# Morning Letter September 24, 2013 8:21 AM Mitch Gardner CFP, Robin Nadig B 5262 Argyle St., Port Alberni, BC V9Y 1T9 Ph. 723-4970 fax 723-4980

Dow	15428.45	+27.07	Peyto Energy	30.12	+.04	Polaris	1.50	
TSE	12859.03	+47.85	Western For.	1.42	01	Canadian \$	0.9705	0016
S&P	1703.89	+2.05	Catalyst	1.15		Euro	1.3488	0004
Nasdaq	3781.31	+16.02	Canfor	22.86	+.33	Copper	3.25	05
TSX Venture	944.86	-0.04	Redstar Gold	.12		Crude Oil	102.12	60
Silver	21.59	27	Lumber	353.00	-2.50	Natural Gas	3.61	06
Gold	1315.60	-11.70	Tim Horton's	59.47	09	Prime Rate	3.00 %	

**Global Securit** 

• German business morale improves, points to strong Q3 growth

German business morale improved slightly to its highest level in 17 months in September, suggesting Europe's largest economy is staging a firm recovery after a contraction in late 2012 and a weak start to this year.

### • Applied Materials, Tokyo Electron to merge

Chipmaker Applied Materials Inc and Tokyo Electron Ltd said they will merge in an all-stock deal, creating a \$29 billion company. • S.Korea dumps Boeing fighter jet tender, Lockheed soars back

South Korea's government bowed to public pressure and voted down a bid by Boeing to supply 60 warplanes, saying it would restart the multi-billion tender process to get a more advanced fighter.

### • Lennar profit jumps, new home orders rise

Lennar Corp reported a better-than-expected quarterly profit as it sold more homes at higher prices, indicating the U.S. housing recovery is firmly on track.

## • Citigroup to cut 1,000 mortgage jobs, mostly in Las Vegas

Citigroup Inc said it is eliminating about 1,000 jobs in its U.S. home mortgage business, making it the latest bank to lay off staff as higher interest rates cut into demand for new loans and refinancing.

After closing higher in the previous session, **Canada's main stock index** opened lower as worries over the U.S. monetary and fiscal policies dampened investor sentiment. After Obama spoke at the UN and no surprise announcement markets rallied back. **BlackBerry** shares might continue to be in focus after the smartphone maker signed a tentative deal to be acquired by Fairfax Financial Holdings Ltd for \$4.7 billion. **Wall Street** also started weak then rallied. **European shares** traded higher on M&A activity in the telecoms sector, outweighing a smaller-than-expected rise in German business sentiment. Most **Asian markets** ended negative.



# THE BLACKBERRY STORY

 TIMELINE-End of an era as BlackBerry looks to go private at \$9 US a share
NEWSMAKER-BlackBerry savior Watsa, an investor with a long view Shares off some today as it appears it is not a given that teh deal will happen

• Sears Canada Inc (SCC). The department store chain said CEO Calvin McDonald resigned and that Chief Operating Officer Douglas Campbell would take over with immediate effect. The company said McDonald has resigned to pursue an opportunity with a leading international company. Campbell joined Sears Canada in March 2011 and was named COO last November.

# ANALYSTS' RECOMMENDATIONS

• Brookfield Residential Properties Inc (BRP). RBC starts with outperform rating; price target of \$27, says it is positioned to deliver strong earnings growth

• Calfrac Well Services Ltd (CFW). Raymond James cuts rating to market perform from outperform; cuts target price to C\$35 from C\$39, says AECO gas price is a concern

• Canyon Services Group Inc (FRC). Raymond James cuts rating to market perform from outperform; cuts target price to C\$13.25 from C\$14 says, weak gas prices a risk to otherwise improving activity levels

• DHX Media Ltd (DHX). RBC raises target price to C\$4.25 from C\$3.75 after the company reported largely in-line fourth-quarter results, and on the acquisition of Ragdoll

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