



The Week of January 15th to January 21st, 2018
“A Brief Look Back Into Tomorrow”

Good Day

The new trading week began on **Monday, January 15th** with the Canadian markets going it alone as their American counterparts were closed for the Martin Luther King holiday, leaving investors one more day to wait to see if the **American major markets would continue their broad-based advance to new all-time highs.**

To which technical analysts **David Tippin & Ron Meisels** commented – “**The bulls are rampant, but how long they can keep up the current acceleration pace is questionable.**” (For a complete copy of this report please contact Rod.Blake@canaccord.com.)

Aphria Inc. ‘APH-T’ shares’ surged up by over 20% to \$21.70 after the marijuana producer announced it was expanding by **buying Broken Coast Cannabis**, a Vancouver Island based producer, in a **cash & stock deal of some \$230-million.**

The price of **Torex Gold ‘TXG-T’ rose by almost 8% to \$12.61** after the miner **announced a phased in re-start** of its labour related troubled **El Limon - Guajes** mine in Mexico.

Tuesday, January 16th had gold mining giant **Goldcorp Inc. ‘G-T’** report its **2017 gold production rose to a better than expected 2.6-million ounces.**

Similarly, **SRR Mining ‘SSRM-T’ shares’ rose by over 12% to \$11.48** after the mid-tier miner reported **better than expected 4th-quarter gold equivalent production of 94,000-ounces.**

Conglomerate giant **General Electric ‘GE-N’** announced it **may break itself up into smaller entities** to better take advantage of the recently announce U.S. corporate tax changes.

Yellow Pages ‘Y-T’ announce the business search company would lay off about 500 workers or 18% of its workforce in order to try and shore up a leaking balance sheet.

The **Bank of Canada** did as expected on **Wednesday, January 17th** and **raised the country's key overnight lending rate by 0.25% to 1.25%** - the 3rd such increase in the past 6-months.

Arizona Mining 'AZ-T- shares' gained over 7.5% to \$4.61 after the Arizona based mineral developer released a **better than expected resource update from its Taylor Deeps project** in southern Arizona.

The price of **Juno Therapeutics 'JUNO-Q'** - soared up by over **50% to US\$69.10** on word the gene therapy company may be on the takeover list of **Celgene Corp. 'CELG-Q'**.

Thursday, January 18th had pipeline giant **Kinder Morgan 'KML-T'** announce that ongoing local permitting delays have caused the **\$74-billion Trans Mountain pipeline expansion to 1-year behind schedule**. To which the **National Energy Board** announced it **was setting up an arbitration panel** that will resolve any future permitting disputes in 3-5-weeks.

Alcoa Corp. 'AA-N' shares' fell by 7% to UA\$53.00 after the aluminum giant failed to meet the streets' expectations with its **4th-quarter financials**.

Friday, January 19th saw **Statistics Canada** report that the **country's manufacturing sales rose by 3.4% in November to a record high of \$55.5-million**.

Petroleum industry consultant **Baker Hughes 'BHGE-N'** reported that the number of **active American drilling rigs dropped by 3-rigs last week to 936 active drilling rigs**. Further north – the number of **active Canadian drilling rigs rose by 49-rigs to 325 active drilling rigs**.

Coca-Cola Co. 'KO-N' announced a **new long-term recycling goal** that by 2030 would see the world's largest beverage company **recycle every bottle or can they sell**.

During the Week – gold bullion rose to a new 4-month closing high of **US\$1,341-an-ounce**, with crude oil reaching a new 3-year high of **US\$64.71-a-barrel**. With the Indexes – the **Dow Industrials, S&P 500 and NASDAQ** all climbed to new respective all-time closing highs of **26,116, 2,810 and 7,336**.

Finning International 'FTT-T' at \$36.48, Brand leaders Plus Income ETF 'HBF-T' at \$9.81 and Manulife Financial 'MFC-T' at \$27.77 all rose to new **TSX 52-week trading highs** while **ATCO Ltd. 'ACO.Y-T' at \$43.50, Cineplex Inc. 'CGX-T' at \$29.45 and Winpak Ltd. 'WPK-T' at \$43.51** all dropped to new **52-week trading lows**.

For the Week – the **Dow Industrials gained 1.04% to 26,072**, with the **S&P 500 up by 0.86% to 2,810** and the **NASDAQ ahead by 1.03% to 7,336**. Up north – the **TSX Composite improved by 0.28% to 16,353** and the **TSX Venture Exchange rose by 0.23% to 880**.

With Commodities – gold bullion lost **0.22% to US\$1,332**, with copper down by **0.93%**

to US\$3.19, as crude fell by 1.21% to US\$63.45 and natural gas dropped by 1.67% to US\$2.94. Overall, the CRB Spot Commodity Index was 0.68% lower to end the week at 437.

The Canadian dollar fell by 0.32% against its American counterpart to finish the week at US\$0.8000.

And the closely watched CBOE Volatility Index or VIX gained 1.13-point to end the week a little more nervous level of 11.29.

And Finally – A recent Reuters report shows that global debt levels - that were US\$87-trillion in the year 2000 and rose to US\$142-trillion in 2007 - have now advanced up further to a record US\$233-trillion.

Sources: Bloomberg, Thomson Reuters, MarketWatch, Globe & Mail, Wall Street Journal, Dow Jones, Financial Times, National Post, Briefing.com, Credit Suisse, and StreetAccount.

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