



## 3 Stocks to Watch This Week

### Description

The **Toronto Stock Exchange 300 Composite Index** (^GSPTSE) lost 0.5% over the past week, dragged down by some of the major gold producers including **Kinross Gold** and **IAMGOLD**, as well as **BlackBerry** and **Air Canada**, which all lost more than 7% during week.

One of the stocks flagged last week for potentially poor results, **Silver Wheaton** (TSX: SLW)(NYSE:SLW) did indeed deliver a sharp decline in profits, resulting in a stock price drop of 9% over the week. The results were actually better than expected but the declining silver price dragged most silver producers down.

### Watch the performance of these three companies this week...

**Hudson Bay Company** (TSX: HBC), the retailer that operates Hudson's Bay and Home Outfitters in Canada and Lord and Taylor and Saks Fifth Avenue in the USA, is expected to report results for the fourth quarter of the 2013 financial year (ending 1 February) on Friday. The market consensus expectation is a profit of \$0.56 per share for the quarter versus \$0.86 a year ago.

Given a highly competitive trading environment and weather-induced poor trading conditions over the quarter, investors are not expecting fireworks, but will rather focus on synergies related to the Saks acquisition as well as further details on the monetisation of the real estate portfolio.

Despite a recent run of poor results from the clothing retailer **Reitmans Canada** (TSX: RET.A), interest will be high when it report results on Wednesday. **Fairfax Financial** ([TSX: FFH](#)), led by investor Prem Watsa, announced in December that it had acquired a 13.8% interest in the A shares of the company.

Apart from its current involvement in BlackBerry, Fairfax also previously became involved in ailing furniture retailer Brick where management was changed and the company eventually merged with **Leon's Furniture**. The financial result is not expected to be great and with sales down by 2.5% in the first nine weeks of the current quarter, the profit expectation of \$0.02 per share may be optimistic.

**MTY Food Group** ([TSX: MTY](#)) is an owner and franchisor of more than 2,500 fast food restaurants including Mr Sub, Extreme Pita and Mr Souvlaki. The company is expected to report on Friday a profit

of \$0.36 per share compared to \$0.29 a year earlier.

Some major acquisitions were concluded during the previous quarter and the current quarter will reflect a full contribution for the first time. Same-store sales declined during the 2013 financial year and the sales results will be scrutinised for undue weakness over the seasonally slower period of January and February. Nevertheless, the company has performed extremely well over the past five years with profits per share up 150% and the share price increasing by 300%.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. TSX:FFH (Fairfax Financial Holdings Limited)
2. TSX:MTY (MTY Food Group)
3. TSX:WPM (Wheaton Precious Metals Corp.)

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