



Market Summary

DOW	17877.56	+236.72	PEYTO ENERGY	30.05	+0.06	POLARIS	2.25	--
TSE	14304.54	+39.53	WESTERN FOREST	2.65	-.03	CANADIAN \$	0.8370	+0.0020
S&P	2056.38	+28.12	CATALYST	4.06	+0.20	EURO	1.1779	-.0054
NASDAQ	4746.13	+81.42	CANFOR	28.80	+0.24	COPPER	2.65	-.07
TSX VENTURE	677.54	-2.45	REDSTAR GOLD	0.04	--	BRENT CRUDE	46.03	-1.40
SILVER	17.05	+0.45	LUMBER	311.00	--	NATURAL GAS	2.83	+0.04
GOLD	1235.80	+3.00	FIRST MAJESTIC	8.21	+0.10	PRIME RATE	3.00%	

Market Commentary

• OPEC won't back down, UAE minister says as oil plunges

OPEC will not cut its oil output to support prices but expects higher-cost producers to do so, the United Arab Emirates energy minister insisted on Tuesday as oil plunged near six-year lows.

• Senate takes up Keystone XL bill as showdown with Obama looms

The U.S. Senate advanced a bill on Monday to approve the Keystone XL oil pipeline as Republicans, who have made the project their first priority of the year, try to line up enough votes to overcome a potential veto by President Barack Obama.

• Alcoa swings to profit, sees strong demand for aerospace

Metals company Alcoa Inc on Monday reported higher-than-expected quarterly profit, swinging from a year-earlier loss due to a boost from automotive demand, higher aluminum prices and lower energy costs.

• Amazon creates 6,000 new permanent jobs in Europe

Amazon.com Inc created 6,000 new full-time positions in Europe in 2014 to respond to booming demand, the U.S. online retailer said on Tuesday.

• China's exports rose 9.7% in December from a year earlier, beating the expectations of 6%

Imports fell just 2.4% VS expectations of a 6.2% decline, and this combination brought about a Trade Surplus of \$49.61 Billion in December.

Tracking gains in U.S. and European markets, **TSX** edged higher meanwhile US markets soared on good Alcoa earnings and Chinese data. Expectations of new monetary stimulus from the European Central Bank were seen as an upward catalyst for markets; however lingering worries about falling oil prices could limit gains. **European shares** traded higher, led by a rise in retail shares, while **Asian markets** ended mixed. **Sterling** fell towards an 18-month low after weak inflation data and the **dollar** reversed earlier losses against the safe-haven **yen**. **Oil** prices slid to their lowest in almost six years, dampening risk appetite. **Gold** climbed as investors sought refuge from volatility in the wider markets.

• **Goldcorp Inc (G)**. The company will take an impairment charge of up to \$2.7 billion on its new Cerro Negro mine in Argentina in the fourth quarter, the world's biggest gold miner by value said on Monday as it also announced that 2014 output was below its own forecast. Goldcorp said restrictions on importing goods and services into Argentina and converting Argentine pesos into U.S. dollars, as well as high inflation in the country, will result in it reducing the value of Cerro Negro by between \$2.3 billion and \$2.7 billion after tax.

• **Yamana Gold Inc (YRI)**. The company said on Monday it entered into an agreement with bankers to raise up to C\$299.3 million in a "bought" share issue deal to reduce debt and strengthen its balance sheet. The Canadian gold miner said a syndicate of underwriters led by Canaccord Genuity Corp and National Bank Financial have agreed to buy the shares at C\$5.30 each.

ANALYSTS' RECOMMENDATION

• **Genworth MI Canada Inc (MIC)**. RBC cut price target to C\$47 from C\$50 to reflect slightly reduced earnings visibility stemming from the uncertain impact of weaker oil prices on future loan losses.

• **Intact Financial Corp (IFC)**. RBC raised price target to C\$88 from C\$84 to factor improving fundamental outlook for the company and operating return on equity forecasts for 2015 and 2016 of about 14-15 percent.

- **Torex Gold Resources Inc** (TXG). Canaccord Genuity raised target price to C\$1.80 from C\$1.60 citing an increase in North America returns for the company.
- **Tricon Capital Group Inc** (TCN). RBC raised target price to C\$11 from C\$10.50 saying that company offers diversified exposure through homebuilding, land development, single-family rental and manufactured housing.

Morning Newsletter data source courtesy of



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