



Market Summary

DOW	17921.01	-64.76	PEYTO ENERGY	36.13	+5.55	POLARIS	2.46	-.09
TSE	15185.42	+5.09	WESTERN FOREST	2.41	-.07	CANADIAN \$	0.7970	-.0029
S&P	2086.56	-10.59	CATALYST	5.60	--	EURO	1.1303	-.0063
NASDAQ	4914.88	-9.82	CANFOR	39.40	-.66	COPPER	2.58	-.04
TSX VENTURE	694.58	+2.55	REDSTAR GOLD	0.04	+0.05	BRENT CRUDE	60.24	+0.03
SILVER	16.31	-.06	LUMBER	298.60	--	NATURAL GAS	2.98	+0.11
GOLD	1206.60	-.60	FIRST MAJESTIC	7.18	-1.15	PRIME RATE	2.85%	

Market Commentary

• Australia in our thoughts today

They had Cyclone Marcia hit shore in Queensland overnight. It was a Category 4 going on 5 when it hit. YIKES! And right behind that cyclone is another. So, things could be getting quite hairy down in Australia. I hope everyone is safe.

• Canada's retail sales take big downturn in holiday season

Retail sales fell at the fastest pace in more than four years in December as consumers scaled back holiday gift purchases. Sales fell 2.0 per cent to \$42.1-billion, the most since April, 2010, Statistics Canada said Friday in Ottawa. Economists surveyed by Bloomberg News forecast a 0.4-per-cent decrease, based on the median of 18 projections.

"Most store types typically associated with holiday shopping registered weaker sales in December, more than offsetting November gains," Statistics Canada said.

Stocks saw a slightly higher opening for **Canada's main stock index** after crude prices turned upwards. Retail sales data disappointed for December. **U.S. stock index** started slightly lower but have selling has increased. **European markets** traded in the green, hovering near multi-year highs. **Asian stocks** closed mixed and **Japan's Nikkei** hit a fresh fifteen year high. Brent **Oil** traded higher and **gold** pointed higher but still looking at its fourth straight weekly drop.

- **Centerra Gold Inc (CG)**. The company reported a loss for the fourth quarter as the miner produced and sold fewer ounces of gold and took a goodwill impairment charge due to a fall in reserves and resources at its Kumtor mine. The company reported a net loss of \$11.3 million, or 5 cents per share, compared with a profit of \$106.6 million, or 44 cents, a year earlier.
- **Enbridge Inc (ENB)**. Canada's largest pipeline company said it returned to profit in the fourth-quarter as new projects entered service. The company reported net income of C\$88 million, or 10 Canadian cents per share, after a loss of C\$271 million, or 33 Canadian cents, in the year-ago period. Adjusted earnings, which remove most one-time items, rose 13 percent to C\$409 million, or 49 Canadian cents, from C\$362 million, or 44 Canadian cents, in the year-prior quarter. The result lagged the 53 Canadian-cent average analyst estimate for the measure. The company's revenue rose 6.1 percent to C\$8.8 billion.
- **First Quantum (FM)**. The base metal miner First Quantum Minerals Ltd reported a 42.5 percent drop in adjusted quarterly profit, hurt by higher copper production costs and lower copper prices. Comparative earnings, excluding one-time items, fell to \$76.9 million, or 13 cents per share, in the fourth quarter ended Dec. 31, from \$133.8 million, or 23 cents, a year earlier. Revenue for the company, which primarily mines copper but also produces nickel and gold, fell 8.5 percent to \$821.2 million.
- **Bombardier Inc (BBDb)**. The airplane and train maker said on Thursday it has agreed to sell C\$750 million in equity on a bought deal basis to a syndicate of underwriters. Bombardier stunned investors last week when it replaced its chief executive, suspended its dividends, and said it planned to raise \$2 billion in new debt and equity as it revealed more cost overruns in its long-delayed CSeries passenger jet program.

ANALYSTS' RECOMMENDATION

- **Aurico Gold Inc (AUQ)**. Canaccord Genuity cut price target to C\$5 from C\$5.50 saying that company's year-end reserve update highlighted a decline in consolidated reserve ounces primarily due to a reduction in slope angles.
- **Barrick Gold Corp (ABX)**. Barclays raised price target to \$12 from \$10 citing company's tangible objectives that include net debt reduction of \$3bln in 2015 and a streamlined organizational structure.
- **Goldcorp Inc (G)**. Canaccord Genuity cut price target to C\$33.50 from C\$36 stating that announced fourth-quarter financial results well below expectations despite operating results being announced January 12, 2015.

Morning Newsletter data source courtesy of



thomsonreuters.com

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