



THE
BLAKE
GROUP

The Week of November 24th to November 30th, 2012
“A Brief Look Back into Tomorrow”

Good Afternoon

Following a somewhat shortened but positive week that saw investors, if only briefly, take their emphasis away from the problems in Europe and the pending American fiscal cliff and instead focus on the upbeat optics of Black Friday shopping, the weekend media reported that -

As the ‘shop ‘till they drop’ brokers and traders left for the malls last Friday, November 23rd, they wondered if the greater amount of green left on their terminals was just a feel good relief rally from an oversold position, or perhaps even better, the long awaited start of a Santa Claus rally that would hopefully carry the markets up through to year end, in that for the 47th week of the year, the Dow Jones Industrial Average had returned an impressive 3.35%, with the S&P 500 Index up on the week by 3.62% and the NASDAQ ahead on the week by 3.99%. To the ‘shopping uses up resources’ north, the TSX Composite index ended the week up by 2.82% while the TSX Venture Exchange finally managed a positive return if 1.94%.

Some of the 45 new TSX 52-week trading highs established last Friday were AutoCanada Inc. (ACQ-T) at \$15.60, Canfor Corp. (CFP-T) at \$14.95, Dundee Corp. (DC.A-T) at \$26.03, Evertz Technologies (ET-T) at \$16.12, Indigo Books & Music (IDG-T) at \$10.25, Metro Inc. (MRU-T) at \$61.00, Norbord Inc. (NBD-T) at \$23.24, Pason Systems (PSI-T) at \$16.75, Stella-Jones (SJ-T) at \$77.00, Tourmaline Oil (TOU-T) at \$33.84 and Whistler Blackcomb (WB-T) at \$12.46, while some of the 35 new 52-week trading lows include Candente Copper (DNT-T) at \$0.31, Exall Energy (EE-T) at \$0.50, Foraco Int’l. SA (FAR-T) at \$2.25, Intellipharma Int’l. (I-T) at \$2.01, MDN Inc.(MDN-T) at \$0.11, ProSep Inc. (PRP-T) at \$0.67, Raven Rock Strategic Income Fund (RRF.UN-T) at \$9.70, Sprott Inc. (SII-T) at \$3.83 and U3O8 Corp. (UWE-T) at \$0.21.

Sun Life Global Investment - “Black Friday is always a big shopping day and expectations are pretty high. We have a big fiscal cliff coming soon and we still have many issues in the Euro zone. But that being said, there are a lot of reasons in the U.S. why people should feel more confident. Yeah, there’s the fiscal cliff but most people expect that to get resolved, or at least mostly resolved.”

The shareholders' of KIT digital (KITD-Q) were shocked to see their investment plunge by \$1.33 or 64.75% to US\$0.74 last Friday after the company said it would have to restate its financials going back to 2009 due to errors and irregularities in its financial statements.

McEwen Mining (MUX-T) shares' gained \$0.24 or 6.92% to \$3.71 last Friday on word the company may sell its Los Azules copper project in Argentina to help fund their priority gold projects.

The shares' of Molycorp (MCP-N) rose by \$1.39 or 19.23% to US\$8.62 on reports that some company executives and directors were purchasing shares of the largest rare earths producer outside of China.

Ellen Glasgow - "The only difference between a rut and a grave is their dimensions."

And then on Monday, November 26th -

The last trading week of November begins with investors watching to see last week's Black Friday market enthusiasm would spill over the current trading environment.

IBM Smarter commerce reports that the percentage of retail sales dedicated to online sales increased by 17.4% on U.S. Thanksgiving and 20.7% on Black Friday over the same days in 2011, while the size of the average order fell by 4.7% from those of one year ago.

Similarly, comScore Inc. reports that the total amount spent shopping online this Black Friday increased by at least 22% over last year to top US\$1-billion for the first time ever.

Technical analysts David Tippin & Ron Meisels - "The TSX Composite Index has lost just over one-half its June to October advance. Disappointingly for the bulls, the Toronto market has fallen below its declining 50-day moving average. The index will need to build a base near current levels to overcome the near term hurdle now posed by the recent sideways action in the low 12,000s. A move above 12,600 is needed to get Toronto on the bull-path again."

Bank of Canada Governor Mark Carney catches the country by surprise when he announces he is leaving Canada next summer to take over the same job for the Bank of England in London.

Mark Carney - "I'm going to where the challenges are greatest because I'm confident that the strengths are as deep and as broad as they are here in Canada."

Canadian Finance Minister Jim Flaherty - "I appreciate the work he has done. Mark has been a superb governor of the Bank of Canada. It's bittersweet. It's important for the world financial system that Mark is doing what he's doing."

Canada's finance Department announces that starting next year, the maximum annual Tax Free Savings Account (TFSA) contribution will increase by \$500 to \$5,500 a year.

3D Systems(DDD-N) shares' rise by \$4.81 or 11.52% to US\$46.55 when the three dimensional printer announces new models for its ProJet and CPXMax 3 3D printer lines.

The shareholders' of Africa Oil (AOI-V) surprised to see their investment plunge by \$2.12 or 19.96% to \$8.50 when the pay zone of their latest Twiga South-1 oil well in Kenya failed to meet the streets expectations.

Conversely, the shareholders' of Western Wind Energy (WND-V) are pleased to see their investment surge up by \$0.35 or 14.40% to \$2.75 when Brookfield Renewable Partners (BREP) places an unauthorized \$2.50 a share takeover bid under the stock.

John Wesley - "Do all the good you can. By all the means you can. In all the ways you can. In all the places you can. At all the times you can. To all the people you can. As long as ever you can."

Tuesday, November 27th -

Monday's rather disappointing mixed day in the markets leaves Canaccord's Morning Coffee to report a reduced 37 new 52-week trading highs to go along with 33 new 52-week lows. Some of the new highs of note include Ainsworth Lumber (ANS-T) at \$3.64, CIBC (CM-T) at \$80.31, High Liner Foods (HLF-T) at \$30.00, Mint Silver Reserves (MNS-T) at \$20.90, Pilot Gold (PLG-T) at \$2.05, Sprott Power (SPZ-T) at \$1.13, Tourmaline Oil (TOU-T) at \$34.08 and WestJet Airlines (WJA-T) at \$19.34, while some of the interesting new lows were Alderon Iron (ADV-T) at \$1.10, BNK Petroleum (BKX-T) at \$0.45, CriticalControl Solutions (CCZ-T) at \$0.21, Electrovaya inc. (EFL-T) at \$0.30, Front Street Strategic Yield (FSS-T) at \$6.74, Glacier Media (GVC-T) at \$1.62, Ivanhoe Australia (IVA-T) at \$0.45, JFT Strategies Fund (JFS.UN-T) at \$9.36, Niko Resources (NKO-T) at \$8.01, Orbit Garant Drilling (OGD-T) at \$2.08, Renaissance Gold (REN-T) at \$0.53, Surge Energy (SGY-T) at \$5.30 and Torstar Corp. (TS.B-T) at \$7.02.

Edward Jones - "We're getting some additional ingredients in the stew from Europe and everybody awaits the finalization, or not the finalization of that matter, of the Greek package - that's adding to the market jitters. The bigger issue prevailing influence on the markets is this will-they-or-won't-they out of Washington. The

markets will have to digest on a day-to-day, maybe even a minute-to-minute basis as to what the progress is towards this.”

Canaccord’s Junior Mining Weekly - “This year, similar to last year, has been a challenging, volatile one for junior mining equities. While commodity prices, in our opinion, remain at attractive levels, junior mining equities have significantly underperformed, primarily driven by the severe risk aversion driven by the current macroeconomic environment....The TSX Venture Exchange is off 26% since February 2012. This performance in 2012 followed another negative performance in 2011.”

The U.S Commerce Department reports their Consumer Confidence Index rose in November to a better than expected level of 73.7.

The closely watched S&P Case-Shiller Home Price Index increased by another 0.4% in September and are now 3.0% higher than the same month in 2011.

Bombardier Inc.(BBD.B-T) shares’ gain \$0.25 or 8.01% to \$3.37 when the world’s third largest commercial airplane maker reports that Switzerland’s VistaJet had ordered a record 56 Global business jets worth some \$3.1-billion.

The shares of Connacher Oil & Gas (CLL-T) fall by \$0.08 or 24.24%to \$0.25 when management told investors that the company’s sales process was not going as planned.

GoldQuest Mining (GQC-V) shares’ plunge by \$0.29 or 37.18% to \$0.49 when the Dominican Republic focused mineral explorer’s latest drill hole gold/copper assays from their Romero project failed to live up to investor expectations.

The shareholders’ of Ralcorp Holdings (RAH-N) were pleased to see their investment rise by \$18.57 or 26.44% to US\$88.90 when the private-label food company agrees to a US\$6.8-billion cash & debt takeover from like company ConAgra Foods (CAG-N).

Lumber gains \$11.20 to touch a new 19-month high of US\$335.30/1,000 sqft.

Michael A. Gayed - “Markets are far more powerful than central banks in the way they can destroy money faster than an overheating printing press can create it.”

Wednesday, November 28th -

Yesterday's 'show us a Fiscal Cliff agreement' negative day of trading leaves the TSX to report a further reduced 27 new 52-week trading highs and an increased 48 new lows. Five of the interesting new highs were Clearwater Seafoods (CLR-T) at \$3.19, Equitable Group (ETC-T) at \$32.80, Mint Silver Reserves (MNS-T) at \$20.95, OCP Senior Credit Fund (OSL.UN-T) at \$9.75 and RDM Corp. (RC-T) at \$1.63, while a number of the new lows of note includes Alacer Gold (ASR-T) at \$4.49, Bucking Horse Energy (BUC-T) at \$0.52, Connacher Oil & Gas (CLL-T) at \$0.25, DiagnoCure Inc. (CUR-T) at \$0.32, Geodrill Ltd. (GEO-T) at \$1.00, Mood Media (MM-T) at \$1.59, Neptune Tech & Bioresources (NTB-T) at \$2.10, PNI Digital media (PN-T) at \$0.37, Second Wave Petroleum (SCS-T) at \$0.48, Vena Resources (VEM-T) at \$0.13 and Wilmington Capital Management (WCM.A-T) at \$2.20.

MacDougall, MacDougall and MacTier - "Overall, people are just risk averse - until we get some sort of a Fiscal Cliff deal it's probably going to stay this way. The longer we wait, the more uncertainty this means. Businesses clampdown, they don't expand, they don't go higher."

Notley's Notes - "Intermediate downtrends are processing as they naturally do with leaders maturing out of Down 'D' phase and entering Terminating 'T' phase. Utilities led that decline and entered 'T' phase in meaningful numbers in late September, having first originated their intermediate decline in early August. Energy sector is the latest entrant into 'T' phase. All sectors are likely to be heavily concentrated in 'T' phase before their full intermediate downtrend is complete. That is likely to come at the time of the next short term bottom, expected from late December on."

Astur Gold (AST-V) shares' surge up by \$0.36 or 50.0% to \$1.08 when the company reports the Spanish government has issued the company the key Environment Impact Statement for their Salave gold project in Spain that gives them the right to proceed toward production.

The shareholders' of Costco wholesale (COST-Q) are pleased to see that their company has declared a special \$7-a-share special dividend.

The shares' of Inmet Mining (IMN-T) rise by \$9.20 or 17.42% to \$62.00 when the company receives an unauthorized \$4.9-billion takeover proposal from fellow miner First Quantum Minerals (FM-T).

Poseidon Concepts (PSN-T) shares' plunge by \$1.22 or 23.11% to \$4.06 on word of pending class action lawsuits against the company and its officers and directors regarding false or misleading financial statements.

Lumber gains another \$22.70 to again reach another 19-month high of US\$341.30/1,000 sqft.

The NASDAQ Exchange improves by 20-points to once again rise above 3,000 to end the day at 3,012.

Charles F. Kettering - "Research is an organized method of trying to find out what you are going to do after you cannot do what you are doing now."

Thursday, November 29th -

Wednesday's 'let's just dwell on the economy' market bounce back still leaves the TSX to report a lesser 20 new 52-week trading highs to go along with an increased 57 new 52-week trading lows. Four of the new highs of interest include Artek Exploration (RTK-T) at \$3.27, C.A. Bancorp (BKP-T) at \$3.11, Exco Technologies (XTC-T) at \$5.32 and West Fraser Timber (WFT-T) at \$67.69, while a mix of the new lows of note were Aurizon Mines (ARZ-T) at \$3.61, Burcon NutraScience (BU-T) at \$3.85, Centamin Pic (CEE-T) at \$0.87, Dundee Energy (DEN-T) at \$0.28, Equity Financial Holdings (EQI-T) at \$7.25, Gryphon Gold (GGN-T) at \$0.07, Int'l. Tower Hill Mines (ITH-T) at \$2.05, Kirkland Lake Gold (KGI-T) at \$9.05, Lake Shore Gold (LSG-T) at \$0.72, Migao (MGO-T) at \$1.50, NexJ Systems (NXJ-T) at \$3.91, Pengrowth Energy (PGF-T) at \$4.98, Strad Energy (SDY-T) at \$3.30 and Walter Energy (WLT-T) at \$28.00.

Mackenzie Financial - "People who anticipate a fiscal cliff resolution prior to year-end are being optimistic because right off the bat, many of the legislators don't really see themselves as having a mandate since they have been defeated. The most likely case is that they establish the framework for an agreement and they announce some sort of a barebones of that framework prior to year-end with the expectation that by the end of January or early February, a detailed plan would be put in place."

Technical analyst Ron Meisels - "Yesterday was an important day that suggested the end of a period and the beginning of another; a signal for a turnaround. The Dow declined by 113-points in the first hours of trading but turned and ended the day 107-points ahead. Similarly, the TSX Composite started the day with a 108-point loss and closed with a 28-point gain. This turnaround suggests an event known as 'selling climax'...This signal suggests the end of the decline which has been in effect since September 14th and the potential beginning a Christmas or year-end rally."

The U.S. Commerce Department reports their Gross Domestic Production (GDP) grew in the 3rd quarter by 2.7%.

Americas Petrogas (BOE-V) shares' gain \$0.08 or 5.00% to \$1.68 when the petroleum explorer reports an oil discovery from a well drilling its Vaca Muerta formation in Argentina's Neuquen basin.

The shares' of La-Z-Boy (LZB-N) fall by 1.57 or 9.71% to US\$14.60 when the reclining chair company's 2nd quarter financials fail to meet the streets expectations.

Similarly, the shares' of Tiffany & Co. (TIF-N) drop by \$3.93 or 6.17% to US\$59.80 when the high end diamond jeweler's 3rd quarter financials failed to meet analyst expectations.

Lumber gains \$24.20 to touch another 19-month high of US\$342.30/1,000 sqft.

Malcolm Forbes - "If you have a job without aggravation, you don't have a job."

Friday, November 30th, Short Strokes –

Yesterday's upbeat day in the markets leaves the TSX to report an increased 35 new 52-week trading highs and a reduced 45 new lows. Some of the notable new highs were AltaGas Ltd. (ALA-T) at \$34.50, Big Rock Brewery (BR-T) at \$14.65, Danier leather (DL-T) at \$12.70, Equitable Group (ETC-T) at \$32.81, Guardian Capital Group (GCG-T) at \$11.51, International Forest Products (AFP.A-T) at \$7.35, Parkland Fuel (PKI-T) at \$17.92 and Vermillion Energy (VET-T) at \$50.28, while some of the notable new lows include Discovery Air (DA.A-T) at \$2.61, Exeter Resource Corp. (XRC-T) at \$1.23, Ivanhoe Energy (IE-T) at \$0.44, Lupaka Gold (LKP-T) at \$0.35, Madison Pacific Properties (MPC-T) at \$2.72, Poseidon Concepts (PSN-T) at \$3.73, Reitmans (Canada) (RET-T) at \$11.50, Strateco Resources (RSC-T) at \$0.18 and Theratechnologies Inc. (TH-T) at \$0.25.

The Finance Department reports that 8.2-million Canadians now have Tax Free Savings Accounts (TFSA) and that about 2.5-million of those made the maximum contribution in 2011.

Centaline Property Agency Ltd. Reports that an automobile parking spot in the exclusive Repulse Bay area of Hong Kong recently sold for a record \$387,000.

Spectra Energy Transmission West - "By shifting 25% of current energy use from coal to natural gas, Canada and the U.S. could meet their national emissions reduction targets."

Canadian Federation of Agriculture – "The average farm in Canada produces enough food to feed 120 people every day.

Starbucks (SBUX-Q) is now marketing a \$9 cup of specialty coffee.

Canaccord's Debbie Lewis - "I live in fear of accidentally hearing a Justin Bieber song...and liking it."

For the Week-

The DJIA gained 15-points to 13,025, the S&P 500 gained 7-points to 1,416, the TSX gained 26-points to 12,239, the NASDAQ gained 43-points to 3,010 and the JVX lost 38-points to 1,221.

Gold lost \$34.80 to \$1,716.60, Silver lost \$0.68 to \$33.53, Crude Oil gained \$0.62 to \$88.88, Natural Gas lost \$0.45 to \$3.58 and Copper gained \$0.11 to \$3.65.

The CRB Commodities Index followed base metals, crude oil and soft commodities higher to gain 5.01-points to end the week at 482.21.

The Canadian dollar lost \$0.11-cents against its American counterpart to close the week at US \$1.0066 and the Euro lost \$0.31-cents against the greenback to end the week at US \$1.3005.

And Finally -

With the ever increasing amount of online shopping, it is of interest to see that according to Robert Half Technology, the percentage of companies that block their employees from accessing online shopping sites has dropped in the past year from 57% to just 32%.

Interesting times.....and thanks.

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