



## Market Summary

DOW	17502.54	-12.72	PEYTO ENERGY	32.44	+29	POLARIS	2.14	--
TSE	14521.88	+213.44	WESTERN FOREST	2.23	+11	CANADIAN \$	0.8142	-.0113
S&P	2026.17	+5.62	CATALYST	4.40	--	EURO	1.1603	+.0054
NASDAQ	4661.66	+6.81	CANFOR	26.77	+80	COPPER	2.60	--
TSX VENTURE	675.022	+3.45	REDSTAR GOLD	0.04	--	BRENT CRUDE	49.26	+1.27
SILVER	18.14	+1.18	LUMBER	305.70	--	NATURAL GAS	2.92	+.10
GOLD	1289.50	-4.70	FIRST MAJESTIC	7.69	-.08	PRIME RATE	2.75%	-.25

## Market Commentary

### • Bank of Canada surprise the market with an interest rate cut

The Bank of Canada today announced that it is lowering its target for the overnight rate by one-quarter of one percentage point to 3/4 per cent. The Bank Rate is correspondingly 1 per cent and the deposit rate is 1/2 per cent. This decision is in response to the recent sharp drop in oil prices, which will be negative for growth and underlying inflation in Canada.

### • ECB's Nowotny urges markets, policymakers to focus on longer term

Markets and policymakers should not focus too much on the outcome of Thursday's policy meeting by the European Central Bank, ECB Governing Council member Ewald Nowotny said.

### • UnitedHealth profit beats estimate on higher premium revenue

UnitedHealth Group Inc, the largest U.S. health insurer, reported a better-than-expected fourth-quarter profit as premium income rose.

### • iPhone 6 hands apple record share of Samsung's home market

Apple Inc is chipping away at Samsung Electronics Co Ltd's dominant position in its home turf of South Korea - thanks to its new iPhone 6 series.

### • Canada competition watchdog seeks records from Indigo, Kobo

Canada's Competition Bureau said on Tuesday it has asked for records from Indigo Books and Music Inc, the country's biggest bookstore chain, as part of a probe into alleged anti-competitive practices in the e-book market.

TSX opened slightly higher ahead of **Bank of Canada's** rate decision but jumped quickly after the surprise cut. **U.S. stock indexes** pointed lower initially as investors were wary of the extent of quantitative easing by the **European Central Bank** during its policy meeting on Thursday and on some major corporate earnings, IBM for one down sharply. US markets have since recovered. **European markets** were lower, while **Asian markets** closed mostly higher. **Gold** climbed above \$1,300 an ounce for the first time since August before falling retreating about the same time the Bank of Canada decision came out and **Brent** edged above \$49 per barrel.

• **Inter Pipeline** (IPL). The Canadian energy transportation and storage company plans to spend C\$400 million on its capital program in 2015, less than a third of last year's budget, the company said on Tuesday. The company said the 2015 capital program will be lower than in recent years as Inter Pipeline completes construction work on a C\$3 billion expansion of its Cold Lake and Polaris systems. Inter Pipeline plans to focus on growing its oil sands transportation and conventional oil gathering businesses in 2015, spending C\$195 million and C\$115 million respectively on those areas.

## ANALYSTS' RECOMMENDATION

• **Eldorado Gold Corp** (ELD). Canaccord Genuity cut rating to sell from hold based on company's revised 2015 operating outlook which is expected to be substantially free cash flow negative over the next two years as it completes development of its two Greek projects.

• **Pan American Silver Corp** (PAA). Canaccord Genuity raised target price to C\$14 from C\$13.50 saying that company's production is guided to be largely flat year over year in 2015, with a moderate decline in cash costs.

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