



## Market Summary

DOW	17437.94	-73.63	PEYTO ENERGY	32.44	-.077	POLARIS	2.12	--
TSE	14305.98	-6.52	WESTERN FOREST	2.17	-.05	CANADIAN \$	0.8263	-.0112
S&P	2015.08	-4.34	CATALYST	4.40	--	EURO	1.11580	-.0024
NASDAQ	4624.55	-9.83	CANFOR	25.90	-1.01	COPPER	2.57	-.05
TSX VENTURE	677.25	+4.09	REDSTAR GOLD	0.04	+0.005	BRENT CRUDE	48.38	-.46
SILVER	17.88	+1.13	LUMBER	307.50	--	NATURAL GAS	2.87	-.22
GOLD	1290.30	+13.40	FIRST MAJESTIC	8.		PRIME RATE	3.00%	

## Market Commentary

### • China's 2014 economic growth misses target, hits 24-year low

China's economy grew at its slowest pace in 24 years in 2014 as property prices cooled and companies and local governments struggled under heavy debt burdens, keeping pressure on Beijing to take aggressive steps to avoid a sharper downturn.

### • IMF Lowers Global Growth Forecast

The IMF made the steepest cut to its global-growth outlook in three years, with diminished expectations almost everywhere except the U.S. more than offsetting the boost to expansion from lower oil prices. The world economy will grow 3.5 percent in 2015, down from the 3.8 percent pace projected in October.

### • Strong North America demand drives Halliburton profit

Halliburton Co, the world's No. 2 oilfield services provider, reported a 14 percent rise in fourth-quarter profit, helped by strong demand for its services in North America.

### • Baker Hughes says falling rig count to affect 2015 results

Baker Hughes Inc posted a better-than-expected quarterly profit on resilient demand but the oilfield services company warned that recent declines in rig counts due to low oil prices would "clearly affect" results in 2015.

### • Canadian oil sands producers stay defiant in face of price slump

Canada's oil sands companies are perilously close to operating at a loss after six months of plunging crude prices, yet many say they have no plans to cut production at their vast projects in northern Alberta.

### • Fertilizer maker Mosaic forecasts bigger-than-expected Q4 profit

U.S. fertilizer company Mosaic Co on Monday estimated that it would post a larger fourth-quarter profit than expected and surpassed its targets for phosphate sales.

Indexes started higher, **Canada's main stock index** lead by **gold**. US markets rose initially after China reported its economy had not slowed as far as investors had feared. Manufacturing sales data is on the economic calendar. **Global markets** traded in the green but markets soon fell on concerns about world growth after the IMF report. **U.S. crude** also declined as IMF cut its global growth forecast. Gold's safe-haven appeal buoyed the yellow metal to its highest since early September, as investors remained uncertain about how extensive a stimulus program the **European Central Bank** is likely to adopt.

### **Polaris (owner of the Eagle Rock project in the Alberni Canal) ships 3.4 million tons from Orca quarry in 2014**

Shipments from the Orca quarry near Port Hardy during the year ended Dec. 31, 2014, were a new record for Polaris Materials Corp. at 3.45 million tons, a 4-per-cent increase over the prior year when shipments totalled 3.33 million tons. Fifty-four vessels were loaded compared with 46 in the previous year, the lower average load size in 2014 reflecting the use of a small vessel dedicated to supplying a one-off major contract in northern California.

Herb Wilson, president and chief executive officer, commented: "The record volume shipped during 2014 was encouraging; however, the fourth quarter experienced adverse seasonal weather that impacted construction output, unlike the previous two years when the weather had been very favourable. Heavy rainfall events were experienced in both the San Francisco and Long Beach areas late in the year. At the new Long Beach terminal, the ship and material-handling installations are substantially complete, but the rains have delayed the final stages of site development, principally surfacing and utilities works." He continued: "Indications of requirements for 2015, from our long-term contracted customers, together with expectations for Long Beach, suggest a further increase in sales volume in 2015 in the order of 15 per cent to 20 per cent, which would represent another milestone year. The company now has a much greater focus on selling prices, and continuing improvement in the U.S. economy, together with the imminent completion of two fixed-price contracts, is enabling average selling prices to be increased during the first quarter of 2015."

- **Redknee to provide billing support to Vodafone India**

Redknee Solutions Inc. is to deliver the benefits of real-time charging to its pan-India active prepaid and postpaid data subscribers.

- **Imperial Oil Ltd (IMO)**. The integrated oil producer and refiner said on Monday it has begun injecting steam at the 40,000 barrel per day Nabiye expansion of its Cold Lake oil sands project in northern Alberta and expects first oil from the project by the end of March. Pius Rolheiser, a spokesman for the company, said the project's facilities were commissioned on schedule at the beginning of the month and steam injection, used to liquefy the tarry bitumen deposits so they can flow to the surface, has begun.

- **Husky Energy Inc (HSE)**. The company began the process of restarting its 155,000 barrel-per-day refinery in Lima, Ohio, at the weekend following a Jan. 10 explosion and fire, the company said on Monday. "We began the process of restarting units over the weekend. We expect operations to steadily ramp up through the week," a representative said in an email.

#### **ANALYSTS' RECOMMENDATION**

- **Dundee Precious Metals Inc (DPM)**. CIBC raised rating to sector outperformer from sector performer following company's heavy selling pressure driven by a much lower copper price.

- **Finning International Inc (FTT)**. CIBC cut price target to C\$24 from C\$28 to factor the collapse in oil and gas sector, which makes a turnaround for the company difficult.

- **Tahoe Resources Inc (THO)**. CIBC raised price target to C\$23.60 from C\$23 saying that company's recently commissioned mine is one of the lowest-cost silver assets in the world with low sustaining capital expenditure requirements.

- **Toromont Industries Ltd (TIH)**. CIBC raised price target to C\$29 from C\$28 expecting company to outperform its Canadian heavy equipment peers given its exposure to the Ontario market and a weaker Canadian dollar.

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