



The Week of January 26th to February 1st, 2015  
"A Brief Look Back Into Tomorrow"

**Good Day**

The last trading week of the month begins with a tentative start on **Monday, January 26th** with investors trying to weigh the ramifications of the just completed **national Greek election** that saw the left leaning **Syriza party with its leader Alexis Tsipras** forming a government and declaring that the **Eurozone's imposed austerity program against the Mediterranean country would come under an early review.**

This was followed closely by a report that credit rating firm **Standard and Poor's** had **dropped Russia's sovereign debt credit rating by one notch to the junk bond level of double-B-minus with a negative outlook.**

**DR Horton (DHI-N)** supplied some early optimism to the market after the **premier American homebuilder** said its **new home sales rose by 29% in the first quarter to 7,973-units.**

American telecommunications giant **AT&T (T-N)** announced its intended **entry into the Mexican phone market with US\$1.87-billion all-cash purchase of Nextel Mexico Wireless.**

**Metro Inc. (MRU-T)** caught investors' attention on **Tuesday, January 27th** when the **Quebec/Ontario based grocer reported better than expected 1st quarter financials, increased its dividend by 16.7% and announced a 3-for-1 stock split** all in the same day.

**Yahoo! Inc. (YHOO-Q)** also pleased its shareholders when the search engine company announced it **would spin out its US\$40-billion holding of China's giant like company Alibaba Group Holdings (BABA-N) as a tax free distribution** to existing YAHOO! shareholders.

**Caterpillar Inc. (CAT-N)** reflected the state of the resource industry when the world's largest heavy equipment manufacturer **reduced its sales outlook for the rest of the year.**

The markets gave a respective sigh of relief on **Wednesday, January 28th** when the

**U.S. Federal Open Market Committee (FOMC) reported that the American economy was expanding in an acceptable manor and that its long range target of 2% inflation along with a federal funds rate of 0.00% - 0.25% remained intact.**

**Apple Inc. (AAPL-Q) confirmed its status as the market's heavyweight champion as its stock price rose by over 6% to US\$115.86 when the tech giant reported 4th quarter sales rose by an amazing \$17-billion to US\$74.6-billion.**

If low oil prices weren't already putting enough pressure on the Canadian dollar, **Statistics Canada helped to drive the Loonie down below US\$0.80** with a revised report that **the economy actually created 64,400 fewer or just 121,300 new jobs in 2014.**

Cut backs in the oil & gas industries kept coming on **Thursday, January 29th** as **Bellatrix Exploration (BXE-T)**, **Chevron Corp. (CVX-N)** and **Royal Dutch Shell (RDS.A-N)** were just two more of domestic and international petroleum companies to **curtail spending in the face of falling crude oil and natural gas prices.**

**DataWind Inc. (DW-T) shares' surged up by almost 23% to \$2.32** on word it had **secured a national wireless agreement with India** that enables the company to bundle internet services with all of the tablets it sells in that large country.

On its continued race to the bottom, **Denmark's central bank cut its key lending rate for the third time in 10-days, this time by another 0.15% to.....now wait for it.....- 0.50%.**

Hot on the heels of Wednesday's disappointing revised employment figures, **Statistics Canada** continued to put more downward pressure on the dollar on **Friday, January 30th** by announcing that the **Canadian economy shrunk in November by an unexpected 0.2%.**

Meanwhile, to the south, the **U.S. Commerce Department** reported the **American economy finished 2014 with a slightly less than expected gross domestic product or GDP growth of 2.6%.**

The first effects of last weekend's Greek election are felt at home when the shares' of **Eldorado Gold Corp. (ELD-T)** plunge by almost 15% to \$5.99 when the **new Greek energy minister announced his government is opposed to Eldorado's planned gold mine** in that Mediterranean country.

**Amazon.com Inc. (AMZN-Q) shares' surged up by over 14% to US\$356.28** when the online shopping giant finally reported a better than expected 4th quarter profit of **US\$214-million.**

And with confirmation that a good burger is still king, the share price of **Shake Shack (SHAQ-Q) rocketed up by over 118% to US\$45.90** on American restaurant chain's **opening day of trading.**

**Crude oil prices suddenly surged up by over \$3** late in the trading day on word from industry analyst **Baker Hughes** that **the number of active U.S. oil rigs fell by 7% during the week.**

Significant long term trends were continued during the week with **copper dropping to a new 5½-year low of US\$2.46-a-pound**, while **natural gas set a new 2½ -year low of US\$2.68 /mmbtu**, with **crude oil falling to a new 6-year low of US\$44.30-a-barrel**, helping the **CRB Spot Commodities Index to fall to a new 4½-year low of 422**, and the **Canadian petro dollar outdoing them all by falling to a new 6-year low of US\$0.7875.**

**CAE Industries (CAE-T) at \$16.08, Molson Coors Canada (TPX.B-T) at \$97.75 and Stella-Jones Inc. (SJ-T) at \$27.20** all established **new TSX 52-week trading highs** while **Alamos Gold (AGI-T) at \$6.45, Copper Mountain Mining (CUM-T) at \$0.97 and Ivanhoe Mines (IVN-T) at \$0.67** all set **new 52-week trading lows.**

**For the Week - The Dow Industrials lost 2.87% to 17,165**, with the **S&P 500 Index off by 2.78% to 1,995** and the **NASDAQ Exchange down by 2.59% to 4,635**. On the Canadian side, the **TSX Composite Index fell by 0.72% to 14,673** while the **TSX Venture Exchange eased by 0.15% to 677.**

**Gold bullion lost 0.62% to US\$1,285**, with **copper** was unchanged at **US\$2.50**, while **crude oil advanced by 4.78% to US\$47.77** and **natural gas fell by 9.46% to US\$2.68**. Overall the **CRB Spot Commodities Index dropped another 0.47% to 422**. The **Canadian dollar lost another 2.19%** against the American super dollar to finish the week at **US\$0.7875.**

And the closely watched **CBOE Volatility Index of VIX rose by 4.31-points** to cross above the physiologically significant level of 20 and end the week at a much more nervous level of **20.97.**

**And Finally - The Canadian exchange traded fund or ETF industry is taking a page from the expansion mutual fund industry in the 1980s in that the more seems to be the merrier**, as according to **Advisor.ca - the number of ETFs has grown by 260 in the past 5-years to today's 360 ETFs.**

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