



Market Summary

DOW	15727.57	+109.65	PEYTO ENERGY	30.57	-.53	POLARIS	1.72	-.03
TSE	13370.43	+8.72	WESTERN FOREST	1.59	+.03	CANADIAN \$	0.9593	+.0030
S&P	1769.16	+6.19	CATALYST	1.10	+.07	EURO	1.3517	+.0043
NASDAQ	3928.00	-11.86	CANFOR	22.10	+.32	COPPER	3.24	-.02
TSX VENTURE	941.86	-3.75	REDSTAR GOLD	0.09	+.01	CRUDE OIL	95.19	+1.81
SILVER	21.81	+.17	LUMBER	368.30	-.60	NATURAL GAS	3.56	+.01
GOLD	1317.50	+9.40	TIM HORTON'S	62.75	+.02	PRIME RATE	3.00%	

Market Commentary

• Auto parts maker Magna's sales up as Europe improves

The auto parts manufacturer Magna International Inc reported a nearly 13 percent rise in quarterly sales as its European business improved.

• Canada's Talisman Energy posts smaller quarterly loss

The oil and gas producer Talisman Energy Inc reported a smaller quarterly net loss compared with the year-earlier quarter, when it took a \$1.04 billion impairment charge.

• Agrium profit falls 41 pct, outlook disappoints

The fertilizer company reported on Tuesday a sharply lower third-quarter profit and a disappointing forecast for the current fourth quarter.

• Toyota closes in on record profit as rivals face expansion pain

Toyota Motor Corp is closing in on a record profit set before the Lehman crisis after topping up its annual net profit forecast by nearly \$2 billion and outperforming Japanese rivals as its expansion plans bear fruit.

• Penn West looks to sell \$1.5 bln-\$2 bln assets before 2015

Penn West Petroleum Ltd said it aims to sell non-core assets worth \$1.5 billion to \$2 billion before 2015 as part of a plan to focus on fewer fields centered on the Cardium field in Alberta.

• Torstar posts quarterly loss on asset impairment charge

Torstar Corp, publisher of the Toronto Star, reported a quarterly loss as it took an asset impairment charge of C\$85.5 million related to its media business.

Canada's main stock started higher then slid back to unchanged. Commodities are stronger as the US dollar slid also aiding **U.S. markets**, as speculation surrounding the European Central Bank's possible rate cut and the U.S. Federal Reserve's monetary easing policy continued. Building permits data is on the economic calendar while Dundee Precious Metals, Airboss of America, Genivar, Paramount Resources and Trinidad Drilling are among the companies scheduled to report quarterly earnings. Positive corporate earnings buoyed **European markets**, while most **Asian markets** ended lower. **Japan's Nikkei index** bucked the trend to end higher, driven by gains in Toyota Motor Corp. **Oil** traded higher and **gold** was up, breaking its longest losing streak in nearly six months.

• **Agrium Inc (AGU)**. The fertilizer company reported on Tuesday a sharply lower third-quarter profit and a disappointing forecast for the current fourth quarter. It forecast fourth-quarter earnings of 80 cents to \$1.25 per share, well below analysts' expectations of \$1.51. Adjusted earnings per share for the third quarter were \$73 million, or 50 cents per share. On that basis, analysts on average expected it to earn 57 cents a share.

• **Brookfield Residential Properties Inc (BRP)**. The company reported third-quarter net income of 29 cents per share, compared with 15 cents per share, a year earlier. Revenue fell to \$333 million from \$245 million.

• **Franco Nevada Corp (FNV)**. The company reported third-quarter net income of 24 cents per share, compared with 35 cents per share, a year earlier. Revenue fell to \$98.8 million from \$105.2 million.

• **Intact Financial Corp (IFC)**. The company posted third-quarter adjusted earnings of 39 Canadian cents per share, compared with 90 Canadian cents per share, a year earlier. Net operating income fell to C\$59 million from C\$122 million.

• **Magna International Inc (MG)**. The auto parts manufacturer reported a nearly 13 percent rise in quarterly sales as its European business improved. Total sales in the third quarter ended Sept. 30 rose to \$8.34 billion. Net income fell to \$319 million, or \$1.39 per share, from \$390 million, or \$1.66 per share, a year earlier. Analysts on average had expected a profit of \$1.34 per share.

• **Penn West Petroleum Ltd (PWT)**. The company said it aims to sell non-core assets worth \$1.5 billion to \$2 billion before 2015 as part of a plan to focus on fewer fields centered on the Cardium field in Alberta. The company also reported a net profit of C\$27 million, or 6 Canadian cents per share for the third quarter, compared with a loss of C\$67 million, or 14 Canadian cents per share, a year earlier.

• **Talisman Energy Inc (TLM)**. The oil and gas producer reported a smaller quarterly net loss compared with the year-earlier

quarter, when it took a \$1.04 billion impairment charge. Its net loss narrowed to \$54 million, or 5 cents per share, in the third quarter ended Sept. 30 from \$731 million, or 71 cents per share, a year earlier.

- **Torstar Corp** (TSb). The publisher of the Toronto Star reported a quarterly loss as it took an asset impairment charge of C\$85.5 million related to its media business. The company's third-quarter net loss of C\$70.8 million, or 89 Canadian cents per share, compared with net income of C\$11.1 million, or 14 Canadian cents per share, a year earlier.

ANALYSTS' RECOMMENDATIONS

- **Cathedral Energy Services Ltd** (CET). RBC raises price target to C\$6.50 from C\$5.50 primarily to account for faster growth in the U.S. market, partially offset by a slower recovery in its Canadian operations
- **Cineplex Inc** (CGX). CIBC cuts rating to sector performer from sector outperformer as the company's third-quarter EBITDA came below expectations
- **Nuvista Energy Ltd** (NVA). CIBC raises target price to C\$9.50 from C\$8.50 on the company's solid third-quarter production results
- **Westjet Airlines Ltd** (WJA). CIBC raises target price to C\$31 from C\$25.50 as the company reported strong third-quarter results



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