Canaccord Wealth Management

Morning Coffee

Friday April 16, 2010

S&P/TSX Composite	+7.11	12211.52
Dow Jones	+21.46	11144.57
S&P 500	+1.02	1211.67
NASDAQ	+10.83	2515.69
S&P/TSX Venture	+4.62	1679.50
Philadelphia SOX	+1.13	398.86
Crude Oil (US$/brrl)	+1.79	85.84
Gas (US$/mmbtu)	+0.04	4.20
Copper (US$/lb)	-0.01	3.60
Gold (US$/oz)	+6.20	1159.60
Nickel (US$/lb)	+0.41	11.95
Palladium (US$/oz)	-2.50	545.00
Platinum (US$/oz)	-10.50	1719.00
Silver (US$/oz)	-0.03	18.43
Uranium (US$/lb)	-0.25	41.50
Canadian Dollar	-0.0043	0.9971
30 Year Canada	0.00	4.107
30 Year U.S.	-0.01	4.719
Volatility Index (VIX)	0.35	15.94

Attn: Spin Class Enthusiasts

A Danish hotel is pioneering a pedal-power electricity generation scheme it hopes will catch on in other countries.

The Crowne Plaza Copenhagen Towers, 15 minutes from the centre of the Danish capital and 15 minutes from the airport, is installing two exercise bicycles hooked up to generators.

Guests will be invited to jump on and start pedaling. If they produce enough electricity they will be given a free meal.

Beginning in June, they will be able to race against the 366-room hotel's solar panel system in a bid to produce the most electricity.

"Anyone producing 10 watt hours of electricity or more for the hotel will be given a locally produced complimentary meal encouraging guests to not only get fit but also reduce their carbon footprint and save electricity and money," the hotel said in a statement.

Hotel spokeswoman Frederikke Tommergaard noted to Reuters the free meal offer applied only to paying guests, not passers-by.

CANADA

The S&P/TSX Composite edged higher on Thursday, as steady commodity prices, strong U.S. earnings and surging Chinese economic growth offset persisting worries over debt-laden Greece.

Base-metals miners including **First Quantum Minerals (FM)** and **HudBay Minerals (HBM)** rallied after China, the world's top consumer of copper, reported economic growth accelerated in the first quarter to 11.9%, the fastest annual pace in nearly three years.

Ithaca Energy (IAE) was up sharply after the oil and gas explorer with assets in the U.K. North Sea said a drill test of its Stella field appraisal well exceeded expectations.

Mullen Group (MTL) rose after it said that it has won a major contract with **Suncor Energy (SU)** related to tailings management at its oilsands mining operations. Financial terms of the deal were not available for the deal that Mullen called a "significant project."

Lorus Therapeutics (LOR) fell after it said it will need an infusion of cash as it reported a loss of $1.3 million in its latest quarter. The drug developer said its does not have enough cash for its current planned spending for the next 12 months and will require new investment.

UNITED STATES

Stocks fluctuated, with benchmark indexes hovering near 18-month highs, on a jump in jobless claims and concern the market has risen too far, too fast tempered growing optimism about earnings and the economy. **United Parcel Service (UPS)** gained after the shipping company hiked its outlook for the year, citing improved margins and a sharp "acceleration" at its international package and supply chain businesses.

Global miner **Rio Tinto (RTP)** slightly raised its production guidance for iron ore after posting a 39% jump in first-quarter output, driven by Chinese demand and recovery in the West. **E-Trade Financial (ETFC)** was up sharply following a Reuters report late Wednesday that discount broker **TD Ameritrade Holding (AMTD)** has a sizable cash reserve that it may use to pursue an acquisition.

Mariner Energy (ME) soared after independent oil and gas producer **Apache (APA)** said it would buy the exploration company. Including assumed debt, the deal carries a price tag of about $4 billion.

Yum! Brands (YUM) climbed after the owner of Taco Bell and other restaurant chains reported an 11% rise in first-quarter profit, helped by sales growth in China. **ImmunoGen (IMGN)** rallied after Roche Holding of Switzerland, ImmunoGen's partner in developing a breast cancer treatment, said it will seek expedited approval of the treatment by the FDA and may win approval this year or early next year.

ECON 101

CANADIAN Data Today: This morning, **Manufacturing Shipments** (Feb) are expected to rise by 1.0%, after gaining 2.4% the previous month, while **New Motor Vehicle Sales** (Feb) should rise by 7.0%, after coming in flat before that.

U.S. Data Today: This morning, **Building Permits** (Mar) are expected to rise to 625K from 612K the previous month, while **Housing Starts** (Mar) should rise to 610K from 575K previously.

ECON 201

Canadian Sales of Existing Homes rose 1.4% in March from February, boosted by strong activity in the Toronto and Ottawa markets.

Canadian Non-Residential Building Construction totalled $10.3 billion in the first quarter, down 0.7% from the previous quarter and 5.7% below the first quarter of 2009.

U.S. Industrial Production increased by much less than expected in the month of March, with the weaker growth largely due to a notable drop in utilities output. Production edged up by 0.1% in March following an upwardly revised 0.3% increase in February. Production had been expected to increase by 0.7%.

Argentina's Consumer Price Index in March rose 1.1% from February, and 9.7% from last year's levels.

Japan's Industrial Production slid a seasonally adjusted revised 0.6% month-on-month in February.

China's GDP grew 11.9% from last year, accelerating from the 10.7% rate in the fourth quarter.

March **Chinese Consumer Prices** rose 2.4% on a year-ago basis, following a 2.7% rise in February. Producer Prices rose 5.9% in March, from 4.9% in January and February.

Chinese Retail Sales grew by only 18.0% in March, down from 22.1% growth rates in the first two months in the year.

The **Chinese Government's Fiscal Revenue** rose 36.8% year-on-year to 602.3 billion yuan in March, while fiscal spending increased 18.3% annually to 592.40 billion yuan.

Chinese Fixed Asset Investment grew 26.4% in the first three months of the year relative to the corresponding period in 2009. While marginally slower than February's 26.6% year over year year-to-date result, March's outcome exceeded consensus expectations.

India's Wholesale Price Index in March rose 9.90% in March compared with a year earlier, its fastest pace in 17 months, following a 9.89% rise in February.

MARKET MOVERS

Technical Indicators:

	TSX	TSX-V	NYSE	NASDAQ	AMEX
Advancers	772	374	1459	1513	222
Decliners	801	397	1554	1110	242
Net	-29	-23	-95	+403	-20

Notable 52-Week Highs:

Aastra Technologies	AAH	$ 36.80	IESI-BFC	BIN	$ 19.52
Alamos Gold	AGI	$ 14.69	Bank of Montreal	BMO	$ 63.97
Allbanc Split Corp. II	ALB	$ 12.34	Bank of Nova Scotia	BNS	$ 52.11
Ainsworth Lumber Co.	ANS	$ 4.99	Brookfield Properties	BPO	$ 16.23
Avenir Diversified Income Tr.	AVF.UN	$ 6.05	BNS Split Corp. II	BSC	$ 15.35
New Look Eyewear	BCI	$ 7.35	Corridor Resources	CDH	$ 6.03

Carfinco Income Fund	CFN.UN	$ 4.05
Canfor Pulp Income Fund	CFX.UN	$ 12.96
Claym Adv High Yield Bond ETF	CHB.A	$ 20.29
Canadian Helicopters	CHL.UN	$ 15.13
Claym Glb Infrastruct. E.T.F.	CIF.A	$ 17.34
Claym US C$ non-hedged E.T.F.	CLU.C	$ 13.99
Canadian National Railway	CNR	$ 63.69
Canadian Pacific Railway	CP	$ 59.70
Cash Store Financial Services	CSF	$ 18.74
Contrans Group	CSS	$ 9.76
Copper Mountain Mining	CUM	$ 3.58
Claym Glb Adv Dividend E.T.F.	CYH.A	$ 15.88
Detour Gold	DGC	$ 20.17
Dorel Industries	DII.A	$ 36.75
Dorel Industries	DII.B	$ 36.98
Exall Energy	EE	$ 0.96
Enbridge Inc.	ENB	$ 50.47
Enterra Energy Trust	ENT.UN	$ 3.08
5Banc Split	FBS.B	$ 8.55
Freehold Royalty Trust	FRU.UN	$ 17.65
US Financial 15 Split Corp.	FTU.PR.A	$ 6.25
Grande Cache Coal	GCE	$ 8.75
Genesis Land Development	GDC	$ 5.39
Gildan Activewear	GIL	$ 28.44
GLV Inc.	GLV.A	$ 10.35
Gran Tierra Energy	GTE	$ 6.75
Gran Tierra Exchangeco	GTX	$ 6.71
Glacier Media	GVC	$ 2.55
HAP North American Growth ETF	HAW	$ 11.29
HBP Financials Bull+ E.T.F.	HFU	$ 12.48
HBP Nymex Long Oil/Short NGas	HON	$ 10.64
HBP NASDAQ-100 Bull+ E.T.F.	HQU	$ 15.12
HBP S&P 500 Bull+ E.T.F.	HSU	$ 11.84
HBP 60 Bull+ E.T.F.	HXU	$ 19.23
Inter-Citic Minerals	ICI	$ 1.33
Jazz Air Income Fund	JAZ.UN	$ 5.13
JDS Uniphase	JDU	$ 13.99
Katanga Mining	KAT	$ 1.66
Logistec Corp.	LGT.B	$ 16.00
Liquor Stores Income Fund	LIQ.UN	$ 17.85
lululemon athletica	LLL	$ 45.60
Lydian International	LYD	$ 0.98
Minera Andes	MAI	$ 1.20
Marathon PGM	MAR	$ 2.28
MDC Partners	MDZ.A	$ 11.48
Menu Foods Income Fund	MEW.UN	$ 3.58
New Gold	NGD	$ 5.37
Niocan Inc.	NIO	$ 0.60
North American Palladium	PDL	$ 5.25
Premium Income	PIC.A	$ 6.44
Pacific Northern Gas	PNG	$ 24.00
PRT Forest Regen. Income Fund	PRT.UN	$ 3.04
BlackPearl Resources	PXX	$ 3.14
QLT Inc.	QLT	$ 5.81
Red Back Mining Inc.	RBI	$ 24.49
R Split III Corp.	RBS	$ 15.76
Rock Energy Inc.	RE	$ 4.99
First Asset REIT Income Fund	RIT.UN	$ 9.30
Royal Laser	RLC	$ 0.46
Russel Metals	RUS	$ 21.99
Royal Bank of Canada	RY	$ 61.63
S Split Corp.	SBN	$ 9.00
SFK Pulp Fund	SFK.UN	$ 1.60
TD Bank	TD	$ 77.35
TD Split Inc	TDS.B	$ 49.49
TransGlobe Energy	TGL	$ 6.75
Taseko Mines	TKO	$ 6.19
Tembec Inc.	TMB	$ 2.96
TransAtlantic Petroleum	TNP	$ 3.94
Domtar Corp.	UFS	$ 78.09
Domtar Canada Paper	UFX	$ 78.15
Vitran Corp.	VTN	$ 14.48
WaterFurnace Renewable Energy	WFI	$ 30.80
Winpak Ltd.	WPK	$ 10.08
Westport Innovations	WPT	$ 20.07
Western Coal	WTN	$ 6.94
iShares S&P/TSX Smallcp E.T.F.	XCS	$ 15.38
iShares S&P/TSX Comp. E.T.F.	XIC	$ 19.30
iShares MSCI EAFE E.T.F.	XIN	$ 19.20
iShares S&P/TSX 60 E.T.F.	XIU	$ 18.06
iShares S&P 500 $Cdn E.T.F.	XSP	$ 14.04
iShares Rusl 2000 $Cdn E.T.F.	XSU	$ 15.92
Yellow Media Inc.	YPG.PR.B	$ 21.99
BMO DJ Canada Titans 60 E.T.F.	ZCN	$ 17.15
BMO Intl Equity E.T.F.	ZDM	$ 16.02
BMO =Weight Bnk E.T.F.	ZEB	$ 17.13
BMO CorpBnd US Hedge E.T.F.	ZHY	$ 15.77

Notable 52-Week Lows:

Claym Adv Cdn Bond E.T.F.	CAB.A	$ 19.69
Claym 1-5 yr Govt Bond E.T.F.	CLF	$ 20.05
Coxe Commodity Strategy Fund	COX.WT	$ 0.07
Prime Restaurants	EAT	$ 4.15
HBP Financials Bear+ E.T.F.	HFD	$ 8.30
HBP Nymex Long NGas/Short Oil	HNO	$ 9.50
HBP NASDAQ-100 Bear+ E.T.F.	HQD	$ 10.39
HBP S&P 500 Bear+ E.T.F.	HSD	$ 12.56
HBP 60 Bear+ E.T.F.	HXD	$ 11.27
Marret Investment Grade Bond	MIG.UN	$ 11.61
iPath S&P 500 VIX Short-Term	VXX	$ 18.93
BMO Short Term Prov Bd E.T.F.	ZPS	$ 14.80

CANADIAN EQUITIES OF INTEREST

Listed Alphabetically by Symbol

Bankers Petroleum* (BNK : TSX : $8.74), Net Change: -0.25, % Change: -2.78%, Volume: 2,620,030

No Tier 1 Capital Ratio issues here. Canaccord Adams Oil & Gas Analyst Terry Peters boosted his target price on Bankers Petroleum. The company has been extremely successful in adding new oil-in-place and reserves at its main asset, the Patos Marinza field in Albania. Given its continued success with its horizontal drilling program in Q1/10, his overall confidence level has increased and he has revised the discount rate he applies to his valuation. Peters also adjusted his 2010 and 2011 forecasts to reflect the previously announced production results for Q1/10. While horizontal production rates have held up, the number and timing of well tie-ins was slower than his estimate. This resulted in Q1/10 production of 8,282 b/d, below Peters' estimate of 8,804 b/d. Consequently he has trimmed his production estimates for the full year 2010 and 2011 from 12,104 b/d and 21,107 b/d respectively to 11,434 b/d and 20,757 b/d. However, more importantly, at this point, Bankers still expects to achieve its exit production targets of 15,000 b/d and 24,000 b/d, respectively. The year 2010 will be the start of a multi-year drilling campaign that is expected to drive significant production and cash flow growth for Bankers. Interestingly, very few oil companies have the visibility in growth in what should be considered lower-risk development-type drilling. In addition, Bankers intends to expand its resource base and begin testing the potential for a thermal recovery project. Success in these areas would be accretive to Peters' overall evaluation of the company. Also, Peters has not ascribed any additional value to the potential from the ~1 billion barrels of contingent and prospective resources. Consequently, further upside exists as the company commences a vertical drilling program in this area in 2010.

Baytex Energy Trust* (BTE.UN : TSX : $33.69), Net Change: 0.26, % Change: 0.78%, Volume: 847,498

Batter up...playball. M&A activity in the oil & gas sector does not appear to be slowing down. We seem to be hearing about activity in this sector on almost a daily basis. On Thursday, Baytex was on deck, announcing an agreement to acquire a private oil and gas company with heavy oil assets in the Lloydminster area of Saskatchewan for $40.9 million in cash. The acquisition includes 900 boe/d of production and undeveloped land of 32,100 net acres, which equates to a transaction metric of approximately $45,440/boed (unadjusted for land value). Subject to customary regulatory, court and shareholder approvals, the transaction is expected to close late May 2010. Baytex has maintained its 2010 capital program of $235 million and will fund the transaction drawing from its existing credit facility. Canaccord Adams Energy Trust Analyst Kyle Preston believes that the transaction is accretive given that Baytex is currently trading at a 2010E EV/boed metric of about $98,600/boed. The acquisition will expand Baytex's existing portfolio of heavy-oil assets and drilling prospects at Lloydminster, and should be a relatively easy integration. However, given the smaller size of the transaction, he notes that the transaction is not overly material to Baytex as a whole.

Bellatrix Exploration* (BXE : TSX : $3.95), Net Change: 0.10, % Change: 2.60%, Volume: 678,245

Stay True to Yourself. Bellatrix moved up after announcing the results of two wells that were drilled in the first quarter and brought on stream this month. The company has completed its second horizontal Notikewin natural gas well (85% WI) of this year's program at Ferrier. After clean-up, the well was flowing at 10 mmcf/d with a flowing tubing pressure of approximately 2,850 psi; above Canaccord Adams' expectations of a first month rate of 3.5 mmcf/d. Management expects the associated liquid content to be between 35-50 bbl/mmcf. The well was placed on production on April 14, 2010 at a restricted rate of 5 mmcf/d. The company has now drilled three horizontal Notikewin gas wells in west central Alberta, of which two have tested at 10 mmcf/d. The first horizontal Notikewin well, drilled last year, tested at 10 mmcf/d and was brought onstream at 5 mmcf/d. The well produced at 5 mmcf/d for three and a half months before starting to show moderate decline. Bellatrix also announced that its 100% WI horizontal Cardium oil well at West Pembina was tied in at an initial production rate of 250 boe/d. Looking forward, Bellatrix has maintained its plans to drill and complete 21 horizontal Cardium oil wells and 8-10 horizontal Notikewin gas wells in 2010. Following spring breakup, the company plans to operate with three to five rigs for the remainder of the year. Canaccord Adams Oil & Gas Analyst Arthur Grayfer notes that the results from the Notikewin gas and Cardium oil wells continue to be encouraging and provide support that the company will achieve its 2010 exit guidance of 10,000 boe/d. Current production is approximately 8,500-8,800 boe/d.

Coastal Contacts* (COA : TSX : $1.51), Net Change: 0.06, % Change: 4.14%, Volume: 103,248

Oh, eye see. Coastal Contacts, an online retailer of contact lenses and prescription eyeglasses, was halted most of yesterday pending news. The company announced that it is currently reviewing certain potential transactions, which are focused on increasing shareholder value. At the present time, the company does not have any material information to disclose. Coastal has built a diversified international base of more than two million vision corrected customers and the largest market share of any online optical retailer in many of their markets. The company has grown its business to approximately 1.4 million orders shipped and $144 million in sales in the twelve months ended January 31, 2010. Coastal recently reported Q1/10 results. Sales increased 14.7% to $35.9 million from $31.3 million. Net earnings, however, declined year over year 22.5% to $750,000. Could Coastal be consolidated? Does private equity have an interest? We'll see.

Carpathian Gold* (CPN : TSX : $0.41), Net Change: 0.01, % Change: 2.53%, Volume: 893,170

Still waiting on Romania. Carpathian Gold moved up on news that it has received the Licenca Previa (LP), the first of three permits that allow Carpathian to proceed to build, develop and operate the wholly-owned Riacho dos Machados (RDM) gold project in Minas Gerais State, Brazil. Specifically, the receipt of the LP allows Carpathian to initiate land works on the project, such as pre-stripping, construction of the tailings dam and land clearing for the infrastructure. The definitive feasibility study is progressing on-target for completion at the end of Q2/10. With feasibility study in hand, Carpathian will begin to work on obtaining the Licenca Instalac o (LI) that will allow construction to begin on the project, expected July 2010. The final permit, the Licenca Operac o (LO), which is the final permit required to operate the mine will be obtained when the construction of the project is nearly complete. Additionally, a resource update and reserve estimate will be published concurrently with the feasibility study. Drilling has successfully extended the existing resource 700 metres to the south and 150 metres to the north from the existing 1,250-metre pit. The resource remains open along strike and down-dip. RDM currently hosts open pit resources of 4.6 Mt M+I at 1.84 g/t Au for 268,800 oz Au plus 15.2 Mt inferred at 1.56 g/t Au for 762,700 oz Au using 0.3 g/t cut-off. Relative to the previous preliminary economic assessment (PEA), Carpathian is looking at extended life, stronger economics and underground potential, fast-tracking RDM as a producer of +100,000 oz/a at an average operating cash cost of around US$450/oz. Additional catalysts: An improving mining investment climate in Romania may begin to crystallize the value of Carpathian's other asset, the PEA-level Rovina Valley gold-copper project. The project hosts at least three gold-copper porphyry deposits along a 7.5-km NNE trend. The PEA is based on a resource estimate of 193.1 Mt measured and indicated grading 0.49 g/t Au and 0.18% Cu for 3.07 Moz Au and 760 Mlb Cu plus 177.7 Mt inferred grading 0.68 g/t Au and 0.17% Cu for 3.89 Moz Au and 663 Mlb Cu. Employing 40,000 t/d standard flotation should result in annual production over the first five years amounting to 53.5 Mlb Cu at US$1.05/lb cash cost and 238,000 oz Au at US$483/oz cash cost.

Cequence Energy* (CQE : TSX : $2.40), Net Change: 0.02, % Change: 0.84%, Volume: 551,217

A positive Cequence of events. Cequence has successfully completed its first Lower Montney horizontal well at Sinclair, North Western Alberta. The discovery well is 100%-owned and was tested over a five-day period with a final stabilized flow rate of 4.3 mmcf/d at a flowing pressure of 900 psi. Cequence has 15 gross (14.5 net) sections of land offsetting the well with the potential for 59 gross (57 net) additional Lower Montney drilling locations. Cequence has tested gas from the Lower Montney in three offsetting vertical wells with very similar log characteristics to the discovery well. A second horizontal Lower Montney well (50% WI) is expected to be drilled after break-up. With the successful discovery well, Cequence has expanded the natural gas resource to include both the Upper and Lower Montney at Sinclair. Over the past six months, three horizontal wells have been drilled and completed at Sinclair with total tested productivity of approximately 14 mmcf/d. Separately, the company announced that it has successfully added production from its winter drilling program in the Peace River Arch. As a result, Cequence's current production is approximately 3,150 boe/d as compared to 2,089 boe/d in Q4/09 representing an increase of 50%. The company's Q1/10 production is expected to average 2,500 boe/d. Cequence continues to focus its 2010 capital program on oil and liquids-rich natural gas prospects. Through drilling and acquisitions, the Cequence management team, led by President and CEO Howie Crone, has built (from 0 to 12,000 boe/d+ in production) and sold three oil and gas companies in short time: Cyries, Cequel and Cypress Energy. Many are hoping Cequence management can four-peat. The company continues to be 85% natural gas weighted.

Ecometals* (EC : TSX-V : $0.23), Net Change: -0.04, % Change: -14.81%, Volume: 1,083,980

<<Insert classic Tom Petty chorus here>> Shares of Ecometals continued to free fall Thursday. About three weeks ago Ecometals stated that, "Analytical results from the first two diamond drill holes on the Rio Zarza gold project in Ecuador indicate geochemically anomalous but uneconomic levels of gold," and on Wednesday the company said the same thing about hole number three. Also on Wednesday, the company said its fourth hole RZDDH10-04 has been completed and fulfilled the key geological objectives with the exception of a fault structure contemporaneous with the basin infill. Investors were less than pleased with these most recent results. Commenting on the results so far, Ecometals CEO Fran Scola said, "These initial holes at

Rio Zarza have added substantially to our understanding of this exploration project. We believe the indications of significant mineralization at Rio Zarza remain encouraging, thus we will continue exploration on the project." Next up is hole number five, which the company says considers all the factors controlling mineralization learned from the previous drill holes, and displayed by RZDDH10-01,and in addition is planned to intersect an interpreted fault zone which offsets the Hollin and Suarez Formations, and a strong IP anomaly in the hanging wall of the fault which indicates concentration of sulphide mineralization within the mineralized elevation range.

Hathor Exploration* (HAT : TSX-V : $1.90), Net Change: -0.02, % Change: -1.04%, Volume: 173,828

Almost done counting sheep? Over the past year, Hathor has time-after-time delivered results that most companies can only dream of, and is now putting together a high-grade uranium project that oozes world-class potential. However, the stock continues to hibernate. Whether it is the weak uranium price or the lingering bitter taste left from a negative analyst that has recently bowed out, the hibernating bear that is Hathor's share price could sooner than later wake up with a roar and start kicking butt and taking numbers. On Thursday morning, Hathor provided another update on drilling of its 90%-owned Midwest NE project in Saskatchewan. The winter drill program is now complete with 77 holes amounting to 26,928 m drilled, of which 47 were drilled on the Roughrider zone and 30 were drilled on Roughrider East. The latest results from Roughrider infill and expansion program are from 13 holes drilled in Area 2, the core of the zone. Drilling again successfully encountered high-grade mineralization (based on preliminary logging) in areas previously designated as low-grade (<5% U3O8) in the initial resource and outside of the initial resource shell. Canaccord Adams Senior Mining Analyst Eric Zaunscherb highlights two holes or particular interest: Hole MWNE-10-209 (11.2 m of off-scale, >9,999 cps) and Hole MWNE-10-204 (6.1m of off-scale, >9,999 cps). Additionally, on March 5, Hathor released the results from the first two of six fences drilled on Roughrider East. Another release of preliminary results is expected for the next four of six fences drilled on Roughrider East early next week. This will be followed by a round of releases of final assays as they become available. Zaunscherb notes that two drills have been left on site for the summer drill program, and highlights that the continuous news flow should take us right up to commencement of summer drilling.

Husky Energy* (HSE : TSX : $29.43), Net Change: -0.70, % Change: -2.32%, Volume: 1,156,857

Responsible development is a relative thing. According to The Financial Times, **BP (BP)** announced that it will continue to forge ahead with its Canadian oil sands development plans despite protests from environmentalists and certain shareholders. Apparently, 140+ investors have backed a resolution calling for a review of BP's oil sands plans, including Calpers and Calstrs, the California state pension funds, as well as Co-operative Asset Management and the Unison union's pension fund from the U.K. Other companies like **Royal Dutch Shell (RDS)** will face similar opposition in the weeks ahead. BP is now working on the proposed $2.4 billion Sunrise Oil Sands Project (Husky has a 50% interest) and expects to make the final investment decision by early next year. In January, Husky announced that it has completed front-end engineering and design (FEED) for Phase 1 of the Sunrise and has obtained necessary approvals from the Government of Alberta, Environment Department and the Energy Resources and Conservation Board (ERCB) to proceed with the project. Pending project sanction by BP and Husky, the detailed engineering, procurement, and construction phase of the project is scheduled to begin in the second half of 2010, with Phase 1 production anticipated in 2014. Sunrise, located 60 km northeast of Fort McMurray, will use Steam-Assisted Gravity Drainage (SAGD) technology. Husky estimates that Sunrise contains 3.7 billion barrels of proved, probable plus possible reserves (0.13 billion barrels proved, 1.9 billion barrels probable and 1.7 billion barrels possible, as of December 31, 2009). The capital cost for Phase I (60,000 bbls/d) is estimated at $2.5 billion, down from the earlier forecast of $3.8-4.0 billion under the original design plan. Under current regulatory approvals, production is expected to ramp up to 200,000 bbls/d once all phases have been built and are operational in the 2020 timeframe. According to BP's annual sustainability report, the company suggests the Sunrise project's economics will look attractive on the basis of the company's standard planning assumption that oil prices will range US$60-90 per barrel to 2015. BP believes that greenhouse gas emissions are lower for some oil sands projects than for some types of conventional oil production.

Ithaca Energy* (IAE : TSX-V : $2.50), Net Change: 0.24, % Change: 10.62%, Volume: 3,086,123

Yes, companies are still exploring for oil & gas outside of Colombia. Ithaca, a U.K. North Sea explorer, announced that its Stella field appraisal well (30/6a-8) has proved the presence of significant additional volumes of hydrocarbon and excellent quality reservoir. Well 30/6a-8 was drilled to appraise a large down flank extension of the Stella field, located in the Central North Sea, and well operations to date have satisfied all key objectives. The total measured hydrocarbon column height is now in excess of 820 feet, significantly increasing reserves beyond those previously independently assessed. The well confirmed hydrocarbons more than 500 feet lower than in any previous wells. The well flowed in excess of 5,000 barrels of liquid per day (oil plus water) consisting of 2,850 barrels of light oil (39 degrees API) per day and 2,150 barrels of water per day. A prolonged and stabilized flow period was achieved and flow rates were significantly limited due to restrictions of the equipment on board the drilling rig. The well intersected a 22.5 foot section of Paleocene Andrew sandstone reservoir close to the mapped closure of the field, which is estimated to cover more than 22 square kilometers. The well will now be geologically sidetracked, as intended, to test the reservoir up-flank between this vertical bore and existing crestal wells to further investigate the quality of the reservoir and provide essential compositional information of the hydrocarbons at intermediate depths. The sidetrack will take approximately 15 days to penetrate the reservoir. Current Joint Venture Partners in block 30/6a (Stella and Harrier) are Ithaca (68.33%), Dyas UK Ltd (31.67%). Post completion of the farm out to Challenger Minerals (North Sea) Limited interests will be Ithaca (50.33%), Dyas UK Ltd (31.67%), Challenger Minerals (18.00%).

Natcore Technology* (NXT : TSX-V : $0.78), Net Change: 0.18, % Change: 30.00%, Volume: 429,550

Getting closer to the Holy Grail? Shares of Natcore Technology, the junior company hoping to bridge the economic gap between solar power and conventional energy production – an achievement that represents the "Holy Grail" of the alternative energy industry, jumped after announcing that it has shipped sample wafers demonstrating the unique advantages of its Liquid Phase Deposition (LPD) process to potential customers in the solar industry. The company also reported that its program at Rice University has achieved a significant milestone, having successfully manufactured silicon nanocrystals (quantum dots) of sufficient quality and suitable characteristics for use in its tandem solar cell research. This is an important advance toward the company's goal of developing low-cost, super-efficient silicon cells with efficiencies of over 30%, or about twice the power output of today's most efficient mass-produced solar cells. Two other accomplishments highlighted in Thursday's press release included: i) Natcore's team at Nanotech West at the Ohio State University (OSU) has performed a series of process improvement experiments over the past three months, in anticipation of transferring the process to the "Natcore China" joint venture company. This is a very important step in the company's plan, as it will allow the team in China to come quickly up to speed in exactly replicating the process developed at OSU; ii) Natcore's team has developed a prototype engineering design for the scaled process at the Natcore China JV, and begun design of an automated, manufacturing-scale system; and iii) Natcore's program at Rice University has achieved a significant milestone, having successfully manufactured silicon nanocrystals of sufficient quality and suitable characteristics for use in its tandem solar cell research. This is an important advance toward the company's goal of developing low-cost, super-efficient silicon cells with efficiencies of over 30%, or about twice the power output of today's most efficient mass-produced solar cells.

Teck Resources* (TCK.B : TSX : $44.69), Net Change: -0.46, % Change: -1.02%, Volume: 1,854,905

Show me the dividend! Teck will release its Q1/10 results on Tuesday, April 20, 2010 after markets close. Shares of the diversified miner have outperformed, having rallied nearly 320% in the past year. While several operating issues remain a concern (Red Dog permitting, coal production run rate, Andacollo ramp-up), Teck continues to be supported by positive near-term coking coal and copper price momentum. The latest whispers around Teck have nothing to do with the company's operational performace, but very much to do with the return of its dividend. In November 2008, as part of its "comprehensive plan" to reduce debt, Teck suspended the dividend on its Class A common shares and Class B subordinate voting shares, which provided an estimated annual savings of roughly $486 million to the company. Teck was paying a quarterly dividend of $0.50 per share at that time. After a very tough year and a half, the company has successfully reduced and refinanced its debt obligations, conducted sales of non-core assets and reportedly amassed $900 million of cash on hand. According to at least one Bay Street analyst, "Teck is now in a relatively strong financial position, which should support the reinstatement of a dividend before the end of 2010."

Temex Resources* (TME : TSX-V : $0.34), Net Change: -0.03, % Change: -6.94%, Volume: 595,050

My buddy's Goldcorp! Who's yours? Temex Resources announced Thursday that it has entered into a non-binding letter of intent for the acquisition of a 60% interest in the upper portion of the Hallnor Mine claims from Porcupine Gold Mines (a joint venture between **Goldcorp (G)** and Goldcorp Canada). The Upper Hallnor Mine Property will become part of the Whitney Township Joint Venture between Temex and Goldcorp, with Temex as the operator. Temex highlights that the Upper Hallnor Mine and property has not seen any significant exploration since mining operations ceased in 1972 and contains several areas of significant exploration potential with drill intersections that include: i) 15.26 g/t gold over 3.99 metres; ii) 1173.26 g/t gold over 1.52 metres; iii) 12.37 g/t gold over 4.88 metres; and iv) 42.10 g/t over 2.44 metres. The Upper Hallnor Mine, together with Temex's 60% ownership of the Lower Hallnor Mine, consolidates Temex's interest in this historic gold producer, which was the highest grade mine (of those who produced greater than 1 million ounces) in the 65-million-ounce Porcupine Gold Camp, having produced more than 1.7 million ounces of gold at an average grade of 13.71 g/t. Commenting on the deal, Temex's President and CEO Ian Campbell stated, "The letter of intent with Goldcorp consolidates our position on the highest grade, past producer from which nearly two million ounces of high grade gold was produced in the heart of Canada's most prolific gold camp. It is an exciting time for Temex as we prepare to aggressively explore this cornerstone project of our precious metals platform and we are very pleased to have a world class partner in Goldcorp."

Timmins Gold* (TMM : TSX-V : $1.53), Net Change: 0.12, % Change: 8.51%, Volume: 772,431

For those who come to San Francisco, be sure to wear some flowers in your hair. Timmins Gold outperformed yesterday on above average volume. Last week, the company announced that it had achieved commercial production at its 100%-owned San Francisco gold mine in Mexico. The company also reiterated its 2010 guidance for production of 80,000 ounces of gold. With commercial production achieved, the company should report its first quarter of production and costs in calendar Q2/10. What investors are waiting for now is a resource update for the San Francisco project. The update is expected this quarter. This should be a key catalyst for Timmins given the relatively short 4.5-year mine life of the San Francisco mine. Canaccord Adams Mining Analyst Nicholas Campbell expects to see a revaluation in Timmon shares as investors recognize the company as a new junior gold producer in Mexico. Timmons trades at 4.3x 2011E CFPS vs. the 12.3x 2011E CFPS junior average. It is also trading at 0.88x P/NAV (5%, spot) vs. the 1.24x junior average. Given the discounted valuation relative to other junior producers, Campbell sees Timmins as a potential acquisition target for a junior producer operating in Mexico that is looking to diversify its production base and increase its production profile. Potential suitors would include **Alamos (AGI)**, **Gammon (GAM)**, **Minefinders (MFL)**, **New Gold (NG)** and **Argonaut Gold (AR)**.

U.S. EQUITIES OF INTEREST

Listed Alphabetically by Symbol

China GDP

Everybody Wang Chung tonight? The Chinese economy expanded by 11.9% YoY for Q1/10, and is estimated to be up 11.3% on a seasonally-adjusted quarter-on-quarter annualized basis. Retail sales rose 18% YoY, industrial production was up 18.1% YoY, and fixed investments were up 26.2% YoY in March. A surprise came from the headline CPI, at 2.4% YoY, from 2.7% YoY in February (down 0.7% MoM). Improved weather in March also reduced the volatility in food prices. Despite stronger-than-expected GDP growth, Credit Suisse Chief Economist for Non-Japan Asia Dong Tao, one of the guys who made the call on China early on (both up and down), does not anticipate imminent tightening: 1) there is a bigger than expected moderation in inflation; 2) Beijing said the high growth has been achieved mainly by the base effect and government stimulus; and 3) industrial investment is still missing, and the export recovery is strong but remains fragile. Dong says one area standing out from this otherwise “Goldilocks” situation is the China property market. Property prices saw another sharp rise in March nationwide, despite continued caution from China’s Premier. Dong expects Beijing to take more tightening measures for the property sector, but he thinks that it is not an immediate threat yet. Credit Suisse still believes a property market correction in H2/10 or H1/11 remains the biggest downside risk for China’s growth prospects. Overall, Credit Suisse takes this set of macro data positively – strong growth and some breathing space in inflation. Dong believes this ‘Goldilocks’ situation is likely to continue for a while, but inflationary pressure may eventually emerge in H2/10 to trigger a rate hike.

Indian Rupee

Some like it hot. Unlike China, India has let its currency surge against the U.S. dollar over the past year. The rupee has risen about 17% from its record low in March 2009. While in 2007, according to the Wall Street Journal, the Reserve Bank of India would occasionally buy U.S. dollars to lower the volatility on the rising rupee, this time around the central bank is not intervening. The bank appears to be allowing the appreciation to stem inflation; India’s producer price index came in at 9.9% in March. Given its high inflation rate and given that it is a country with net imports, it should benefit from a higher currency. The strong rupee improves purchasing power, and keeps import prices lower. While India’s currency has run up, other Asian currencies like the Korean won and the Indonesian rupiah have outperformed. The country’s export lobby is pressing for a weaker currency to make their products more competitive, although exports still rose in February by 34.8% from last year.

Apache (APA : NYSE : US$106.67), Net Change: -1.39, % Change: -1.29%, Volume: 9,752,164
Mariner Energy (ME : NYSE : US$25.68), Net Change: 7.59, % Change: 41.96%, Volume: 66,343,689

The Drill of the Ancient Mariner. Apache yesterday announced an agreement to acquire Mariner for $2.7 billion, moving the oil-and-gas explorer further into deep-water areas. The deal comes a few days after Apache agreed to buy the shallow Gulf of Mexico assets of **Devon (DVN)** for $1.05 billion, a deal that reinforces Apache's dominant position in that area. The energy sector is showing substantial M&A activity. Mariner holders would get 0.17043 share of Apache and $7.80 for each share of Mariner, valuing the stock at $26.22, a 45% premium over Wednesday's closing price. Apache will also assume $1.2 billion of debt. Houston-based Mariner has a significant presence in the Gulf of Mexico's deep waters. As of the end of last year, the company had interests in about 240 blocks on the continental shelf and 100 blocks in the deep-water Gulf. A growing share of the company's production comes from deep-water developments such as Geauxpher, Bass Lite and Northwest Nansen. The company also has onshore properties in the Permian Basin and South Texas. Apache Chairman and Chief Executive G. Steven Farris called the purchase "a natural extension into the deep-water" Gulf of Mexico. He went on to say, "We have considered extending our Gulf of Mexico operations into the deep water for a number of years. This is the right set of assets and the right time for Apache to expand its deep-water presence." One analyst commented that the combination makes sense as Apache would be able to "seamlessly integrate (Mariner's) shelf properties," although some seem surprised by the premium.

Activision Blizzard (ATVI : NASDAQ : US$11.67), Net Change: -0.23, % Change: -1.93%, Volume: 36,888,418

Modern Warfare value. Activision Blizzard wasn't getting much play despite saying first-quarter results are on track to be higher than previously expected, prompting the videogame maker to raise its full-year forecast, thanks to increased demand. Some analysts noted its roster of games for 2010 appears tepid, while CEO Bobby Kotick said that despite the company's fast start in 2010, the consumer economy remains shaky and a majority of its games are not expected to launch until much later in the year. Moreover, certain costs expected to be recorded in the first quarter will now be incurred in the second quarter. Activision has had some tough news of late with regard to its blockbuster, Modern Warfare 2. On Monday, Jason West and Vince Zampella, creators of the game, announced that they had formed a new game development studio called Respawn Entertainment in partnership with **Electronic Arts (ERTS)**. The two men were top executives at Infinity Ward, the studio that created Modern Warfare 2, a game that brought in $550 million in its first five days.

Google (GOOG : NASDAQ : US$595.30), Net Change: 6.30, % Change: 1.07%, Volume: 6,210,782

Gag? Shares of the search behemoth traded down by over 3% in after-market trading, shortly after the company reported its first quarter results. Google reported revenues of $6.77 billion for the quarter ended March 31, 2010, an increase of 23% compared to the first quarter of 2009, while analysts were expecting revenues of $6.6 billion. Google reports its revenues, consistent with GAAP, on a gross basis without deducting traffic acquisition costs (TAC). TAC revenues totalled $1.71 billion, or 26% of advertising revenues. Google-owned sites generated revenues of $4.44 billion, or 66% of total revenue, a 20% increase over year-ago revenue of $3.69 billion. Google's partner sites generated revenues, through AdSense programs, of $2.04 billion, or 30% of total revenue. In the year-ago quarter partner sites generated $1.64 billion in revenue. GAAP EPS in the first quarter of 2010 was $6.06 on 323 million diluted shares outstanding, compared to $4.49 last year. Adjusted, non-GAAP, EPS came in at $6.76, compared to $5.16 in the prior year, and ahead of the $6.58 expected by analysts. Average cost-per-click, which includes clicks related to ads served on Google sites and the sites of our AdSense partners, increased approximately 7% over the first quarter of 2009 and decreased approximately 4% over the fourth quarter of 2009. The average cost-per-click metric appeared to be what disappointed investors and helped push shares down. Aggregate paid clicks, which include clicks related to ads served on Google sites and the sites of its AdSense partners, increased approximately 15% over the first quarter of 2009 and increased approximately 5% over the fourth quarter of 2009.

Hewlett-Packard (HPQ : NYSE : US$54.23), Net Change: -0.29, % Change: -0.53%, Volume: 14,138,268
Dell (DELL : NASDAQ : US$16.86), Net Change: 0.30, % Change: 1.81%, Volume: 37,660,891

P Sees Growth. Worldwide PC shipments totalled 84.3 million units in the first quarter of 2010, a 27.4% increase from the first quarter of 2009, according to preliminary results by market research firm Gartner. These first quarter results have exceeded Gartner's earlier market outlook in which it forecasted to grow 22%. Gartner stated that the stronger-than-expected growth was led by a robust recovery in the Europe, Middle East and Africa (EMEA) PC market, which grew 24.8% in the first quarter of 2010 and all other regions recorded double-digit growth rates, although the U.S. and Latin America were slightly lower than what they had expected. These first quarter results indicate that the professional PC market is gradually picking up, driven by PC replacements in mature markets. Major PC replacement demand driven by Windows 7 will become more apparent in the second half of 2010 and the beginning of 2011. Hewlett-Packard continues to be the leader in worldwide PC shipments, but it faced continued pressure from its Asian rivals that are gaining share. However, H-P's strength could be apparent as the professional market rebounds. In the U.S., PC shipments totalled 17.4 million units in the first quarter of 2010, a 20.2% increase from the first quarter of 2009. The U.S. market has registered two consecutive quarters of double-digit shipment growth. Fast-growing Acer continued to take share in the PC market, with shipments rising 43%. The Taiwanese vendor ranked No. 2 with 13.6%. Dell, the third-place PC maker, saw a smaller share loss than in previous quarters. It held 13.3% of the market. **Apple's (AAPL)** computer shipments in the U.S. rose 8%, although the company lost share. Apple does not rank among the top five vendors globally, but it is No. 5 in the U.S.

Netflix (NFLX : NASDAQ : US$86.83), Net Change: -0.74, % Change: -0.85%, Volume: 1,713,580

A.k.a. the "Cable Cord Cutter." Netflix will report Q1 results Wednesday after the close and Merriman & Co. think they now see additional upside potential to their above-consensus estimates, through a combination of reduced churn, lower SAC and higher gross margins – as their thesis of Netflix acting more as a second-source rental option continues to play out. Also, one of the major components of Netflix's recent deals with **Warner Bros. (TWX)**, **Fox (NWSA)**, and **Universal (GE)** is the increased access to titles for the company's streaming offering; including hit TV shows. Merriman believes Netflix could easily begin to eat into the estimated $66-billion market for basic and premium home subscriptions. They also note lower DVD costs will drive higher gross margins, which will drop to the bottom line.

Rio Tinto (RTP : NYSE : US$242.13), Net Change: -4.27, % Change: -1.73%, Volume: 561,752

Blame it on Rio. Global miner Rio Tinto, the world's third-largest mining company, slightly raised its production guidance for iron ore after posting a 39% jump in first-quarter output on Thursday, driven by Chinese demand and recovery in the West. Rio Tinto said it expected to produce about 234 million tonnes of the steel-making commodity this year, including outside interests in jointly owned mines, a slight upgrade from its previous guidance of 230 million tonnes. Aluminium production fell 1% in the quarter from a year earlier. Rio Tinto is the world's largest aluminium producer and the second-biggest iron ore miner after Brazil's **Vale (VALE)**. It also holds a 30% stake in Chile's Escondida copper mine, the world's largest. Rio is boosting output of the steelmaking raw material to take advantage of rising prices and increased Chinese demand. Rio Tinto's global iron ore production was up 39% compared with the first quarter of 2009, when heavy rains disrupted operations. Pilbara iron ore production was 53 million tonnes (41 million tonnes on an attributable basis), up 48% on the first quarter of 2009. The Pilbara system continued to operate at or close to its nameplate capacity during the quarter with production for the 12 months to March 31 2010 totaling 219 million tonnes. Mined copper production was down 16% on the first quarter of 2009 primarily due to lower grades at Kennecott Utah Copper and Grasberg. Mined gold and molybdenum production were 12% and 58% higher than the first quarter of 2009, mainly attributable to higher grades at Kennecott Utah Copper. Australian hard coking coal production was up 35% on the first quarter of 2009. Australian thermal coal production was down 8% on the same period. Uranium production was down 20% on the first quarter of 2009 due to lower grades at ERA and Rossing. The company's share of mined copper output is expected to total 680,000 tonnes, and refined copper 380,000 tonnes, Rio said. That compares with 2009 figures of 804,700 tonnes and 412,400 tonnes respectively. The forecast share of alumina output in 2010 will be 9.6 million tonnes and aluminum 3.8 million tonnes, it said. "Chinese demand grew strongly and we saw some recovery in OECD markets, but we are still cautious about short-term volatility," Chief Executive Officer Tom Albanese said in the statement. "The long-term outlook remains very strong and we are now ramping up our growth projects."

Charles Schwab (SCHW : NYSE : US$19.30), Net Change: -0.05, % Change: -0.26%, Volume: 13,796,332

Schwabing the decks. Weak trading and low interest rates led to a 45% decline in profits at this online brokerage, which matched the low end of the company's forecast. Schwab said first-quarter profit fell to $119 million, or $0.10 per share, just missing the $0.11-per-share consensus forecast. Revenue dropped 12% to $978 million amid a 19% decrease in trading revenue. Due in part to low interest rates, the company waived $125 million in fees on its money-market funds, cutting into its asset management and administration fees, which dropped 16% from a year ago. With continued low rates, Schwab has waived those fees so that clients' returns don't turn negative. Trading in the first quarter dropped 9% from a year earlier, when markets dropped to a 12-year low, and when the company waived. "We believe that the worst of the environmental pressure on our revenues is now behind us, and that our strong business momentum will help us achieve improving financial performance in the coming months," Chairman Charles Schwab said in a statement. Schwab took an $11 million pre-tax charge in the quarter related to pending litigation involving the Schwab YieldPlus Fund, an ultra-short bond fund. The fund was hit with class-action lawsuits as returns sank deep into negative double-digits due to its basket of mortgage-backed securities.

United Parcel Service (UPS : NYSE : US$68.89), Net Change: 3.44, % Change: 5.26%, Volume: 15,257,403

United Parcel Skyrockets. Shares of the world's biggest package delivery company rose as the company pre-released its quarterly results two weeks early and said its first quarter earnings per share would be much higher than it had expected and raised its outlook for the year given a "significant acceleration" in international shipping. Adjusted first-quarter earnings came in at $0.71 a share, compared with an adjusted $0.52 a share a year earlier, substantially beating analyst expectations of $0.57 a share of earnings. UPS raised its 2010 outlook to a range of $3.05-3.30 per share, up from February's forecast of $2.70-3.05 per share and ahead of the Street's $2.95 forecast. Consolidated revenue rose 7%, driven by an 18% increase the in international package segment and a 14% increase in supply chain and freight business. International daily volumes were up 18% in the quarter. While U.S. daily volumes rose less than 1%, it was the first increase in U.S. volumes in two years.

COFFEE BEANS

– Topping the list of this year's Forbes Fictional 15 is Carlisle Cullen, the vampire doctor from the Twilight series of books and films, with a fortune of $34.1 billion. He takes the slot from Uncle Sam, who dropped off the list altogether after his worth dropped to less than $1 billion from "infinite." (Bloomberg)

– The average Briton only has three true friends, although they also have 22 "mates". (Nivea survey)

– Voters in Tracy City, Tennessee, have overwhelmingly elected a dead man as mayor, ousting the incumbent. Carl Robin Geary Sr. died of a heart attack March 10 but still beat incumbent Barbara Brock 268 to 85 on Tuesday. (The Chattanooga Times Free Press)

– Foreclosure filings were reported on 367,056 U.S. properties in March, an increase of nearly 19% from the previous month, an increase of nearly 8% from March 2009 and the highest monthly total since RealtyTrac began issuing its report in January 2005. (RealtyTrac)

– The International Monetary Fund said on Thursday it was sending a team to Athens to begin talks with Greek authorities about possible IMF assistance under a multi-year program. (Reuters)

– Wang Yi, former vice president of the China Development Bank, was sentenced to death with a two-year reprieve in Beijing on Thursday for taking bribes. (China Daily News)

– **Ford Motor (F)** said on Thursday that it had unseated Volkswagen as Europe's best-selling car brand in March, as it reported its biggest monthly market share in more than 11 years. (The Financial Times)

– Israel has temporarily banned imports of **Apple's (AAPL)** new iPad tablet computer, citing concerns that its Wi-Fi wireless frequencies are incompatible with national standards. (The Wall Street Journal)

– Canada is ready to stand alone among Group of 20 countries in rejecting a tax on banks, said James Rajotte, the Conservative Party lawmaker, who chairs the House of Commons finance committee. (Financial Post)

– In a Reuters poll conducted on Thursday ahead of next week's interest rate decision, all 12 of Canada's primary dealers said they expect the bank to leave rates alone on April 20, its next policy announcement date. (Financial Post)

THE LAST DROP: You may have heard about this. President Obama was seen bowing to Chinese leader Hu Jintao. Well, he has to. I mean, the rent is going to be late again next month.

– Jay Leno