



The Week of June 15th to June 21st, 2015
"A Brief Look Back Into Tomorrow"

Good Day

The last trading week before the official start of summer begins on **Monday, June 15th** with investors acutely aware of the sideways congestion pattern that the major North American markets seemed to be on.

Technical analyst Dave Harder commented - "**Increased uncertainty is a positive development!** This has reduced optimism (bullishness) and increased pessimism (bearishness) to the point that there are now only 31% more bulls than bears compared to a high of 43.5% on April 28th. This decline to the lowest spread since October 22nd, 2014 is positive."

For the first time ever, Saudi Arabia opens its US\$585-billion Tadawul Saudi Stock Exchange up to direct foreign investment.

The famous **Paris Air Show** began with **Bombardier Inc. announcing they had presold their desired allotment of 300 firm orders for C-Series jetliner** that is due to fly in early 2016.

While staying with the Eurozone, **Hudson's Bay (HBC-T)** announced they had reached an agreement to **acquire Germany's top department store chain Kaufhof** in an all-cash deal worth some \$3.36-billion.

Gold mining giant **Goldcorp Inc. (G-T)** announced it would collect almost \$1-billion by **selling its 25.6% interest in silver miner Tahoe Resources (THO-T)**.

Tuesday, June 16th saw the share price of **Coty Inc. (COTY-Q)** surge up by almost **19.5% to US\$31.11** on rumour that the personal grooming company **was taking over three of Proctor & Gamble's (PG-N) hair-care, fragrant and cosmetic businesses.**

Colt Defence LLC, announced that a lack of retail sales and government orders helped the 179-year-old company that produced **the gun that 'Won the West'** to apply for **Chapter 11 bankruptcy protection.**

Statistics Canada reported that **foreigners bought a record \$12.94-billion of Canadian securities (bonds, money market paper & stocks) in the month of April.**

The market was once again on **'Fed watch'** on **Wednesday, June 17th** and once again it proved to be uneventful as the **U.S. Federal Open Market Committee** repeated its intention to **keep its federal reserve funds rate between 0.00% & 0.25%** while keeping the view that rates will go up as economic conditions permit.

Calfrac Well Services (CFW-T) succumbed to the realities of the current petroleum markets when the well service company **cut its quarterly dividend in half to \$0.0625-a-share.**

Many investors who bought **DauidsTEA Inc. (DTEA-Q)** after its recent IPO were disappointed to watch their investment **plunge by over 24% to US\$21.95** when the tea retailer **failed to meet the street's expectations with its 1st-quarter financials.**

The **World Gold Council** reported that while **overall gold demand remained stable in the 1st-quarter** at about 1,079 tonnes, **net inflows into gold backed exchange traded funds (ETFs) turned positive for the first time since the 4th -quarter of 1012.**

Meanwhile, the **World Nuclear Association** reported that **China has 26-operating reactors**, with **another 24 under construction** and that the Asian power **plans to increase its nuclear capacity in the next 5-years by 41-giawatts to 58-gigawatts.**

The American markets reacted positively on **Thursday, April 18th** to the Fed's comments with the innovative oriented **NASDAQ Exchange trading up to a new record closing high of 5,133.**

Fitbit Inc. (FIT-N), a maker of personal fitness tracking devices, went public at US\$20 and quickly **rose by almost 49% to close its first day of trading at US\$29.76.**

Airboss of America (BOS-T) shares' rose by 10% to \$20.10 on word the company was **purchasing Immediate Response Technologies**, a supplier of personal protection and safety products in an all-cash deal of some **US\$37-million.**

Friday, June 19th saw **Statistics Canada** report the country's **consumer prices rose by 0.9% in May** over the same month one year earlier, while the **core inflation rate eased by 0.1% to an annualized 2.2%.**

Meanwhile, **Statistics Canada** also reported that the country's **retail sales for April dropped by an unexpected 0.1%.**

Energy Fuels (EFR-T) shares' **rose by over 10% to \$5.67** after the **U.S. Nuclear Regulatory Commission (NRC)** endorsed the uranium company's takeover of **Uranerz Energy (URZ-T).**

Resource oriented markets suffered during the week with the **TSX Composite Index** and **TSX Venture Exchange** dropping to **new 3-month respective closing lows of 14,653 and 679.**

Cott Corporation (BCB-T) at \$13.00, Hardwoods Distribution (HWD-T) at \$16.32 and Ten Peaks Coffee Co. (TPK-T) at \$9.44 all established new TSX 52-week trading highs while **Bonterra Energy (BNE-T) at \$31.06, Great Panther Silver (GPR-T) at \$0.52 and WesternOne Inc. (WEQ-T) at \$0.77** all fell to new 52-week trading lows.

For the Week - the Dow Industrials rose by 0.64% to 18,014, with the S&P 500 Index up by 0.76% to 2,110 and the NASDAQ Exchange higher by 1.31% to 5,117. In Canada, the TSX Composite Index lost 0.6% to 14,653 while the TSX Venture Exchange rose by 0.29% to 684.

With commodities, gold bullion gained 1.87% to US\$1,201 while copper dropped by 3.73% to US\$2.58, with crude oil down by 0.63% to US\$59.77 and natural gas higher by 2.15% to US\$2.85. Overall, the CRB Spot Commodities Index lost 0.47% to end the week at 422.

The Canadian dollar improved by 0.44% against the American dollar to finish the week at US\$0.8150.

And the closely watched CBOE Volatility Index or VIX eased by 0.10-point to end the week at a little calmer level of 13.68.

And Finally - With higher interest rates looming ever closer to the horizon, it is of interest to note that a recent **Manulife Financial (MFC-T) survey revealed that one-third of homeowners would face financial hardship if their mortgage payments went up by only.....10%.**

Rod Blake, ASCT
Investment Advisor

rod.blake@canaccord.com

Paulina Bustillo

Investment Advisor Assistant

paulina.bustillo@canaccord.com

T: 604.643.0291

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