



Market Summary

DOW	15734.10	+141.12	PEYTO ENERGY	31.03	+02	POLARIS	1.80	+05
TSE	13387.96	+93.76	WESTERN FOREST	1.65	+03	CANADIAN \$	0.9544	-.0015
S&P	1765.12	+17.97	CATALYST	1.15	--	EURO	1.3362	-.0056
NASDAQ	3916.85	+59.62	CANFOR	22.52	+53	COPPER	3.26	+01
TSX VENTURE	936.07	+4.99	REDSTAR GOLD	0.08	--	CRUDE OIL	94.39	+19
SILVER	21.48	-.17	LUMBER	374.70	+3.40	NATURAL GAS	3.62	+05
GOLD	1287.30	-21.20	TIM HORTON'S	62.53	-25	PRIME RATE	3.00%	

Market Commentary

• U.S. jobs market was expected to take a hit from gov't shutdown

U.S. job growth likely slowed in October as a partial shutdown of the government delayed hiring and forced some workers to stay home, undermining the economy's fourth-quarter growth prospects.

• S&P cuts France's credit rating, cites slow pace of reform

Standard & Poor's cut France's sovereign credit rating on Friday by one notch to AA from AA+, giving a thumbs-down to President Francois Hollande's efforts to put the euro zone's second largest economy back on track.

• Air Canada beats profit estimates, ramps up capacity

Air Canada's third-quarter profit handily beat analysts' estimates as a key measure of costs fell and the company, which launched a discount airline earlier this year, forecast higher capacity for the year.

• Talisman to sell part of Montney field to Progress Energy

Talisman Energy Inc said it would sell a stake in some of its natural gas assets in British Columbia's Montney field to Malaysia-controlled Progress Energy Canada Ltd for C\$1.5 billion as it restructures global operations.

• Boeing says options open as workers protest 777X offer

Boeing said it was ready to re-examine alternative sites for its newest jet if assembly workers and local politicians do not ratify plans to build it in the Seattle area, its traditional manufacturing base.

The TSX opened flat then gradually rose due to the good US payroll data and despite weak metals prices and after S&P downgraded France's credit rating to AA from AA+, citing slow pace of reform. **U.S. stock indexes** open slightly higher then got traction also.

• **Talisman Energy Inc (TLM)**. The oil producer said it would sell three quarters of its stake in Montney oil field in northeast British Columbia to **Progress Energy Canada Ltd** for C\$1.5 billion in cash. It will sell about 127,000 acres of its holdings in the Farrell Creek and Cypress areas of British Columbia as a part of the deal.

• **Air Canada (ACB)**. The company's third-quarter profit handily beat analysts' estimates as a key measure of costs fell and it forecast higher capacity for the year. It raised the upper end of its full-year forecast for capacity. It expects capacity to be at 2.0-2.5 percent for the year, compared with its previous forecast of 1.5-2.5 percent. Adjusted net income jumped 59.4 percent to C\$365 million, or C\$1.29 per share, beating the average analyst estimate of C\$1.03 per share.

• **AuRico Gold Inc (AUQ)**. The company reported third-quarter revenue of \$54.3 million and operating cash flow of \$21.8 million, or 9 cents per share. Adjusted net earnings were \$0.8 million and net earnings were \$14.9 million, or 6 cents per share.

• **Canadian Real Estate Investment Trust (REF_u)**. The company reported funds from operations of 72 Canadian cents per share in the third quarter compared with 67 Canadian cents per share in the same period a year ago.

• **Canexus Corp (CUS)**. The company reported third-quarter revenue of C\$138.7 million compared with C\$147.5 million, a year earlier. Net income came in at C\$23.9 million, up from C\$18.4 million.

• **Detour Gold Corp (DGC)**. The company reported a third-quarter loss of \$11.8 million, or 9 cents per share, on revenue of \$100.5 million. Gold production was 75,672 ounces for the quarter and gold sales in September were \$33.1 million.

• **Lightstream Resources Ltd (LTS)**. The company posted third-quarter funds from operations of C\$180 million or 91 Canadian cents per basic share. Adjusted net income for the quarter was 26 Canadian cents per share compared with 15 Canadian cents per share a year ago.

• **Stella-Jones Inc (SJ)**. The company reported third-quarter earnings of 40 Canadian cents per share compared with 32 Canadian cents per share, a year ago. Sales totalled C\$268.1 million, up 37.2 percent over last year's sales of C\$195.4 million.

• **Trilogy Energy Corp (TET)**. The company reported funds from operations of C\$54.2 million in the quarter ended September 30. It reported a loss of 9 Canadian cents per share on petroleum and natural gas sales of C\$ 135.34 million.

• **BlackBerry Ltd (BB)**. The company will pay up to \$250 million to a group of debtors including Prem Watsa's **Fairfax Financial Holdings (FFH)** if another deal succeeds, according to a regulatory filing on Thursday detailing the debt deal. The

filing also showed that incoming interim CEO and executive chairman John Chen will receive a base salary of \$1 million.

ANALYSTS' RECOMMENDATIONS

- **AuRico Gold Inc** (AUQ). RBC cuts price target to \$5.75 from \$6 due to modest modifications to near-term operational assumptions as well as incorporating higher than previously anticipated taxes/royalties in Mexico
- **Canadian Natural Resources Ltd** (CNQ). RBC raises price target to C\$41 from C\$40 after the company announced a 60 percent dividend increase and an in-line 2014 budget
- **Quebecor Inc** (QBRb). CIBC raises price target to C\$28 from C\$25.50 after the company's solid third-quarter results
- **Sierra Wireless Inc** (SW). CIBC cuts to sector underperformer from sector performer, says the company's share price has been re-rated higher beyond its ability to grow revenue and EPS
- **Trinidad Drilling Ltd** (TDG). CIBC raises to sector outperformer from sector performer, says the company's shares have broadly underperformed but valuation has returned to a compelling level



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