



Market Summary

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|-------------|----------|--------|----------------|--------|-------|-------------|--------|--------|
| DOW | 14777.10 | +0.57 | PEYTO ENERGY | 30.55 | -.25 | POLARIS | 1.50 | -.02 |
| TSE | 12709.28 | +16.87 | WESTERN FOREST | 1.36 | -- | CANADIAN \$ | 0.9614 | -.0028 |
| S&P | 1650.16 | -5.18 | CATALYST | 1.13 | -- | EURO | 1.3515 | -1.98 |
| NASDAQ | 3662.70 | -32.13 | CANFOR | 21.80 | +0.04 | COPPER | 3.22 | -.07 |
| TSX VENTURE | 930.25 | -9.11 | REDSTAR GOLD | .105 | -- | CRUDE OIL | 101.48 | -2.02 |
| SILVER | 21.87 | -.57 | LUMBER | 340.30 | +5.80 | NATURAL GAS | 3.69 | -.02 |
| GOLD | 1300.40 | -24.20 | TIM HORTON'S | 59.39 | +0.01 | PRIME RATE | 3.00% | |

Market Commentary

• Obama to choose Yellen for top Fed job, markets relieved

U.S. President Barack Obama will nominate Fed number two Janet Yellen to run the U.S. central bank, providing some relief to markets that would expect her to tread carefully in winding down economic stimulus. Also, Obama refused to give ground in a fiscal confrontation with Republicans on Tuesday, saying he would negotiate on budget issues only if they agree to re-open the federal government and raise the debt limit with no conditions.

• Sharp fall in industrial output breaks run of strong UK data

British industrial output suffered an unexpected fall in August as factories cut production, casting some doubt on the positive message about the economy from private-sector surveys.

• Costco Q4 profit, net sales rise 1 pct

Costco Wholesale Corp posted a 1 percent rise in quarterly profit and a three percent increase in its same-store sales for the month of September.

• Alcoa tops earnings outlook despite weak aluminum prices

Aluminium producer Alcoa Inc reported better than expected earnings on Tuesday, as strength at the unit that sells auto parts and other complex items helped offset lower metal prices.

Canada's main stock index saw a flat open, tracking its U.S. counterpart, as news that U.S. President Barack Obama has tapped Janet Yellen to head the Federal Reserve, though concerns over the impact of a budget deadlock could put a lid on gains. **European shares** traded positive but **Britain's FTSE 100** bucked the trend to trade slightly lower. Most **Asian shares** closed up. **Gold** fell on the back of strong **dollar**, **oil** also fell.

• **EXFO Inc** (EXF). The company reported fourth-quarter earnings of 6 cents per share, compared with a loss of 6 cents per share, a year ago. Sales rose to \$60.9 million from \$57.2 million. It expects first-quarter IFRS net loss between 4 cents per share and breakeven per share. It expects first-quarter sales between \$58 million to \$63 million.

• **Bombardier Inc** (BBD). Mexico's government will tender three passenger train projects next year worth 97 billion pesos, two of which will service the capital's sprawling metropolitan area, the country's transport ministry said on Tuesday. Bombardier will likely bid on each of the rail projects, the company's Mexico chief said in June.

ANALYSTS' RECOMMENDATIONS

• **Agrium Inc** (AGU). Piper Jaffray raises price target of its U.S. listed shares to \$93 from \$90, says the recently closed Viterra acquisition and the Vanscoy potash expansion project represent company specific growth catalysts over the next two years

• **Ritchie Bros. Auctioneers Inc** (RBA). Credit Suisse cuts target price of its U.S. listed shares to \$18 from \$20 after the company's announcement that the CEO is stepping down in 2014

• **Tourmaline Oil Corp** (TOU). National Bank Financial resumes coverage with outperform; price target C\$52.50, says the company's aggressive growth profile will continue into 2014

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