday season. We thank you for your ongoing support and wish you only the best going into the New Year. If all goes well this publication will reappear on or about Monday, January 9th, 2017. Happy Holidays!

Sources: Bloomberg, Thomson Reuters, MarketWatch, Globe & Mail, Wall Street Journal, Dow Jones, Financial Times, National Post, Briefing.com, Credit Suisse, and StreetAccount.

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