



Market Summary

DOW	17318.46	+52.25	PEYTO ENERGY	35.99	-.31	POLARIS	2.35	--
TSE	15376.41	-89.13	WESTERN FOREST	2.40	-.02	CANADIAN \$	0.9136	-.0005
S&P	2015.36	+4.00	CATALYST	2.22	--	EURO	1.2835	-.0087
NASDAQ	4599.03	+5.60	CANFOR	26.30	-.02	COPPER	3.09	--
TSX VENTURE	963.63	-2.16	REDSTAR GOLD	0.055	--	CRUDE OIL	90.84	-.55
SILVER	17.99	-.52	LUMBER	332.40	+2.50	NATURAL GAS	3.92	-.06
GOLD	1217.50	-9.40	TIM HORTON'S	88.47	+1.19	PRIME RATE	3.00%	

Market Commentary

• Scots spurn independence in historic vote but demand new powers

Scotland spurned independence in a historic referendum that threatened to rip the United Kingdom apart, sow financial turmoil and diminish Britain's remaining global clout.

• Alibaba IPO prices at top of range – The largest IPO ever looking at the moment to open north of \$89

Alibaba Group Holding priced its initial public offering at \$68 a share, the top end of the expected range, raising \$21.8 billion on Thursday, in the latest sign of strong investor appetite for the Chinese e-commerce juggernaut.

• Oracle's ellison steps aside, co-CEO's Catz and Hurd take over

Larry Ellison, co-founder and leader of Oracle Corp for 37 years, stepped aside as CEO on Thursday, to be replaced by co-CEOs Safra Catz and Mark Hurd, raising questions about a job-sharing arrangement that has had a fraught record elsewhere.

• Home Depot breach bigger than target at 56 mln cards

The company said some 56 million payment cards were likely compromised in a cyberattack at its stores, suggesting the hacking attack at the home improvement chain was larger than last year's unprecedented breach at Target Corp.

• Inflation holds steady at 2.1 per cent, but core rate surges

Canada's inflation rate held steady at 2.1 per cent in August, but a surprising jump in the so-called "core" rate to its highest in more than two years sent the Canadian dollar sharply higher, on renewed speculation that inflationary pressure might force the Bank of Canada's hand on interest rates.

The core rate, which excludes the most volatile components of the Consumer Price Index (CPI) such as fuels and certain food staples, unexpectedly surged to 2.1 per cent from 1.7 per cent in July, hitting its highest level since April, 2012.

Economists had expected overall inflation to hold steady for August, but had anticipated the core rate would edge up to a much more modest 1.8 per cent.

The core rate is the Bank of Canada's most closely watched guide for inflationary trends, and it has now moved about the central bank's 2-per-cent inflation target, the key determinant for setting official interest rates. This surprising development triggered an immediate surge of three-quarters of a cent in the Canadian dollar, to 91.85 cents (U.S.) within minutes of the release of the inflation report, as foreign-exchange traders pondered whether the rising core inflation might press the central bank to raise interest rates sooner than expected.

TSX opens lower as commodity prices fall and reacts to the country's inflation data. **Wall Street** opened higher. **European equities** surged after Scotland's decision to vote against independence buoyed equity markets and eased concerns about similar separatist movements in Spain. **Sterling** climbed to a two-year peak against the **euro** and a two-week high against the **dollar**. **Brent** crude slipped as did **gold** at its lowest in 8-1/2 months and a third straight weekly drop.

• **Gluskin Sheff + Associates Inc (GS)**. The asset manager said its quarterly profit more than doubled as assets under management rose 21.5 percent and performance fees increased. It declared a special dividend of 35 Canadian cents a share. It said net income rose to C\$30.4 million, or C\$1.02 per share, for the fourth quarter, from C\$12.02 million, or 41 Canadian cents per share, a year earlier. Revenue jumped more than 150 percent to C\$78.6 million.

• **Bank of Montreal (BMO)**. The bank was sued on Thursday by a trustee liquidating two Florida funds that claimed to have lost money in a Ponzi scheme operated by Minnesota businessman Thomas Petters. The lawsuit seeks to recoup \$23.6 billion, more than six times the estimated \$3.65 billion size of Petters' fraud, based on sums transferred by Petters over five years to an account at Marshall & Ilsley Bank, which Bank of Montreal now owns.

• **Penn West Petroleum Ltd (PWT)**. CEO David Roberts of the conventional oil producer said he expects investors to be in a "show-me" state after years of weak production and profits. He said in an interview that the company has mostly completed the restructuring he launched after coming to the job in July 2013 and he is now just fine-tuning the company's operations.

ANALYSTS' RECOMMENDATIONS

• **Air Canada (ACb)**. CIBC raises target to C\$14.75 from C\$14.25, as they implement a first baggage fee and will charge a fee

of \$25 on first checked bags on domestic flights and flights to the Caribbean and Mexico for Economy Class Tango.
• **Penn West Petroleum Ltd (PWT)**.RBC raises target price by C\$1 to C\$11 after the company declared an in-line common share dividend of 14 Canadian cents a share attributable to third-quarter, and reaffirmed its 2014 production guidance

Visit www.mgardner.ca or email mgardner@globalsec.com for more information.

The information contained herein is drawn from sources believed to be reliable, but the accuracy or completeness is neither warranted nor guaranteed, nor in providing it does Global Securities Corporation assume any responsibility or liability therefore. This publication is not, nor is it to be construed as, a solicitation or a recommendation to a specific investor to purchase or sell any of the securities referred to herein. This publication is intended for distribution only in those jurisdictions where Global Securities Corporation is registered to trade securities, and may not be reproduced in whole or in part without the prior written consent of Global Securities Corporation. Copyright 2012 Global Securities Corporation. All rights reserved. Global Securities Corporation Member - Canadian Investor Protection Fund.