



The Week of April 7th to April 13th, 2014  
"A Brief Look Back Into Tomorrow"

**Good Day**

The new week began on **Monday, April 7th** with investors anxiously watching to see if the previous Friday's sell-off would be extended into the **long overdue correction** some talking heads have been predicting, or was just another nervous blip along the way to **new intermediate and record highs ahead**.

The U.S. based **Energy Information Administration (EIA)** reported that the advent of shale oil had allowed **American imports of crude oil to drop by 10.2% in 2013 to an 18-year low of just 7.6-million barrels-per-day**. Interestingly however, **imports from Canada increased by 3.9% in 2013 to a record 2.5-million barrels-per-day**.

Under the heading of '**Give Until it Hurts**' - You really know your deal has hit the skids when your **major shareholder and joint-venture partner** donates their position to charity. Such was the case with **Northern Dynasty Minerals (NDM-T)** that had to make the best of it when **Rio Tinto PLC (RIO-N)**, a **19.1% owner of Northern Dynasty and former joint venture partner in the giant Pebble copper/gold project** in southern Alaska informs Northern that Rio is going to **donate their entire Northern Dynasty holding to two Alaskan charities**. (And usually, charities tend to turn these donated shares into cash which better serves their purposes.)

**Potash Corp. (POT-T)** announced that long-time **President & CEO Bill Doyle would soon be stepping down** as, to be **replaced with mining veteran Jochen Tilk** as head of the giant potash producer.

**Microsoft Corp. (MFST-Q)** acted like the giant software company that it is when it announced it would **no longer be offering operating or security support for its 12-year old Windows XP operating system**.

**Contact Exploration (CEX-T), Donnycreek Energy (DCK-T) and Questerre Energy (QEC-T)** all saw their share price appreciate considerably on **Tuesday, April 8th** when the partners reported **a better than expected natural gas & condensate levels** in a field test for their "02/14-30" horizontal well in the Kakwa-Resthaven area of west central

Alberta.

**Ford Motor Co. (F-N)** reported their **Chinese auto sales rose by 28% in March** from the same month in 2013 to **103,815 units**, and **up by 45% in the first quarter** from a year ago to **271,321 vehicles**.

The **Convergence Consulting Group** estimates that **25% of Canadian households will no longer have a traditional land-line telephone by the end of 2014**, up from the 22.4% who had dropped their landlines by the end of 2013.

With further figures to an **improving American economy**, the **U.S. Labor Department** reported that American employers posted a **post Great Recession high of 4.2-million new job openings in February**.

Long suffering shareholders of **Copper Mountain Mining (CUM-T)** got some rare good news on **Wednesday, April 9th** when the southern British Columbian copper miner reported that it had achieved **record copper production for the first quarter of 2014**.

Market darling **Dollarama Inc. (DOL-T)** shares' **rose by over 8%** to \$92.77 when the giant discount retailer beat the street with its 4th quarter financials, but better yet, increased its quarterly dividend by \$0.02 to \$0.16-a-share.

Canadians were shocked and saddened on **Thursday, April 10th** to hear of the **sudden passing** of recently retired **Canadian Finance Minister Jim Flaherty**, who led the Canadian economy through the Great Recession of 2008-09 and was well received by economic leaders throughout the world for his honesty, sense of humour and those shiny green ties. Closer to home, Mr. Flaherty gave Canadians what is rapidly proving to be their most popular tax saving program ever - the **Tax Free Savings Plan**.

Units of **Argent Energy Trust (AET.UN-T)** plunge by almost 23% to \$3.61 when the petroleum producer drastically **cuts its annual cash distribution from \$0.0875 to just \$0.02 per unit**.

Conversely, the shares' of **Crew Energy (CR-T)** rose by over 15.5% to \$11.54 when the petroleum developer cashed up by **selling some of its Deep Basin assets** in the strategic **Montney** gas play in north eastern British Columbia.

On a related note, **Workapolis.com** calculates that the average **Canadian petroleum worker's wages** rose by 6% in 2013 to .....**\$130,000 per year**.

Under the heading of 'Vive la France' - **The French government**, already well known for their 35-hour work week and 6-weeks of summer holidays have now **passed a law banning the business use of cell phones.....now wait for it.....after 6:00pm**. (One has to wonder how their economy just doesn't simply implode...).

And Canada's Mother Corporation, or the **CBC/Radio-Canada** that was the first to broadcast Hockey Night in Canada way back in the 1950s, announced it **will no longer compete for the right to broadcast sports**. (The true end of an era).

The markets continued to look for reasons to correct, and they found them again on **Friday, April 11th** when **China reported their exports in March fell by 6.6% while their imports dropped by 11.3% from the same month one year ago**.

Canadians enjoyment of the grape continued last year as **Statistics Canada** reported their purchases of wine rose by 4.9%, while beer sales were down by 0.1% and spirit sales were up by 2.9% for a **total increase in 2013 alcohol sales of 2.2% to \$21.4-billion**.

**Thompson Creek Metals (TCM-T)** shares' rose by almost 10% to \$3.12 when the miner reported **improved first quarter production from its Mt. Milligan copper/gold open pit mine** in central British Columbia.

**ATCO Ltd. (ACO.X-T)** at \$54.46, **Bank of Montreal (BMO-T)** at \$75.63 and **Husky Energy (HSE-T)** at \$35.40 all established **new TSX 52-week closing highs** during the week, while **Argonaut Gold (AR-T)** at \$4.39, **Partners REIT (PAR.UN-T)** at \$4.52 and **Westport Innovations (WPT-T)** at \$14.27, all fell to new 52-week closing lows.

**For the Week** - The **Dow Industrials** fell by 2.35% to **16,027**, while the **S&P 500 Index** lost 2.73% to **1,816** and the **NASDAQ Exchange** dropped by 3.08% to an even **4,000**. Across the border, the **TSX Composite Index** lost 0.94% to **14,258** and the **TSX Venture Exchange** fell by 1.79% to **998**.

**Gold bullion** lost 1.16% to **US\$1,318.30**, as **copper** fell by 1.01% to **US\$2.98**, while **crude oil** gained 1.13% to **US\$102.28** and natural gas rose by 4.05% to **US\$4.62**. Overall, the **CRB Commodities Index** improved by 4.56-points to end the week at a **1¾-year high of 310.09**.

The **Canadian dollar** was flat over the period to end the week unchanged at **US\$0.9107**.

Meanwhile, the closely watched **CBOE Volatility Index** or '**VIX**' rose sharply by 3.07% to cross above the warning level of 15 and **end the week at a considerably more nervous level of 17.03**.

**And Finally** - A recent **Pew Research** study finds that the percentage of '**stay-at-home**' **American mothers** of young children has **risen to 29%** as of 2012, up substantially from the record low of 23% that stayed-at-home to raise their young in 1999.

**And Finally, Finally** – **The Week will be taking a one-week hiatus** due to the shortened Easter long weekend. If all go well you should once again find this publication in your

inbox somewhere near Monday, April 28<sup>th</sup>.

**Rod Blake, ASCT**  
*Investment Advisor*

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

**Paulina Bustillo**  
*Administrative Assistant*

[Paulina.bustillo@canaccord.com](mailto:Paulina.bustillo@canaccord.com)

T: 604.643.0291

**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.