



March 08, 2010

Canadian Research Review And Common Stock Universe



All figures in Canadian dollars, unless otherwise stated.

10-101612 © 2010

CIBC World Markets does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report.

Investors should consider this report as only a single factor in making their investment decision.

See "Important Disclosures" section at the end of this report for important required disclosures, including potential conflicts of interest.

See "Price Target Calculation" and "Key Risks to Price Target" sections at the end of this report, or at the end of each section hereof, where applicable.

CIBC World Markets Inc.

Table Of Contents

In This Issue

Institutional Conferences	3
Index Of Companies	4
Economics	6
New Issue Update.....	13

Stats & Estimates By Sector

Business & Professional Services	16
Business Trusts	19
Chemicals & Fertilizers	20
Communications & Media.....	22
Financial Institutions -	
Canadian Asset Managers & Canadian Property & Casualty Companies	25
Industrial Products	
Alternative Energy	26
Auto Parts Suppliers.....	27
Capital Equipment.....	28
Steel	29
Merchandising & Consumer Products.....	32
Mining	
Metals & Minerals.....	34
Mining Services	35
Precious Metals.....	37
Precious Metals - Silver.....	38
Oil & Gas	
Energy Equipment & Services.....	40
Junior E&P Producers	42
Royalty Trusts/Dividend Corps.....	42
Paper & Forest Products	44
Pipelines, Utilities & Power.....	46
Railroads	48
Real Estate	50
Technology	
Hardware.....	53
Software.....	54
Telecommunications & Cable Services	56

Institutional Conferences

Date	Conference	Conference Location
April 8	15 th Annual North American Real Estate Equities Conference	Toronto, ON
April 20-21	Energy Conference	Toronto, ON

For further information on these upcoming conferences, please contact your CIBC World Markets Inc. institutional sales representative.

This schedule is subject to change.

Index Of Companies

Symbol	Company	Rating	Page	Symbol	Company	Rating	Page	Symbol	Company	Rating	Page
VNP	5N Plus, Incorporated	SO	30	CUQ	Churchill Corporation	SO	17	HR.UN	H&R REIT	SO	51
ABWTQ	AbitibiBowater Inc.	R	45	CIX	CI Financial Corp.	SP	25	HF	Hanfeng Evergreen Inc.	SP	21
ARE	Aecon Group Inc.	SO	17	CGX.UN	Cineplex Galaxy Income Fund	SO	23	HL	Hecla Mining Company	SU	39
AFN	Ag Growth International Inc.	SO	21	CRJ	Claude Resources Inc.	SU	39	HBM	HudBay Minerals Inc.	SO	35
AGF.B	AGF Management Limited	SO	25	CDE	Coeur d'Alene Mines Corp.	SO	39	IAG	IAMGOLD Corporation	SO	39
AEM	Agnico-Eagle Mines Limited	SP	39	CCA	Cogeco Cable Inc.	SO	57	IBG.UN	IBI Income Fund	SO	17
AGU	Agrium Inc.	SP	21	CGO	Cogeco Inc.	SP	23	IGM	IGM Financial Inc.	SP	25
AGI	Alamos Gold Inc.	SO	39	CDV	COM DEV International Ltd.	SO	55	IMN	Inmet Mining Corporation	SP	35
AMC	Alexis Minerals Corporation	SO*	39	CUF.UN	Cominar Real Estate Investment Trust	SP	51	IEF.UN	Innergerx Power Income Fund	SO	30
ATD.B	Alimentation Couche-Tard Inc.	SP	33	CLM	Consolidated Thompson Iron Mines Ltd.	SP	35	INE	Innergerx Renewable Energy Inc.	R	30
AP.UN	Allied Properties REIT	SO	51	CSU	Constellation Software Inc.	SO	55	INN.UN	InnVest REIT	SP	51
ALA.UN	AltaGas Income Trust	SP	47	CJR.B	Corus Entertainment Inc.	SP	23	IFC	Intact Financial Corp.	SP	25
AIF.UN	Altus Group Income Fund	SO	51	COT	Cott Corporation	SO	33	IPL.UN	Inter Pipeline Fund, L.P.	SO	47
AND	Andean Resources Ltd.	SO	39	CRR.UN	Crombie REIT	SO	51	IFP.A	International Forest Products Limited	SO	45
AXL	Anderson Energy Ltd.	SO	42	DSA	DALSA Corporation	SP	53	IVN	Ivanhoe Mines Ltd.	SP	35
NGL	Angle Energy Inc.	SO	42	DHF.UN	Davis + Henderson Income Fund	R	19	JBL	Jabil Circuit, Inc.	SP	53
ARF.UN	Armtec Infrastructure Income Fund	SO	19	DML	Denison Mines Corp.	SP	35	PJ.C.A	Jean Coutu Group (PJC) Inc.	SO	33
AX.UN	Artis Real Estate Investment Trust	R	51	DSGX	Descartes Systems Group Inc.	SP	55	JE.UN	Just Energy Income Fund	SO	19
ACM.A	Astral Media Inc.	SO	23	DOL	Dollarama Inc.	SO	33	KMP	Killam Properties Inc.	R	51
ACO.X	Atco Ltd.	SP	47	UFS	Domtar Corp.	SP	45	KGC	Kinross Gold Corporation	SP	39
ATA	ATS Automation Tooling Systems Inc.	SP	30	DWI	DragonWave Incorporated	SO	53	LIF.UN	Labrador Iron Ore Royalty Income Fund	SP	35
ARZ	Aurizon Mines Ltd.	SO	39	D.UN	Dundee REIT	R	51	LNR	Linamar Corporation	SP	30
BIM	Baffinland Iron Mines Corporation	SO*	35	EGO	Eldorado Gold Corporation	SO	39	L	Loblaw Companies Limited	SO	33
BAN	Bannerman Resources Ltd.	SO	35	EMA	Emera Inc.	SP	47	LPX	Louisiana-Pacific Corp.	SP	45
ABX	Barrick Gold Corporation	SP	39	EMP.A	Empire Company Limited	SO	33	MDA	MacDonald, Dettwiler and Assoc. Ltd.	SP	17
BCE	BCE Inc.	SP	57	ENB	Enbridge Inc.	SO	47	MGA	Magna International Inc.	SO	30
BA.UN	Bell Aliant Regional Comm. IF	SP	57	EDR	Endeavour Silver Corp.	SP	39	MDI	Major Drilling Group International Inc.	SP	35
BDT.UN	Bird Construction Income Fund	SP	17	ESI	Ensign Energy Services Inc.	SP	41	MBT	Manitoba Telecom Services Inc.	SP	57
BEI.UN	Boardwalk REIT	SP	51	EQN	Equinox Minerals Limited	SO	35	MN	March Networks Corp.	SO	53
BPP	BPO Properties Ltd.	SO	51	EET	Etruscan Resources Inc.	SP	39	MRE	Martinrea International Inc.	SO	30
BWC	Bridgewater Systems Corp.	SP	55	EXE.UN	Extencicare REIT	SP	51	MCG	Melco China Resorts	SP*	51
BAM	Brookfield Asset Management	SO	51	FTT	Finning International Inc.	SP	30	ML	Mercator Minerals Ltd.	SO	35
BPO	Brookfield Properties Corporation	SP	51	FCR	First Capital Realty Inc.	SO	51	MERC	Mercer International Inc.	SP	45
BRE.UN	Brookfield Real Estate Services Fund	SO	19	FR	First Majestic Silver Corp.	SP	39	MEOH	Methanex Corporation	SO	21
BRC.UN	Brookfield Renewable Power Fund	SP	30	FM	First Quantum Minerals Ltd.	SO	35	MRU.A	Metro Inc.	SO	33
CFW	Calfrac Well Services Ltd.	SP	41	FSV	FirstService Corporation	SP	17	MGO	Migao Corporation	SO	21
CWT.UN	Calloway REIT	SO	51	FLEX	Flextronics International Ltd.	SP	53	MFL	Minefinders Corporation Ltd.	SO	39
CCO	Cameco Corporation	SP	35	FES	Flint Energy Services Ltd.	SO	41	MDM	Mineral Deposits Limited	SO	39
CAR.UN	Canadian Apartment Properties REIT	SU	51	FNX	FNX Mining Company Inc.	SO	35	MT	Miranda Technologies Inc.	SP	53
CNR	Canadian National Railway Co.	SO	49	FAR	Foraco International SA	SP	35	MRT.UN	Morguard REIT	SU	51
CP	Canadian Pacific Railway Ltd.	SP	49	FCE.UN	Fort Chicago Energy Partners, L.P.	SP	47	MSD	MOSAID Technologies Incorporated	SO*	53
REF.UN	Canadian REIT	SP	51	FTS	Fortis Inc.	SO	47	MTL	Mullen Group	SO	41
CTC.A	Canadian Tire Corporation, Ltd.	SP	33	FVI	Fortuna Silver Mines Inc.	SO	39	NGD	New Gold Inc.	SP	39
CU	Canadian Utilities Ltd.	SP	47	FNV	Franco-Nevada Corporation	SO	39	NML	New Millennium Capital Corp.	SO*	35
CUS.UN	Canexus Income Fund	SP	21	GAM	Gammon Gold Inc.	SP	39	NAL	Newalta Inc.	SP	41
CFP	Canfor Corporation	SP	45	GMO	General Moly, Inc.	SO	35	NEM	Newmont Mining Corporation	SP	39
CFX.UN	Canfor Pulp Income Fund	SP	45	GWJ	Genesis Worldwide Inc.	SU	17	NBD	Norbord Inc.	SO	45
CS	Capstone Mining Corporation	SO	35	GNV.UN	GENIVAR Income Fund	SO	17	NRTLQ	Nortel Networks Corporation	SU	53
CAS	Cascades Inc.	SP	45	GND	Gennum Corporation	SU	53	NOA	North American Energy Partners	SP	30
CTL	Catalyst Paper Corporation	SP	45	MIC	Genworth MI Canada Inc.	SO	25	NWF.UN	North West Company Fund	SO	33
CET	Cathedral Energy Services	SP	41	WN	George Weston Limited	SO	33	NPR.UN	Northern Property REIT	SP	51
CLS	Celestica Inc.	SO	53	GNA	Gerdau Ameristeel Corp.	SO	31	NXG	Northgate Minerals Corporation	SO	39
CG	Centerra Gold Inc.	SP	39	GIL	Gildan Activewear Inc.	SP	33	NUE	Nucor Corporation	SU	31
GIB.A	CGI Group Inc.	SO	17	GS	Gluskin Sheff + Associates Inc.	SO	25	OCX	Onex Corporation	SO	51
CRH.UN	Charter Real Estate Investment Trust	SP	51	GLW	Gold Wheaton Gold Corp.	SP	39	OTEX	Open Text Corporation	SO	55
CSH.UN	Chartwell Seniors Housing REIT	SP	51	GG	Goldcorp Inc.	SO	39	OGD	Orbit Garant Drilling Inc.	SO	35
CHE.UN	Chemtrade Logistics Income Fund	SO	21	AER	Groupe Aeroplan Inc.	SO	33	ORE	Orezone Gold Corporation	SP	39

Symbol	Company	Rating	Page	Symbol	Company	Rating	Page	Symbol	Company	Rating	Page
PDN	Paladin Energy Ltd.	SO	35	TIH	Toromont Industries	SP	41				
PAAS	Pan American Silver Corp.	SO	39	TS.B	Torstar Corporation	SP	23				
PSI	Pason Systems Inc.	SP	41	TOT	Total Energy Services	SO	41				
PIF.UN	Pembina Pipeline Income Fund	SP	47	TA	TransAlta Corporation	SP	47				
PHX.UN	Phoenix Technology Income Fund	SP	41	TRP	TransCanada Corp.	SO	47				
POT	Potash Corporation	SP	21	TCL.A	Transcontinental Inc.	R	23				
PD.UN	Precision Drilling Trust	SO	41	TCW	Trican Well Service Ltd.	SP	41				
PMZ.UN	Primaris Retail REIT	SO	51	TDG	Trinidad Drilling Ltd.	SO	41				
PVE.UN	Provident Energy Trust	SP	42	TVA.B	TVA Group Inc.	SP	23				
QUA	Quadra Mining Ltd.	R	35	UEC	Uranium Energy Corp.	SO	35				
QBR.B	Quebecor Inc.	SP	23	UUU	Uranium One Inc.	R	35				
RBI	Red Back Mining Inc.	SO	39	VCM	Vecima Networks	SO	53				
RDL	Redline Communications Inc.	SP	53	VIC.UN	Vicwest Income Fund	SP	19				
RIMM	Research In Motion Limited	SO	53	VT	Viterra Inc.	SP	21				
RMM.UN	Retrocom Mid-Market REIT	SP	51	WFT	West Fraser Timber Co. Ltd.	SO	45				
REI.UN	RioCan REIT	SO	51	WPT	Westport Innovations Inc.	SP	30				
RBA	Ritchie Bros Auctioneers	SU	30	WTE.UN	Westshore Terminals Income Fund	SP	19				
RCI.B	Rogers Communications Inc.	SO	57	WRK.UN	Whiterock Real Estate Investment Trust	SO*	51				
RON	RONA Inc.	SP	33	WIN	Wi-LAN Inc.	SO*	53				
RGLD	Royal Gold, Inc.	SP	39	AUY	Yamana Gold Inc.	SU	39				
RYL.UN	Royal Host REIT	SU	51	YLO.UN	Yellow Pages Income Fund	SO	23				
RCM	RuggedCom Inc.	SO	53								
RUS	Russel Metals Inc.	SU	31								
SVC	Sandvine Corporation	SO	53								
SANM	Sanmina-SCI Corporation	SP	53								
SAP	Saputo Inc.	SP	33								
SVY	Savanna Energy Services Corp.	SP	41								
SRQ.UN	Scott's Real Estate Investment Trust	SP	51								
SDC	Seacliff Construction Corporation	SO	17								
SMF	Semafo Inc.	SO	39								
SFK.UN	SFK Pulp Fund	SP	45								
SJR.B	Shaw Communications Inc.	SO	57								
SC	Shoppers Drug Mart Corporation	SP	33								
SWIR	Sierra Wireless Inc.	SO	53								
SSRI	Silver Standard Resources Inc.	SU	39								
SLW	Silver Wheaton Corp.	SO	39								
SVM	Silvercorp Metals Inc.	SP	39								
TRE	Sino-Forest Corporation	SP	45								
SNC	SNC-Lavalin Group Inc.	SO	17								
SE	Spectra Energy Corp	SP	47								
SII	Sprott Inc.	SP	25								
STN	Stantec Inc.	SP	17								
SPB	Superior Plus Corp.	R	19								
SXP.UN	Supremex Income Fund	SP	45								
TKO	Taseko Mines Limited	SO	35								
TCK.B	Teck Resources Limited	SO	35								
T	TELUS Corporation	SO	57								
TMB	Tembec Inc.	SU	45								
TGO	TeraGo Inc.	SP	57								
FGL	The Forzani Group Ltd.	SO	33								
MOS	The Mosaic Company	SP	21								
TCM	Thompson Creek Metals Company, Inc.	SP	35								
THI	Tim Hortons, Inc.	SP	33								
TWF.UN	TimberWest Forest Corp.	SP	45								

Share prices, estimates, price targets and ratings in this report are as of March 3. Our latest research, published since this report was priced, is available on the CIBC World Markets Inc. Equity Research web site, <http://researchcentral.cibcwm.com/>.

SO – Sector Outperformer: Stock is expected to outperform the sector during the next 12–18 months; SP – Sector Performer: Stock is expected to perform in line with the sector during the next 12–18 months; SU – Sector Underperformer: Stock is expected to underperform the sector during the next 12–18 months; NR – Not Rated; R – Restricted; * – Speculative

Economics

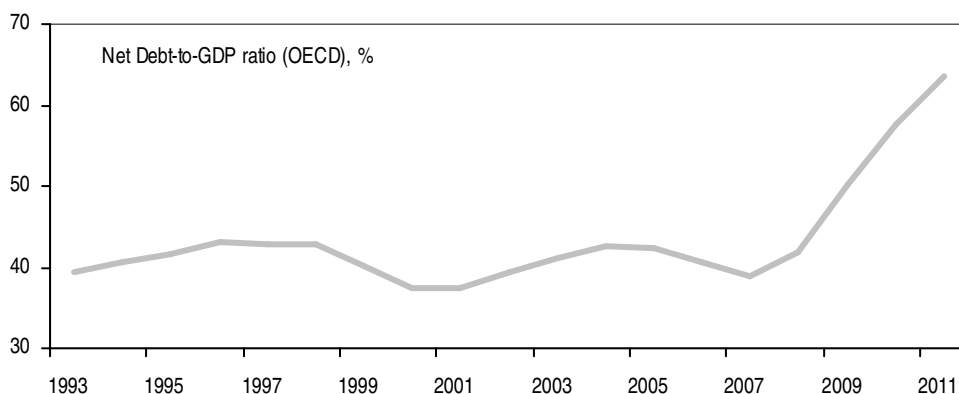
Avery Shenfeld, Toronto (416) 594-7356

Meny Grauman, Toronto (416) 956-6527

Deny, Default Or Deleverage: The Drag Of Government Debt

The Greek debt tragedy remains center stage in the financial press, but its prominence is more a function of timing than scale. After all, its economy is less than a quarter the size of Mexico's – hardly large enough to derail the budding economic recovery in Europe, let alone in the U.S. or the rest of the world. Athens' debt troubles gained notoriety simply because they hit near-crisis stage first, not because they are very significant in their own right. In fact, Greece's fiscal woes are somewhat of a Trojan horse, seemingly innocuous in and of themselves, but hiding a much more potent, and widespread, public indebtedness problem ahead (see Exhibit 1).

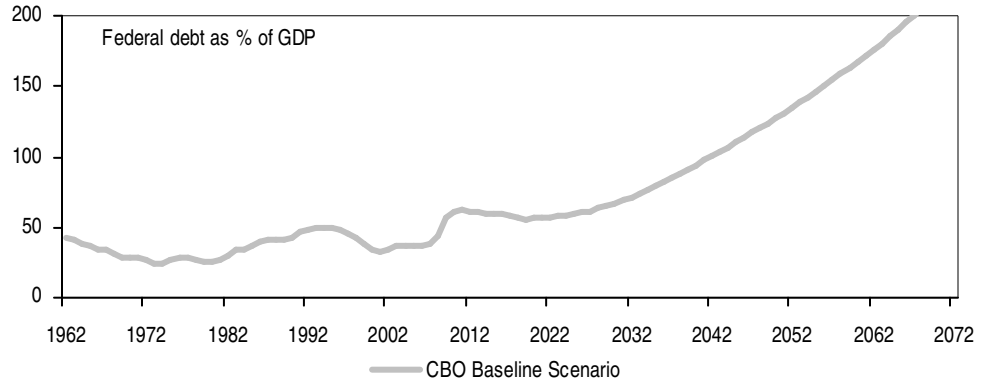
Exhibit 1. Surging OECD Net Debt Levels



Source: OECD and CIBC World Markets Inc.

True, some of that increase was nothing more than a temporary policy response to the last recession. But even excluding stimulus spending and the recession's tax base hit, government indebtedness faces longer-term pressures in most mature economies as rapidly aging populations lay a growing claim on the public purse strings. The reality is that the current pace of public borrowing in many jurisdictions is unsustainable, and that a period of significant belt-tightening is in order.

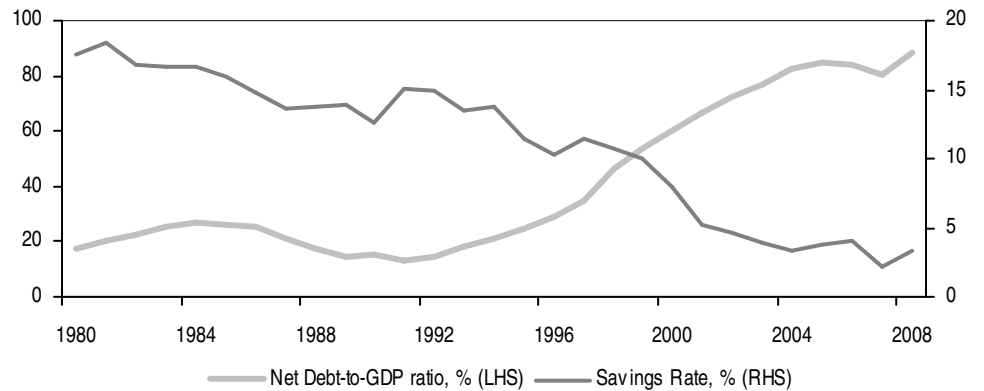
Exhibit 2. U.S. Debt-to-GDP Ratio – CBO Estimates



Source: CBO and CIBC World Markets Inc.

Take the U.S., for example, where the debt-to-GDP ratio is set to rise parabolically over the coming decades under the CBO’s base-case assumptions, primarily due to run-away health spending and rising social security outlays (see Exhibit 2). Meanwhile, Japan is sitting on a demographic time bomb of its own, with the fiscal results to prove it. As in the U.S., Tokyo hasn’t felt the bond market wrath needed to compel action, particularly during a long period of sub-par growth. But at some point, a fiscal belt-tightening is coming. Its debt-to-GDP ratio had been on a steady incline, but Japan no longer has the lofty household savings rate it once relied on to easily fund debts domestically (see Exhibit 3). The story is similar across the OECD as existing tax bases shrink and spending grows.

Exhibit 3. Japan No Longer Self-financing



Source: IMF and CIBC World Markets Inc.

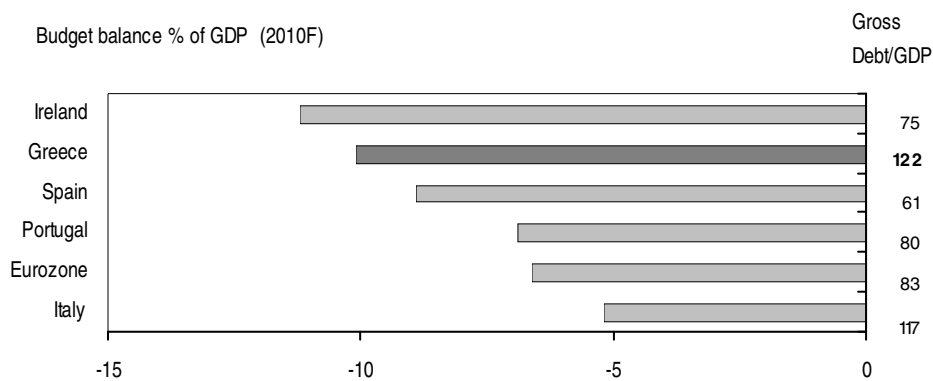
For some of the worst budget offenders, outright default on their sovereign debt might be the only way out of their long-term fiscal morass, but for most countries the way forward lies in budget austerity. Investors’ fears may still be focused on an impending widespread debt crisis, but what markets should be more concerned about is the economic risk that government deleveraging and Spartan budgets across the globe pose to a still-fragile economic recovery.

Dominos And Default

A default was the proximate risk for Greece, where politics makes fiscal austerity a challenge (Greece has failed to deliver on EU budget targets for many years), and where technical default through inflationary money printing isn't an option due to euro membership. In terms of near-term default risks, the domino theory has historical precedent. After all, defaults tend to cluster, as was seen in Latin America in the early 1980s and Eastern Europe in the 1990s. And while Greece is a tiny economy, Thailand isn't exactly huge, and its baht plunge marked the start of a larger Asian crisis in the late 1990s.

The threat of contagion in Europe though is still low, both due to political considerations on the part of the EU as a whole, and the wide fiscal performance gap between Greece and some of the other so-called "PIIGS" economies (see Exhibit 4). While Greece could plausibly reach for the default parachute if domestic politics prevent the implementation of deep spending cuts or tax hikes (as well as increased enforcement), that isn't yet a serious risk elsewhere in the eurozone. Across the Channel, or across the Atlantic, deficits aren't far from Greek levels in both the U.S. and the U.K. But debt-to-GDP levels are still below where Canada's stood in the 1990s, and the debt is owed in domestic currency. There are cases of domestic currency debt restructurings that amounted to technical defaults, most recently in Jamaica. But that's not a realistic scenario for major economies over the next few years.

Exhibit 4. How The PIIGS Stack Up

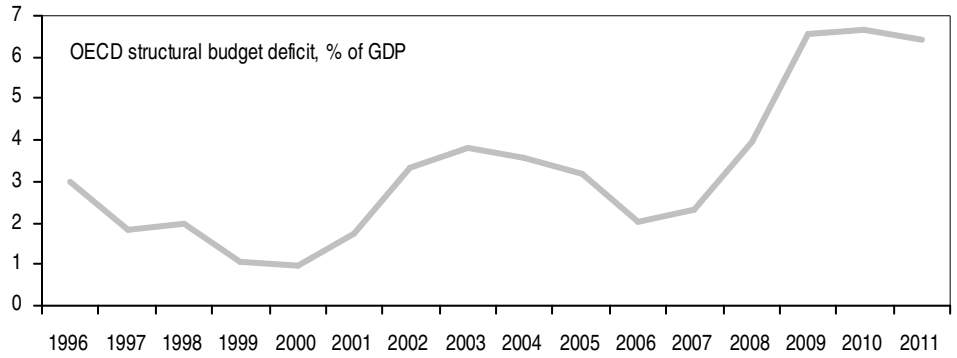


Source: European Commission and CIBC World Markets Inc.

The Hard Way Out

Government debts are on an unsustainable path in the U.S., Japan and many parts of Europe and default is not a viable solution. Growth alone will also not resolve things, especially since this recovery will be slower than normal across most of the globe. At the same time structural deficits – those which by definition would remain even upon a return to full employment – are now over 6% of GDP for the OECD as a whole, after averaging less than 2.5% for the 10 years prior to the last recession (see Exhibit 5).

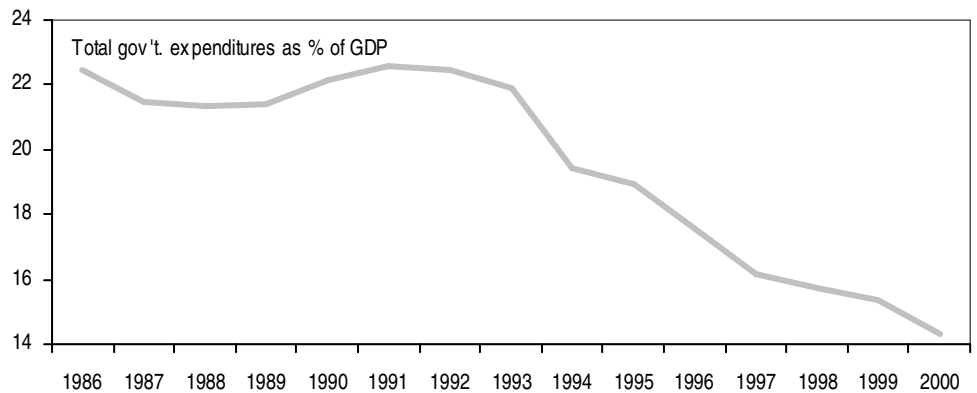
Exhibit 5. Structural Budget Deficits To Remain High



Source: OECD and CIBC World Markets Inc.

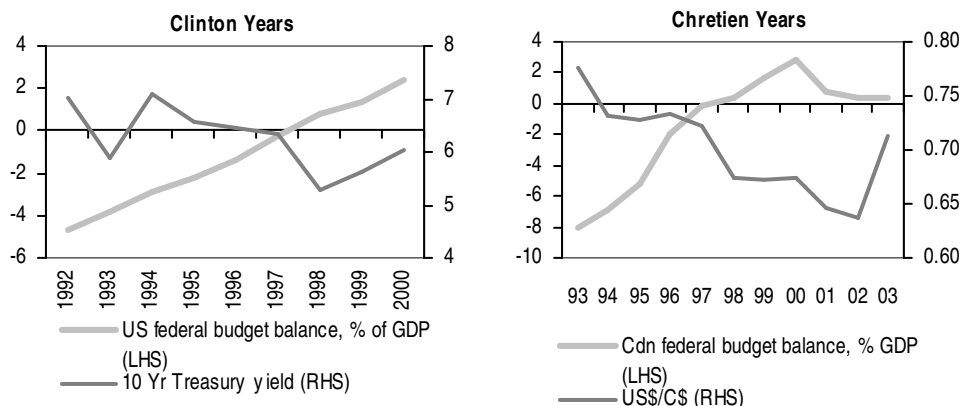
In the 1990s governments in Canada and the U.S. wrestled down deficits through a combination of spending constraints and tax increases. The Clinton era success was helped along by PAYGO legislation that predated that Administration. Canada’s fiscal house was put in order through a sharp reduction in federal spending as a share of GDP (see Exhibit 6) and a number of revenue-raising measures, including a steep increase in funding for the CPP. However, the Chrétien and Clinton Administrations’ efforts were aided by an offsetting, stimulative easing in monetary conditions. Lower bond yields under Clinton allowed capital spending to pick up (abetted by a tech spending boom that went to excess), while in Canada, the ease in monetary conditions was largely accomplished through a currency depreciation that lifted Canada’s share of North American factory employment (see Exhibit 7).

Exhibit 6. CDA Wrestled Down Government Spending In The 1990s



Source: Statistics Canada.

Exhibit 7. Favorable Monetary Conditions Eased Pain From Earlier Restraint



Source: Bloomberg, CBO, Department of Finance, and CIBC World Markets Inc.

The trouble is that neither of these tactics will work as well in the current era. All of the highly indebted countries can't resort collectively to currency devaluation – that leaves too few currencies to be appreciating against them. And export growth will be collectively hampered by fiscal tightening in each country's trading partners, something neither Canada nor the U.S. faced in these earlier periods, when fiscal tightening took place in an era of healthy global growth. Central banks *can* take a slower-than-normal approach to rate hikes, but there isn't room for the sort of bond market yield dive that rewarded fiscal restraint in the 1990s.

The Easy Way Out

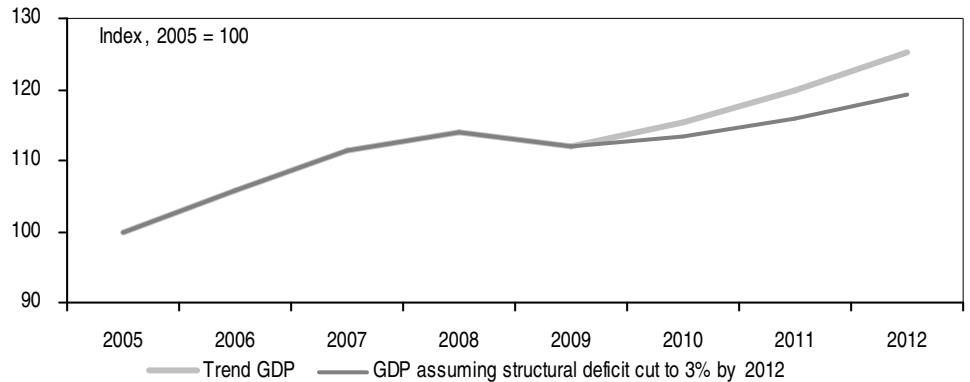
One seemingly easy route to deleveraging is high inflation, which was used to great effect by the U.S. after WWII and again during the Korean War, as well as by both Italy and Greece in the late 1970s, and Poland and Romania in the 1990s. And although that's a recipe that central bankers will, at this point, deny they have any intent to use, some sober economic thinkers are already advocating such a step. Ken Rogoff, former Chief Economist of the IMF, called for the U.S. to aim at substantially higher inflation rates. That would not only help nominal GDP outgrow the government debt burden, but would also give a lift to house prices, helping the 10 million households now in negative equity positions on their homes. The current IMF chief economist, Olivier Blanchard, has a different reason for raising the inflation target: it implies higher interest rates during good times, leaving more room for easing in subsequent recessions, thereby avoiding the messy need for quantitative easing.

However, at this point, the inflation card, while attractive, doesn't seem the most likely outcome. After all, peripheral eurozone countries don't have that option (being locked into the common currency), and the ECB seems unwilling to abandon strict inflation targeting. Bernanke himself has advocated inflation targets, and Japan has demonstrated its unwillingness to aggressively print money even while it was trapped in deflation. Meanwhile, it is questionable whether investors could be fooled by a stealth inflation policy for long enough to make any real difference on national debt loads before they sent rates sky high.

Denial And Delay

Lacking that room for a monetary offset, a wave of belt-tightening across the G7 in particular will have to be accomplished the old-fashioned way – through fiscal restraint – which will have material negative economic repercussions. In fact, if G7 governments were to collectively aim to bring down their budget deficits to 3% of GDP by 2012, then that would entail a drag worth roughly 2% of GDP per year (see Exhibit 8).

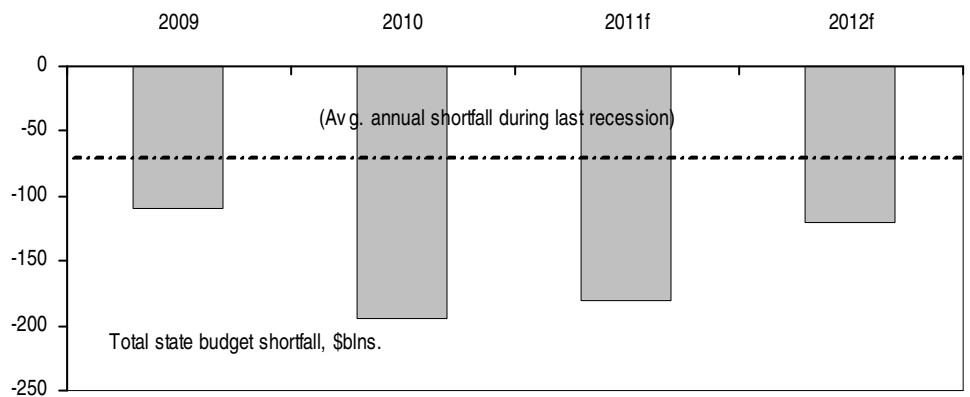
Exhibit 8. Getting Back To 3% Deficit Target Would Have An Impact On G7 GDP



Source: IMF, OECD and CIBC World Markets Inc.

Fiscal sustainability is still a number of years away for many developed economies. Nevertheless, even without grand political compromises some form of fiscal tightening will commence by 2011, due to the gradual drop-off in existing stimulus measures, complemented in the U.S. case by cuts by state governments – which collectively must tackle a projected \$180 billion budget gap for the 2011 fiscal year (see Exhibit 9). That will most certainly have a sizeable impact on GDP, and stand as a larger economic risk in 2010 and 2011 than the threat of significant sovereign default.

Exhibit 9. State Budget Shortfalls A Big Economic Drag

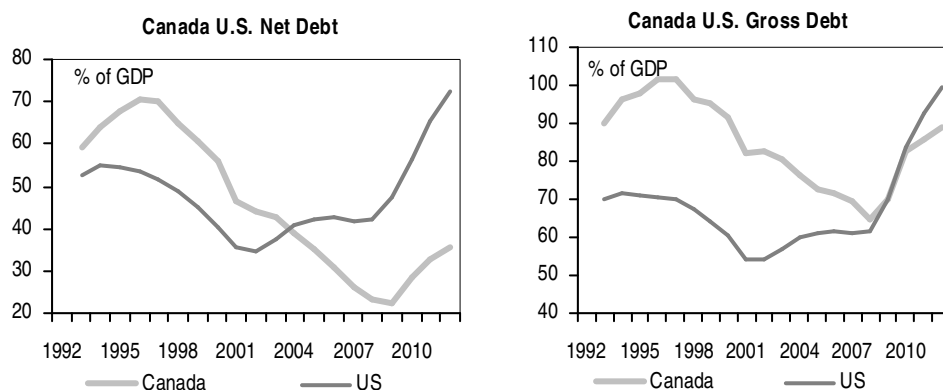


Source: CBPP and CIBC World Markets Inc.

Canada: Not Immune

Self-congratulatory Canadians have pointed to their lower deficit burden and quite modest federal debt loads. Even throwing in the provinces, net debt looks tame relative to other jurisdictions. But gross debt, which does have some impacts on the ability of the market to absorb additional bond supply, is not far out of line with that of the U.S. when the provinces are also included (see Exhibit 10).

Exhibit 10. Comparing Canada And U.S. Debt Ratios



Source: OECD.

But fiscal belt-tightening is expected to begin in earnest here as well come 2011, as the federal government's stimulus dollars run dry, and provinces begin to get their own fiscal houses in order. So far, provinces that have delivered budgets to date have not emphasized near-term retrenchment in the face of a still-shaky recovery, but have clearly reaffirmed a commitment to fiscal restraint in the coming years.

Simply, the expiry of stimulus measures will subtract roughly 2%-pts from GDP growth in 2011, and Canada will also be vulnerable to a slowdown in global growth due to fiscal tightening in other jurisdictions as well. All of that adds up to a go-slow approach to Bank of Canada rate hikes over the course of this expansion as policy makers keep a close eye on fiscal developments at home and across the globe.

New Issue Update

Toronto

Roman Dubczak, Toronto (416) 594-7015
Scott Smith, Toronto (416) 594-7750
Daniel Nowlan, Toronto (416) 956-6261
Michelle Khalili, Toronto (416) 594-7190
Tyler Swan, Toronto (416) 956-3731
Joe Kostandoff, Toronto (416) 594-7915
Valerie Tan, Toronto (416) 956-3976

New York

Julie Harbey (212) 856-3731

Equity Issuance Activity

All figures in Canadian dollars, unless otherwise stated.

For the month of February 2010, Canadian equity new issuance volume totaled \$3.3 billion across almost 50 deals. North American equity markets saw a rebound in February, erasing some of January's losses, with most indices closing nearly flat on a year-to-date basis. While the S&P/TSX was down 1.0% year to date at month-end, the majority of Canadian index stocks were still trading above their 200-day moving averages. Investors also continued to deploy excess cash into equity market investments. Canadian investable cash levels have declined 30% since peaking in March 2009, yet remain elevated when compared to historical norms. Investors have now become increasingly more comfortable with a higher level of equity risk in their portfolios and are solving for a low interest rate environment, which has driven demand for higher-yielding equity securities.

Despite a strong start to the year, this month's new issue volume represented a 40% decrease from that of February 2009 due to the absence of a number of the large "re-capitalization" deals launched in the depths of the market crisis last year. New equity raised in the Canadian market continues to be dominated by yield-oriented product and resource-based offerings. Two small IPOs were priced in the month of February, the first IPOs priced in 2010. **Rio Novo Gold Inc.** raised \$40 million in units and **ISE Limited** (ISE-TSX) raised \$20 million in common shares. **Athabasca Oil Sands** filed a prospectus this month for a \$750 million IPO of common shares. Notable transactions during the month included **Progress Energy Resources'** (PRQ-TSX) \$250 million subscription receipt offering. Concurrent with this offering, **CPP Investment Board** purchased \$350 million on a private placement basis at the same price as the bought deal financing. Other large offerings were **Uranium One's** \$250 million convertible debenture offering and **Brookfield Renewable Power Income Fund's** \$175 million 5.25% preferred share offering, which was upsized to \$250 million.

Exhibit 11. Equity New Issue Details¹

Issuer	Industry	Launch Date	Size (\$ 000)	Description
Timbercreek Mortgage Investment Corp.	Real Estate	Feb 01, 2010	28,750	2,875,000 Class A Shares
Rainy River Resources Ltd.	Gold & Precious Metals	Feb 01, 2010	40,006	8,082,000 Units - Private Placement
Monterey Exploration Ltd.	Oil & Gas	Feb 02, 2010	20,000	4,762,000 Common Shares
WesterOne Equity Income Fund	Unknown	Feb 02, 2010	24,000	\$24 million 8.5% Convertible Debentures
MOSAID Technologies Inc.	Technology	Feb 02, 2010	31,122	1,437,500 Common Shares
Stornoway Diamond Corporation	Metals & Mines	Feb 03, 2010	11,500	20,000,000 Common Shares
Scott's REIT	Real Estate	Feb 03, 2010	18,122	2,384,527 Trust Units
Nuloch Resources Inc.	Oil & Gas	Feb 03, 2010	20,010	13,800,000 Common Shares via Special Warrants
Fortuna Silver Mines Inc.	Gold & Precious Metals	Feb 03, 2010	34,517	15,007,500 Common Shares
Arsenal Energy Inc.	Oil & Gas	Feb 04, 2010	3,000	3,000,000 FT Common Shares
DeeThree Exploration Ltd.	Oil & Gas	Feb 04, 2010	3,010	1,075,000 FT Common Shares
DeeThree Exploration Ltd.	Oil & Gas	Feb 04, 2010	7,200	3,000,000 Common Shares
Arsenal Energy Inc.	Oil & Gas	Feb 04, 2010	8,007	9,420,000 Common Shares
Pure Industrial Real Estate Trust	Real Estate	Feb 04, 2010	21,600	7,200,000 Trust Units
Gleichen Resources Ltd.	Gold & Precious Metals	Feb 04, 2010	50,000	50,000,000 Common Shares
Progress Energy Resources Corp.	Oil & Gas	Feb 09, 2010	250,110	19,850,000 Subscription Receipts
TSO3 inc.	Bio-Technology	Feb 10, 2010	16,240	10,150,000 Common Shares
ISE Limited	Industrial Products	Feb 10, 2010	20,000	\$20 million Common Shares - IPO
Pure Technologies Ltd.	Industrial Products	Feb 10, 2010	30,100	7,000,000 Common Shares
Labopharm Inc.	Bio-Technology	Feb 12, 2010	21,140	11,764,706 Units (Share + 1/2 Warrant) - X Border
Innergex Renewable Energy	Utilities	Feb 12, 2010	70,000	\$70 million 5.75% Convertible Debentures
Silver Standard Resources	Metals & Mines	Feb 12, 2010	121,440	6,764,705 Common Shares - X Border
Avanti Mining Inc.	Metals & Mines	Feb 16, 2010	17,047	85,000,000 Units
MagIndustries Corp	Industrial Products	Feb 17, 2010	20,000	50,000,000 Common Shares
Industrial Alliance Insurance and Financial Svcs	Non Bank Financials	Feb 17, 2010	100,000	\$100 million 5.9% Non-Cum Fixed Perpetual Prefs
Industrial Alliance Insurance and Financial Svcs	Non Bank Financials	Feb 17, 2010	100,300	2,950,000 Common Shares
OceanaGold Corporation	Gold & Precious Metals	Feb 18, 2010	86,333	38,048,780 Common Shares via Sub Receipts
Fairfax Financial Holdings Ltd.	Non Bank Financials	Feb 18, 2010	210,300	563,381 Sub Voting Shares - Non Brokered
Uranium One Inc.	Metals & Mines	Feb 18, 2010	250,000	\$250mm 5% Convertible Debentures
Brookfield Renewable Power Income Fund	Utilities	Feb 18, 2010	250,000	\$175mm 5.25% Rate Reset Preferred Shares
Triton Energy Corporation	Oil & Gas	Feb 22, 2010	25,001	104,170,000 Common Shares
Dundee Precious Metals Inc.	Metals & Mines	Feb 22, 2010	66,000	20,000,000 Common Shares
Boston Pizza Royalties Income Fund	Consumer Products	Feb 23, 2010	16,133	1,350,000 Trust Units - Secondary
Eaglewood Energy Inc.	Oil & Gas	Feb 23, 2010	23,625	13,500,000 Common Shares via Special Warrants
Augusta Resource Corporation	Metals & Mines	Feb 23, 2010	32,505	11,820,000 Common Shares
Superior Plus Corp.	Pipelines	Feb 23, 2010	150,000	\$150 million 5.75% Convertible Debentures
Great-West Lifeco Inc.	Non Bank Financials	Feb 23, 2010	150,000	\$150mm 5.8% Fixed Rate Preferred Shares
Black Diamond Income Fund	Oil & Gas	Feb 24, 2010	22,620	1,200,000 Trust Units
Stella-Jones Inc.	Industrial Products	Feb 24, 2010	60,050	2,402,000 Common Shares via Sub Receipts
Dundee REIT	Real Estate	Feb 24, 2010	100,116	3,965,000 Trust Units
Artis REIT	Real Estate	Feb 25, 2010	50,063	4,450,000 Trust Units
Seabridge Gold Inc.	Gold & Precious Metals	Feb 25, 2010	60,399	2,500,000 Common Shares - X Border
Western Energy Services Corp.	Oil & Gas Services	Feb 25, 2010	75,000	375,000,000 Common Shares
O'Leary BRIC-Plus Income & Growth Fund	Retail Structured Product	Feb 25, 2010	90,000	Filed
Sprott Physical Gold Fund	Retail Structured Product	Feb 25, 2010	163,835	US\$155 million Class A Units - CDN Tranche
Sprott Physical Gold Fund	Retail Structured Product	Feb 25, 2010	258,720	US\$245 million - US Tranche
AlphaNorth 2010 Flow Through LP	Retail Structured Product	Feb 26, 2010	5,000	Filed
Canada Dominion Resources 2010 L.P.	Retail Structured Product	Feb 26, 2010	16,000	Filed
Rio Novo Gold Inc.	Gold & Precious Metals	Feb 26, 2010	40,000	25 million Units - IPO
MINT Income Fund (Middlefield)	Retail Structured Product	Feb 26, 2010	133,727	Exchange + Cash Offer

¹ February 1, 2010, to February 28, 2010. Includes common, subordinated voting shares, units, trust units, convertible debentures, preferred shares and retail structured products.

Source: Company reports and CIBC World Markets Inc.

This page left blank intentionally.

Business & Professional Services

Market Weight

Paul Lechem, Toronto (416) 956-6429
Stephanie Price, Toronto (416) 594-7047

Show Me The (Stimulus) Money!

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

We believe the Canadian engineering and construction (E&C) sector is poised for another leg of growth in 2010. After seeing backlogs stagnate or even decline through 2009, we expect government stimulus money to benefit the sector over the coming year. In addition, a number of public-private partnership (P3) projects are expected to be awarded in 2010, further benefiting the Canadian E&C market.

While much of the stimulus funds have been directed to infrastructure (in Canada, about 40% of the total), very little until now has actually been spent, as infrastructure projects have very long lead times. This situation is about to change, as many projects are in the final stretch of the bidding phase, and we expect to see projects start to reach the award stage in the coming months. Indeed, we expect initial contract awards to be seen in Q4/Q1, and the number of such project awards to accelerate through 2010. Consequently, we expect a material increase in new project awards to translate into strong backlog growth in the coming months – and drive further strength in sector stock prices.

Update On The Fundamentals

Quarterly results remained weak in Q3/2009, with sector average revenue and earnings growth dropping from 20%+ in the 2006–2008 period to *negative* year-over-year growth in Q2/2009 and Q3/2009. Our outlook for Canadian E&C companies in Q4 is for initial signs of strengthening industry backlogs as stimulus projects are awarded, although we expect: 1) backlog growth to accelerate more in 2010; and, 2) revenues and earnings growth to lag backlog growth by six to 12 months. Commentary around Q4 results (and especially the initial 2010 outlook) from the U.S. E&C sector is quite poor, with most companies expecting lower revenues and earnings in 2010. However, there is a significant disparity emerging between the Canadian and U.S. outlook for 2010, given a better Canadian economic environment and (in relative terms) a much more significant stimulus boost.

Our Top Picks

Our preferred E&C stocks are those with strong backlogs, strong balance sheets, diversified operations (geographically and by end-market), and a focus on infrastructure but limited exposure to the weakest markets (residential, commodity). These companies include **Aecon, Armtec Infrastructure, Churchill, GENIVAR, IBI, Seacliff, SNC, CGI and COM DEV.**

Outside the E&C segment, we also recommend IT services and business process outsourcing provider **CGI**, which has many of the characteristics of the companies noted above (solid balance sheet, high degree of recurring revenues, diversified business), and satellite parts manufacturer **COM DEV**, whose end-markets are largely funded by military and government agencies or are benefiting from technological issues (HDTV-driven demand, replacement cycles).

Our Market Weight sector weighting reflects the balance between economic/financial/commodity risks and ongoing infrastructure spending.

Our favorite stocks include **Aecon, Armtec Infrastructure, Churchill, GENIVAR, IBI, Seacliff, SNC, CGI and COM DEV.**

Business & Professional Services

Market Weight

Paul Lechem, Toronto (416) 956-6429

Stephanie Price, CFA, Toronto (416) 594-7047

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Shares O/S (mlns.)	Mkt. Cap. (\$mlns.)	Float Shares (mlns.)	Float (\$mlns.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target
						High	Low					2008	2009E	2010E	2008	2009E	2010E					
Sector Outperformer	ARE	Aecon Group Inc.	C\$	Dec.	\$13.95	\$15.29	\$8.05	55.1	\$768.6	53.4	\$744.9	\$1.20	\$0.77	\$0.88	11.6	18.1	15.9	\$8.11	1.7	2.9%	-	\$17.00
Sector Performer	BDT.UN	Bird Construction Inc. Fund	C\$	Dec.	33.29	36.10	14.78	14.1	467.8	-	-	-	-	-	-	-	-	9.15	3.6	42.8%	-	35.00
Sector Outperformer	GIB.A	CGI Group Inc.	C\$	Sep.	15.55	15.58	8.64	295.5	4,594.7	263.4	4,095.9	0.92	1.02	1.19	16.9	15.2	13.1	7.60	2.0	12.6%	-	17.00
Sector Outperformer	CUQ	Churchill Corporation	C\$	Dec.	21.50	21.80	6.26	17.5	376.3	-	-	2.01	1.85	1.93	10.7	11.6	11.1	7.60	2.8	23.2%	-	25.50
Sector Performer	FSV	FirstService Corporation ^{SP}	C\$	Dec.	20.39	22.94	9.50	29.5	0	23.0	US\$456.2	US\$0.62	US\$1.42	US\$1.66	32.0	14.0	11.9	US\$5.62	3.5	-	-	25.00
Sector Underperformer	GWI	Genesis Worldwide Inc.	C\$	Dec.	0.10	0.60	0.08	50.2	4.8	50.2	4.8	(0.23)	(0.08)	(0.03)	NEG	NEG	NEG	0.05	1.9	-	-	-
Sector Outperformer	GNV.UN	GENIVAR Income Fund	C\$	Dec.	27.20	27.98	19.50	27.2	738.7	18.1	492.3	-	-	-	-	-	-	6.96	3.9	-	-	33.50
Sector Outperformer	IBG.UN	IBI Income Fund	C\$	Dec.	16.45	17.98	11.26	16.8	276.4	9.3	153.0	-	-	-	-	-	-	8.96	1.8	11.5%	-	21.00
Sector Performer	MDA	MacDonald, Dettwiler	C\$	Dec.	41.58	44.77	17.96	40.5	1,683.7	-	-	2.28	2.68	2.92	18.2	15.5	14.2	12.87	3.2	19.3%	-	43.00
Sector Outperformer	SDC	Seacliff Construction Corp	C\$	Dec.	12.00	12.94	5.75	21.8	261.6	7.7	92.4	1.20	1.10	1.15	10.0	10.9	10.4	5.28	2.3	19.3%	-	16.00
Sector Outperformer	SNC	SNC-Lavalin Group Inc.	C\$	Dec.	50.01	54.89	26.35	151.1	7,556.5	151.0	7,551.5	2.05	2.29	2.42	24.4	21.8	20.7	8.89	5.6	20.7%	-	62.00
Sector Performer	STN	Stantec Inc.	C\$	Dec.	26.36	30.85	18.56	45.5	1,199.4	39.0	1,028.0	1.78	1.98	2.08	14.8	13.3	12.7	12.03	2.2	8.0%	-	32.00

SP Stephanie Price

This page left blank intentionally.

Business Trusts

Market Weight

Petro Panarites, CFA, Toronto (416) 594-8249

Paul Holden, CFA, Toronto (416) 594-8417

Oswaldo Matias, CFA, Toronto (416) 956-6428

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Units O/S (min.)	Mkt. Cap. (\$min.)	Float Units (min.)	Float (\$min.)	Cash Distribution			Cash-on-cash Yield			Distributable Cash Flow Per Unit			Payout Ratio			2009E Total Debt (\$min.)	2009E EBITDA (\$ min.)	Total Implied Return	12-18-mo. Price Target
						High	Low					2008	2009E	2010E	2008	2009E	2010E	2008	2009E	2010E	2008	2009E	2010E				
Business Trusts																											
Sector Outperformer	ARF.UN	Armtec Infrastructure Income Fund ^{PL}	C\$	Dec.	\$24.30	\$26.00	\$14.01	20.2	\$491.2	-	-	\$2.06	\$2.16	\$2.16	8.5%	8.9%	8.9%	\$2.93	\$3.35	\$3.91	70.3%	64.5%	55.2%	-	\$55.74	30.3%	\$29.50
Sector Outperformer	BRE.UN	Brookfield Real Estate Services Fund ^{RO}	C\$	Dec.	12.48	13.45	7.00	13.3	166.0	9.7	\$121.1	1.30	1.40	1.40	10.4%	11.2%	11.2%	1.84	1.83	1.92	70.7%	76.5%	72.9%	\$52.90	-	15.4%	13.00
Restricted	DHF.UN	Davis + Henderson Income Fund ^{PH}	C\$	Dec.	17.10	17.91	10.40	53.2	910.3	43.9	750.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sector Outperformer	JE.UN	Just Energy Income Fund ^{PP}	C\$	Mar.	14.20	14.50	10.02	133.8	1,899.8	88.0	1,249.6	1.38	1.40	1.44	9.7%	9.9%	10.1%	-	-	-	-	-	-	-	381.00	26.1%	16.50
Restricted	SPB	Superior Plus Corp. ^{JB}	C\$	Dec.	13.81	14.99	8.95	88.4	1,220.8	102.0	1,408.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sector Performer	VIC.UN	Vicwest Income Fund ^{PL}	C\$	Dec.	17.95	19.24	6.90	17.4	312.7	-	-	2.01	1.80	1.56	11.2%	10.0%	8.7%	2.23	2.28	2.37	90.1%	78.9%	65.8%	-	36.21	15.9%	19.00
Sector Performer	WTE.UN	Westshore Terminals Income Fund ^{JB}	C\$	Dec.	16.25	16.25	7.02	74.3	1,206.6	-	-	1.80	0.96	1.45	11.1%	5.9%	8.9%	-	-	-	-	-	-	-	129.42	(1.8%)	15.00

JB Jacob Bout
 PH Paul Holden
 PL Paul Lechem
 RO Rossa O'Reilly
 PP Petro Panarites

Chemicals & Fertilizers

Market Weight

Jacob Bout, CFA, Toronto (416) 956-6766
 Kevin Chiang, Toronto (416) 594-7198
 Shereen Zahawi, Toronto (416) 594-7289

Fertilizers/Chemicals Outlook

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector

Our Market Weight sector weighting reflects the diversity of commodities in the sector. Outlook for nitrogen and phosphate is positive but remains mixed for potash. Methanol prices are on the rise helped by rising oil and Chinese thermal coal prices along with supply disruptions. Sulphur prices have surged on increased phosphate fertilizer production.

Update On The Fundamentals

Potash demand has improved, with suppliers having modestly increased pricing over the past month to ~\$400/t CFR. All eyes remain on India though and its upcoming MOP contract. We view this as the next major development in the potash market, one that will help shape pricing moving forward. While an Indian buying consortium recently signed a contract through June 2010 at \$370/t CFR, recent comments out of India indicate that buyers will not accept an annual contract above \$350/t CFR [where the 2010 BPC/Chinese (and likely Canpotex) MOP contract settled].

All eyes on India's 2010 MOP contract.

DAP outlook stable.

The outlook for phosphate fertilizers remains stable. DAP prices have risen 20%–30% over the past couple of months on improving international demand fundamentals and rising input costs. In the U.S. expectations of rising feedstock costs in H1/2010, particularly for ammonia and sulphur, will help support DAP prices over the coming months.

Ammonia prices surging on lack of supply.

Outlook for ammonia remains robust as tight supply conditions, especially out of Eastern Europe, are forcing buyers to secure product at a higher level. Tampa March prices settled at \$450/t CFR, up \$85/t month over month.

Sulphur markets tightening.

The tightening in the sulphur market has pushed sulphur prices higher and spot prices are north of \$200/t CFR in some regions. Strong demand from phosphate fertilizer producers and little prospect of new supply coming online are contributing to the higher pricing levels.

Methanol prices continue their rise.

Methanol prices continue their rise due to ongoing supply disruptions, rising oil prices, and an elevated Chinese thermal coal price. In addition, with Chinese methanol operating rates hovering at ~50%, we expect net import levels to remain elevated. Methanex raised its Asian March contract price by \$15/t to \$365/t.

Our Top Picks

Ag Growth and Methanex are our top picks.

We prefer fertilizer/agricultural stocks over chemical stocks given our outlook for a prolonged agricultural versus chemical cycle. Our top pick in the agriculture space is **Ag Growth** as it should benefit from bumper U.S. grain production. Among the chemical companies we cover, **Methanex** is our top pick given its organic growth story and a rising methanol price environment. We expect **Chemtrade Logistics Income Fund** to benefit from improving sulphur product market fundamentals.

Chemicals & Fertilizers

Market Weight

Jacob Bout, CFA, Toronto (416) 956-6766

Kevin Chiang, Toronto (416) 594-7198

Shereen Zahawi, Toronto (416) 594-7289

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares		Float		Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target
						High	Low			O/S (mln.)	Mkt. Cap. (\$mln.)	Shares (mln.)	Float (\$mln.)	2008	2009E	2010E	2008	2009E	2010E					
Chemicals																								
Sector Performer	CUS.UN	Canexus I.F.	C\$	Dec.	\$5.91	\$6.45	\$2.85	\$0.55	9.3%	82.3	\$486.3	31.8	\$187.9	-	-	-	-	-	-	\$1.77	3.3	23.5%	2.4%	\$5.50
Sector Outperformer	CHE.UN	Chemtrade I.F. ^{KC}	C\$	Dec.	12.20	12.78	4.45	1.20	9.8%	31.4	383.1	31.7	386.7	-	-	-	-	-	-	6.53	1.9	-	24.6%	14.00
Sector Outperformer	MEOH	Methanex Corp.	US\$	Dec.	25.13	26.17	5.71	0.62	2.5%	92.1	2,314.6	92.1	2,314.5	\$1.75	\$0.00	\$2.62	14.4	NEG	9.6	13.42	1.9	-	21.8%	30.00
Sector Performer	VT	Viterra Inc.	C\$	Oct.	9.81	11.80	8.36	-	-	371.6	3,645.4	368.2	3,612.0	1.31	0.59	0.84	7.5	16.6	11.7	9.44	1.0	7.4%	12.1%	11.00
Fertilizers																								
Sector Outperformer	AFN	Ag Growth Int'l.	C\$	Dec.	37.05	38.50	16.95	2.04	5.5%	12.9	479.4	11.3	418.7	2.14	3.85	3.59	17.3	9.6	10.3	12.89	2.9	-	18.9%	42.00
Sector Performer	AGU	Agrium Inc.	US\$	Dec.	66.81	71.10	29.60	0.11	0.2%	157.2	10,502.5	157.2	10,502.5	8.33	2.32	3.98	8.0	28.8	16.8	29.21	2.3	-	(1.0%)	66.00
Sector Performer	HF	Hanfeng Evergreen	C\$	Jun.	7.70	8.14	5.30	-	-	61.8	475.5	36.2	278.7	0.43	0.65	0.48	17.9	11.8	16.0	4.32	1.8	13.9%	(2.6%)	7.50
Sector Outperformer	MGO	Migao Corporation	C\$	Mar.	7.27	9.00	4.97	-	-	52.1	379.1	33.8	245.7	0.33	1.02	0.79	22.0	7.1	9.2	5.12	1.4	18.1%	37.6%	10.00
Sector Performer	POT	Potash Corporation	US\$	Dec.	115.45	126.45	63.65	0.40	0.3%	295.9	34,166.3	295.9	34,161.7	11.01	3.25	5.47	10.5	35.5	21.1	21.97	5.3	-	(4.4%)	110.00
Sector Performer	MOS	The Mosaic Co.	US\$	May	61.49	68.25	36.94	0.20	0.3%	444.9	27,359.3	158.7	9,758.5	-	5.27	1.91	-	11.7	32.2	18.65	3.3	12.7%	2.8%	63.00

KC Kevin Chiang

Communications & Media Market Weight

Bob Bek, CFA, Toronto (416) 594-7454
Michael C. Lee, Toronto (416) 594-7907

Ad Market Rebound Key Focus In 2010

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

Although we expect a more positive 2010, the environment is still uncertain and we believe investors should approach the sector with cautious optimism.

Since our last sector update, media valuations continue to edge higher, reflecting more encouraging signs of stabilization in macroeconomic trends. Accordingly, many of the more cyclical names under our coverage have outperformed the broader market index from the trough made back in March, as investors have viewed these equity names as a play on a recovery. Although our expectations are for a more positive 2010, the environment is still uncertain and we believe investors should approach the sector with cautious optimism. The ad recovery will be slow, in our opinion, and the debate over how much of the industry's decline is structural versus cyclical remains to be seen, although we should get some clarity on this issue this year as conditions strengthen.

We continue to recommend that investors focus on media companies that have demonstrated the ability to manage this downturn and/or have a more diversified and stable revenue mix outside of traditional media assets. These equities include Astral Media, Corus Entertainment, and Cineplex Galaxy.

Update On The Fundamentals

We are seeing encouraging trends materialize as the economy rebounds and advertisers become more receptive.

We continue to believe that cost cutting will remain a primary focus in the sector, with difficult revenue trends likely persisting through the first half of the year. That being said, we are seeing encouraging trends materializing in most businesses as the economy rebounds and advertisers become more receptive, and we remain cautiously optimistic that 2010 will be a year of stabilization for the industry, returning to more sustainable growth rates in the second half of the year.

Our Top Pick

Cineplex is our top media pick, and remains a defensive name in the sector.

Cineplex Galaxy is our top pick, and remains a defensive name in the sector. The company continues to report strong results on all key fronts, reaffirming our thesis that the exhibition industry is well positioned to weather the economic slowdown. The Canadian box office recorded a stellar fourth quarter of growth, up over 25% driven by the success of 3D films (re: *Avatar*), which should translate into another good quarter for Cineplex. With an attractive 7.3% yield and solid balance sheet, downside risks remain minimal, in our opinion. We rate Cineplex Sector Outperformer.

Communications & Media

Market Weight

Robert Bek, CFA, Toronto (416) 594-7454
Michael C. Lee, Toronto (416) 594-7907

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			ROE 2009E	Total Implied Return	12-18-mo. Price Target		
						High	Low							2008	2009E	2010E	2008	2009E	2010E				BVPS	P/B
Broadcasting																								
Sector Outperformer	ACM.A	Astral Media Inc.	C\$	Aug.	\$35.10	\$35.90	\$22.72	\$0.50	1.4%	56.9	\$1,996.0	53.2	\$1,867.3	\$2.66	\$2.74	\$3.11	13.2	12.8	11.3	\$21.58	1.6	17.0%	15.4%	\$40.00
Sector Performer	CJR.B	Corus Entertainment Inc.	C\$	Aug.	18.39	20.47	11.24	0.60	3.3%	81.4	1,497.3	79.4	1,460.2	1.40	1.45	1.73	13.1	12.7	10.6	11.25	1.6	-	14.7%	20.50
Sector Performer	TVA.B	TVA Group Inc.	C\$	Dec.	13.11	14.75	6.40	0.20	1.5%	23.9	313.3	8.8	115.4	1.77	1.80	1.81	7.4	7.3	7.2	9.06	1.4	20.5%	8.3%	14.00
Entertainment Services																								
Sector Outperformer	CGX.UN	Cineplex Galaxy Income Fund	C\$	Dec.	18.80	20.00	13.61	1.26	6.7%	56.9	1,069.7	19.5	366.6	-	-	-	-	-	-	-	-	-	18.4%	21.00
Multi-Media																								
Sector Performer	CGO	Cogeco Inc.	C\$	Aug.	33.90	34.01	19.32	0.40	1.2%	16.8	569.2	10.1	342.4	2.11	2.20	2.26	16.1	15.4	15.0	21.05	1.6	9.7%	(7.4%)	31.00
Sector Performer	QBR.B	Quebecor Inc.	C\$	Dec.	30.61	31.10	14.81	0.20	0.7%	64.6	1,977.4	46.7	1,429.5	3.18	3.42	3.77	9.6	9.0	8.1	17.18	1.8	30.5%	(4.6%)	29.00
Printing & Publishing																								
Sector Performer	TS.B	Torstar Corporation	C\$	Dec.	7.25	8.10	3.93	0.37	5.1%	79.0	572.7	53.5	387.9	1.21	0.72	0.92	6.0	10.1	7.9	7.99	0.9	0.5%	15.4%	8.00
Restricted	TCL.A	Transcontinental Inc.	C\$	Oct.	12.54	14.16	5.42	0.32	2.6%	80.8	1,013.2	68.1	854.0	-	-	-	-	-	-	13.80	0.9	-	-	-
Sector Outperformer	YLO.UN	Yellow Pages Income Fund	C\$	Dec.	5.90	6.69	4.78	0.80	13.6%	506.7	2,989.5	449.1	2,649.7	-	-	-	-	-	-	10.31	0.6	-	23.7%	6.50

This page left blank intentionally.

Financial Institutions – Canadian Asset Managers & Canadian Property & Casualty Companies

Paul Holden, CFA, Toronto (416) 594-8417
Kevin Cheng, Toronto, (416) 956-6676

Canadian Asset Managers

Market Weight

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares		Float		Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target
						High	Low			O/S (mln.)	Mkt. Cap. (\$mln.)	Shares (mln.)	Float (\$mln.)	2008	2009E	2010E	2008	2009E	2010E					
Sector Outperformer	AGF.B	AGF Management Ltd.	C\$	Nov.	\$16.49	\$17.90	\$6.78	\$1.04	6.3%	89.1	\$1,469.2	77.1	\$1,271.4	\$1.41	\$0.98	\$1.52	11.7	16.8	10.8	\$12.69	1.3	12.1%	35.2%	\$21.25
Sector Performer	CIX	CI Financial Corp.	C\$	Dec.	20.80	22.67	10.93	0.72	3.5%	291.9	6,071.7	187.3	3,895.8	1.67	0.86	1.15	12.5	24.2	18.1	5.70	3.6	18.3%	14.0%	23.00
Sector Outperformer	GS	Gluskin Sheff+Assoc.	C\$	Jun.	20.60	22.50	7.49	0.50	2.4%	29.2	601.5	12.6	259.6	-	0.73	1.68	-	28.2	12.2	2.80	7.4	67.0%	29.9%	26.25
Sector Performer	IGM	IGM Financial Inc.	C\$	Dec.	43.50	45.43	24.53	2.05	4.7%	262.6	11,424.5	107.1	4,658.9	2.86	2.35	2.88	15.2	18.5	15.1	16.84	2.6	17.0%	7.6%	44.75
Sector Performer	SII	Sprott Inc.	C\$	Dec.	4.30	5.10	2.95	0.10	2.3%	150.0	645.0	22.5	96.8	-	0.16	0.31	-	26.4	13.7	0.44	9.8	60.0%	24.4%	5.25

Canadian Property & Casualty

Market Weight

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares		Float		Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target
						High	Low			O/S (mln.)	Mkt. Cap. (\$mln.)	Shares (mln.)	Float (\$mln.)	2008	2009E	2010E	2008	2009E	2010E					
Sector Outperformer	MIC	Genworth MI Canada Inc.	C\$	Dec.	\$27.75	\$30.50	\$17.30	\$0.88	3.2%	118.0	\$3,274.4	49.7	\$1,379.2	\$2.73	\$2.55	\$2.76	10.2	10.9	10.1	\$22.40	1.2	11.8%	11.3%	\$30.00
Sector Performer	IFC	Intact Financial Corp.	C\$	Dec.	42.46	42.59	30.04	1.36	3.2%	119.9	5,091.3	119.6	5,078.2	2.96	2.35	3.68	14.3	18.1	11.5	24.88	1.7	14.1%	(0.2%)	41.00

Industrial Products – Alternative Energy

Wind/Hydro: Overweight
Solar/Clean Tech: Market Weight

Michael Willemse, CFA, Toronto (416) 594-7285
David Galison, MBA, Toronto (416) 956-3548
Alex Artamonov, CFA, Toronto (416) 956-3826

Cautious Near Term, Positive Long Term

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector(s)

Wind/Hydro Sectors: The recent improvement in global credit markets and the recently launched Ontario "Green Energy Act" should favorably impact the solar and wind/hydro industries. The key elements of the "Green Energy Act" include: 1) established the Renewable Energy Facilitation Office; 2) contains domestic content requirements; and, 3) introduces a feed-in tariff program. The Green Energy Act should expedite the growth in renewable power generation in Canada (such as wind, solar, hydro, biomass and biogas).

Clean Technology: In August 2009 the U.S. Department of Energy announced the selection of 25 cost-share projects from proposals submitted under the Clean Cities Program for approximately US\$300 million in funding from the American Recovery and Reinvestment Act. The projects will support more than 9,000 light-, medium- and heavy-duty vehicles and establish 542 alternative fuel refueling stations across the U.S. The vehicles and infrastructure include applications for natural and renewable gas, propane, ethanol, biodiesel, electricity, and hybrid technologies.

Based on the program awards, funding will be provided for approximately 500 LNG trucks and 2,300 CNG vehicles, significantly above the initial 400 vehicle estimate. The larger-than-expected number of NGVs under the Clean Cities Program should positively impact the longer-term outlook for NGVs. The awards represent a strong commitment by the Obama administration to influence growth in natural gas medium- and heavy-duty vehicles.

Environmental-related incentive programs for CNG/LNG vehicles (such as the "Nat Gas Act" and the DOE "Clean Cities Program") should help to stimulate demand for natural gas vehicles in 2010 and 2011. In addition, the recent increase in crude oil prices to over \$70/Bbl could also result in an increase in interest for natural gas engine and alternative fuel technologies.

Our Top Picks

5N Plus continues to work on diversifying its customer base with other thin-film solar suppliers. With the acquisition of Firebird Technologies in December 2009, manufacturing of indium should provide 5N Plus with exposure to thin-film photovoltaic applications-based CIGS. Potential benefits at **Westport** from the California Clean Trucks Program will be less than originally anticipated, although appear to be offset by the larger-than-expected potential from the Clean Cities Program. **Brookfield Power Income Fund** is also one of the less volatile alternative energy-related equities since the company generates stable cash flows and a favorable dividend yield.

The recent improvement in global credit markets and the implementation of the Ontario "Green Energy Act" favorably impact the wind/hydro industry and support growth in Canada.

The Clean Cities awards for NGVs represent a strong commitment by the Obama administration to influence growth in natural gas medium- and heavy-duty vehicles.

We rate 5N Plus Sector
Outperformer.

Industrial Products — Auto Parts Suppliers

Market Weight

Michael Willemse, CFA, Toronto (416) 594-7285
David Galison, Toronto (416) 956-3548

U.S. Auto Sales Remain Below Scrap Rates

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector

U.S. light vehicle sales in February were 10.34 million units (SAAR) versus 10.76 million in January and 9.10 million in February 2009. February sales results were essentially in line with the consensus estimate of 10.3 million vehicles. On a SAAR basis, light vehicle sales declined by 3.9% (increased by 11.7% on a units basis) versus January 2010 and increased 13.1% (increased 13.3% on a units basis) versus February 2009. Year over year, GM sales rose 12.2% versus consensus expectations of a 20% increase, Ford (F-NYSE) sales increased 43.5% versus consensus expectations of a 33% increase, and Chrysler sales increased 0.6% versus consensus expectations of an 18% decline.

March U.S. light vehicle sales should benefit from aggressive incentive programs offered by Toyota (TM-NYSE) and GM. Auto sales should also continue to benefit from stable credit markets, low interest rates, strong used vehicle values and a continued increase in replacement demand. As long as U.S. light vehicle sales remain below scrap rates (recall that in 2009 the U.S. scrapped 14 million light vehicles) the bias for light vehicle sales will be positive in the near term as sales increase toward replacement demand.

In addition to rising U.S. light vehicle sales, auto suppliers should also benefit from a return to inventory restocking. Production cuts taken in 2009 have resulted in inventories declining to 10-year lows. As per WardsAuto.com, U.S. light vehicle inventories in January were at 71 days supply (2.059 million units), up versus 53 days supply (1.93 million units) in December 2009 and 121 days (3.383 million units) in January 2009. Domestic U.S. light vehicle inventories were 1.577 million units versus 1.467 million in December 2009 and 2.281 million in January 2009. January 10-year average levels are 85 days (3.588 million units). We estimate that February 2010 U.S. domestic light vehicle inventories will remain below 10-year averages. The continuation of U.S. light vehicle inventory levels below 10-year averages is encouraging.

Our Top Picks

Magna is well capitalized and has managed costs effectively. The company should benefit from cost reductions completed in H1/2009 as auto production ramps up. In addition, the company is making significant investments in the Electronics/Electric Drive, which should eventually provide further upside.

Both **Martinrea** and **Linamar** have successfully reduced cost structures during the recent downturn. While the outlook for Linamar's Powertrain/Driveline business appears encouraging due to the ramp-up of takeover business and new program launches, we remain somewhat concerned that Linamar may be at risk of a continued downturn in non-residential construction markets through the company's Skyjack operations. Additionally, heavy truck engine shipments are expected to decline by approximately 50% in H1/2010 versus Q4/2009 levels.

As one of the top three suppliers of metal stamping and fluid management systems in North America, Martinrea is well positioned to assume a significant amount of business as supplier consolidation continues.

February U.S. light vehicle sales were 10.34 million units (SAAR) versus 10.76 million in January and 9.10 million in February 2009.

As long as U.S. light vehicle sales remain below replacement demand, the bias for auto sales is positive in the near term.

We rate Martinrea and Magna Sector Outperformer.

Industrial Products — Capital Equipment

Market Weight

Jacob Bout, CFA, Toronto (416) 956-6766
Kevin Chiang, Toronto (416) 594-7198
Shereen Zahawi, Toronto (416) 594-7289

A Moderate Recovery Under Way

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector

Our Market Weight sector weighting reflects the complexity of the underlying drivers of this group. The rebound in oil and base metals prices from their lows has been a positive catalyst for demand but natural gas prices continue to trend at historical lows. Government stimulus packages, including large infrastructure spend components, remain the bright spot for the heavy equipment group.

Update On The Fundamentals

Our outlook for the heavy equipment sector has improved given the rebound in commodity prices. Finning's key growth market remains the Canadian oil sands, while North American Energy Partners (NOA) is the largest contractor in the region. Both companies should benefit from expectations of improving activity levels in the oil sands. While a global economic slowdown should increase volumes for Ritchie Bros., depressed pricing for used equipment could pressure gross auction sales and rates moving forward.

The CIBC Metals & Minerals team is forecasting a copper price of \$3.21/lb. in 2010 and \$3.00/lb. in 2011. Its long-term copper price assumption is \$2.00/lb. but that is not expected to materialize until 2013 at the earliest.

The CIBC Oil & Gas team is forecasting 2010 and 2011 WTI oil prices of \$78/Bbl and \$82.50/Bbl, respectively, while its 2010 and 2011 AECO natural gas price forecasts are C\$5.75/Mcf and C\$6.50/Mcf. Natural gas prices are being impacted by relatively high storage levels.

Governments around the world are pushing through infrastructure projects as a primary method to stimulate the economy and create jobs. The stimulus packages in general, which raise the total to be spent on construction expenditure, are a positive for heavy equipment dealers and contractors. It is likely that the number of shovel-ready projects is optimistic, but the majority of the benefits from the growth infrastructure spend should begin to materialize in 2010.

Our Market Weight sector weighting reflects the complexity of the underlying drivers of this group.

Our outlook for the heavy equipment group has improved with the rebound in commodity prices.

The CIBC Metals & Minerals team is forecasting a copper price of \$3.21/lb. in 2010 and \$3.00/lb. in 2011.

The CIBC Oil & Gas team is forecasting a WTI crude oil price of \$78/Bbl for 2010, \$82.50/Bbl for 2011.

Government stimulus packages should be a positive for equipment demand and contractors.

Industrial Products — Steel **Market Weight**

Michael Willemse, CFA, Toronto (416) 594-7285

David Galison, Toronto (416) 956-3548

Utilization Improving, But Not At Favorable Levels Yet

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector

North American steel prices have been on a rising trend since December 2009. North American hot-rolled coil prices bottomed out in late November at \$502/ton and have rebounded to \$608/ton as of February 22 (Steelbenchmarker). Most of the increase in steel prices has related to rising raw material prices, and some seasonal improvement in demand. North American HMS#1 scrap prices have increased to approximately \$298/ton from \$209/ton in early November. Recent press reports are suggesting a significant escalation in global benchmark iron ore and metallurgical coal prices in 2010 versus 2009. AME is forecasting iron ore prices (fines) to rise by approximately 25%, while metallurgical coal prices are expected to increase by approximately 32%. Other sources have suggested increases by as much as 50% for iron ore and 86% for metallurgical coal. These cost increases could push an integrated steel producer's cost of producing steel to approximately \$535/ton-\$600/ton, suggesting that hot-rolled coil prices in the \$600/ton-\$650/ton range are possible over the next few months. However, we believe this rally would be short-lived as capacity utilization would increase and prices would likely begin to trend lower again in mid-2010.

U.S. capacity utilization remains below 80% (which is generally necessary for producers to attain material pricing power); however, U.S. weekly steel production has been on an upward trend since mid-April, with U.S. capacity utilization currently at 69%. We do not expect steel producers to hold material pricing power until 2011, at which time capacity utilization should increase to approximately 80% or higher.

We continue to expect the steel industry to be challenging in 2010, although we expect end-market demand will at least be stable. Service center inventories remain at relatively low levels (the service center sector represents the largest end-user for the steel producers at approximately 40% of shipments). The latest inventory data provided by MSCI indicates that U.S. finished steel service center inventories in January were 6.26 million tons, up 2.0% versus December 2009 and down 26.2% versus January 2009. Months' shipments on hand declined to 2.43x versus 2.74x in December 2009. The average daily shipment rate increased in January to 128.8 tons versus 102.0 tons in December 2009 and 123.9 tons in January 2009. Total U.S. service center shipments increased 14.9% versus December 2009, but declined 0.9% versus January 2009.

Our Top Picks

We continue to find the valuation of **Gerdau** compelling, particularly versus replacement cost and peers. Gerdau should benefit from the significant cost-cutting initiatives combined with a still favorable product mix once the steel sector recovers from the current downturn. We expect Q1/2010 demand to rebound from seasonal weakness in Q4/2009 and that Gerdau will likely start to see some infrastructure activity in H2/2010. **Nucor's** near-term earnings should benefit from the completed consumption of high-cost scrap purchased in mid-2008. We believe **Russel Metals** has the best opportunity to grow through acquisitions given the relatively fragmented North American service.

We rate Gerdau Ameristeel Sector Outperformer.

Industrial Products

Michael Willemse, CFA, Toronto (416) 594-7285
David Galison, Toronto (416) 956-3548
Alex Artamonov, CFA, Toronto (416) 956-3826

Jacob Bout, CFA, Toronto (416) 956-6766
Kevin Chiang, Toronto (416) 594-7198
Shereen Zahawi, Toronto (416) 594-7289

Alternative Energy^{MW}

Wind/Hydro: Overweight
Solar/Clean Tech: Market Weight

Stock Recommendation	Symbol	Company	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18 mo. Price Target	
					High	Low							2008	2009E	2010E	2008	2009E	2010E						
Clean Technology																								
Sector Outperformer	VNP	5N Plus, Incorporated	C\$	May	\$5.40	\$7.74	\$4.40	-	-	45.9	\$247.9	26.8	\$144.7	\$0.21	\$0.45	\$0.30	25.7	12.0	18.0	\$2.61	2.1	14.9%	38.9%	\$7.50
Sector Performer	WPT	Westport Innovations Inc.	C\$	Mar.	14.85	15.45	3.89	-	-	38.3	568.8	34.7	515.3	(0.24)	(1.21)	(0.92)	NEG	NEG	NEG	2.83	5.2	-	(12.5%)	13.00

Automotive^{MW}

Market Weight

Stock Recommendation	Symbol	Company	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18 mo. Price Target	
					High	Low							2008	2009E	2010E	2008	2009E	2010E						
Sector Performer	LNR	Linamar Corporation	C\$	Dec.	\$16.84	\$16.93	\$2.00	\$0.12	0.7%	64.7	\$1,089.5	45.6	\$767.9	\$1.05	\$0.04	\$1.02	16.0	421.0	16.5	\$12.34	1.4	-	1.7%	\$17.00
Sector Outperformer	MGA	Magna International Inc.	US\$	Dec.	57.45	61.09	19.63	-	-	111.7	6,417.2	106.0	6,089.7	5.72	(1.87)	3.65	10.0	NEG	15.7	66.54	0.9	-	30.5%	75.00
Sector Outperformer	MRE	Martinrea International Inc.	C\$	Dec.	8.49	9.55	2.00	-	-	83.3	707.2	79.2	672.4	0.33	(0.01)	0.76	25.7	NEG	11.2	6.15	1.4	-	11.9%	9.50

Capital Equipment

Market Weight

Stock Recommendation	Symbol	Company	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18 mo. Price Target	
					High	Low							2008	2009E	2010E	2008	2009E	2010E						
Sector Performer	ATA	ATS Automation Tooling Sys. ^{MW}	C\$	Mar.	\$7.03	\$8.45	\$2.74	-	-	87.3	\$613.6	85.8	\$603.2	(\$0.34)	\$0.57	\$0.28	NEG	12.3	25.1	\$6.25	1.1	5.9%	6.7%	\$7.50
Sector Performer	FTT	Finning International Inc. ^{JB}	C\$	Dec.	17.76	19.26	10.10	\$0.44	2.5%	170.7	3,032.5	169.9	3,017.4	1.49	0.79	0.76	11.9	22.5	23.4	8.88	2.0	8.6%	(1.8%)	17.00
Sector Performer	NOA	North American Energy ^{JB}	US\$	Mar.	10.40	10.59	1.52	-	-	36.0	C\$385.3	34.3	C\$366.7	C\$1.44	C\$1.35	C\$0.89	7.4	7.9	12.0	C\$5.15	2.1	15.0%	(23.1%)	8.00
Sector Underperformer	RBA	Ritchie Bros Auctioneers ^{JB}	US\$	Dec.	21.25	26.81	13.99	0.40	1.9%	105.3	2,238.5	105.3	2,237.6	0.81	0.87	0.90	26.2	24.4	23.6	5.07	4.2	17.2%	(27.5%)	15.00

Renewable Power Producers^{MW}

Overweight

Stock Recommendation	Symbol	Company	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18 mo. Price Target	
					High	Low							2008	2009E	2010E	2008	2009E	2010E						
Sector Performer	BRC.UN	Brookfield Renewable Power	C\$	Dec.	\$20.56	\$21.59	\$14.70	\$1.25	6.1%	105.0	\$2,158.0	52.4	\$1,077.3	\$1.23	\$1.02	\$1.20	16.7	20.2	17.1	\$8.57	2.4	1.8%	13.1%	\$22.00
Sector Outperformer	IEF.UN	Innergex Power IF	C\$	Dec.	11.74	12.03	8.60	1.00	8.5%	29.4	345.2	24.3	285.3	0.64	0.40	0.50	18.3	29.4	23.5	6.44	1.8	6.3%	10.7%	12.00
Restricted	INE	Innergex Renewable Energy Inc.	C\$	Dec.	7.90	8.20	2.75	-	-	23.5	185.7	11.5	90.9	-	-	-	-	-	-	8.60	0.9	-	-	-

Market Weight

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week			Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples				ROE 2009E	Total Implied Return	12-18-mo. Price Target
					High	Low								2008	2009E	2010E	2008	2009E	2010E	BVPS			
Steel Producers																							
Sector Outperformer	GNA	Gerdau Ameristeel Corp.	US\$ Dec.	\$7.46	\$9.66	\$2.99	-	-	432.6	\$3,227.3	146.2	\$1,090.7	\$1.65	(\$0.17)	\$0.40	4.5	NEG	18.7	\$6.57	1.1	-	40.8%	\$10.50
Sector Underperformer	NUE	Nucor Corporation	US\$ Dec.	42.91	51.07	29.85	\$1.44	3.4%	315.3	13,529.5	315.3	13,529.5	5.89	(0.94)	2.00	7.3	NEG	21.5	23.44	1.8	-	8.2%	45.00
Steel Service Centers																							
Sector Underperformer	RUS	Russel Metals Inc.	C\$ Dec.	18.54	19.40	9.25	1.00	5.4%	59.7	1,106.8	59.7	1,106.8	3.69	(0.94)	1.14	5.0	NEG	16.3	13.29	1.4	-	(2.9%)	17.00
JB	Jacob Bout	MW	Michael Willemse																				

Merchandising & Consumer Products

Market Weight

Perry Caicco, Toronto | Mark Petrie, CFA, Toronto
(416) 594-7279 (416) 956-3278

Alive And Well

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

Predictions that hundreds of Canadian retailers would bite the dust during the 2009 recession turned out to be patently wrong. Most Canadian retailers came into the recession with strong balance sheets, chose a specific consumer strategy and then just rode it out with minimal nicks and scrapes. Some pulled back promotions and cut costs; some invested heavily to drive business; everyone managed inventories and labor carefully. Despite a sharp downturn in sales and a general flattening of earnings, just about everyone came out alive.

Focus Now: Margins; Focus Later: Growth

To this point, the consumer recovery and margin expansion have driven most of the share price growth in the retail and consumer sector. However, as margin expansions inevitably slow down, shares may stall. In order to reignite shares, multiples must expand, and that usually comes from strong prospects for growth. A few companies will accomplish top-line growth through acquisitions, a few from international expansion, but most companies in our coverage universe have yet to figure out where long-term growth is coming from. As 2010 unfolds, and as margin expansion slows, Canadian retail and consumer companies will be under pressure to develop and communicate longer-term plans for revenue growth.

The Forzani Group – Productivity Will Drive Earnings.

Forzani is Canada's leading sporting goods and apparel retailer, operating nationwide, with annual sales of nearly \$1.6 billion. Its store network includes corporate and franchise stores, operating under numerous banners, including Sport Chek, Sports Experts, Intersport, Sport Mart and Atmosphere. Since going public in 1993, the company has grown sales by 21% annually (CAGR), which has been driven primarily by numerous acquisitions, but also supported by organic network and same-store sales (SSS) growth.

We are forecasting only modest recovery in consumer health in 2010, with unemployment remaining elevated and consumer confidence edging upward, but still weak relative to historical levels. Even if sales do not come roaring back at Forzani, however, we still believe there is the possibility for margin expansion, particularly as G&A expenses are held in check and potentially reduced. Free cash flow should continue to be positive, leaving room for share buybacks or dividend increases.

Our Top Picks

We rate **Metro, Empire, Loblaw, Cott, Dollarama, Groupe Aeroplan, Jean Coutu, Forzani, George Weston** and **North West Company Fund** as Sector Outperformer.

We continue to rate the sector as Market Weight.

They came out breathing, but not unchanged. Emerging from the downturn many companies altered their views of their own businesses, thought more carefully about their customers, and began adopting new strategies and tactics.

When considering the cash-generation capabilities within the Forzani operations and the likelihood of a resumption of share buyback activity and a potential dividend increase, we feel like the shares represent good value at current levels.

Merchandising & Consumer Products

Market Weight

Perry Caicco, Toronto (416) 594-7279
Mark Petrie, CFA, Toronto (416) 956-3278

Stock Recommendation	Symbol	Company	Fiscal Year	Price (3/31)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	2009E ROE	Total Implied Return	12-18 mo. Price Target		
					High	Low							2008	2009E	2010E	2008	2009E	2010E							
Consumer Products – Consumer Discretionary																									
Sector Outperformer	AER	Groupe Aeroplan Inc.	C\$	Dec.	\$11.90	\$12.44	\$6.70	\$0.50	4.2%	199.5	\$2,373.6	179.5	\$2,136.1	-	-	-	-	-	-	-	-	11.2%	(3.4%)	\$11.00	
Consumer Products – Consumer Staples																									
Sector Performer	ATD.B	Alimentation Couche-Tard	C\$	Apr.							US\$3,583.	142.5	US\$2,781.	8	US\$0.87	US\$1.31	US\$1.79	22.4	14.9	10.9	US\$8.13	2.4	23.3%	20.3%	24.00
Sector Outperformer	COT	Cott Corporation	US\$	Dec.	6.86	9.39	0.66	-	-	81.0	555.6	81.0	555.7	(0.12)	0.80	0.76	NEG	8.6	9.0	4.77	1.4	-	45.8%	10.00	
Sector Performer	GIL	Gildan Activewear Inc.	US\$	Sep.	24.13	25.33	5.66	-	-	121.0	2,919.7	121.0	2,919.7	1.47	0.83	1.46	16.4	29.1	16.5	7.78	3.1	17.8%	7.7%	26.00	
Sector Performer	SAP	Saputo Inc. ^{MP}	C\$	Mar.	30.15	31.10	19.53	0.58	1.9%	207.2	6,247.1	140.4	4,233.1	1.37	1.36	1.85	22.0	22.2	16.3	9.63	3.1	18.5%	11.4%	33.00	
Drugstore Chains																									
Sector Outperformer	PJC.A	Jean Coutu Group (PJC) Inc.	C\$	Feb.	9.75	10.94	7.16	0.18	1.8%	236.2	2,303.0	111.1	1,083.2	0.24	0.59	0.71	40.6	16.5	13.7	2.09	4.7	-	30.1%	12.50	
Sector Performer	SC	Shoppers Drug Mart Corp.	C\$	Dec.	44.17	50.00	41.93	0.90	2.0%	217.4	9,602.6	217.4	9,602.6	2.55	2.69	2.96	17.3	16.4	14.9	17.60	2.5	15.8%	8.4%	47.00	
Food Companies																									
Sector Outperformer	WN	George Weston Limited	C\$	Dec.	68.79	73.84	52.75	1.44	2.1%	129.1	8,880.8	48.4	3,329.4	4.60	3.41	4.26	15.0	20.2	16.1	53.08	1.3	7.8%	11.1%	75.00	
Food Service																									
Sector Performer	THI	Tim Hortons, Inc.	C\$	Dec.	32.12	33.36	28.00	0.52	1.6%	179.6	5,768.8	179.6	5,768.8	1.65	1.78	2.02	19.5	18.0	15.9	6.46	5.0	30.5%	7.5%	34.00	
Hard Retailing/Home Centers																									
Sector Performer	CTC.A	Canadian Tire Corp., Ltd. ^{MP}	C\$	Dec.	52.96	60.75	38.30	0.84	1.6%	81.6	4,321.5	77.7	4,115.0	4.85	4.14	4.45	10.9	12.8	11.9	45.19	1.2	9.5%	9.2%	57.00	
Sector Performer	RON	RONA Inc.	C\$	Dec.	15.65	16.79	10.16	-	-	129.7	2,029.8	129.7	2,029.8	1.44	1.18	1.30	10.9	13.3	12.0	13.72	1.1	9.1%	2.2%	16.00	
Specialty Retailers																									
Sector Outperformer	DOL	Dollarama Inc.	C\$	Jan.	21.66	24.07	17.95	-	-	72.2	1,563.9	17.1	370.4	-	0.87	1.07	-	24.9	20.2	8.16	2.7	11.2%	10.8%	24.00	
Sector Outperformer	NWF.UN	North West Co. Fund ^{MP}	C\$	Jan.	18.26	19.60	14.88	1.36	7.4%	48.5	885.0	48.5	885.6	1.03	-	-	17.7	-	-	5.90	3.1	29.6%	17.0%	20.00	
Sector Outperformer	FGL	The Forzani Group Ltd. ^{MP}	C\$	Jan.	14.75	16.62	6.83	0.30	2.0%	30.6	451.4	30.6	451.4	1.40	1.00	0.92	10.5	14.8	16.0	10.85	1.4	8.3%	20.7%	17.50	
Supermarkets																									
Sector Outperformer	EMP.A	Empire Company Limited	C\$	Apr.	48.79	55.05	39.33	0.74	1.5%	68.6	3,347.0	38.4	1,873.5	3.65	4.07	4.28	13.4	12.0	11.4	41.31	1.2	11.0%	22.4%	59.00	
Sector Outperformer	L	Loblaw Companies Limited	C\$	Dec.	36.85	39.50	28.83	0.84	2.3%	276.2	10,178.0	106.6	3,928.2	1.91	2.37	2.69	19.3	15.5	13.7	22.71	1.6	11.2%	19.0%	43.00	
Sector Outperformer	MRU.A	Metro Inc.	C\$	Sep.	40.57	42.16	33.02	0.68	1.7%	107.7	4,369.4	107.7	4,369.4	2.48	3.19	3.52	16.4	12.7	11.5	21.53	1.9	16.1%	22.5%	49.00	

MP Mark Petrie

Mining — Metals & Minerals

Market Weight

Alec Kodatsky, Toronto (416) 594-7284
Ian Parkinson, Toronto (416) 956-6169
Terry K.H. Tsui, CFA, Toronto (416) 956-3287
Matthew Gibson, Toronto (416) 956-6729

Positioning For Another Prosperous Year

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector

Despite a volatile period of trading, commodities and related equities ended higher in February. Optimism on physical metals demand won over the negative market sentiment generated by the European sovereign credit crisis and concerns of tightening, or at best “less loose” monetary policy from China and the U.S. Market participants appear to have looked through the seasonally weaker first quarter and taken advantage of the recent pullback to reposition for the anticipated strong return in metals demand when manufacturing activities return to normal after the long Chinese New Year holidays.

While investors may have shifted their focus towards commodity and company fundamentals, we believe short-term price movements will continue to be dictated by the anticipated direction of the U.S. dollar and economic news flow. The abnormally high (from a historical context) metals inventory positions in exchanges remain the swing factor for metals prices. We expect that as long as constructive economic news flow continues, traditional metals price fundamentals will be less important to price. However, the emergence of any weakness in the global recovery thesis could prove the catalyst for another period of swift profit-taking. Similarly, indications that other major global economies begin to “stall” as the impact of prior stimulus spending lessens would likely prove detrimental to commodity prices. As we had expected, changes to banking policies within China weighed negatively on overall sentiment for the base metals complex. Also, metals price movements in the past few months continue to suggest the investment link between commodities (“hard assets”) and the U.S. dollar remains in place.

For the month of February, aluminum, copper, lead, nickel and zinc were up 1.3%, 4.2%, 5.3%, 15.4% and 1.6%, respectively. The broad mining sector indexes, FTSE Mining Index and S&P/TSX Materials Index, were up 2.0% and 2.3% for the month, respectively.

Update On The Fundamentals

While the higher commodity prices will likely encourage some mines to re-open and increase supply, there is little slack in terms of inventories (with the exception of aluminum and nickel) to chew through if a sustainable recovery in the global economy emerges in the medium term. In the longer term, we continue to believe the secular bull-run for metals remains unbroken as 50% of the world population looks to industrialize. We believe aluminum continues to have the weakest fundamentals, while copper and zinc retain the best on tight supply outlooks and low inventories on a historical basis.

Our Top Picks

Our favored stocks focus on well-capitalized companies with a solid, low-cost operational base. Our preferred names are **Capstone, First Quantum, FNX, Mercator, Taseko, and Teck.**

Market Weight sector weighting is based on a belief that metals are already pricing in some of the economic recovery. Growth of the metals sector will rely on a sustainable recovery.

Longer-term fundamentals look positive given a tight supply outlook, but we are cautious of near-term consolidation given the significant price appreciation from the bottom.

Mining – Metals & Minerals

Market Weight

Alec Kodatsky, Toronto (416) 594-7284

Ian Parkinson, Toronto (416) 956-6169

Terry K.H. Tsui, CFA, Toronto (416) 956-3287

Matthew Gibson, Toronto (416) 956-6729

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/10)	52-week		Shares O/S (min.)	Mkt. Cap. (\$mln.)	Float Shares (min.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			Fiscal Year CFPS			P/CF Multiples			BVPS	P/B	ROE 2009E	Total Return	12-18 mo. Price Target	
						High	Low					2008	2009E	2010E	2008	2009E	2010E	2008	2009E	2010E	2008	2009E	2010E						
Base Metals																													
Sector Outperformer-S	BIM	Baffinland Iron Mines Corp. ^{IP}	C\$	Dec.	\$0.54	\$0.74	\$0.18	255.3	\$137.9	190.0	\$102.6	(\$0.16)	(\$0.02)	(\$0.02)	NEG	NEG	NEG	-	-	-	-	-	-	-	\$0.83	0.7	-103.7%	\$1.10	
Sector Outperformer	BAN	Bannerman Resources ^{IP}	C\$	Jun.	0.50	1.32	0.47	243.1	AS\$121.6	201.7	AS\$100.9	(AS\$0.07)	(AS\$0.05)	(AS\$0.09)	NEG	NEG	NEG	(AS\$0.12)	(AS\$0.13)	(AS\$0.07)	NEG	NEG	NEG	-	-	-	-	260.0%	1.80
Sector Outperformer	CS	Capstone Mining Corp. ^{IP}	C\$	Dec.	2.85	3.30	1.06	212.4	US\$588.7	180.9	US\$501.5	US\$1.47	(US\$0.04)	US\$0.48	1.9	NEG	5.8	US\$0.63	US\$0.48	US\$0.71	4.4	5.8	3.9	US\$1.37	2.0	-	57.9%	4.50	
Sector Performer	CLM	Consolidated Thompson ^{IP}	C\$	Dec.	8.91	9.07	1.41	254.5	2,267.6	176.8	1,575.3	(0.11)	(0.21)	0.41	NEG	NEG	21.7	0.02	(0.12)	0.56	445	NEG	15.9	3.89	2.3	-	(14.7%)	7.60	
Sector Performer	DML	Denison Mines Corp. ^{IP}	C\$	Dec.	1.47	2.90	0.81	339.7	US\$485.7	277.4	US\$396.6	(US\$0.12)	(US\$0.34)		NEG	NEG	NEG	US\$0.14	(US\$0.01)	US\$0.11	10.2	NEG	13.0	US\$2.25	0.6	-	15.6%	1.70	
Sector Outperformer	EQN	Equinox Minerals Limited ^{AK}	C\$	Dec.	3.39	4.68	1.29	699.4	US\$2,306.2	699.4	US\$2,306.2	(US\$0.05)	US\$0.13	US\$0.40	NEG	25.4	8.2	(US\$0.07)	US\$0.32	US\$0.65	NEG	10.3	5.1	US\$1.08	3.1	-	50.4%	5.10	
Sector Outperformer	FM	First Quantum Minerals ^{AK}	C\$	Dec.	80.50	100.32	29.19	78.5	US\$6,146.5	76.3	US\$5,974.3	US\$4.42	US\$8.14	US\$13.67	17.7	9.6	5.7	US\$9.18	US\$9.08	US\$17.32	8.5	8.6	4.5	US\$1851	4.2	7.0%	43.0%	115.00	
Sector Outperformer	FNX	FNX Mining Company Inc. ^{AK}	C\$	Dec.	13.15	13.78	2.97	102.0	1,341.3	102.0	1,341.3	(0.72)	0.24	0.55	NEG	54.8	23.9	0.77	0.46	1.00	17.1	28.6	13.2	4.13	3.2	-	29.3%	17.00	
Sector Outperformer	GMO	General Moly, Inc. ^{IP}	US\$	Dec.	2.60	3.65	0.64	82.9	215.5	60.7	157.8	(0.21)	(0.16)	(0.10)	NEG	NEG	NEG	(0.05)	(0.11)	(0.09)	NEG	NEG	NEG	2.49	1.0	-	84.6%	4.80	
Sector Outperformer	HBM	Hudbay Minerals Inc. ^{AK}	C\$	Dec.	13.76	17.00	5.10	153.2	2,108.0	152.7	2,101.2	0.52	0.30	1.05	26.5	45.9	13.1	1.74	0.98	1.89	7.9	14.0	7.3	10.93	1.3	6.0%	45.3%	20.00	
Sector Performer	IMN	Inmet Mining Corporation ^{AK}	C\$	Dec.	57.34	78.00	23.67	56.1	3,216.8	56.1	3,216.8	5.63	5.19	8.55	10.2	11.0	6.7	6.39	6.74	13.77	9.0	8.5	4.2	39.89	1.4	11.0%	22.4%	70.00	
Sector Performer	IVN	Ivanhoe Mines Ltd. ^{AK}	C\$	Dec.	16.67	18.49	5.16	378.1	US\$6,130.7	378.1	US\$6,130.7	(US\$0.47)	(US\$0.52)		NEG	NEG	NEG	(US\$0.67)	(US\$0.43)	(US\$0.39)	NEG	NEG	NEG	US\$0.71	22.8	-	8.0%	18.00	
Sector Performer	LIF.UN	Labrador Iron Ore Royalty ^{IP}	C\$	Dec.	48.49	50.50	24.01	32.0	1,551.7	32.0	1,551.7	-	2.25	3.15	-	21.6	15.4	-	1.89	2.36	-	25.7	20.5	12.56	3.9	18.0%	11.4%	52.00	
Sector Outperformer	ML	Mercator Minerals Ltd. ^{IP}	C\$	Dec.	2.76	3.45	0.34	232.9	US\$625.2	192.3	US\$516.2	(US\$0.39)	(US\$0.03)	US\$0.39	NEG	NEG	6.9	(US\$0.35)	US\$0.04	US\$0.44	NEG	67.1	6.1	US\$0.37	7.3	-	37.7%	3.80	
Sector Outperformer-S	NML	New Millennium Capital ^{IP}	C\$	Dec.	1.12	1.17	0.27	140.4	157.2	98.5	110.3	(0.01)	(0.01)	(0.02)	NEG	NEG	NEG	-	(0.01)	(0.02)	-	NEG	NEG	0.40	2.8	-	33.9%	1.50	
Sector Outperformer	PDN	Paladin Energy Ltd. ^{IP}	C\$	Jun.	3.45	5.15	2.15	731.2	US\$2,453.7	623.7	US\$2,093.0	(US\$0.06)	(US\$0.75)		NEG	NEG	NEG	(US\$0.04)	(US\$0.01)	US\$0.04	NEG	NEG	83.9	US\$1.41	2.4	-	76.8%	6.10	
Restricted	QUA	Quadra Mining Ltd. ^{IP}	C\$	Dec.	15.67	17.81	3.13	113.6	US\$1,731.5	97.7	US\$1,489.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sector Outperformer	TKO	Taseko Mines Limited ^{IP}	C\$	Dec.	4.78	5.84	0.96	205.6	982.9	205.6	982.8	0.02	0.07	0.32	239.0	68.3	14.9	0.30	0.15	0.39	15.9	31.9	12.3	1.42	3.4	-	40.2%	6.70	
Sector Outperformer	TCK.B	Teck Resources Ltd. ^{AK}	C\$	Dec.	40.20	42.78	3.35	588.7	23,665.7	576.8	23,187.4	3.15	1.99	2.84	12.8	20.2	14.2	8.30	4.19	5.26	4.8	9.6	7.6	23.71	1.7	8.5%	19.4%	48.00	
Sector Performer	TCM ^{IP}	Thompson Creek Metals ^{IP}	C\$	Dec.	14.67	16.50	3.48	168.8	US\$2,408.6	137.7	US\$1,964.8	US\$1.39	(US\$0.40)	US\$0.80	10.3	NEG	17.8	US\$2.77	US\$0.55	US\$1.16	5.2	25.9	12.3	US\$6.53	2.2	-	5.0%	15.40	
Sector Outperformer	UEC	Uranium Energy Corp. ^{IP}	US\$	Jul.	3.66	4.08	0.35	55.7	203.9	-	-	(0.42)	(0.24)	(0.26)	NEG	NEG	NEG	(0.23)	(0.14)	(0.13)	NEG	NEG	NEG	0.40	9.2	-	53.0%	5.60	
Restricted	UUU	Uranium One Inc. ^{IP}	C\$	Dec.	3.07	4.07	1.54	489.2	US\$1,460.8	465.7	US\$1,390.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International Mining																													
Sector Performer	CCO	Cameco Corporation ^{IP}	C\$	Dec.	28.76	35.00	17.01	400.8	11,527.0	391.7	11,265.3	1.60	2.74	1.60	18.0	10.5	18.0	2.28	1.94	2.07	12.6	14.8	13.9	10.71	2.7	-	40.1%	40.00	

AK – Alec Kodatsky IP – Ian Parkinson

Mining Services

Market Weight

Cosmos Chiu, Toronto (416) 594-7106

Barry Cooper, Toronto (416) 956-6787

Brian Quast, Toronto (416) 956-3725

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/10)	52-week		Shares O/S (min.)	Mkt. Cap. (\$mln.)	Float Shares (min.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Return	12-18 mo. Price Target
						High	Low					2008	2009E	2010E	2008	2009E	2010E					
Sector Performer	FAR	Foraco International SA	C\$	Dec.	\$2.65	\$3.00	\$0.71	59.7	158.3	22.0	58.3	0.17	0.16	0.15	15.6	16.6	17.7	1.03	2.6	-	(16.2%)	\$2.20
Sector Performer	MDI	Major Drilling Group	C\$	Apr.	28.52	30.66	10.00	23.7	676.6	23.5	670.2	3.16	1.97	0.66	9.0	14.5	43.2	14.26	2.0	-	(10.9%)	25.00
Sector Outperformer	OGD	Orbit Garant Drilling Inc.	C\$	Jun.	3.62	4.25	0.80	32.7	118.5	20.9	75.7	0.29	0.39	0.41	12.5	9.3	8.8	2.49	1.5	-	79.6%	6.50

This page left blank intentionally.

Mining — Precious Metals

Overweight

Barry Cooper, Toronto (416) 956-6787
 Cosmos Chiu, Toronto (416) 594-7106
 Khaled Sultan, Toronto (416) 594-7297
 Kevin Chiew, Toronto (416) 594-7457

Fundamentals Remain Strong

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector

Gold is not expensive. Last year, despite it reaching all-time highs, most other commodities well outperformed it. Even looking at long-term averages, bullion is trading at premiums that are little different from other benchmarks such as copper and oil. We think that strength in gold pricing will remain over the next two years.

Gold has been exhibiting significant correlation to the U.S. dollar, yet we believe other fundamentals will also support continued strong performance of the metal, including stronger investment demand, the market's need for a safe haven investment, and the absence of growing mine supply.

Update On The Fundamentals

Over this year and the next, we expect gold to continue a steady ascent towards \$1,400/oz., albeit at the cost of added volatility, which we consider normal and, arguably, healthy. Furthermore, we would not be surprised if the rate of increase was at a faster pace than we have forecasted. In a +\$1,100/oz. gold price environment, we think there will be new parameters driving the sector, among them renewed talks of margin expansion and higher assumption of political risk as the thirst for reserves intensifies.

Our Top Picks

We believe that smaller producers will outperform bigger ones as the bull market continues and believe that over the 18-month period these companies combine a good balance between risk and shareholder reward. Our top picks are **Eldorado Gold, Northgate Minerals, Red Back Mining, and Semafo**. Eldorado offers twice the growth of others in 2011 among our coverage universe, while Northgate has the highest leverage for rising gold prices in the intermediate space. Red Back provides a combination of production and reserve growth unlike many of its peers, while Semafo presents a complementary portfolio of operating assets to deliver expansion potential and leverage to gold.

Among the explorers we favor **Andean**. The company continues to report excellent drill results from the Bajo Negro zone at its Cerro Negro project in Argentina. The recent discovery of the San Marcos zone further underscores the company's ability to find more high-grade deposits on the same property. We believe that more discoveries will be forthcoming. We further believe that Andean is positioned as an attractive takeout target in the current environment.

Our top pick of the royalty companies is **Franco-Nevada**. The company has a strong balance sheet, with close to \$800 million in available capital and no debt. The company is also expected to generate in excess of \$180 million in free cash flow in 2010 and over \$230 million in 2011. With over 75% of its revenue generated from gold royalties, Franco-Nevada provides exposure to upswings in the gold price while exhibiting defensive attributes given its high margins.

We believe the longer-term fundamentals are still in place for gold to remain strong.

We favor Eldorado, Northgate, Red Back and Semafo among the producers; Andean is likely to become a takeout target; Franco-Nevada stands out as the best royalty play for risk-averse holdings.

Mining – Precious Metals –Silver

Overweight

Brian Quast, Toronto (416) 956-3725
Cosmos Chiu, Toronto (416) 594-7106
Barry Cooper, Toronto (416) 956-6787
Kevin Chiew, Toronto (416) 594-7457

Early 2010 Correction Should Be Short-lived

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector

The gold/silver ratio is trading in the 60s. Our gold price expectations, coupled with an expected constant gold/silver ratio for 2010, would indicate that silver should participate fully in rising gold prices. After a tremendous year in 2009, silver prices have seen a mild correction in early 2010. We view this as a brief pause before silver performance picks up again. We believe silver fundamentals remain strong and should support silver prices as seen in late 2009.

Update On The Fundamentals

In our opinion, the silver market is close to equilibrium, but with silver production rising over the next five years, additional demand is required to maintain the upward trajectory in silver prices. We believe this additional demand will likely come in the form of “safe harbor” investment in the event of an economic correction. We maintain our silver price estimates (2010E: \$18.00/oz.; 2011E: \$20.00/oz.; long term: \$15.00/oz.) in the belief that there will be a period of safe haven buying in the relatively near future. Base metals pricing has remained strong, which should benefit those companies with base metals exposure.

Our Top Picks

Our top pick among large-cap silver companies is **Pan American Silver**. With the Aquiline transaction, Pan American has addressed the issue of production growth. As Pan American works through permitting and as a new feasibility study for the project is put in place, we expect to see these positive catalysts reflected in Pan American shares. The company has a track record of making accretive acquisitions and a mine-building team second to none in the industry.

We also like **Fortuna Silver**, which offers investors exposure to silver production at low cash costs in politically safe jurisdictions with an attractive growth profile. We believe an experienced management team and a solid operations track record instill confidence that production growth plans can come to fruition. While valuation against its peer group of junior producers reveals that it is currently undervalued, we believe Fortuna is deserving of higher multiples than many other junior silver producers due to its production growth profile and operations track record.

We recommend **Silver Wheaton** as a unique investment vehicle that provides investors with exposure to a silver operation with limited operating risks. Silver Wheaton added considerable growth to an already impressive royalty portfolio with its new Pascua-Lama stream agreement signed with Barrick Gold. Pascua-Lama, along with the Peñasquito stream, will form cornerstone assets for Silver Wheaton, providing much of its future growth profile. We believe Silver Wheaton has a solid business model and that it should trade in line with other royalty companies in terms of a premium.

We believe strong silver prices are supported by relative gold pricing and long-term fundamentals.

Pan American, Fortuna Silver, and Silver Wheaton are our top picks in the silver group.

Oil & Gas – Energy Equipment & Services

Market Weight

Jeff Fetterly, CFA, Calgary (403) 216-3400
Jon Morrison, Calgary (403) 216-3402

Initial Signs Of Momentum Set Stage For 2010

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

Although 2009 proved to be one of the most challenging years on record for the oilfield services sector, we believe the industry showed initial signs of momentum in Q4/2009. Activity thus far in Q1/2010 has improved meaningfully year over year and we believe the improved winter drilling season sets the foundation for continued strengthening of activity levels in H2/2010.

Overall, we believe key resource plays will remain the drivers of North American activity, with the Montney, Horn River and Bakken plays figuring prominently in Western Canadian Sedimentary Basin (WCSB) activity. However, in our view, the recent emergence of brownfield development opportunities such as the Cardium and Viking light oil plays and the resource play potential provided by these and other emerging plays (Notikewin, Amaranth, etc.) also have the potential to meaningfully impact WCSB activity in 2010 and 2011. Given that these emerging opportunities are likely to be developed in a similar fashion to established resource plays (i.e., long-reach horizontal drilling, intensive fracturing, challenging logistics, etc.), we believe the greatest net benefit is likely to accrue to companies weighted toward directional drilling, deeper contract drilling, pressure pumping, rentals and transportation.

Although valuations for oilfield services equities have, for the most part, expanded to levels that we believe are appropriate for the initial stages of a recovery (i.e., early-cycle earnings), in our view the market continues to discount a more “normalized” operating environment for the sector. As a result, we believe that as investors begin to incorporate 2011 performance into their valuation, which we are forecasting to be a mid-cycle operating environment, we foresee further upside for services equities.

Our Top Picks

Overall, we believe investors should favor names: 1) with above-average exposure to key and emerging North American resource plays; 2) that maintain a strong balance sheet and will have the financial flexibility to expand and capitalize on selective growth opportunities in the coming quarters; and, 3) that trade at attractive valuations relative to their peer group. Our top picks are: **Flint Energy Services, Mullen Group, Precision Drilling Trust, Total Energy Services** and **Trinidad Drilling**.

Activity thus far in Q1/2010 has improved meaningfully Y/Y and we believe the improved winter drilling season sets the foundation for continued strengthening in H2/2010.

As investors begin to incorporate 2011 performance into their valuation, we foresee further upside for services equities.

Oil & Gas — Energy Equipment & Services

Market Weight

Jeff Fetterly, CFA, Calgary (403) 216-3400

Jon Morrison, Calgary (403) 216-3402

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Fiscal Year	Price (3/10)	52-week			Ind Div.	Yield	Shares O/S (min.)	Mkt. Cap. (\$mln.)	Float Shares (min.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			Distributable Cash Flow Per Unit			P/DCFP			ROE	Total Implied Return	12-18 mo. Price Target	
						High	Low	High							Low	2008	2009E	2010E	2008	2009E	2010E	2008	2009E	2010E	2008	2009E				2010E
Energy Equipment & Services																														
Sector Performer	CFW	Calfrac Well Services	C\$	Dec.	\$24.58	\$25.95	\$6.40	\$0.10	0.4%	42.9	\$1,054.1	28.6	\$703.0	\$0.60	(\$0.04)	\$0.79	41.0	NEG	31.1	-	-	-	-	-	-	\$10.61	2.3	7.0%	10.3%	\$27.00
Sector Performer	CET	Cathedral Energy	C\$	Dec.	6.30	6.93	2.00	-	-	36.2	228.0	33.6	211.7	-	0.17	0.47	-	37.1	13.4	\$1.20	\$0.23	\$0.78	5.3	27.4	8.1	2.59	2.4	16.8%	11.1%	7.00
Sector Outperformer	FES	Flint Energy Services Ltd.	C\$	Dec.	12.05	14.39	4.62	-	-	45.5	548.3	32.0	385.6	1.34	1.01	1.19	9.0	11.9	10.1	-	-	-	-	-	-	11.02	1.1	9.2%	41.1%	17.00
Sector Outperformer	MTL	Mullen Group	C\$	Dec.	15.20	17.09	8.10	0.50	3.3%	80.6	1,225.2	55.7	846.6	1.94	0.93	1.23	7.8	16.3	12.4	2.54	0.98	1.68	6.0	15.5	9.0	14.48	1.0	6.6%	34.9%	20.00
Sector Performer	NAL	Newalta Inc.	C\$	Dec.	9.09	9.99	2.27	0.20	2.2%	42.4	385.8	41.0	372.7	1.44	0.20	0.63	6.3	45.5	14.4	1.97	1.22	1.49	4.6	7.5	6.1	11.65	0.8	1.4%	28.7%	11.50
Sector Performer	PSI	Pason Systems Inc.	C\$	Dec.	12.80	13.34	8.26	0.28	2.2%	81.5	1,043.0	61.9	792.3	0.94	0.01	0.35	13.6	1,280.0	36.6	-	-	-	-	-	-	3.78	3.4	8.4%	11.6%	14.00
Sector Performer	PHX.U	Phoenix Technology IF	C\$	Dec.	9.84	10.00	4.70	0.48	4.9%	24.4	240.2	17.1	168.3	-	0.16	0.61	-	61.5	16.1	1.43	0.56	0.98	6.9	17.6	10.0	3.14	3.1	-	6.5%	10.00
Sector Performer	TIH	Toromont Industries	C\$	Dec.	30.09	30.54	19.26	0.60	2.0%	76.7	2,307.9	70.9	2,133.4	2.04	1.86	1.69	14.8	16.2	17.8	-	-	-	-	-	-	15.16	2.0	11.1%	15.0%	34.00
Sector Outperformer	TOT	Total Energy Services	C\$	Dec.	8.86	9.73	3.06	0.12	1.4%	29.1	257.9	27.4	242.8	0.87	0.50	1.25	10.2	17.7	7.1	1.39	0.99	1.54	6.4	8.9	5.8	5.95	1.5	21.0%	25.5%	11.00
Sector Performer	TCW	Trican Well Service Ltd.	C\$	Dec.	13.84	15.43	5.35	0.10	0.7%	125.6	1,738.8	122.9	1,700.9	0.57	(0.04)	0.50	24.3	NEG	27.7	-	-	-	-	-	-	5.15	2.7	9.8%	30.8%	18.00
Sector Outperformer	TDG	Trinidad Drilling Ltd.	C\$	Dec.	7.41	8.10	1.96	0.20	2.7%	120.8	895.4	115.0	852.2	1.02	0.19	0.49	7.3	39.0	15.1	2.01	2.38	-	3.7	3.1	-	7.62	1.0	2.2%	37.7%	10.00
Oil & Gas Drilling																														
Sector Performer	ESI	Ensign Energy Services	C\$	Dec.	15.20	18.29	8.90	0.35	2.3%	153.2	2,328.0	126.0	1,915.2	1.65	0.86	1.02	9.2	17.7	14.9	-	-	-	-	-	-	9.90	1.5	8.6%	33.9%	20.00
Sector Outperformer	PD.UN	Precision Drilling Trust	C\$	Dec.	8.60	9.73	2.65	-	-	275.6	2,370.5	273.2	2,349.5	-	1.05	0.66	-	8.2	13.0	2.63	0.89	1.19	3.3	9.7	7.2	8.89	1.0	6.0%	39.5%	12.00
Sector Performer	SVY	Savanna Energy Services	C\$	Dec.	7.30	8.81	3.96	0.10	1.4%	78.8	574.9	72.1	526.3	0.87	(0.06)	0.14	8.4	NEG	52.1	-	-	-	-	-	-	10.24	0.7	-	11.0%	8.00

Oil & Gas — Junior E&P

Market Weight

Adam Gill, Calgary (403) 216-3405
Diana Chaw, Calgary (403) 216-8518

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year CFPS			P/CF Multiples			Total Implied Return	12-18-mo. Price Target
					High	Low							2008	2009E	2010E	2008	2009E	2010E		
Sector Outperformer	AXL	Anderson Energy Ltd.	C\$ Dec.	\$1.29	\$1.57	\$0.65	-	-	169.8	\$219.0	134.2	\$173.1	\$0.91	\$0.25	\$0.37	1.4	5.2	3.5	27.9%	\$1.65
Sector Outperformer	NGL	Angle Energy Inc.	C\$ Dec.	7.91	9.20	3.03	-	-	54.4	429.9	45.8	362.3	1.86	0.89	1.52	4.3	8.9	5.2	20.1%	9.50

Royalty Trusts/Dividend Corps.

Market Weight

Adam Gill, Calgary (403) 216-3405
Diana Chaw, Calgary (403) 216-8518

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week		Units O/S (min.)	Mkt. Cap. (\$mln.)	Float Units (min.)	Float (\$mln.)	Cash Distribution			Cash-on-cash Yield			Total Implied Return	12-18-mo. Price Target	
					High	Low					2008	2009E	2010E	2008	2009E	2010E			
Unconventional Oil & Gas																			
Sector Performer	PVE.UN	Provident Energy Trust	C\$ Dec.	\$8.45	\$8.61	\$2.90	263.3	\$2,224.5	145.0	\$1,225.3	\$1.38	\$0.75	\$0.72	16.3%	8.9%	8.5%	12.4%	\$8.75	

This page left blank intentionally.

Paper & Forest Products

Underweight*

Jonathan Lethbridge, CFA, Montreal (514) 847-6423

Strong Moves In Commodities Largely Reflected In Stock Prices

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

We rate the paper & forest products sector as Underweight for the following reasons:

- Although most paper and packaging prices are experiencing upward momentum as demand fundamentals improve, we expect cost-push pressure from rising fiber, energy and transportation costs to continue to partially offset profits accruing to producers. In addition, the Canadian dollar remains strong and continues to place significant pressure on the sector.
- Despite the recent rally, we think building materials prices will fall back to cash cost levels following the spring building season, given that the U.S. housing market remains very weak. While most solidwood companies have strong balance sheets, most of them are only just starting to turn a profit at the EBITDA level.

Pulp markets continue to rally, underpinned by strong demand from developing nations like China. Global statistics for January show demand is up 13% year over year and inventory levels continue to favor producers; however, those inventories are on the rise. We don't think pulp prices can get much higher on a sustained basis, given that they are getting very expensive in U.S. dollar and euro terms.

Update On The Fundamentals

North American markets for the major paper grades showed some signs of life in January, although we think the secular trend in demand is still negative. North American demand for uncoated woodfree paper (UWF) was up 5% year over year in January, while containerboard consumption declined by 4% over the same period. U.S. newsprint consumption remains the industry's biggest problem child, with demand down 15% in January. We expect the secular rate of decline in demand for the main paper grades will likely ease somewhat as the economy recovers. However, offsetting this benefit is the likelihood that strong near-term commodity prices may delay the implementation of much-needed capacity closures. As demand for paper shrinks, the demand for market pulp within North America has remained under pressure. However, due to significant amounts of market-related downtime and strong buying from China, pulp producers have driven down inventories and put upward pressure on prices.

Building products prices have rebounded from the unsustainably low levels of 2009, although this has been due mainly to supply shortages and an inventory build rather than higher consumption. Overall, building products demand continues to suffer from historically low construction levels and we expect prices to remain subdued until there is a material improvement in U.S. housing starts.

Our Top Picks

On a relative basis, our top picks for the early stages of a recovery are **International Forest Products** and **Norbord**.

The North American market for the major paper grades showed some signs of life in January, but the secular trend is still negative.

Our top picks are Interfor and Norbord.



Paper & Forest Products*

Underweight

Jonathan Lethbridge, CFA, Montreal (514) 847-6423

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	52-week Price (3/10)			Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18 mo. Price Target
					High	Low	Low							2008	2009E	2010E	2008	2009E	2010E					
Canada																								
Sector Performer	CFP	Canfor Corporation	C\$	Dec.	\$8.39	\$9.55	\$4.38	-	-	142.6	\$1,196.3	79.2	\$664.5	(\$1.06)	(\$1.03)	(\$0.24)	NEG	NEG	NEG	\$9.73	0.9	-	(16.6%)	\$7.00
Sector Performer	CAS	Cascades Inc.	C\$	Dec.	8.16	9.80	1.70	\$0.16	2.0%	97.5	795.4	70.4	574.5	0.03	1.13	0.45	272.0	7.2	18.1	13.38	0.6	-	6.1%	8.50
Sector Performer	CTL	Catalyst Paper Corporation	C\$	Dec.	0.23	0.40	0.08	-	-	381.8	87.8	378.0	86.9	(0.12)	(0.16)	(0.25)	NEG	NEG	NEG	2.40	0.1	-	73.9%	0.40
Sector Outperformer	IFP.A	International Forest Products	C\$	Dec.	4.50	5.10	1.24	-	-	47.1	212.0	45.8	206.1	(0.36)	(0.85)	(0.63)	NEG	NEG	NEG	7.60	0.6	-	22.2%	5.50
Sector Outperformer	NBD	Norbord Inc.	C\$	Dec.	18.48	21.80	5.60	-	-	43.2	US\$776.0	10.8	US\$194.1	(US\$6.00)	(US\$1.31)	(US\$0.85)	NEG	NEG	NEG	US\$7.74	2.3	-	35.3%	25.00
Sector Performer	TRE	Sino-Forest Corporation	C\$	Dec.	20.50	21.53	6.52	-	-	242.1	US\$4,827.4	217.8	US\$4,342.9	US\$1.37	US\$1.28	US\$1.79	14.6	15.6	11.1	US\$10.26	1.9	12.0%	(2.4%)	20.00
Sector Underperformer	TMB	Tembec Inc.	C\$	Sep.	1.07	1.39	0.50	-	-	100.0	107.0	100.0	107.0	(0.80)	(2.28)	(0.81)	NEG	NEG	NEG	3.04	0.4	-	(67.3%)	0.35
Sector Outperformer	WFT	West Fraser Timber Co. Ltd.	C\$	Dec.	37.00	37.94	19.91	0.12	0.3%	42.8	1,584.0	29.9	1,106.3	(2.90)	(3.23)	(1.48)	NEG	NEG	NEG	37.80	1.0	-	3.0%	38.00
Income Trusts																								
Sector Performer	CFX.UN	Canfor Pulp Income Fund	C\$	Dec.	11.02	11.09	1.30	0.12	1.1%	71.3	785.4	35.6	392.3	-	-	-	-	-	-	7.35	1.5	20.0%	(12.7%)	9.50
Sector Performer	SFK.UN	SFK Pulp Fund	C\$	Dec.	1.05	1.49	0.19	-	-	90.5	95.0	90.5	95.0	-	-	-	-	-	-	4.80	0.2	-	(38.1%)	0.65
Sector Performer	SXP.UN	Supremex Income Fund	C\$	Dec.					25.5															
					2.35	3.41	1.77	0.60	%	29.3	68.9	21.0	49.4	-	-	-	-	-	-	2.50	0.9	-	106.4%	4.25
Sector Performer	TWF.UN	TimberWest Forest Corp.	C\$	Dec.	5.37	5.57	2.26	-	-	77.8	417.5	77.8	417.8	-	-	-	-	-	-	8.04	0.7	5.0%	(16.2%)	4.50
U.S.																								
Restricted	ABWTQ	AbitibiBowater Inc.	US\$	Dec.	0.10	0.91	0.09	-	-	57.6	5.9	57.6	5.9	-	-	-	-	-	-	20.03	0.0	-	-	-
Sector Performer	UFS	Domtar Inc.	US\$	Dec.	57.90	59.38	6.12	-	-	43.0	2,487.2	43.0	2,489.7	2.04	1.11	0.91	28.4	52.2	63.6	61.97	0.9	1.2%	(3.3%)	56.00
Sector Performer	LPX	Louisiana-Pacific Corp.	US\$	Dec.	8.16	8.31	1.03	-	-	124.4	1,015.1	123.0	1,003.7	(1.54)	(1.04)	(0.71)	NEG	NEG	NEG	10.45	0.8	-	(2.0%)	8.00
Sector Performer	MERC	Mercer International Inc.	US\$	Dec.	4.65	4.69	0.25	-	-	36.4	123.4	34.8	117.8	(2.00)	(1.72)	(0.85)	NEG	NEG	NEG	2.36	1.4	-	(14.0%)	4.00

* Note that, as of March 7, in a report entitled *Outlook For The Paper & Forest Products Sector Through 2011*, the sector weighting on the paper & forest products sector was upgraded to Market Weight. Ratings, price targets and estimates of companies under coverage were also revised. Please see the report on our website for more details.

Pipelines, Utilities & Power

Overweight

Petro Panarites, CFA, Toronto (416) 594-8249
Osvaldo Matias, CFA, Toronto (416) 956-6428
Alex Artamonov, CFA Toronto (416) 956-3826

Exceptional Long-term Value

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

A-rated corporate bond spreads have stabilized at around 130 basis points (bps), very close to their historical average of 120 bps, and well off their credit crisis-induced peak of 500 bps. Meanwhile, Canadian money market holdings as a proportion of total Canadian mutual fund holdings have plunged from peak levels in early 2009. These metrics reflect a sharp return of liquidity and risk tolerance to the equity markets over the past year. Other measures, however, have remained considerably far from "normal." Pipeline and utility dividend yield spreads to A-rated corporate bond yields remain stubbornly at historical highs, as capital inflows have bypassed more defensive sectors for higher-beta segments of the market. We continue to view this situation as an extraordinary opportunity from a longer-term standpoint. Pipeline and utility stocks offer a compelling risk/reward for investors concerned about the pace and extent of the recent recovery in more economically sensitive sectors of the market.

Update On The Fundamentals

- **Power Prices:** Power prices in key North American markets rebounded in the back half of 2009 and have remained stable through early 2010, but remain depressed compared with prior years. Coal-fired merchant exposure continues to feel the greatest pinch, while the impact on gas-fired generation has been partly mitigated by low gas prices. Companies with related exposure include TransAlta and, to a lesser extent, TransCanada, ATCO and Canadian Utilities.
- **Frac Spreads:** Higher oil prices along with weakness in gas prices resulted in a sharp rebound in frac spreads through 2009 and into the beginning of 2010. Inter Pipeline, Fort Chicago, and Spectra Energy are the companies within our universe that benefit the most from stronger frac spreads.
- **Regulatory:** Following the National Energy Board's (NEB) decision to drop the generic ROE formula, positive related developments at the provincial level have also come to fruition in Alberta and B.C. Within our coverage universe, Fortis is expected to gain the most from these developments.

Our Top Picks

- **Enbridge** remains a favorite with the strongest and most visible EPS growth profile within our coverage universe.
- **TransCanada** likely offers among the best longer-term value and growth characteristics, although patience is required, as EPS growth in 2010 is expected to remain modest, but should pick up significantly in 2011.
- **Fortis** remains our top utilities pick, and a good defensive alternative given strong rate base growth and positive regulatory developments in Alberta and British Columbia that are expected to contribute to EPS growth over the investment horizon.

Defensive attributes and attractive valuations suggest a compelling opportunity.

Pipelines, Utilities & Power

Petro Panarites, CFA, Toronto (416) 594-8249

Oswaldo Matias, CFA, Toronto (416) 956-6428

Alex Artamonov, CFA Toronto (416) 956-3826

Canadian Pipelines & Utilities

Overweight

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target	
					High	Low							2008	2009E	2010E	2008	2009E	2010E						
Sector Performer	ACO.X	Atco Ltd.	C\$	Dec.	\$51.01	\$51.47	\$34.06	\$1.06	2.1%	58.2	\$2,969.8	43.6	\$2,224.0	\$4.57	\$4.73	\$4.73	11.2	10.8	10.8	\$34.52	1.5	13.0%	2.1%	\$51.00
Sector Performer	CU	Canadian Utilities Ltd.	C\$	Dec.	46.10	46.30	34.05	1.51	3.3%	125.9	5,802.1	59.9	2,761.4	3.18	3.33	3.34	14.5	13.8	13.8	24.20	1.9	13.6%	9.6%	49.00
Sector Performer	EMA	Emera Inc.	C\$	Dec.	24.00	25.57	18.30	1.13	4.7%	112.8	2,707.2	112.8	2,707.2	1.34	1.55	1.60	17.9	15.5	15.0	13.33	1.8	11.6%	13.0%	26.00
Sector Outperformer	ENB	Enbridge Inc.	C\$	Dec.	46.87	49.00	35.20	1.70	3.6%	376.4	17,641.9	376.4	17,641.9	1.88	2.35	2.60	24.9	19.9	18.0	18.86	2.5	13.4%	27.4%	58.00
Sector Outperformer	FTS	Fortis Inc.	C\$	Dec.	28.19	29.24	21.52	1.12	4.0%	171.1	4,823.3	171.1	4,823.3	1.56	1.51	1.70	18.1	18.7	16.6	18.70	1.5	8.9%	19.3%	32.50
Sector Performer	TA	TransAlta Corporation	C\$	Dec.	22.50	24.00	17.96	1.16	5.2%	218.4	4,914.5	218.8	4,923.0	1.46	0.90	1.38	15.4	25.0	16.3	13.41	1.7	10.2%	11.8%	24.00
Sector Outperformer	TRP	TransCanada Corp.	C\$	Dec.	35.16	36.49	28.86	1.60	4.6%	684.0	24,049.4	684.0	24,049.4	2.25	2.03	2.10	15.6	17.3	16.7	22.22	1.6	9.4%	24.0%	42.00

U.S. Pipelines & Utilities

Overweight

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target	
					High	Low							2008	2009E	2010E	2008	2009E	2010E						
Sector Performer	SE	Spectra Energy Corporation	US\$	Dec.	\$21.98	\$23.06	\$11.21	\$1.00	4.5%	650.0	\$14,287.0	\$650.0	14,287.0	\$1.83	\$1.18	\$1.46	12.0	18.6	15.1	\$10.92	2.0	12.8%	18.3%	\$25.00

Energy Infrastructure Trusts

Overweight

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week		Units O/S (mln.)	Mkt. Cap. (\$mln.)	Float Units (mln.)	Float (\$mln.)	Cash Distribution			Cash-on-cash Yield			Total Implied Return	12-18-mo. Price Target	
					High	Low					2008	2009E	2010E	2008	2009E	2010E			
Pipeline / Midstream Gas / NGL Processing Trusts																			
Sector Performer	ALA.UN	AltaGas Income Trust	C\$	Dec.	\$18.50	\$19.29	\$12.51	80.3	\$1,485.6	55.7	\$1,030.5	\$2.13	\$2.16	\$1.63	11.5%	11.7%	8.8%	14.4%	\$19.00
Sector Performer	FCE.UN	Fort Chicago Energy Partners, L.P.	C\$	Dec.	10.65	10.85	6.57	137.3	1,462.6	111.8	1,190.7	1.00	1.00	1.00	9.4%	9.4%	9.4%	(6.1%)	9.00
Sector Outperformer	IPL.UN	Inter Pipeline Fund, L.P.	C\$	Dec.	11.99	12.18	6.59	254.6	3,053.2	183.9	2,205.0	0.84	0.85	0.90	7.0%	7.0%	7.5%	7.1%	12.00
Sector Performer	PIF.UN	Pembina Pipeline Income Fund	C\$	Dec.	17.99	18.47	11.68	156.3	2,810.9	110.8	1,993.3	1.49	1.56	1.56	8.3%	8.7%	8.7%	(17.7%)	13.25

Railroads

Market Weight

Jacob Bout, CFA, Toronto (416) 956-6766
 Kevin Chiang, Toronto (416) 594-7198
 Shereen Zahawi, Toronto (416) 594-7289

Volumes Have Bottomed

All figures in U.S. dollars, unless otherwise stated.

Our Stance On The Sector

As the transporter of all things commercial, residential and industrial, historically, the Canadian rails' performance has mirrored economic conditions. However, given the sector-specific issues facing the trucking industry (highway congestion, higher fuel costs for trucks versus rails, and increased regulations), we expect the Canadian rails to capture a disproportionate amount of the freight volume growth (at the expense of trucks) over the longer term.

Update On The Fundamentals

Since freight volume is a derived demand, and a function of the overall health of the economy, the recent positive economic data seems to be contributing to the rebound of carload volumes. According to recently released AAR data, North American originating carloads are showing an upward trend. Canadian National (CN) and Canadian Pacific (CP) volumes have increased 11.7% and 4.5%, respectively, year over year through Week 7. To date, the North American Class 1 volumes of commodity groups have been mixed, with strong increases in automotives and metals and minerals volumes partially offset by steep declines in U.S. thermal coal and building materials volumes.

Intermodal traffic received a lift last quarter mainly due to inventory restocking by retailers, which boosted shipments in North America, according to the Intermodal Association of North America. The association noted that this was the first year-over-year increase in domestic intermodal traffic in more than a year as shippers rebuilt depleted stocks. North American domestic intermodal shipments rose by 0.8% versus Q4/2008 to 1.484 million loads. Expectations are for overall intermodal growth in 2010 of 1.5%–2.5% year over year.

The U.S. rail regulatory bill has passed the Senate Commerce, Science and Transportation Committee and now moves to Congress for debate, which could take most of 2010. Railroads and some lawmakers are already speaking against the proposed bill, stating that it goes too far to please shippers and is unbalanced. The bill is expected to increase the regulatory power of the Surface Transportation Board and introduce more shipper-friendly clauses.

We remain proponents of the long-term fundamentals of the rail industry. We expect the Canadian rails to outperform their U.S. peers given: 1) higher exposure to commodities; 2) less exposure to thermal coal, which is expected to represent a major headwind for the U.S. rails and is its largest bulk commodity; and, 3) less risk exposure to the proposed U.S. rail bill. As long as pricing holds, the rails should be a relatively defensive sector. Our top pick is **CN** given: 1) its proven track record and expectations that the EJ&E acquisition and improvements at Harrison Yard will drive further cost cutting; 2) its greater leverage to a recovering economy; and, 3) its more attractive valuation.

Year to date (to Week 7), North American Class 1 originating carloads were up 2.3% year over year.

Intermodal traffic gets a boost in last quarter.

U.S. rail bill headed for Congress.

CN is our top pick.

Railroads

Market Weight

Jacob Bout, CFA, Toronto (416) 956-6766
 Kevin Chiang, Toronto (416) 594-7198
 Shereen Zahawi, Toronto (416) 594-7289

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18 mo. Price Target
						High	Low							2008	2009E	2010E	2008	2009E	2010E					
Sector Outperformer	CNR	Canadian National Railway	C\$	Dec.	\$56.82	\$59.14	\$37.85	\$1.01	1.8%	470.8	\$26,748.8	469.4	\$26,671.3	\$3.71	\$3.24	\$3.52	15.3	17.5	16.1	\$23.79	2.4	16.1%	16.2%	\$65.00
Sector Performer	CP	Canadian Pacific Railway	C\$	Dec.	52.85	58.17	32.36	0.99	1.9%	168.3	8,895.8	168.1	8,884.1	4.07	2.74	3.35	13.0	19.3	15.8	39.84	1.3	7.7%	5.9%	55.00

Real Estate

Overweight

Rossa O'Reilly, CFA, Toronto (416) 594-7296
 Alex Avery, CFA, Toronto (416) 594-8179
 Brad Sturges, CFA, Toronto (416) 594-7399
 Troy MacLean, Toronto (416) 956-3643

Mortgage Rates Ease, Industrial Vacancies Decline, Housing Resales Rise

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

Canadian REITs have returned +2% in 2010 year to date versus +0% for both the S&P/TSX Composite Index and the Bloomberg U.S. REIT Index. Canadian REITs (excluding the cyclical hotel sector) are trading at a modest 9.7x 2010E FFO and are yielding close to 8% on average. REITs' prices are 8% above estimated net asset values (NAVs) on average, but if cap rates decline by 50 basis points (bps) in 2010 (as we believe is feasible), REITs' NAVs would increase by 16% on average. We expect total returns averaging 15% and we recommend overweighting the sector.

REITs offer high sustainable yields averaging close to 8%.

Update On The Fundamentals

On average, we expect FFO for Canadian REITs (ex-hotels) to decline a modest 1% in 2009 and to rise 2% in 2010. Commercial mortgage rates have declined 20 bps–50 bps in the past two months and are currently 4.6%–5.0% for five-year terms, availability is good (although lenders remain selective on quality and size of loan), and more REITs have raised equity capital, enhancing their financial flexibility. REITs with newly raised capital are making acquisitions and cap rates are declining, with positive implications for REITs' NAVs. MLS housing resales were very strong again in January: +89.3% in dollar volume with unit volume up 58.3% and average price up 19.6%, providing continuing support to consumer confidence and retailing prospects. Shopping center REITs are benefitting from the inherent strengths of their property asset classes, which have sustained them through past economic recessions with relative stability. Canadian shopping center REITs' high degree of concentration in unenclosed and community power centers affords them significant protection since these centers tend to sell basic necessities (groceries, hardware, fast food, discount items) and collect contractual fixed rents rather than rents based on tenant sales.

Canadian office vacancies at 8.5% are, on average, at levels that still reflect near balance between supply and demand, while industrial vacancies have declined by 0.2% to 6.8% in the past quarter, the first decline since 2005. Commercial property REITs have rental rates embedded in leases written five to 10 years ago that are on average below current market rents. Under these circumstances, erosion in market rents for office and industrial space should not preclude stable to positive rental rate adjustments on lease turnovers/rollovers. However, hotel REITs are more vulnerable and their RevPAR (-12.4% in 2009) and FFO trends have continued to decline in 2009 and 2010 and to date. Hotels continue to suffer from recessionary pressures, transborder travel complexities and a high Canadian dollar.

On average, REITs (ex-hotels) are trading at only 9.7x 2010E FFO, are experiencing stable FFO trends, and should see growth in NAVs in 2010.

Our Top Picks

Among REITs/REOCs we regard as particularly attractive at current levels are the large-cap, blue-chip issues **Calloway**, **H&R** and thinly traded **BPO Properties** and among the medium- and smaller-cap issuers **Allied Properties**, and **Crombie**.

51 Real Estate

Rossa O'Reilly, CFA, Toronto (416) 594-7296 Alex Avery, CFA, Toronto (416) 594-8179
 Brad Sturges, CFA, Toronto (416) 594-7399 Troy MacLean, CFA, Toronto (416) 956-3643

Income Property Companies

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	FFO			P/FFO			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target		
					High	Low							2008	2009E	2010E	2008	2009E	2010E							
Development																									
Sector Performer-S	MCG	Melco China Resorts ^{RO}	C\$	Dec.	\$0.46	\$0.53	\$0.03	-	-	95.9	\$44.1	25.3	\$11.6	-	-	-	-	-	-	\$1.21	0.4	-	(45.7%)	\$0.25	
Income Property Companies																									
Sector Outperformer	AIF.UN	Altus Group Income Fund ^{AA}	C\$	Dec.	12.70	14.56	5.11	\$1.20	9.4%	22.6	287.0	14.0	177.8	-	-	-	-	-	-	-	-	-	27.6%	15.00	
Sector Outperformer	BPP	BPO Properties Ltd. ^{RO}	C\$	Dec.	20.45	21.50	9.17	0.40	2.0%	84.9	1,736.2	9.0	184.1	\$1.64	\$1.32	\$1.33	12.5	15.5	15.4	-	-	-	9.5%	22.00	
Sector Performer	BPO	Brookfield Properties Corp. ^{RO}	US\$	Dec.	14.31	14.41	4.11	0.56	3.9%	501.2	7,172.2	250.0	3,577.5	1.59	1.48	1.30	9.0	9.7	11.0	-	-	-	1.7%	14.00	
Sector Outperformer	FCR	First Capital Realty Inc. ^{AA}	C\$	Dec.	21.30	23.25	14.11	1.28	6.0%	95.9	2,042.7	47.0	1,001.1	1.66	1.66	1.68	12.8	12.8	12.7	-	-	-	16.3%	23.50	
Restricted	KMP	Killam Properties Inc. ^{AA}	C\$	Dec.	8.30	9.50	4.55	0.56	6.7%	38.4	318.4	38.4	318.7	-	-	-	-	-	-	-	-	-	-	-	

Overweight

REITs

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week		Ind Div.	Yield	Units O/S (mln.)	Mkt. Cap. (\$mln.)	Float Units (mln.)	Float (\$mln.)	FFO			P/FFO			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target	
					High	Low							2008	2009E	2010E	2008	2009E	2010E						
Sector Outperformer	AP.UN	Allied Properties REIT ^{AA}	C\$	Dec.	\$19.55	\$20.19	\$11.53	\$1.32	6.8%	39.0	\$762.4	39.0	\$762.5	\$1.68	\$1.72	\$1.78	11.6	11.4	11.0	-	-	-	11.6%	\$20.50
Restricted	AX.UN	Artis REIT ^{AA}	C\$	Dec.	11.37	11.71	5.34	1.08	9.5%	42.7	485.5	42.7	485.5	-	-	-	-	-	-	-	-	-	-	-
Sector Performer	BEI.UN	Boardwalk REIT ^{AA}	C\$	Dec.	39.91	39.91	23.56	1.80	4.5%	52.7	2,105.0	39.3	1,568.5	2.39	2.51	2.59	16.7	15.9	15.4	-	-	-	4.7%	40.00
Sector Outperformer	CWT.UN	Calloway REIT ^{AA}	C\$	Dec.	20.63	20.85	8.91	1.55	7.5%	101.5	2,093.9	75.9	1,565.8	1.81	1.67	1.68	11.4	12.4	12.3	-	-	-	14.2%	22.00
Sector Underperformer	CAR.UN	Canadian Apartment Properties REIT ^{AA}	C\$	Dec.	14.15	15.00	11.79	1.08	7.6%	68.8	974.2	68.8	973.5	1.23	1.26	1.26	11.5	11.2	11.2	-	-	-	(0.5%)	13.00
Sector Performer	REF.UN	Canadian REIT ^{AA}	C\$	Dec.	28.14	29.49	19.07	1.38	4.9%	66.3	1,865.3	66.3	1,865.7	2.34	2.31	2.28	12.0	12.2	12.3	-	-	-	8.0%	29.00
Sector Performer	CRH.UN	Charter REIT ^{BS}	C\$	Dec.	1.50	1.55	0.64	-	-	18.4	27.6	12.3	18.5	0.21	0.24	0.24	7.1	6.3	6.3	-	-	-	(3.3%)	1.45
Sector Performer	CSH.UN	Chartwell Seniors Housing REIT ^{RO}	C\$	Dec.	7.59	8.03	3.63	0.74	9.7%	130.2	988.2	110.5	838.7	0.79	0.78	0.71	9.6	9.7	10.7	-	-	-	2.0%	7.00
Sector Performer	CUF.UN	Cominar REIT ^{AA}	C\$	Dec.	19.19	20.40	10.59	1.44	7.5%	54.7	1,048.8	45.7	877.0	1.80	1.77	1.74	10.7	10.8	11.0	-	-	-	11.7%	20.00
Sector Outperformer	CRR.UN	Crombie REIT ^{AA}	C\$	Dec.	11.38	11.60	5.50	0.89	7.8%	61.0	693.8	32.0	364.2	1.42	1.36	1.22	8.0	8.4	9.3	-	-	-	15.5%	12.25
Restricted	D.UN	Dundee REIT ^{AA}	C\$	Dec.	25.21	26.74	11.00	2.20	8.7%	30.2	761.3	24.0	605.0	-	-	-	-	-	-	-	-	-	-	-
Sector Performer	EXE.UN	Extencicare REIT ^{RO}	C\$	Dec.	10.22	10.72	3.66	0.84	8.2%	82.3	841.1	82.3	841.1	1.01	1.31	1.23	10.1	7.8	8.3	-	-	-	6.1%	10.00
Sector Outperformer	HR.UN	H&R REIT ^{AA}	C\$	Dec.	17.02	17.40	6.21	0.72	4.2%	149.3	2,540.4	143.8	2,447.5	1.59	1.40	1.54	10.7	12.2	11.1	-	-	-	15.9%	19.00
Sector Performer	INN.UN	InnVest REIT ^{RO}	C\$	Dec.	5.66	6.00	2.40	1.13	20.0%	87.2	493.6	87.2	493.6	-	-	-	-	-	-	-	-	-	17.1%	5.50
Sector Underperformer	MRT.UN	Morguard REIT ^{AA}	C\$	Dec.	13.27	13.95	7.82	0.90	6.8%	57.5	763.1	31.6	419.3	1.21	1.21	1.25	11.0	11.0	10.6	-	-	-	4.7%	13.00
Sector Performer	NPR.UN	Northern Property REIT ^{AA}	C\$	Dec.	22.23	23.66	14.56	1.31	5.9%	25.1	558.0	25.1	558.0	2.12	2.17	2.15	10.5	10.2	10.3	-	-	-	7.1%	22.50
Sector Outperformer	PMZ.UN	Primaris Retail REIT ^{AA}	C\$	Dec.	17.18	17.65	8.10	1.22	7.1%	62.5	1,073.4	62.5	1,073.8	1.44	1.32	1.51	11.9	13.0	11.4	-	-	-	11.9%	18.00
Sector Performer	RMM.UN	Retrocom Mid-Market REIT ^{BS}	C\$	Dec.	3.77	3.99	1.22	1.02	27.1%	27.6	104.2	17.2	64.8	0.62	0.49	0.53	6.1	7.7	7.1	-	-	-	11.9%	3.20
Sector Outperformer	REI.UN	RioCan REIT ^{AA}	C\$	Dec.	18.66	20.07	11.23	1.38	7.4%	242.3	4,521.3	242.3	4,521.3	1.48	1.20	1.45	12.6	15.6	12.9	-	-	-	21.3%	21.25
Sector Underperformer	RYL.UN	Royal Host REIT ^{RO}	C\$	Dec.	2.90	3.25	1.85	0.66	22.8%	19.6	56.8	14.3	41.5	0.87	0.55	0.50	3.3	5.3	5.8	-	-	-	9.0%	2.50
Sector Performer	SRQ.UN	Scott's REIT ^{BS}	C\$	Dec.	7.44	8.23	3.24	0.85	11.4%	7.2	53.9	4.5	33.5	0.91	0.89	0.91	8.2	8.4	8.2	-	-	-	7.5%	7.15
Sector Outperformer-S	WRK.UN	Whiterock REIT ^{AA}	C\$	Dec.	14.79	15.94	7.05	1.69	11.4%	12.5	184.9	12.5	184.9	1.94	1.70	1.89	7.6	8.7	7.8	-	-	-	23.0%	16.50

Overweight

Multi-Industry^{RO}

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target	
					High	Low							2008	2009E	2010E	2008	2009E	2010E						
Sector Outperformer	BAM	Brookfield Asset Management	US\$	Dec.	\$23.96	\$24.33	\$11.23	\$0.52	2.2%	572.1	\$13,707.5	468.0	\$11,213.3	\$1.02	\$0.71	\$0.80	23.5	33.7	30.0	\$11.58	2.1	-	21.1%	\$28.50
Sector Outperformer	OCX	Onex Corporation	C\$	Dec.	26.19	28.43	12.86	0.11	0.4%	120.3	3,150.7	84.5	2,213.1	(2.37)	0.92	0.50	NEG	28.5	52.4	-	-	-	11.1%	29.00

AA Alex Avery RO Rossa O'Reilly BS Brad Sturges

Market Weight

This page left blank intentionally.

Technology – Hardware

Todd Coupland, CFA, Toronto (416) 956-6025

Electronics Manufacturing Services

Market Weight

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18 mo. Price Target
						High	Low					2008	2009E	2010E	2008	2009E	2010E					
Sector Outperformer	CLS	Celestica Inc.	US\$	Dec.	\$10.91	\$11.04	\$2.59	232.0	\$2,531.1	210.6	\$2,297.6	\$1.25	\$0.62	\$0.93	8.7	17.6	11.7	\$6.36	1.7	-	28.3%	\$14.00
Sector Performer	FLEX	Flextronics International Ltd.	US\$	Mar.	7.10	7.97	1.81	826.5	5,868.5	799.6	5,677.2	1.01	0.73	0.52	7.0	9.7	13.7	2.30	3.1	-	(1.4%)	7.00
Sector Performer	JBL	Jabil Circuit, Inc.	US\$	Aug.	16.19	17.91	3.10	213.7	3,459.8	183.2	2,966.0	1.12	0.63	1.39	14.5	25.7	11.6	6.91	2.3	-	12.9%	18.00
Sector Performer	SANM	Sanmina-SCI Corporation	US\$	Sep.	17.47	17.74	1.08	78.6	1,373.4	77.8	1,359.2	0.16	(0.08)	1.19	109.2	NEG	14.7	7.26	2.4	-	(2.7%)	17.00

Hardware

Market Weight

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (3/3/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Share (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18 mo. Price Target		
						High	Low							2008	2009E	2010E	2008	2009E	2010E							
Communications Equipment																										
Sector Outperformer	DWI	DragonWave Incorporated	C\$	Feb.	\$12.13	\$14.55	\$1.40	-	-	36.2	\$439.1	36.2	\$439.1	(\$0.40)	(\$0.34)	\$0.83	NEG	NEG	14.6	\$3.61	3.4	-	48.4%	\$18.00		
Sector Outperformer	MN	March Networks Corp.	C\$	Apr.	3.86	4.89	1.76	-	-	17.2	66.4	13.6	52.5	(0.22)	(0.27)	(0.38)	NEG	NEG	NEG	6.79	0.6	-	81.3%	7.00		
Sector Performer	MT	Miranda Technologies Inc.	C\$	Dec.	4.76	7.02	4.06	-	-	22.8	108.7	22.2	105.7	0.85	0.28	0.45	5.6	17.0	10.6	5.97	0.8	-	47.1%	7.00		
Sector Underperformer	NRTLQ	Nortel Networks Corp.	US\$	Dec.	0.04	0.35	0.01	-	-	498.0	17.9	494.8	17.8	-	-	-	-	-	-	-	-	-	-	-		
Sector Performer	RDL	Redline Communications	C\$	Dec.	0.42	0.85	0.21	-	-	21.3	US\$8.7	17.3	US\$7.1	(US\$1.17)	(US\$0.39)	(US\$0.23)	NEG	NEG	NEG	US\$0.56	0.7	-	-	-		
Sector Outperformer	RIMM	Research In Motion Ltd.	US\$	Feb.	70.77	88.08	35.05	-	-	503.4	35,625.6	503.4	35,625.6	2.26	3.44	4.38	31.3	20.6	16.2	13.55	5.2	-	27.2%	90.00		
Sector Outperformer	RCM	RuggedCom Inc.	C\$	Mar.	20.84	30.50	17.06	-	-	12.1	US\$245.6	8.2	US\$166.2	-	US\$1.00	US\$0.55	-	20.3	36.9	US\$5.96	3.4	18.0%	20.0%	25.00		
Sector Outperformer	SVC	Sandvine Corporation	C\$	Nov.	1.66	1.78	0.60	-	-	135.8	225.4	106.7	177.1	(0.08)	(0.07)	(0.01)	NEG	NEG	NEG	0.83	2.0	-	20.5%	2.00		
Sector Outperformer	SWIR	Sierra Wireless Inc.	US\$	Dec.	8.57	13.02	2.64	-	-	31.0	265.9	27.1	232.1	1.41	0.47	0.69	6.1	18.2	12.4	10.20	0.8	7.0%	63.5%	14.00		
Sector Outperformer	VCM	Vecima Networks	C\$	Jun.	6.95	7.50	3.94	-	-	23.0	159.7	5.5	38.2	0.53	0.65	0.49	13.1	10.7	14.2	5.79	1.2	-	43.9%	10.00		
Sector Outperformer-S	WIN	Wi-LAN Inc.	C\$	Oct.	2.80	3.25	1.35	\$0.05	1.8%	97.0	271.6	96.2	269.4	0.12	0.10	0.14	23.3	28.0	20.0	2.45	1.1	-	116.1%	6.00		
Semiconductor																										
Sector Performer	DSA	DALSA Corporation	C\$	Dec.	8.78	9.00	4.15	0.20	2.3%	18.4	161.6	14.1	123.8	0.86	0.16	0.53	10.2	54.9	16.6	8.92	1.0	-	(18.0%)	7.00		
Sector Underperformer	GND	Gennum Corporation	C\$	Nov.	6.05	6.24	3.51	0.14	2.3%	34.7	209.9	30.5	184.5	0.56	0.12	0.27	10.8	50.4	22.4	4.24	1.4	-	(31.6%)	4.00		
Sector Outperformer-S	MSD	MOSAID Technologies	C\$	Apr.	23.93	25.14	10.25	1.00	4.2%	11.2	268.9	9.9	236.9	1.85	2.01	2.64	12.9	11.9	9.1	8.61	2.8	-	12.8%	26.00		

Technology – Software

Market Weight

Paul Lechem, Toronto (416) 956-6429
Stephanie Price, Toronto (416) 594-7047

Who Would Have Thought Software Companies Would Become “Defensive”?

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

The heady days of “dot.com” mania with excessive valuations and unworkable business plans are long gone. The software sector has returned to fundamentals, with almost all public companies generating profits (some very significantly), even those in earlier-stage growth mode. Furthermore, with highly stable customer bases generating roughly half of revenues for more mature companies, the software sector has become, dare we say it, stable and predictable.

The software sector has returned to fundamentals, with almost all public companies generating profits (some very significantly), even those in earlier-stage growth mode.

The age of “growth at any cost” has been replaced with disciplined management and control over expenses and investments. Sector consolidation still plays a strong role, with tuck-in acquisitions proving to be highly accretive for those companies with an established infrastructure. All these qualities suggest that the software sector has become a “defensible” one for investors – and, we believe, a sector that presents several appealing investment opportunities, especially as we do not believe valuations are accurately reflecting the sector’s solid growth/low risk profile.

The age of “growth at any cost” has been replaced with disciplined management and control over expenses and investments.

Update On The Fundamentals

Many of the remaining independent software vendors have built healthy, profitable businesses underpinned by a large base of recurring revenues. As such, it appears that software spending is less volatile than expected, with software vendors already highly focused on delivering solutions that improve productivity and deliver proven returns on investment.

Nevertheless, given the economic slowdown, we remain cautious on organic license growth, and expect software companies to focus on maintaining profitability and use excess cash for accretive acquisitions. Organic license growth could remain modestly negative into 2010. In addition, given the economic climate for 2009 it is unclear the extent of the typical year-end (Q4) IT “budget flush.”

Our Top Picks

We suggest that investors focus on the most financially viable, profitable software vendors. Organic growth is likely to remain under pressure into 2010. We, therefore, continue to prefer vendors that are using excess cash to pursue tuck-in acquisitions, especially those that can realize significant cost synergies. Such vendors include **Constellation Software**, **Descartes** and **Open Text**.

Technology – Software

Paul Lechem, Toronto (416) 956-6429

Stephanie Price, CFA, Toronto (416) 594-7047

Canadian Enterprise Software

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Fiscal Year	Price (\$/10)	52-week		Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target
						High	Low					2008	2009E	2010E	2008	2009E	2010E					
Applications & Systems Infrastructure																						
Sector Performer	BWC	Bridgewater Systems Corp.	C\$	Dec.	\$10.00																	
						\$10.37	\$3.50	24.2	\$241.8	16.0	\$160.0	\$0.11	\$0.44	\$0.61	90.9	22.7	16.4	\$2.80	3.6	18.9%	-	\$12.00
Sector Outperformer	CSU	Constellation Software Inc.	C\$	Dec.	40.00	40.00	24.00	21.2	US\$823.7	10.0	US\$389.1	US\$2.57	US\$3.03	US\$3.44	15.1	12.8	11.3	US\$5.07	7.7	58.4%	-	42.00
Sector Outperformer	OTEX	Open Text Corporation	US\$	Jun.	48.18	49.55	28.93	56.4	2,717.5	52.6	2,534.3	2.03	2.49	2.96	23.7	19.3	16.3	15.21	3.2	17.1%	-	50.00
IT Services & Other Software																						
Sector Performer	DSGX	Descartes Systems Group Inc.	US\$	Jan.	6.19	6.62	2.04	61.4	380.1	58.5	362.1	0.25	0.32	0.36	24.8	19.3	17.2	2.89	2.1	13.5%	-	6.50

Wireless Technology – Canada

Stock Recommendation	Symbol	Company	Fiscal Curr. Year	Fiscal Year	Price (\$/10)	52-week		Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target
						High	Low					2008	2009E	2010E	2008	2009E	2010E					
Hardware																						
Sector Outperformer	CDV	COM DEV International Ltd.	C\$	Oct.	\$3.35	\$4.15	\$2.52	73.6	\$246.4	73.4	\$245.9	\$0.18	\$0.21	\$0.28	18.6	16.0	12.0	\$2.14	1.6	11.9%	49.3%	\$5.00

Telecom & Cable Services Market Weight

Bob Bek, CFA, Toronto (416) 594-7454
Michael C. Lee, Toronto (416) 594-7907

Modest Q4 Across Industry; Cautious 2010 Guidance Could Lead To Positive Surprises

All figures in Canadian dollars, unless otherwise stated.

Our Stance On The Sector

The Canadian telecom industry has reported modest results in recent quarters, and Q4 is largely continuing this trend. While financial and operating results largely met expectations – and in some cases (e.g., TELUS, MTS) previously reduced guidance – it was clear that Q4 continued to be weighed down by the lingering effects of economic events and pricing pressure on wireless. Still, the results overall were somewhat encouraging as the results confirmed that the industry has now stabilized after a difficult 2008/2009.

As evidenced in Q4, asset mix still matters when investing in the telecom sector. Those companies with more favorable exposure to cable (Shaw, Cogeco Cable, Rogers) and wireless (Rogers, BCE) continue to outperform those with exposure to wireline (MTS, Bell Aliant), showing more robust operational and cash flow growth. In fact, one of the key takeaways from the quarter continued to be the decline of residential wireline, as line losses remained elevated across all the incumbents, pressured by cable telephony competition and growing wireless substitution at the margin.

The industry on the whole has provided preliminary 2010 guidance that could aptly be characterized conservative (e.g., Rogers, MTS). The guidance range is also fairly wide at most places, likely due to the prevailing economic uncertainty and competitive pressures. Still with the bar being set very low and the macro backdrop improving, we could see some positive surprises in the coming year.

Update On The Fundamentals

While the challenging operating environment has created near-term risks and uncertainty within the industry (with the weak economy, reduced consumer sentiment, and AWS entrant risks), the long-term fundamentals remain solid, in our opinion. Despite a major shift in consumer-spending habits, digital TV, home Internet and wireless have emerged as the “new utilities,” considered to be essential services to consumers. Although service downsizing and take-up of new services like wireless data remain short-term concerns, the long-term resiliency and fundamental aspects of the industry are intact. Given our bullish thesis on the space, we believe that current valuations are not adequately reflecting the long-term growth potential in the industry, particularly for wireless.

Our Top Pick

Shaw Communications remains our top pick in the sector, and continues to leverage its cable network in Western Canada to drive stable EBITDA growth and strong EBITDA margins – among the highest in North America. Subscriber growth in all key services remains solid, even with robust penetration. Given Shaw’s strong fundamental position and shareholder-friendly policies, we believe the stock remains a solid buy-and-hold story for long-term investors looking for a low-risk investment vehicle in the Canadian cable space.

Results have stabilized, but Canadian telcos issue cautious guidance for 2010.

Wireless is still the place to be, especially if the economy recovers into 2010.

Shaw is our top pick, and remains a strong buy-and-hold story.

Telecommunications & Cable Services

Market Weight

Robert Bek, CFA, Toronto (416) 594-7454
Michael C. Lee, Toronto (416) 594-7907

Stock Recommendation	Symbol	Company	Curr.	Fiscal Year	Price (\$/10)	52-week		Ind Div.	Yield	Shares O/S (mln.)	Mkt. Cap. (\$mln.)	Float Shares (mln.)	Float (\$mln.)	Fiscal Year EPS			P/E Multiples			BVPS	P/B	ROE 2009E	Total Implied Return	12-18-mo. Price Target
						High	Low							2008	2009E	2010E	2008	2009E	2010E					
Cable Companies																								
Sector Outperformer	CCA	Cogeco Cable Inc.	C\$	Aug.	\$40.90	\$41.81	\$26.40	\$0.56	1.4%	48.6	\$1,989.4	32.7	\$1,337.4	\$2.24	\$2.12	\$2.00	18.3	19.3	20.5	\$21.78	1.9	12.3%	1.6%	\$41.00
Sector Outperformer	RCL.B	Rogers Communications	C\$	Dec.	35.00	35.47	25.40	1.28	3.7%	603.0	21,105.0	484.5	16,957.5	1.98	2.48	2.73	17.7	14.1	12.8	7.09	4.9	37.1%	15.1%	39.00
Sector Outperformer	SJR.B	Shaw Communications Inc.	C\$	Aug.	20.24	22.02	17.37	0.88	4.3%	433.7	8,779.1	325.3	6,584.1	1.13	1.24	1.25	17.9	16.3	16.2	6.13	3.3	21.7%	22.9%	24.00
Telecommunications Operating Companies																								
Sector Performer	BCE	BCE Inc.	C\$	Dec.	30.05	30.31	22.94	1.74	5.8%	767.3	23,057.4	764.2	22,964.2	2.25	2.50	2.67	13.4	12.0	11.3	18.51	1.6	12.3%	5.6%	30.00
Sector Performer	BA.UN	Bell Aliant Reg. Comm. IF	C\$	Dec.	25.40	28.40	23.01	2.90	11.4%	228.4	5,800.7	125.6	3,190.2	-	-	-	-	-	-	-	-	-	21.7%	28.00
Sector Performer	MBT	Manitoba Telecom	C\$	Dec.	32.00	36.20	30.50	2.60	8.1%	64.7	2,070.4	64.4	2,060.8	2.98	2.64	2.42	10.7	12.1	13.2	20.35	1.6	2.6%	17.5%	35.00
Sector Outperformer	T	TELUS Corporation	C\$	Dec.	35.25	36.50	29.12	1.90	5.4%	318.0	11,209.5	291.0	10,257.8	3.42	3.14	2.89	10.3	11.2	12.2	23.82	1.5	12.8%	16.0%	39.00
Wireless Providers																								
Sector Performer	TGO	TeraGo Inc.	C\$	Dec.	4.88	5.50	2.56	-	-	11.1	54.4	6.3	30.7	(1.11)	(0.51)	(0.27)	NEG	NEG	NEG	3.42	1.4	-	33.2%	6.50

IMPORTANT DISCLOSURES:

Analyst Certification: Each CIBC World Markets research analyst named on the front page of this research report, or at the beginning of any subsection hereof, hereby certifies that (i) the recommendations and opinions expressed herein accurately reflect such research analyst's personal views about the company and securities that are the subject of this report and all other companies and securities mentioned in this report that are covered by such research analyst and (ii) no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by such research analyst in this report.

Potential Conflicts of Interest: Equity research analysts employed by CIBC World Markets are compensated from revenues generated by various CIBC World Markets businesses, including the CIBC World Markets Investment Banking Department. Research analysts do not receive compensation based upon revenues from specific investment banking transactions. CIBC World Markets generally prohibits any research analyst and any member of his or her household from executing trades in the securities of a company that such research analyst covers. Additionally, CIBC World Markets generally prohibits any research analyst from serving as an officer, director or advisory board member of a company that such analyst covers.

In addition to 1% ownership positions in covered companies that are required to be specifically disclosed in this report, CIBC World Markets may have a long position of less than 1% or a short position or deal as principal in the securities discussed herein, related securities or in options, futures or other derivative instruments based thereon.

Recipients of this report are advised that any or all of the foregoing arrangements, as well as more specific disclosures set forth below, may at times give rise to potential conflicts of interest.

Important Disclosure Footnotes for Companies Mentioned in this Report that Are Covered by CIBC World Markets Inc.:

Stock Prices as of 03/08/2010:

5N Plus, Incorporated (2g) (VNP-TSX, C\$5.29, Sector Outperformer)
AbitibiBowater Inc. (2a, 2e, 2g, 7) (ABWTQ-OTC, US\$0.10, Restricted)
Aecon Group Inc. (2a, 2c, 2e, 2g) (ARE-TSX, C\$13.48, Sector Outperformer)
Ag Growth International Inc. (2a, 2c, 2e, 2g, 7) (AFN-TSX, C\$37.17, Sector Outperformer)
AGF Management Limited (2g, 13) (AGF.B-TSX, C\$16.97, Sector Outperformer)
Agnico-Eagle Mines Limited (2g) (AEM-NYSE, US\$60.80, Sector Performer)
Agrium Inc. (2g, 7) (AGU-NYSE, US\$67.94, Sector Performer)
Alamos Gold Inc. (2g) (AGI-TSX, C\$14.03, Sector Outperformer)
Alexis Minerals Corporation (2a, 2c, 2e, 2g) (AMC-TSX, C\$0.40, Sector Outperformer - Speculative)
Alimentation Couche-Tard Inc. (2g) (ATD.B-TSX, C\$20.00, Sector Performer)
Allied Properties Real Estate Investment Trust (2a, 2c, 2e, 2g) (AP.UN-TSX, C\$19.00, Sector Outperformer)
AltaGas Income Trust (2a, 2c, 2e, 2g, 7) (ALA.UN-TSX, C\$18.20, Sector Performer)
Altus Group Income Fund (2g) (AIF.UN-TSX, C\$12.74, Sector Outperformer)
Andean Resources Ltd. (2a, 2c, 2e, 2g) (AND-TSX, C\$2.53, Sector Outperformer)
Anderson Energy Ltd. (2a, 2c, 2e, 2g) (AXL-TSX, C\$1.37, Sector Outperformer)
Angle Energy Inc. (2a, 2c, 2e, 2g) (NGL-TSX, C\$8.16, Sector Outperformer)
Armtec Infrastructure Income Fund (2g) (ARF.UN-TSX, C\$25.20, Sector Outperformer)
Artis Real Estate Investment Trust (2a, 2c, 2e, 2g) (AX.UN-TSX, C\$11.36, Restricted)
Astral Media Inc. (2g, 7, 12, 13) (ACM.A-TSX, C\$34.92, Sector Outperformer)
Atco Ltd. (7, 13) (ACO.X-TSX, C\$51.29, Sector Performer)
ATS Automation Tooling Systems Inc. (2g) (ATA-TSX, C\$6.93, Sector Performer)
Aurizon Mines Ltd. (2g) (ARZ-TSX, C\$4.59, Sector Outperformer)
Baffinland Iron Mines Corporation (2a, 2c, 2e, 2g) (BIM-TSX, C\$0.57, Sector Outperformer - Speculative)
Bannerman Resources Ltd. (2g) (BAN-TSX, C\$0.48, Sector Outperformer)
Barrick Gold Corporation (2a, 2b, 2c, 2d, 2e, 2f, 2g) (ABX-NYSE, US\$40.26, Sector Performer)
BCE Inc. (2g, 7) (BCE-TSX, C\$30.38, Sector Performer)
Bell Aliant Regional Comm. Income Fund (2a, 2c, 2e, 2g, 7) (BA.UN-TSX, C\$25.45, Sector Performer)
Bird Construction Income Fund (2g) (BDT.UN-TSX, C\$33.97, Sector Performer)
Boardwalk REIT (2g, 7) (BEI.UN-TSX, C\$40.76, Sector Performer)
BPO Properties Ltd. (2g, 6a) (BPP-TSX, C\$20.00, Sector Outperformer)
Bridgewater Systems Corp. (2a, 2e, 2g, 7) (BWC-TSX, C\$10.00, Sector Performer)
Brookfield Asset Management (2a, 2c, 2e, 2g, 3a, 3c, 6a, 7, 14) (BAM-NYSE, US\$24.43, Sector Outperformer)
Brookfield Properties Corporation (2a, 2c, 2e, 2g, 3a) (BPO-NYSE, US\$14.16, Sector Performer)
Brookfield Real Estate Services Fund (BRE.UN-TSX, C\$12.49, Sector Outperformer)
Brookfield Renewable Power Fund (2a, 2c, 2g, 7) (BRC.UN-TSX, C\$21.56, Sector Performer)
Calfrac Well Services Ltd. (2g, 7) (CFW-TSX, C\$26.00, Sector Performer)
Calloway REIT (2a, 2c, 2e, 2g) (CWT.UN-TSX, C\$20.76, Sector Outperformer)
Cameco Corporation (2a, 2c, 2e, 2g) (CCO-TSX, C\$28.15, Sector Performer)
Canadian Apartment Properties REIT (2g, 7) (CAR.UN-TSX, C\$14.20, Sector Underperformer)
Canadian National Railway Co. (2g, 7, 9) (CNR-TSX, C\$57.92, Sector Outperformer)
Canadian Pacific Railway Ltd. (2a, 2c, 2e, 2g, 7, 9) (CP-TSX, C\$56.61, Sector Performer)
Canadian REIT (2a, 2c, 2e, 2g, 7) (REF.UN-TSX, C\$28.13, Sector Performer)
Canadian Tire Corporation, Ltd. (2a, 2c, 2e, 2g, 7, 13) (CTC.A-TSX, C\$54.42, Sector Performer)
Canadian Utilities Ltd. (7, 13) (CU-TSX, C\$46.58, Sector Performer)
Canexus Income Fund (2a, 2c, 2e, 2g) (CUS.UN-TSX, C\$5.95, Sector Performer)
Canfor Corporation (2g) (CFP-TSX, C\$8.60, Sector Performer)
Canfor Pulp Income Fund (2g) (CFX.UN-TSX, C\$12.33, Sector Outperformer)

Important Disclosure Footnotes for Companies Mentioned in this Report that Are Covered by CIBC World Markets Inc.: (Continued)

Stock Prices as of 03/08/2010:

Capstone Mining Corporation (CS-TSX, C\$2.89, Sector Outperformer)
 Cascades Inc. (2a, 2b, 2c, 2e, 2g, 4a, 4b) (CAS-TSX, C\$8.20, Sector Performer)
 Catalyst Paper Corporation (2g, 3a, 3c) (CTL-TSX, C\$0.26, Sector Underperformer)
 Cathedral Energy Services (2a, 2c, 2e, 2g) (CET-TSX, C\$6.44, Sector Performer)
 Celestica Inc. (2a, 2c, 2g, 6a, 7, 12) (CLS-NYSE, US\$10.85, Sector Outperformer)
 Centerra Gold Inc. (2a, 2c, 2e, 2g) (CG-TSX, C\$12.71, Sector Performer)
 CGI Group Inc. (2g, 12) (GIB.A-TSX, C\$15.19, Sector Outperformer)
 Charter Real Estate Investment Trust (2g, 3a) (CRH.UN-V, C\$1.54, Sector Performer)
 Chartwell Seniors Housing REIT (2a, 2c, 2e, 2g) (CSH.UN-TSX, C\$7.30, Sector Performer)
 Chemtrade Logistics Income Fund (2g, 3a, 3c) (CHE.UN-TSX, C\$12.44, Sector Outperformer)
 Churchill Corporation (2g) (CUQ-TSX, C\$21.25, Sector Outperformer)
 CI Financial Corp. (2a, 2c, 2e, 2g) (CIX-TSX, C\$20.78, Sector Performer)
 Cineplex Galaxy Income Fund (2g, 7, 9) (CGX.UN-TSX, C\$18.68, Sector Outperformer)
 Claude Resources Inc. (CRJ-TSX, C\$1.09, Sector Underperformer)
 Coeur d'Alene Mines Corp. (2g) (CDE-NYSE, US\$15.71, Sector Outperformer)
 Cogeco Cable Inc. (2a, 2c, 2e, 2g, 12) (CCA-TSX, C\$42.00, Sector Outperformer)
 Cogeco Inc. (2g, 12) (CGO-TSX, C\$34.50, Sector Performer)
 COM DEV International Ltd. (2g) (CDV-TSX, C\$3.59, Sector Outperformer)
 Cominar Real Estate Investment Trust (2a, 2c, 2e, 2g, 7) (CUF.UN-TSX, C\$19.16, Sector Performer)
 Consolidated Thompson Iron Mines Ltd. (2g) (CLM-TSX, C\$9.04, Sector Performer)
 Constellation Software Inc. (2g) (CSU-TSX, C\$41.70, Sector Outperformer)
 Corus Entertainment Inc. (2a, 2c, 2e, 2g, 13) (CJR.B-TSX, C\$19.18, Sector Performer)
 Cott Corporation (2a, 2c, 2e, 2g) (COT-NYSE, US\$6.96, Sector Outperformer)
 Crombie REIT (2a, 2c, 2e, 2g) (CRR.UN-TSX, C\$11.32, Sector Outperformer)
 DALSA Corporation (2g) (DSA-TSX, C\$8.61, Sector Performer)
 Davis + Henderson Income Fund (2g, 7) (DHF.UN-TSX, C\$16.58, Sector Performer)
 Denison Mines Corp. (2a, 2c, 2e, 2g) (DML-TSX, C\$1.45, Sector Performer)
 Descartes Systems Group Inc. (2a, 2c, 2e, 2g, 3a, 7, C94) (DSGX-OTC, US\$6.05, Sector Performer)
 Dollarama Inc. (2a, 2c, 2e, 2g) (DOL-TSX, C\$21.88, Sector Outperformer)
 Domtar Corp. (2a, 2c, 2e, 2f, 2g, 9) (UFS-NYSE, US\$60.19, Sector Outperformer)
 DragonWave Incorporated (2a, 2c, 2e, 2f, 2g) (DWI-TSX, C\$10.73, Sector Outperformer)
 Dundee REIT (2a, 2c, 2e, 2g) (D.UN-TSX, C\$25.18, Restricted)
 Eldorado Gold Corporation (2g) (EGO-NYSE, US\$13.25, Sector Outperformer)
 Emera Inc. (2a, 2c, 2e, 2g, 7) (EMA-TSX, C\$24.03, Sector Performer)
 Empire Company Limited (2a, 2c, 2e, 2g, 7, 13) (EMP.A-TSX, C\$49.97, Sector Outperformer)
 Enbridge Inc. (2a, 2c, 2e, 2g, 7, 9) (ENB-TSX, C\$47.61, Sector Outperformer)
 Endeavour Silver Corp. (2a, 2c, 2e) (EDR-TSX, C\$3.84, Sector Performer)
 Ensign Energy Services Inc. (2g) (ESI-TSX, C\$14.89, Sector Performer)
 Equinox Minerals Limited (2a, 2c, 2e, 2g) (EQN-TSX, C\$3.64, Sector Outperformer)
 Etruscan Resources Inc. (EET-TSX, C\$0.49, Sector Performer)
 Extencicare REIT (2a, 2c, 2e, 2g, 4a, 4b) (EXE.UN-TSX, C\$10.25, Sector Performer)
 Finning International Inc. (2g, 3a, 7) (FTT-TSX, C\$18.02, Sector Performer)
 First Capital Realty Inc. (2a, 2c, 2e, 2g) (FCR-TSX, C\$21.48, Sector Outperformer)
 First Majestic Silver Corp. (2a, 2e, 2g) (FR-TSX, C\$3.46, Sector Performer)
 First Quantum Minerals Ltd. (FM-TSX, C\$85.95, Sector Outperformer)
 FirstService Corporation (2a, 2c, 2e, 2g, 12) (FSV-TSX, C\$20.51, Sector Performer)
 Flextronics International Ltd. (6a) (FLEX-NASDAQ, US\$7.28, Sector Performer)

Important Disclosure Footnotes for Companies Mentioned in this Report that Are Covered by CIBC World Markets Inc.: (Continued)

Stock Prices as of 03/08/2010:

Flint Energy Services Ltd. (2g) (FES-TSX, C\$12.06, Sector Outperformer)
 FNX Mining Company Inc. (2g) (FNX-TSX, C\$15.09, Sector Outperformer)
 Foraco International SA (3a, 3c) (FAR-TSX, C\$2.71, Sector Performer)
 Fort Chicago Energy Partners, L.P. (2a, 2c, 2e, 2g, C96) (FCE.UN-TSX, C\$10.36, Sector Performer)
 Fortis Inc. (2a, 2c, 2e, 2g) (FTS-TSX, C\$28.83, Sector Outperformer)
 Fortuna Silver Mines Inc. (2a, 2c, 2e, 2g) (FVI-TSX, C\$2.53, Sector Outperformer)
 Franco-Nevada Corporation (2a, 2c, 2e, 2g, 7) (FNV-TSX, C\$28.21, Sector Outperformer)
 Gammon Gold Inc. (2g) (GAM-TSX, C\$10.13, Sector Performer)
 General Moly, Inc. (2g) (GMO-AMEX, US\$3.99, Sector Outperformer)
 Genesis Worldwide Inc. (2g) (GWI-TSX, C\$0.10, Sector Underperformer)
 GENIVAR Income Fund (2a, 2c, 2e, 2g, 7) (GNV.UN-TSX, C\$28.33, Sector Outperformer)
 Gennum Corporation (2g) (GND-TSX, C\$6.05, Sector Underperformer)
 Genworth MI Canada Inc. (2a, 2c, 2e, 2g) (MIC-TSX, C\$27.49, Sector Outperformer)
 George Weston Limited (2g, 7) (WN-TSX, C\$67.90, Sector Outperformer)
 Gerdau Ameristeel Corp. (2g, 4a, 4b) (GNA-NYSE, US\$7.98, Sector Outperformer)
 Gildan Activewear Inc. (2g) (GIL-NYSE, US\$25.55, Sector Performer)
 Gluskin Sheff + Associates Inc. (2g, 12) (GS-TSX, C\$20.15, Sector Outperformer)
 Gold Wheaton Gold Corp. (2g) (GLW-TSX, C\$2.71, Sector Performer)
 Goldcorp Inc. (2a, 2b, 2e, 2f, 2g) (GG-NYSE, US\$40.37, Sector Outperformer)
 Groupe Aeroplan Inc. (2a, 2c, 2e, 2g, 7) (AER-TSX, C\$11.00, Sector Outperformer)
 H&R REIT (2a, 2c, 2e, 2g) (HR.UN-TSX, C\$16.84, Sector Outperformer)
 Hanfeng Evergreen Inc. (2g) (HF-TSX, C\$7.62, Sector Performer)
 Hecla Mining Company (HL-NYSE, US\$5.65, Sector Underperformer)
 HudBay Minerals Inc. (2a, 2e, 2g, 7) (HBM-TSX, C\$13.37, Sector Outperformer)
 IAMGOLD Corporation (2a, 2c, 2e, 2g) (IAG-NYSE, US\$15.66, Sector Outperformer)
 IBI Income Fund (2a, 2c, 2e, 2g) (IBG.UN-TSX, C\$16.75, Sector Outperformer)
 IGM Financial Inc. (2a, 2c, 2e, 2g) (IGM-TSX, C\$43.02, Sector Performer)
 Inmet Mining Corporation (2a, 2c, 2e, 2g) (IMN-TSX, C\$58.75, Sector Performer)
 Innergex Power Income Fund (IEF.UN-TSX, C\$11.84, Sector Outperformer)
 Innergex Renewable Energy Inc. (2g) (INE-TSX, C\$7.97, Sector Outperformer)
 InnVest REIT (2a, 2c, 2e, 2g) (INN.UN-TSX, C\$5.73, Sector Performer)
 Intact Financial Corp. (2a, 2c, 2e, 2g, 3a, 3c, 7, 14) (IFC-TSX, C\$44.18, Sector Performer)
 Inter Pipeline Fund, L.P. (2a, 2c, 2e, 2g, 7) (IPL.UN-TSX, C\$12.20, Sector Outperformer)
 International Forest Products Limited (2g, 12) (IFP.A-TSX, C\$4.37, Sector Outperformer)
 Ivanhoe Mines Ltd. (2a, 2e, 2g) (IVN-TSX, C\$16.65, Sector Performer)
 Jabil Circuit, Inc. (JBL-NYSE, US\$16.72, Sector Performer)
 Jean Coutu Group (PJC) Inc. (2g, 7, 12) (PJC.A-TSX, C\$9.75, Sector Outperformer)
 Just Energy Income Fund (2a, 2e, 2g, 3a) (JE.UN-TSX, C\$14.14, Sector Outperformer)
 Killam Properties Inc. (2a, 2c, 2e, 2g, 7) (KMP-TSX, C\$8.25, Restricted)
 Kinross Gold Corporation (2g) (KGC-NYSE, US\$19.10, Sector Underperformer)
 Labrador Iron Ore Royalty Income Fund (2g, 7) (LIF.UN-TSX, C\$48.73, Sector Performer)
 Linamar Corporation (2g, 9) (LNR-TSX, C\$18.43, Sector Performer)
 Loblaw Companies Limited (2a, 2c, 2e, 2g) (L-TSX, C\$36.53, Sector Outperformer)
 Louisiana-Pacific Corp. (2g) (LPX-NYSE, US\$8.54, Sector Performer)
 MacDonald, Dettwiler and Associates Ltd. (2g) (MDA-TSX, C\$42.31, Sector Performer)
 Magna International Inc. (2g, 7, 12) (MGA-NYSE, US\$58.49, Sector Outperformer)
 Major Drilling Group International Inc. (MDI-TSX, C\$28.48, Sector Performer)

Important Disclosure Footnotes for Companies Mentioned in this Report that Are Covered by CIBC World Markets Inc.: (Continued)

Stock Prices as of 03/08/2010:

Manitoba Telecom Services Inc. (2a, 2c, 2e, 2g, 7) (MBT-TSX, C\$32.35, Sector Performer)
 March Networks Corp. (2g) (MN-TSX, C\$3.88, Sector Outperformer)
 Martinrea International Inc. (2g) (MRE-TSX, C\$8.63, Sector Outperformer)
 Melco China Resorts (2g, 7) (MCG-V, C\$0.37, Sector Performer - Speculative)
 Mercator Minerals Ltd. (2g) (ML-TSX, C\$2.89, Sector Outperformer)
 Mercer International Inc. (2a, 2e, 2g) (MERC-NASDAQ, US\$5.11, Sector Outperformer)
 Methanex Corporation (2g, 3a) (MEOH-NASDAQ, US\$25.63, Sector Outperformer)
 Metro Inc. (2g, 7, 12) (MRU.A-TSX, C\$42.33, Sector Outperformer)
 Migao Corporation (2a, 2c, 2e, 2g) (MGO-TSX, C\$7.23, Sector Outperformer)
 Minefinders Corporation Ltd. (2g) (MFL-TSX, C\$10.20, Sector Outperformer)
 Mineral Deposits Limited (2g) (MDM-TSX, C\$0.97, Sector Outperformer)
 Miranda Technologies Inc. (2g, 3a, 3c) (MT-TSX, C\$4.65, Sector Performer)
 Morguard REIT (2a, 2c, 2e, 2g) (MRT.UN-TSX, C\$12.88, Sector Underperformer)
 MOSAID Technologies Incorporated (2a, 2c, 2e, 2g) (MSD-TSX, C\$24.59, Sector Outperformer - Speculative)
 Mullen Group (2a, 2e, 2g) (MTL-TSX, C\$15.27, Sector Outperformer)
 New Gold Inc. (NGD-TSX, C\$4.93, Sector Performer)
 New Millennium Capital Corp. (2g) (NML-V, C\$1.12, Sector Outperformer - Speculative)
 Newalta Inc. (2a, 2c, 2e, 2g) (NAL-TSX, C\$8.75, Sector Performer)
 Newmont Mining Corporation (2a, 2b, 2c, 2e, 2g) (NEM-NYSE, US\$51.55, Sector Performer)
 Norbord Inc. (2g) (NBD-TSX, C\$18.29, Sector Outperformer)
 Nortel Networks Corporation (9) (NRTLQ-OTC, US\$0.04, Sector Underperformer)
 North American Energy Partners (2g) (NOA-NYSE, US\$10.42, Sector Performer)
 North West Company Fund (2g, 7) (NWF.UN-TSX, C\$18.15, Sector Outperformer)
 Northern Property REIT (2g) (NPR.UN-TSX, C\$22.29, Sector Performer)
 Northgate Minerals Corporation (2a, 2c, 2e, 2g) (NXG-AMEX, US\$3.06, Sector Outperformer)
 Nucor Corporation (2g) (NUE-NYSE, US\$44.56, Sector Underperformer)
 Onex Corporation (2g, 12) (OCX-TSX, C\$27.46, Sector Outperformer)
 Open Text Corporation (2g) (OTEX-NASDAQ, US\$48.39, Sector Outperformer)
 Orbit Garant Drilling Inc. (2g, 7) (OGD-TSX, C\$3.66, Sector Outperformer)
 Orezone Gold Corporation (2a, 2c, 2e, 2g) (ORE-TSX, C\$0.69, Sector Performer)
 Paladin Energy Ltd. (2g) (PDN-TSX, C\$3.37, Sector Outperformer)
 Pan American Silver Corp. (2a, 2e, 2g) (PAAS-NASDAQ, US\$22.80, Sector Outperformer)
 Pason Systems Inc. (2g) (PSI-TSX, C\$12.00, Sector Performer)
 Pembina Pipeline Income Fund (2a, 2c, 2e, 2g, 7) (PIF.UN-TSX, C\$17.56, Sector Performer)
 Phoenix Technology Income Fund (2a, 2c, 2e, 2g, 7) (PHX.UN-TSX, C\$10.64, Sector Performer)
 Potash Corporation (2a, 2b, 2c, 2e, 2f, 2g) (POT-NYSE, US\$116.81, Sector Performer)
 Precision Drilling Trust (2g) (PD.UN-TSX, C\$8.83, Sector Outperformer)
 Primaris Retail REIT (2a, 2c, 2e, 2g, 7) (PMZ.UN-TSX, C\$16.65, Sector Outperformer)
 Provident Energy Trust (2g) (PVE.UN-TSX, C\$8.50, Sector Performer)
 Quadra Mining Ltd. (2g) (QUA-TSX, C\$15.53, Restricted)
 Quebecor Inc. (2g, 12) (QBR.B-TSX, C\$31.23, Sector Performer)
 Red Back Mining Inc. (2g) (RBI-TSX, C\$20.79, Sector Outperformer)
 Redline Communications Inc. (2g) (RDL-TSX, C\$0.42, Sector Performer)
 Research In Motion Limited (2g) (RIMM-NASDAQ, US\$69.50, Sector Outperformer)
 Retrocom Mid-Market REIT (RMM.UN-TSX, C\$3.80, Sector Performer)
 RioCan REIT (2a, 2c, 2e, 2g, 7) (REI.UN-TSX, C\$18.86, Sector Outperformer)
 Ritchie Bros Auctioneers (2g) (RBA-NYSE, US\$21.83, Sector Underperformer)

Important Disclosure Footnotes for Companies Mentioned in this Report that Are Covered by CIBC World Markets Inc.: (Continued)

Stock Prices as of 03/08/2010:

Rogers Communications Inc. (2a, 2c, 2e, 2g, 3a, 3c, 7, 13) (RCI.B-TSX, C\$34.27, Sector Outperformer)
 RONA Inc. (2a, 2c, 2e, 2g, 7) (RON-TSX, C\$15.34, Sector Performer)
 Royal Gold, Inc. (2g) (RGLD-NASDAQ, US\$46.59, Sector Performer)
 Royal Host REIT (2g) (RYL.UN-TSX, C\$2.78, Sector Underperformer)
 RuggedCom Inc. (2g, 7) (RCM-TSX, C\$20.71, Sector Outperformer)
 Russel Metals Inc. (2g, 7) (RUS-TSX, C\$18.99, Sector Underperformer)
 Sandvine Corporation (2g, 3a) (SVC-TSX, C\$1.97, Sector Outperformer)
 Sanmina-SCI Corporation (SANM-NASDAQ, US\$17.49, Sector Performer)
 Saputo Inc. (2g, 7) (SAP-TSX, C\$30.10, Sector Performer)
 Savanna Energy Services Corp. (2g) (SVY-TSX, C\$7.51, Sector Performer)
 Scott's Real Estate Investment Trust (2a, 2c, 2e, 2g) (SRQ.UN-TSX, C\$7.44, Sector Performer)
 Seacliff Construction Corporation (2g) (SDC-TSX, C\$13.75, Sector Outperformer)
 Semafo Inc. (2g) (SMF-TSX, C\$5.35, Sector Outperformer)
 SFK Pulp Fund (2g) (SFK.UN-TSX, C\$1.30, Sector Performer)
 Shaw Communications Inc. (2a, 2c, 2e, 2g, 13) (SJR.B-TSX, C\$20.70, Sector Outperformer)
 Shoppers Drug Mart Corporation (2g) (SC-TSX, C\$44.42, Sector Performer)
 Sierra Wireless Inc. (2a, 2e, 2g, 3a) (SWIR-NASDAQ, US\$8.51, Sector Outperformer)
 Silver Standard Resources Inc. (2a, 2c, 2e, 2g) (SSRI-NASDAQ, US\$18.41, Sector Underperformer)
 Silver Wheaton Corp. (2a, 2c, 2e) (SLW-NYSE, US\$15.55, Sector Outperformer)
 Silvercorp Metals Inc. (2g) (SVM-TSX, C\$6.95, Sector Performer)
 Sino-Forest Corporation (2a, 2c, 2e, 2g) (TRE-TSX, C\$21.59, Sector Performer)
 SNC-Lavalin Group Inc. (2g, 7) (SNC-TSX, C\$52.35, Sector Outperformer)
 Spectra Energy Corp (2g) (SE-NYSE, US\$22.10, Sector Performer)
 Sprott Inc. (2g) (SII-TSX, C\$4.30, Sector Performer)
 Stantec Inc. (2g) (STN-TSX, C\$26.43, Sector Performer)
 Superior Plus Corp. (2a, 2c, 2e, 2g, 3a, 3c) (SPB-TSX, C\$13.75, Restricted)
 Supremex Income Fund (2g) (SXP.UN-TSX, C\$2.40, Sector Performer)
 Taseko Mines Limited (2g) (TKO-TSX, C\$4.85, Sector Outperformer)
 Teck Resources Limited (2a, 2b, 2c, 2e, 2g, 7, 9, 12) (TCK.B-TSX, C\$41.84, Sector Outperformer)
 TELUS Corporation (2a, 2c, 2e, 2g, 7, 13) (T-TSX, C\$36.03, Sector Outperformer)
 Tembec Inc. (2g) (TMB-TSX, C\$1.48, Sector Underperformer)
 TeraGo Inc. (2g, 7) (TGO-TSX, C\$5.00, Sector Performer)
 The Forzani Group Ltd. (2g) (FGL-TSX, C\$14.60, Sector Outperformer)
 The Mosaic Company (2a, 2e, 2g, 4a, 4b) (MOS-NYSE, US\$61.60, Sector Performer)
 Thompson Creek Metals Company, Inc. (2g) (TCM-TSX, C\$14.82, Sector Performer)
 Tim Hortons, Inc. (2g, 4a, 4b) (THI-TSX, C\$32.73, Sector Performer)
 TimberWest Forest Corp. (2g) (TWF.UN-TSX, C\$5.58, Sector Performer)
 Toromont Industries (2a, 2e, 2g) (TIH-TSX, C\$29.39, Sector Performer)
 Torstar Corporation (2g, 13) (TS.B-TSX, C\$9.03, Sector Performer)
 Total Energy Services (2g) (TOT-TSX, C\$8.40, Sector Outperformer)
 TransAlta Corporation (2a, 2b, 2c, 2e, 2g, 9) (TA-TSX, C\$22.74, Sector Performer)
 TransCanada Corp. (2a, 2c, 2e, 2g, 7) (TRP-TSX, C\$35.70, Sector Outperformer)
 Transcontinental Inc. (2a, 2c, 2e, 2g, 12) (TCL.A-TSX, C\$13.17, Restricted)
 Trican Well Service Ltd. (2g) (TCW-TSX, C\$14.97, Sector Performer)
 Trinidad Drilling Ltd. (2a, 2c, 2e, 2g) (TDG-TSX, C\$7.75, Sector Outperformer)
 TVA Group Inc. (2g, 13) (TVA.B-TSX, C\$13.29, Sector Performer)
 Uranium Energy Corp. (2g) (UEC-AMEX, US\$3.65, Sector Outperformer)

Important Disclosure Footnotes for Companies Mentioned in this Report that Are Covered by CIBC World Markets Inc.: (Continued)

Stock Prices as of 03/08/2010:

Uranium One Inc. (2g) (UUU-TSX, C\$2.92, Restricted)
Vecima Networks (2g, 3a) (VCM-TSX, C\$6.88, Sector Outperformer)
Vicwest Income Fund (2g, 7) (VIC.UN-TSX, C\$17.90, Sector Performer)
Viterra Inc. (2a, 2e, 2g) (VT-TSX, C\$10.10, Sector Performer)
West Fraser Timber Co. Ltd. (2g) (WFT-TSX, C\$37.20, Sector Outperformer)
Westport Innovations Inc. (2g) (WPT-TSX, C\$14.67, Sector Performer)
Westshore Terminals Income Fund (2g, 7) (WTE.UN-TSX, C\$15.98, Sector Performer)
Whiterock Real Estate Investment Trust (2a, 2c, 2e, 2g) (WRK.UN-TSX, C\$14.79, Sector Outperformer - Speculative)
Wi-LAN Inc. (2a, 2c, 2e, 2g, 3a, 3c) (WIN-TSX, C\$3.01, Sector Outperformer - Speculative)
Yamana Gold Inc. (2g) (AUY-NYSE, US\$10.55, Sector Underperformer)
Yellow Pages Income Fund (2a, 2c, 2e, 2g, 7) (YLO.UN-TSX, C\$6.15, Sector Outperformer)

Companies Mentioned in this Report that Are Not Covered by CIBC World Markets Inc.:

Stock Prices as of 03/08/2010:

Arsenal Energy Inc. (AEI-TSX, C\$0.90, Not Rated)
Augusta Resource Corporation (AZC-TSX, C\$2.73, Not Rated)
AVANTI MINING INC (AVT-V, C\$0.20, Not Rated)
Black Diamond Group Limited (BDI-TSX, C\$19.89, Not Rated)
Boston Pizza Royalties Income Fund (BPF.UN-TSX, C\$11.91, Not Rated)
DeeThree Exploration Inc. (DTX-V, C\$2.35, Not Rated)
Dundee Precious Metals Inc. (DPM-TSX, C\$3.30, Not Rated)
Eaglewood Energy Inc. (EWD-V, C\$1.73, Not Rated)
Fairfax Financial Holdings (FFH-TSX, C\$371.24, Not Rated)
Ford Motor Company (F-NYSE, US\$13.00, Not Rated)
Gleichen Resources Ltd. (GRL-TSX, C\$1.01, Not Rated)
Great-West Lifeco Inc. (GWO-TSX, C\$26.87, Not Rated)
Industrial Alliance Insurance And Financial Services Inc. (IAG-TSX, C\$33.82, Not Rated)
ISE Limited (ISE-TSX, C\$5.70, Not Rated)
Labopharm Inc. (DDS-TSX, C\$1.53, Not Rated)
MagIndustries Corp. (MAA-TSX, C\$0.44, Not Rated)
MINT Income Fund (MID.UN-TSX, C\$9.49, Not Rated)
Monterey Exploration Ltd. (MXL-TSX, C\$4.49, Not Rated)
NuLoch Resources Inc. (NLR.A-V, C\$1.59, Not Rated)
OceanaGold Corporation (OGC-TSX, C\$2.40, Not Rated)
Progress Energy Resources Corp. (PRQ-TSX, C\$12.68, Not Rated)
Pure Industrial Real Estate Trust (AAR.UN-V, C\$3.45, Not Rated)
Pure Technologies Ltd. (PUR-V, C\$4.30, Not Rated)
Rainy River Resources Ltd. (RR-TSX, C\$5.15, Not Rated)
Seabridge Gold Inc. (SEA-TSX, C\$23.56, Not Rated)
Sprott Physical Gold Trust (PHY.UN-TSX, C\$10.05, Not Rated)
Stella-Jones Inc. (SJ-TSX, C\$26.55, Not Rated)
Stornoway Diamond Corporation (SWY-TSX, C\$0.50, Not Rated)
Timbercreek Mortgage Investment Corp. (TMC-TSX, C\$10.19, Not Rated)
Toyota Motor Corp. (TM-NYSE, US\$76.94, Not Rated)

**Companies Mentioned in this Report that Are Not Covered by CIBC World Markets Inc.:
(Continued)**

Stock Prices as of 03/08/2010:

Triton Energy Corporation (TEZ-V, C\$0.22, Not Rated)

TSO3 (TOS-TSX, C\$1.59, Not Rated)

Western Energy Services Corp. (WRG-V, C\$0.39, Not Rated)

WesternOne Equity Income Fund (WEQ.UN-TSX, C\$4.35, Not Rated)

Important disclosure footnotes that correspond to the footnotes in this table may be found in the "Key to Important Disclosure Footnotes" section of this report.

Key to Important Disclosure Footnotes:

- 1 CIBC World Markets Corp. makes a market in the securities of this company.
- 2a This company is a client for which a CIBC World Markets company has performed investment banking services in the past 12 months.
- 2b CIBC World Markets Corp. has managed or co-managed a public offering of securities for this company in the past 12 months.
- 2c CIBC World Markets Inc. has managed or co-managed a public offering of securities for this company in the past 12 months.
- 2d CIBC World Markets Corp. has received compensation for investment banking services from this company in the past 12 months.
- 2e CIBC World Markets Inc. has received compensation for investment banking services from this company in the past 12 months.
- 2f CIBC World Markets Corp. expects to receive or intends to seek compensation for investment banking services from this company in the next 3 months.
- 2g CIBC World Markets Inc. expects to receive or intends to seek compensation for investment banking services from this company in the next 3 months.
- 3a This company is a client for which a CIBC World Markets company has performed non-investment banking, securities-related services in the past 12 months.
- 3b CIBC World Markets Corp. has received compensation for non-investment banking, securities-related services from this company in the past 12 months.
- 3c CIBC World Markets Inc. has received compensation for non-investment banking, securities-related services from this company in the past 12 months.
- 4a This company is a client for which a CIBC World Markets company has performed non-investment banking, non-securities-related services in the past 12 months.
- 4b CIBC World Markets Corp. has received compensation for non-investment banking, non-securities-related services from this company in the past 12 months.
- 4c CIBC World Markets Inc. has received compensation for non-investment banking, non-securities-related services from this company in the past 12 months.
- 5a The CIBC World Markets Corp. analyst(s) who covers this company also has a long position in its common equity securities.
- 5b A member of the household of a CIBC World Markets Corp. research analyst who covers this company has a long position in the common equity securities of this company.
- 6a The CIBC World Markets Inc. fundamental analyst(s) who covers this company also has a long position in its common equity securities.
- 6b A member of the household of a CIBC World Markets Inc. fundamental research analyst who covers this company has a long position in the common equity securities of this company.
- 7 CIBC World Markets Corp., CIBC World Markets Inc., and their affiliates, in the aggregate, beneficially own 1% or more of a class of equity securities issued by this company.
- 8 A partner, director or officer of CIBC World Markets Inc. or any analyst involved in the preparation of this research report has provided services to this company for remuneration in the past 12 months.
- 9 A senior executive member or director of Canadian Imperial Bank of Commerce ("CIBC"), the parent company to CIBC World Markets Inc. and CIBC World Markets Corp., or a member of his/her household is an officer, director or advisory board member of this company or one of its subsidiaries.
- 10 Canadian Imperial Bank of Commerce ("CIBC"), the parent company to CIBC World Markets Inc. and CIBC World Markets Corp., has a significant credit relationship with this company.
- 11 The equity securities of this company are restricted voting shares.
- 12 The equity securities of this company are subordinate voting shares.
- 13 The equity securities of this company are non-voting shares.
- 14 The equity securities of this company are limited voting shares.
- C94 CIBC World Markets Inc. is acting as financial advisor to Descartes Systems Group in its proposed acquisition of Zemblaz NV (formerly Porthus NV).
- C96 CIBC acted as advisor to Fort Chicago in the acquisition of Glen Park (Hydro Park).

CIBC World Markets Inc. Price Chart

For price and performance information charts required under NYSE and NASD rules, please visit CIBC on the web at <http://apps.cibcwm.com/sec2711> or write to CIBC World Markets Inc., Brookfield Place, 161 Bay Street, 4th Floor, Toronto, Ontario M5J 2S8, Attn: Research Disclosure Chart Request.

CIBC World Markets Inc. Stock Rating System

Abbreviation	Rating	Description
Stock Ratings		
SO	Sector Outperformer	Stock is expected to outperform the sector during the next 12-18 months.
SP	Sector Performer	Stock is expected to perform in line with the sector during the next 12-18 months.
SU	Sector Underperformer	Stock is expected to underperform the sector during the next 12-18 months.
NR	Not Rated	CIBC World Markets does not maintain an investment recommendation on the stock.
R	Restricted	CIBC World Markets is restricted*** from rating the stock.
Sector Weightings**		
O	Overweight	Sector is expected to outperform the broader market averages.
M	Market Weight	Sector is expected to equal the performance of the broader market averages.
U	Underweight	Sector is expected to underperform the broader market averages.
NA	None	Sector rating is not applicable.

**Broader market averages refer to the S&P 500 in the U.S. and the S&P/TSX Composite in Canada.

"Speculative" indicates that an investment in this security involves a high amount of risk due to volatility and/or liquidity issues.

***Restricted due to a potential conflict of interest.

Ratings Distribution*: CIBC World Markets Inc. Coverage Universe

(as of 08 Mar 2010)	Count	Percent	Inv. Banking Relationships	Count	Percent
Sector Outperformer (Buy)	115	46.7%	Sector Outperformer (Buy)	111	96.5%
Sector Performer (Hold/Neutral)	107	43.5%	Sector Performer (Hold/Neutral)	97	90.7%
Sector Underperformer (Sell)	16	6.5%	Sector Underperformer (Sell)	13	81.3%
Restricted	8	3.3%	Restricted	8	100.0%

Ratings Distribution: Monthly Canadian Common Stock Universe Coverage Universe

(as of 08 Mar 2010)	Count	Percent	Inv. Banking Relationships	Count	Percent
Sector Outperformer (Buy)	0	0.0%	Sector Outperformer (Buy)	0	0.0%
Sector Performer (Hold/Neutral)	0	0.0%	Sector Performer (Hold/Neutral)	0	0.0%
Sector Underperformer (Sell)	0	0.0%	Sector Underperformer (Sell)	0	0.0%
Restricted	0	0.0%	Restricted	0	0.0%

Monthly Canadian Common Stock Universe Sector includes the following tickers: (none).

*Although the investment recommendations within the three-tiered, relative stock rating system utilized by CIBC World Markets Inc. do not correlate to buy, hold and sell recommendations, for the purposes of complying with NYSE and NASD rules, CIBC World Markets Inc. has assigned buy ratings to securities rated Sector Outperformer, hold ratings to securities rated Sector Performer, and sell ratings to securities rated Sector Underperformer without taking into consideration the analyst's sector weighting.

Important disclosures required by IROC Rule 3400, including potential conflicts of interest information, our system for rating investment opportunities and our dissemination policy can be obtained by visiting CIBC World Markets on the web at <http://researchcentral.cibcwm.com> under 'Quick Links' or by writing to CIBC World Markets Inc., Brookfield Place, 161 Bay Street, 4th Floor, Toronto, Ontario M5J 2S8, Attention: Research Disclosures Request.

Legal Disclaimer

This report is issued and approved for distribution by (i) in Canada, CIBC World Markets Inc., a member of the Investment Industry Regulatory Organization of Canada ("IIROC"), the Toronto Stock Exchange, the TSX Venture Exchange and CIPF, (ii) in the United Kingdom, CIBC World Markets plc, which is regulated by the Financial Services Authority ("FSA"), and (iii) in Australia, CIBC Australia Limited, a member of the Australian Stock Exchange and regulated by the ASIC (collectively, "CIBC World Markets"). This report is distributed in the United States by CIBC World Markets Inc. and has not been reviewed or approved by CIBC World Markets Corp., a member of FINRA. This report is intended for distribution in the United States only to Major Institutional Investors (as such term is defined in SEC 15a-6 and Section 15 of the Securities Exchange Act of 1934, as amended) and is not intended for the use of any person or entity that is not a major institutional investor. Major Institutional Investors receiving this report should effect transactions in securities discussed in the report through CIBC World Markets Corp. This report is provided, for informational purposes only, to institutional investor and retail clients of CIBC World Markets in Canada, and does not constitute an offer or solicitation to buy or sell any securities discussed herein in any jurisdiction where such offer or solicitation would be prohibited. This document and any of the products and information contained herein are not intended for the use of private investors in the United Kingdom. Such investors will not be able to enter into agreements or purchase products mentioned herein from CIBC World Markets plc. The comments and views expressed in this document are meant for the general interests of wholesale clients of CIBC Australia Limited.

The securities mentioned in this report may not be suitable for all types of investors. This report does not take into account the investment objectives, financial situation or specific needs of any particular client of CIBC World Markets. Recipients should consider this report as only a single factor in making an investment decision and should not rely solely on investment recommendations contained herein, if any, as a substitution for the exercise of independent judgment of the merits and risks of investments. The analyst writing the report is not a person or company with actual, implied or apparent authority to act on behalf of any issuer mentioned in the report. Before making an investment decision with respect to any security recommended in this report, the recipient should consider whether such recommendation is appropriate given the recipient's particular investment needs, objectives and financial circumstances. CIBC World Markets suggests that, prior to acting on any of the recommendations herein, Canadian retail clients of CIBC World Markets contact one of our client advisers in your jurisdiction to discuss your particular circumstances. Non-client recipients of this report who are not institutional investor clients of CIBC World Markets should consult with an independent financial advisor prior to making any investment decision based on this report or for any necessary explanation of its contents. CIBC World Markets will not treat non-client recipients as its clients by virtue of their receiving this report.

Past performance is not a guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance of any security mentioned in this report. The price of the securities mentioned in this report and the income they produce may fluctuate and/or be adversely affected by exchange rates, and investors may realize losses on investments in such securities, including the loss of investment principal. CIBC World Markets accepts no liability for any loss arising from the use of information contained in this report, except to the extent that liability may arise under specific statutes or regulations applicable to CIBC World Markets.

Information, opinions and statistical data contained in this report were obtained or derived from sources believed to be reliable, but CIBC World Markets does not represent that any such information, opinion or statistical data is accurate or complete (with the exception of information contained in the Important Disclosures section of this report provided by CIBC World Markets or individual research analysts), and they should not be relied upon as such. All estimates, opinions and recommendations expressed herein constitute judgments as of the date of this report and are subject to change without notice. Nothing in this report constitutes legal, accounting or tax advice. Since the levels and bases of taxation can change, any reference in this report to the impact of taxation should not be construed as offering tax advice on the tax consequences of investments. As with any investment having potential tax implications, clients should consult with their own independent tax adviser. This report may provide addresses of, or contain hyperlinks to, Internet web sites. CIBC World Markets has not reviewed the linked Internet web site of any third party and takes no responsibility for the contents thereof. Each such address or hyperlink is provided solely for the recipient's convenience and information, and the content of linked third-party web sites is not in any way incorporated into this document. Recipients who choose to access such third-party web sites or follow such hyperlinks do so at their own risk. Although each company issuing this report is a wholly owned subsidiary of Canadian Imperial Bank of Commerce ("CIBC"), each is solely responsible for its contractual obligations and commitments, and any securities products offered or recommended to or purchased or sold in any client accounts (i) will not be insured by the Federal Deposit Insurance Corporation ("FDIC"), the Canada Deposit Insurance Corporation or other similar deposit insurance, (ii) will not be deposits or other obligations of CIBC, (iii) will not be endorsed or guaranteed by CIBC, and (iv) will be subject to investment risks, including possible loss of the principal invested. The CIBC trademark is used under license.

© 2010 CIBC World Markets Inc. All rights reserved. Unauthorized use, distribution, duplication or disclosure without the prior written permission of CIBC World Markets is prohibited by law and may result in prosecution.