THE WEEK THAT WILL BE

MONDAY

NORTH AMERICA
Will stocks be able to extend their winning streak? With one-third of the Dow components, including Apple Inc., IBM Corp., Coca-Cola Co. and Intel Corp. reporting Monday, earnings could point the way. Apple and IBM, which hit lifetime closing highs Friday, are expected to trounce expectations, according to Reuters.

9:15 a.m. ET
U.S. industrial production is expected to show a 0.2% rise for September, the fifth straight month of gains.
10:30 a.m. ET
The Bank of Canada releases its Q3 quarterly business outlook and senior loan officer survey. Taken between mid-August and mid-September, they will no doubt reflect the angst over U.S. and European debt concerns.

TUESDAY

UNITED STATES
Bank of America Corp. is set to report Q3 earnings of US20¢ per share versus a year-ago figure of US27¢. The market will be on high alert for weakness after the earnings disappointment from JPMorgan Chase & Co. last week that battered the sector. Meanwhile, investors will be hoping Yahoo Inc. can replicate Google Inc.'s blockbuster showing of last week, though the forecast is for a drop in Q3 earnings to US17¢ versus US29¢ last year.
8:30 a.m. ET Producer price data from the U.S. are due. Lower energy and commodity prices are expected to hold the yearly gain to 6.5% for September while core prices are expected at 2.5%, according to Bloomberg News estimates.

WEDNESDAY

UNITED STATES
Morgan Stanley is the next big U.S. bank to report with a forecast of US30¢ per share versus US0.5¢ last year.
8:30 a.m. ET U.S. consumer price data are due. Expect to see the same slight moderation of prices as with the PPI. The monthly gain is expected at 0.3%, according to a consensus forecast from Bloomberg News, the smallest gain in three months. The annual gain is expected to remain at a three-year high of 3.8%. Core prices, however, are expected to remain on the march, with a climb to a near three-year high of 2.1%.

THURSDAY

CANADA
8:30 a.m. ET Canada releases wholesale trade figures for August. While a little stale at this stage, the figures are expected to show a solid gain of 0.5%, compared with 0.8% in July.
10 a.m. ET U.S. existing-home sales should drop 3% in September to an annual rate of 4.88 million, according to Sal Guatieri at BMO Captial Markets, "far too weak to reduce the current 8.5 months supply of unsold homes."

FRIDAY

The ninth and potentially final round of negotiations wraps up in Ottawa on a controversial Canada-European Union free-trade deal. The multibillion-dollar Comprehensive Economic and Trade Agreement (CETA) will give Canadian companies preferential access to a European Union market of 500 million consumers in 27 member states. The two sides are hoping to complete talks on most major issues by early 2012.

THE NUMBER

3.1%

Inflation is expected to continue to remain outside the Bank of Canada's 1%-to-3% target range in September. The headline rate is forecast to stay at 3.1% year over year in September, after a 3.1% rise in August, though the month-over-month figure may dip to 0.2% from 0.3%. Core is set to remain at 2.0% year-over-year. Bank of Canada governor Mark Carney, however, is in no rush to raise interest rates from 1% to head off inflationary pressures with uncertainty over Europe and credit conditions in the global financial system remaining fragile.

CANADA'S OUTSTANDING CEO OF THE YEAR

TODD KOROL FOR NATIONAL POST

"We go after absolutely everything," Patrick Daniel, Enbridge chief executive, says.

Enbridge chief's track record commands respect

Conservative but aggressive wins

By Claudia Cattaneo

CALGARY • Patrick Daniel has not had an easy year. The man who runs the world's longest crude oil and liquids transportation system has had to fend off opposition to a proposed oil-sands pipeline to the British Columbia coast, manage the fallout of a leak in Michigan, and lead a national discussion on the need for a Canadian energy strategy.

The leadership the president and chief executive of **Enbridge Inc.** has displayed in dealing with these challenges has won him Outstanding CEO of the Year for 2011. The Calgary-based company's share price has also risen 20% this year.

"What is so rewarding for me is to have the employees of this company recognized for having outperformed during very challenging times," Mr. Daniels said.

Calgary-based Enbridge operates in Canada and the United States, has a growing involvement in the natural-gas transmission and midstream businesses and expanding interests in green-energy technologies.

John Wallace, president and CEO of Caldwell Partners, the founder and manager of the program, said Mr. Daniel was selected because of Enbridge's outstanding performance under his leadership. The *National Post* is a partner in the program.

"Pat's track record shows he is a highly respected leader who has the trust and loyalty of all of Enbridge's employees, as well as his peers in the business community," Mr. Wallace said. "His organization is devoted to clean-energy technology and is leading the way in this area by investing in new projects. Both Pat and Enbridge are committed to community efforts through both volunteering and significant financial investment."

Born on a farm near Entwistle, a small town near Edmonton, Mr. Daniel's career in Canada's oil-and-gas and pipeline sectors spans nearly four decades.

As Enbridge's CEO for the past 11 years, Mr. Daniel, 65, promoted a model of high growth, low risk and steady income that made Enbridge an investment safe haven at a time of global financial instability. Meanwhile, Enbridge has been relentless in pursuing expansion opportunities.

Enbridge shares on the Toronto Stock Exchange closed Friday at $33.96, up 1¢.

"That may sound very simple, but there might be only two or three or four other companies in North America that have had the same kind of record over a 10-, 20- 30-, 40-year period as Enbridge," said Mr. Daniel, a chemical engineer. "We had one investor describe us a few years ago as being very conservative but very aggressive. And you don't think those two things go together. But we don't think we miss out on many opportunities. We go after absolutely everything."

The Northern Gateway oil-sands pipeline has been one of Enbridge's boldest bets yet. The $5.5-billion project would transport oil from the oil sands across northern British Columbia to the West Coast. From there large tankers would transport the oil to markets in Asia. Endorsed by industry, the project is opposed by First Nations and environmentalists.

Mr. Daniel is confident the pipeline will be approved by regulators and move ahead.

"It doesn't mean to say that it's going to be easy," he said. "But the two main criteria that the National Energy Board and the Canadian Environmental Assessment Agency will be looking at are: Is this in the national best interest? I don't think you will find too many people who will argue against that. And then secondly, can it be built in an environmentally sound and effective way? And if we Canadians can't do it, who can?"

A director of oil-sands developer Cenovus Energy Inc. and of Canadian Imperial Bank of Commerce, Mr. Daniel said the biggest challenge facing the oil-sands industry is opposition to pipeline expansions.

"Opponents realize that it's a bit pointless to come to Alberta and try to hang banners from the Calgary Tower," he said. "But if they can get attention in Washington with regard to a presidential permit on pipelines, or if they can bring their big foundations up to Canada and fund First Nations opposition to a Gateway project, [they believe] that that is the most effective way to slow the oil sands down. I think that ultimately, most people, when they stop and think about it, will realize [it's more important to have] security of supply and alternative markets."

Financial Post
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Savings may mean dividend increase

GAS
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In February, Houston-based pipeline company Kinder Morgan went public in an IPO valuing the firm at more than US$21-billion. The company's market capitalization as of Friday was around US$19-billion.

The offer per share comprises US$14.65 in cash, 0.4187 Kinder Morgan shares — valued at US$11.26 per EP share — and 0.640 Kinder Morgan warrants — valued at US$0.96 per EP share — based on Kinder Morgan's closing price Friday.

The warrants will have an exercise price of US$40 and a five-year term.

The transaction has been approved by each company's board, the companies said. Kinder Morgan said it has a commitment letter from Barclays Capital underwriting the full amount of cash required for the transaction.

The new company hopes to generate US$350-million a year in cost savings, or about 5% of the combined companies' earnings before interest taxes, depreciation and amortization. Kinder Morgan expects to be able to increase its dividend after the deal closes due to these savings.

It said if the deal were to close at the beginning of 2012, it would expect to be able to pay a dividend of about US$1.45 a share that year. But because it expects the deal to close later, it said its dividend will likely be slightly below that target.

The new combined company will be 68%-owned by Kinder Morgan shareholders with El Paso holders owning the remaining 32%.

The companies said the transaction is expected to close in the second quarter of 2012 subject to regulatory approvals.

Reuters

Advising banks rake in M&A fees

The investment banks advising on **Kinder Morgan Inc.**'s US$21-billion purchase of **El Paso Corp.** are set to rake in a total of US$100-million to US$145-million in M&A fees, according to Freeman & Co. Sunday.

Evercore Partners and **Barclays Capital**, which are advising Kinder Morgan on the deal, would earn US$45-million to US$65-million in fees, Freeman estimates show.

Morgan Stanley and **Goldman Sachs**, advising El Paso, would split another US$55-million to US$80-million in fees, depending on the role they played, the estimates show.

Kinder Morgan's bid includes US$9.6-billion in equity, US$11.5-billion of cash and the assumption of US$16.7-billion of debt for a total of US$37.8-billion.

Including debt, this would be the second-largest M&A transaction of the year, after AT&T Inc.'s US$39-billion deal to buy Deutsche Telekom's T-Mobile USA.

The deal comes despite a broad slowdown since this summer in the M&A market, which has been hit by global economic uncertainty, the European debt crisis and market volatility.

It shows that companies are still willing to make big bets to cut costs and grow revenue, and banks are ready to use their balance sheets aggressively for large deals.

Barclays Capital is underwriting the financing for the cash portion of the transaction, which will create the largest pipeline company in North America.

Barclays would also earn fees for its financing role. Typical underwriting fees are around 0.5% to 0.8% of the amount financed in a syndicated loan, according to Freeman.

The deal is expected to help the boutique investment bank Evercore move up one spot to No. 11 in the worldwide rankings of deal advisors, according to Thomson Reuters data.

Barclays will move to No. 7 from No. 8 spot, while Goldman and Morgan Stanley will retain the No. 1 and No. 2 positions globally, the data shows.

Reuters