



Market Summary

DOW	16193.84	-131.35	PEYTO ENERGY	31.41	-.68	POLARIS	1.80	-.05
TSE	13888.30	-148.38	WESTERN FOREST	2.04	-.02	CANADIAN \$	0.8872	+.0021
S&P	1849.28	-28.42	CATALYST	2.24	--	EURO	1.22775	+.0117
NASDAQ	4198.71	-28.46	CANFOR	23.04	-.09	COPPER	3.04	-.05
TSX VENTURE	787.71	-28.46	REDSTAR GOLD	0.045	--	CRUDE OIL	82.28	+.44
SILVER	17.44	+.04	LUMBER	342.50	--	NATURAL GAS	3.95	-.03
GOLD	1238.70	+4.40	TIM HORTON'S	87.51	-.61	PRIME RATE	3.00%	

Market Commentary

• China inflation slips to near 5-year low, more stimulus expected

China's consumer inflation slowed more than expected in September to a near five-year low, adding to concerns that global growth is cooling fast unless governments take bolder measures to shore up their economies.

• Canada's Caisse set to unveil big Mexico infrastructure fund -sources

Canada's second-largest pension fund, Caisse de depot et placement du Québec, is set to make a big foray into Mexico following an initial \$100 million investment in real estate, according to two sources familiar with the matter.

• Record mortgage settlement pushes Bank of America into Q3 loss

Bank of America Corp, the second-largest U.S. bank, reported a quarterly loss applicable to common shareholders, largely due to a huge mortgage settlement with the U.S. government.

• AbbVie cools on \$55 bln Shire deal after U.S. tax changes

Chicago-based AbbVie said it was reconsidering its \$55 billion takeover of Shire weeks after the U.S. government moved to curb deals designed to reduce tax, wiping \$13 billion off the London-listed firm's stock price.

• U.S. retail sales, producer prices give cautionary signs on economy

Total retail sales dropped 0.3 per cent, the Commerce Department said. Analysts had expected a fall, as auto production has cooled and oil prices have fallen sharply in recent months on signs of slowing global economic growth.

Separately, the Labor Department said prices received by U.S. producers fell 0.1 per cent in September, the first decline in over a year. While many indicators have pointed to a strengthening U.S. economy, policymakers at the Federal Reserve are concerned that inflation has been stuck below their 2 per cent target. The Fed targets inflation felt by consumers, but the producer price report can point to inflation pressures down the road. And Wednesday's report suggests these are generally lacking. Producer prices rose 1.6 per cent in the year through September, the lowest annual reading in six months and down two tenths from August's print. The PPI last month was dampened by a 2.6 per cent decline in gasoline prices. Food prices slipped 0.7 per cent. When stripping out volatile prices for food, energy and trade services, producer prices fell 0.1 per cent. These so-called core producer prices rose 1.7 per cent from the same month of 2013.

TSX falls hard again on bad US economic data and persistent fear over the health of the global economic recovery. **U.S. stock indexes** traded sharply lower, DOW was down 350 points before bouncing back some. **European markets** were down on weakness in healthcare stocks and **Asian stocks** were mostly higher. The **Canadian dollar** fell to a five-year low and Norway's **crown** slid to a four-year trough against the **U.S. dollar** as investors fled the currencies of economies that are grappling with a drop in energy prices. The Loonie hit 87.80 in early trading before rallying back, now 88.88 has US dollar falls hard. **Gold** prices dropped back towards \$1,220 an ounce as the U.S. dollar firmed early on but then rallied as the US dollar fell. Bond markets surged sending rates lower on the back of the poor economic data!

• **Turquoise Hill Resources Ltd (TRQ)**. The company on Tuesday reduced its 2014 forecasts for gold and copper production at the massive Oyu Tolgoi copper-gold mine in Mongolia because of delays in mine development in the third quarter. Operating cash costs are expected to fall by about \$130 million this year from a total of \$1 billion, Turquoise Hill said, as Oyu Tolgoi, like other miners, focuses on cutting costs at a time of lower metal prices. The company said it has also reduced expected capital expenditure for the year to about \$110 million from \$160 million before.

ANALYSTS' RECOMMENDATIONS

• **Amica Mature Lifestyles Inc (ACC)**. CIBC cuts target price to C\$7.75 from C\$8; rating sector performer to reflect revised estimates based on a ~91% occupancy level for non-stabilized properties currently in lease-up, but excluding communities under construction or in the pre-development stage.

• **Hudbay Minerals Inc (HBM)**. National Bank Financial cuts price target to C\$10.50 from C\$12; rating sector performer on concerns over a slowdown in global growth.

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.