



The Week of August 17th to August 23rd, 2015  
"A Brief Look Back Into Tomorrow"

**Good Day**

The new trading week began on **Monday, August 17th** with investors keenly aware of the disparities of the equity markets in that **many resource related securities were trading at 15-year lows** while **many growth issues were trading at record highs**.

**Intermap Technologies (IMP-T)** shares' **surged up by over 16% to \$0.71** when the company gave a **positive update on the development** of its government supported **national spatial data infrastructure (SDI) project**.

And the share price of **zulily Inc. (ZU-T)** **rocketed up by over 49% to US\$18.74** when the just 5-year old internet retailer **agreed to US\$2.4-billion cash & stock takeover offer** from television rival **Liberty Interactive (QVCB-Q)**.

Just as the world watches where Warren Buffet invests his money, so do British Columbians watch where **Jimmy Pattison** invests his, and BC's richest entrepreneur just **bought another 670,100 shares of Westshore Terminal Investment Trust (WTE-T) to hold 19.65% of the west coast's largest coal loading operation**. (One wonders if all of the rhetoric about the demise the global coal markets might be a bit premature?)

Similarly, Microsoft Corp. (MSFT-Q) founder **Bill Gates has increased his position in Strategic Hotels & Resorts (BEE-N) to 9.8%**.

**Quebec Premier Phillippe Couillard** announced his province would allow **wood frame buildings to now reach a new height of....now wait for it....12-storeys**.

The American new housing market continues to improve as the **U.S. Commerce Department** reported on **Tuesday, August 18th** that **new residential home starts rose by 0.2% in July to a better than expected annualized 1.21-million units**.

**Kelso Technologies (KLS-T)** shares' **surged up by over 44% to \$2.87** when the rail car manufacturer received **field testing approval** from the **Association of American Railroads (AAR)** for the company's **newer and safer bottom open valve (BOV) hazardous material tanker car**.

Bad news travels fast and **Eldorado Gold (ELD-T)** got theirs on **Wednesday, August 19th** when **Greece Energy Minister Panos Skourletis** announced his government was **halting activity on the company's gold mining operations** in the northern part of that country.

Bear markets force companies to make drastic decisions as was the case with **Century Iron Mines Corp. (FER-T)** that announced it was **creating a subsidiary in order to export Australian eggs to Hong Kong and Macau.**

**Technical analysts David Tippin & Ron Meisels** - "The S&P 500's trading range remains intact....Toronto cannot rely on a handful of out-performing stocks to keep it afloat." (To receive a complete copy of this report contact [rod.blake@canaccord.com](mailto:rod.blake@canaccord.com).)

**Bombardier Inc. (BBD.B-T)** finally gave the market some encouraging news on **Thursday, August 20th** when the world's largest airplane manufacturer reported that **its new C Series commercial jetliner had successfully completed 80% of its pre-service testing.**

Alberta's giant **Syncrude oilsands operation** is currently losing about **\$10-a-barrel** as according to spokesman Siren Fisekci, **the operation has an all-in cost of about \$50-a-barrel.**

**Valeant Pharmaceuticals (VRX-T)** shares' fell by almost **21.5% to \$298.75** when the giant drug company announced they were paying about **US\$1-billion to purchase Sprout Pharmaceuticals, the maker of the newly approved female libido drug Addyi.**

Americans seem to be taking full advantage of this summer's lower gasoline prices as the **U.S. Federal Highway administration** reported the number of miles they drove rose by **3.9% in June to a record 275.1-billion miles.**

The **Mexican peso**, like other petro-currencies, followed the price of oil lower and dropped by **1.1% to a record 16.8032 to the American dollar.**

The markets quickly moved to the downside on **Friday, August 21st** when the **Chinese Caixin Purchasing Managers Index**, a key economic indicator, **fell to 47.1**, well below the economic retraction level of 50.

**Baytex Energy Corp. (BTE-T)** shares' fell by over **10.5% to \$5.93** when the Alberta based company joined a growing list of petroleum companies to cur or suspend its dividend.

**Statistics Canada** reported the country's annual inflation rate rose in July to a 7-month high of **1.3%.**

The week saw more downward pressure on resource prices and resource related indexes with copper falling to a new 6-year low of **US\$2.29-a-pound**, while crude oil fell to a new 6<sup>1/2</sup>-year low of **US\$40.22-a-barrel.** All of which helped to sink the TSX

Composite Index to a 1<sup>1/2</sup>-year low of 13,474 and dragged the TSX Venture Exchange down to a new record low of 534. Things didn't fare much better in the United States as their markets reacted to deteriorating Chinese economics as the DJIA fell to a new 10-month low of 16,460, while the S&P 500 dropped to a new 10-month low of 1,971 and the NASDAQ hit a new 9-month low of 4,706. All of which sent the VIX to a new 4<sup>3/4</sup>-year high of 28.03.

Automotive Property REIT (APR.UN-T) at \$10.50, Colliers International (CIG-T) at \$62.88 and Onex Corporation (OCX-T) at \$78.50 all reached new TSX 52-week trading highs while Bombardier Inc. (BBD.B-T) at \$1.15, HudBay Minerals (HBM-T) at \$6.56 and Niko Resources (NKO-T) at \$0.07 all fell to new 52-week trading lows.

For the Week - The Dow Industrials lost 5.82% to 16,460, with the S&P 500 Index off by 5.78% to 1,971 and the NASDAQ Exchange off by 6.77% to 4,706. North of 49, the TSX Composite Index fell by 5.63% to 13,373 and the TSX Venture Exchange dropped by 6.68% to 534.

With commodities, gold bullion rose by 4.13% to US\$1,159, while copper lost 1.09% to US\$2.29, with crude oil dropping by 6.70% to US\$40.22 and natural gas off by 0.49% to US\$2.70. Overall, the CRB Spot Commodities Index lost 0.49% to 409.

The Canadian dollar eased by 0.58% against its American counterpart to end the week at US\$0.7595.

And the closely watched CBOE Volatility Index or VIX skyrocketed up by 15.20-points to end the week at a very nervous level of 28.03.

And Finally - Under the heading of 'The Wild Wild West' - The record high beef prices of late have not just effected consumers as the Texas and Southwestern Cattle Raisers Association reported that cattle rustlers took 5,800 or US\$5.7-million of their four-legged assets last year in Texas alone, the most cattle stolen in the past 10-years.

Rod Blake, ASCT  
Investment Advisor

[rod.blake@canaccord.com](mailto:rod.blake@canaccord.com)

Farzaneh Peiro

Investment Advisor Assistant

[farzaneh.peiro@canaccord.com](mailto:farzaneh.peiro@canaccord.com)

T: 604.643.7597

Looking for investment or trading ideas? Give us a call, we can help. Toll free 1-800-663-1899.

To view previous editions of “The Week”, “Articles of Interest” or to learn more about us please visit our website at [www.rodneycastle.com](http://www.rodneycastle.com)

**Our mission is to maximize the value of your portfolio through a dedication to investigation, research and innovative ideas, and to enhance your investment experience by providing the highest level of attention to detail and service available in the financial community.**

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

Disclaimer: This publication is a general market commentary and for informational purposes only, it does not constitute a research report and does not contain investment advice. This commentary has been prepared using sources believed to be accurate and true. This material is not complete information respecting any security and therefore is not a sufficient basis on which to base an investment decision.

The information contained in this commentary is drawn from sources believed to be reliable, but the accuracy and completeness of the information is not guaranteed, nor in providing it does Rod Blake, Canaccord Genuity Corp. or its subsidiaries, or affiliated companies, assume any liability. This information is current as of the date appearing in this commentary, and neither Canaccord Genuity Corp. nor Rod Blake assume any obligation to update the information or advise on further developments relating to these securities. This commentary is intended for distribution in those jurisdictions where Canaccord Genuity Corp. Rod Blake is registered as advisors or dealers in securities. Any distribution or dissemination of this commentary in any other jurisdiction is strictly prohibited. The information does not constitute an offer or solicitation in any jurisdiction in which such an offer or solicitation is not authorized, or to any person to whom it is unlawful to make such an offer or solicitation. Canaccord Genuity Corp. and holdings of its respective directors, officers and employees and their associations, from time to time may buy or sell any securities mentioned herein. This message is intended only for the use of the individual or entity to which it is addressed and may contain information which is privileged, confidential or subject to copyright. Internet communications cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, arrive late or contain viruses. Canaccord Genuity Wealth Management is a division of Canaccord Genuity Corp., a Member of the Canadian Investor Protection Fund.