



The Week of December 7th to December 13th, 2015
"A Brief Look Back Into Tomorrow"

Good Day

The new trading week began on **Monday, December 7th** and followed an **Organization of Petroleum Exporting Countries (OPEC)** admission that **its members had been cheating on their crude oil production quotas** (Surprise!) and that the oil cartel was effectively throwing in the towel on its ability to control the worldwide flow of crude oil.

Goldcorp Inc. (G-T) announced that **Hudbay Minerals (HBM-T) CEO David Garofalo** will be taking over the CEO reins of the world's second largest gold producer when their current CEO **Chuck Jeannes** retires in the spring of 2016.

Keurig Green Mountain (GMCR-Q) shares' skyrocketed up by almost **72%** to **US\$88.89** on word that the single serving coffee company was being bought out by private equity **JAB Group** in an all-cash deal of some **US\$13.9-billion**.

M&A activity continued on **Tuesday, December 8th** with **Cott Corp (BCB-T)** announcing they were **buying Aquaterra**, Canada's oldest and largest direct water delivery company, in an all cash deal of some **\$62-million**.

Meanwhile, south of the border, **American antitrust enforcers** sighted elimination of competition as reason they **filed to stop the Staples (SPLS-Q) takeover** of fellow office supply company **Office Depot (ODP-N)**.

British mining giant **Anglo American PLC (NGLOY-Q)** announced **drastic cost cutting measures** by intending to **dispense of 60% of their assets and reducing their workforce by some 85,000 workers to just 50,000 people**.

The **Canadian Mortgage and Housing Corporation** or **CMHC** reported that the country's new home construction rose by **7.2%** in November to a seasonally adjusted **211,916 units**.

The share price of **United Natural Foods (UNFI-Q)** fell by over **6%** to **US\$36.82** when the company reported weaker than expected **3rd quarter earnings** and worse yet - **lowered their forecast for the year ahead**.

Wednesday, December 9th saw the share price of **Dow Chemical (DOW-N)** and **Du Pont (DD-N)** rise by almost **12%** respectively after a **Wall Street Journal** story suggested the iconic American companies with almost 300-years of combined history were **contemplating a merger** deal of some US\$120-billion.

Dollarama Inc. (DOL-T) shares' fell by over **7%** to **\$81.70** after Canada's largest discount retailer suggested that **the company's extraordinary growth may normalize in the years ahead.**

The price of **lululemon Athletica (LULU-Q)** dropped by almost **13.5%** to **US\$45.15** after the yogawear retailer **failed to impress the street with its 3rd-quarter financials.**

People continue to tale to the skies and on **Thursday, December 10th**, **Transat A.T. (TBE-T)** confirmed this as **its share price soared up by over 20%** to **\$7.18** after the holiday charter carrier **reported much better than expected 4th quarter results** that included a **15% increase in bookings.**

Westshore Terminals (WTE-T) shares plunged by almost **20.5%** to **\$13.05** when the giant west coast bulk loader of coal **once again cut its dividend** and worse yet - **warned of deceases in coal shipments to come.**

And the price of **Men's Wearhouse (MW-N)** dropped by **17%** to **US\$15.26** when the giant men's haberdasher **warned it may miss its profit projection for the rest of the year.**

The downward pressure on crude oil got even worse on **Friday, December 11th** after the **International Energy Agency (IEA)** projected that the **global oversupply of crude oil could worsen in 2016.**

The **U.S. Commerce Department** reported that **retail sales rose** by a seasonally adjusted **0.2% in November** to US\$448-billion.

The number of active oil rigs kept dropping as **Baker Hughes** reported **the number of active US oil & gas drilling rigs fell by another 21 last week to just 534 rigs.**

BRP Inc. (DOO-T) shares' rose by **9.5%** to **\$22.10** when the Ski-Doo and Sea-Doo manufacturer **reported better than expected 3rd-quarter financials.**

Conversely, the price of **Hudson's Bay Co. (HBC-T)** shares fell by over **12.5%** to **\$17.40** when Canada's iconic retailer **failed to impress the street with its 3rd-quarter results.**

Equity markets tumbled on word that **Third Avenue Management** was freezing **withdrawals** from its US\$788-million high-yield credit mutual fund.

During the week - The price of **copper closed at a new 6-year low of US\$2.05-a-pound**, while **crude oil also fell to a new 6-year low of US\$35.45-a-barrel**, and **natural**

gas plunged to a new 15-year low of US\$1.98/mmbtus. This helped pull the CRB Spot Commodity Index down to a 6-year low of 380. All of which drove the TSX Composite Index down to a new 2-year low of 12,264 and the TSX Venture Exchange to a new record low of 502. The Canadian dollar fared no better as it plunged to a new 11-year low of US\$0.7281.

Boyd Group Income Fund (BYD.UN-T) at \$70.45, CCL Industries (CCL.B-T) at \$231.99 and Molson Coors Canada (TPX.B-T) at \$129.98 all set new TSX 52-week trading highs, while ATCO Ltd. (ACO.X-T) at \$33.18, Enbridge Inc. (ENB-T) at \$41.01 and OilSands Sector Fund (OSF.UN-T) at \$3.70 all fell to new 52-week trading lows.

For the Week - The Dow Industrials fell by 3.27% to 17,264, with the S&P 500 Index off by 3.82% to 2,012 and the NASDAQ Exchange down by 4.06% to 4,933. In Canada, the TSX composite Index was down by 4.26% to 12,790 and the TSX venture Exchange was lower by 2.90% to 502.

With commodities - Gold bullion eased by 0.74% to US\$1,076, with copper up by 1.44% to US\$2.11, while crude oil plunged by 11.31% to US\$35.45 and natural gas fell by 9.59% to US\$1.98. Overall, the CRB Spot Commodities Index fell by 1.81% to finish the week at 380.

The Canadian dollar sank by 2.70% against its southern cousin to end the week at US\$0.7281.

And the closely watched CBOE Volatility Index or VIX jumped up by 9.9-points to finish the week at a much more nervous level of 24.71.

And Finally - Broadband services company Sandvine reports that the amount of video streaming supplied by companies such as Netflix and Youtube has more than doubled in the past 5-years and now accounts for up to 70% of internet usage during peak periods.

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