



Market Summary

DOW	15517.27	+125.07	PEYTO ENERGY	31.42	+38	POLARIS	1.62	--
TSE	13290.31	+103.78	WESTERN FOREST	1.44	--	CANADIAN \$	0.9725	+0.023
S&P	1756.36	+11.70	CATALYST	1.12	--	EURO	1.33765	+0.084
NASDAQ	3946.75	+26.70	CANFOR	22.75	+35	COPPER	3.34	+0.4
TSX VENTURE	961.92	+2.02	REDSTAR GOLD	.10	--	CRUDE OIL	99.70	+48
SILVER	22.68	+41	LUMBER	361.00	--	NATURAL GAS	3.86	-.03
GOLD	1337.40	+21.80	TIM HORTON'S	61.87	+39	PRIME RATE	3.00%	

Market Commentary

- **Aug. U.S. job creation figure revised higher and just 148,000 in Sept**, the 2-month average of 170,500 gives a more accurate view.
- **Spending on industrial R&D is anticipated to reach \$15.6 billion in 2013, - 2.8% from 2012**
- **In July, there were 210,000 job vacancies among Canadian businesses, down 54,000 from July 2012.** There were 6.5 unemployed people for every job vacancy, up from 5.2 one year earlier. The increase in the ratio of unemployment to job vacancies was all the result of the decline in job vacancies. The national job vacancy rate was 1.4% in July, down from 1.8% 12 months earlier.
- **Canadian retail sales rose modestly in August**, their second consecutive monthly increase, with gains in grocery and liquor and beer stores helping offset weaker car and gasoline sales, Statistics Canada reported on Tuesday. The 0.2 percent rise missed the 0.3 percent consensus in a Reuters survey of analysts, after a downwardly revised 0.5 percent rise in July. Excluding motor vehicle and parts dealers, sales rose 0.4 percent, beating street expectations of a 0.2 percent gain.
- **United Tech posts profit gain, raises low end of earnings outlook**
United Technologies Corp, the world's largest maker of elevators and air conditioners, raised the low end of its 2013 profit forecast, citing cost savings from restructuring and improving sales trends.
- **DuPont revenue rises on demand for plastics, solar panel parts**
Chemical maker DuPont's third-quarter revenue rose 5 percent in part due to higher sales of solar panel parts and performance materials.
- **Travelers profit tops estimates; to buy back \$5 bln in shares**
Travelers Cos Inc reported a third-quarter profit that beat analysts' estimates, and the U.S. insurer announced a \$5 billion buyback program.
- **EMC results, outlook hit by U.S. government spending cuts**
EMC Corp, the world's largest data storage equipment maker, reported lower-than-expected quarterly results and cut its full-year revenue forecast, hurt by a fall in U.S. federal spending.
- **Coach hurt by decline in North America sales**
Coach Inc, known for its Poppy handbags, posted a smaller-than-expected quarterly revenue as sales slipped in North America, its largest market.
- **Whirlpool raises full-year forecast as appliance sales rise**
Whirlpool Corp raised its full-year earnings forecast after strong sales of its home appliances in Europe and North America helped the company to more than double its quarterly profit.

Canada's main stock index opened higher on the delayed U.S. jobs data with investors suspecting that this month's budget tussle in Washington might have diluted their value. Retail sales data is a factor today. **Wall Street** opened flat then gradually moved nicely higher. **European shares** traded higher and **Asian markets** ended mixed. **U.S. crude fell** below \$99 a barrel to its lowest since early July, while **Brent** traded higher. **Gold** inched lower prior to the jobs data, then spiked as the US dollar weakened.

- **Brookfield Canada Office Properties (BOX_u)**. The company posted third-quarter earnings of 35 Canadian cents per share compared with 81 Canadian cents per share, a year earlier. Funds from operations fell to 36 Canadian cents per share from 38 Canadian cents per share.
- **Novadaq Technologies Inc (NDQ)**. The company reported a basic loss of 14 cents per share, compared with a loss of 23 cents per share, a year earlier. Revenue rose to \$8.9 million from \$6.0 million.
- **Toronto-Dominion Bank (TD)**. CEO Ed Clark is not ruling out the possibility that TD could make a large U.S. acquisition, but he said the bank does not need to make a deal and isn't seeking one. However, he also noted that he can't rule out the possibility that an acquisition of a lender in TD's U.S. footprint could materialize.

ANALYSTS' RECOMMENDATIONS

- **ARC Resources Ltd** (ARX). Barclays raises to overweight from equal weight and price target to C\$31 from C\$29 in anticipation of its exceptional growth profile over the next 18-24 months
- **Baytex Energy Corp** (BTE). Barclays cuts to equal weight from overweight and price target to C\$46 from C\$48 to reflect its robust valuation and wider differential assumptions
- **Ivanhoe Mines Ltd** (IVN). CIBC raises to sector outperformer from sector performer and target price to C\$4.50 from C\$4, views the company with no stock overhang, a lower capital requirement and the smaller, phased capital approach that allows for more self-funding
- **Paramount Resources Ltd** (POU). Barclays raises price target to C\$43 from C\$39, believes the company is in the early stages of a transformation that will position it to emerge as a compelling growth story over the next 12 months
- **Transcontinental** (TCLa). CIBC cuts to sector performer from sector outperformer and raises price target to C\$16.50 from C\$15.50 on valuation, says shares are fully priced though execution continues

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