

Morning Letter October 1, 2013 7:28 AM Mitch Gardner CFP, Robin Nadig B 5262 Argyle St., Port Alberni, BC V9Y 1T9 Ph. 723-4970 fax 723-4980

Dow	15169.48	+39.61	Peyto Energy	30.25	19	Polaris	1.54	01
TSE	12812.60	+25.41	Western For.	1.43		Canadian \$	0.9684	0014
S&P	1687.22	+5.67	Catalyst	1.22		Euro	1.3526	+.0002
Nasdaq	3793.32	+21.84	Canfor	23.37	+.11	Copper	3.26	06
TSX Venture	943.31	+2.16	Redstar Gold	.115	+.02	Crude Oil	101.28	62
Silver	20.81	90	Lumber	344.00		Natural Gas	3.66	+.08
Gold	1292.00	3500	Tim Horton's	59.95	+.21	Prime Rate	3.00 %	

• U.S. government shutdown starts; Congress deadlock remains

The U.S. government began a partial shutdown for the first time in 17 years, potentially putting up to 1 million workers on unpaid leave, closing national parks and stalling medical research projects.

• Berlusconi faces obstacles in bid to topple government

Silvio Berlusconi on Monday faced dissent within his People of Freedom Party, complicating his plans to bring down Prime Minister Enrico Letta's coalition government.

• Euro zone factory growth eases but strong demand enables price hikes

Euro zone factory activity grew for the third month running in September as stronger demand enabled manufacturers to raise prices for the first time since mid-2012, a survey showed.

• JPMorgan settlement complicated by Washington Mutual -sources

JPMorgan Chase & Co's possible \$11 billion settlement of government mortgage probes has been complicated by a dispute with the Federal Deposit Insurance Corp over responsibility for losses at the former Washington Mutual Inc, said people familiar with the matter.

• Buffett's Berkshire set to get nearly \$2.15 bln of Goldman stock

Warren Buffett's Berkshire Hathaway Inc will receive Goldman Sachs Inc stock worth nearly \$2.15 billion on Tuesday through warrants acquired as part of a deal originally signed during the depths of the 2008 financial crisis.

Canada's main stock reversed a two-week low hit in the previous session as investors remained calm despite the first U.S. government shutdown in 17 years but gains could be capped as potentially 1 million workers go on unpaid leave. U.S. stocks pointed higher at the open, dipped into the red, then bounced back again while the dollar was down to eight month lows against a basket of currencies. European stocks traded up as Italy's political tensions eased and euro zone factory data showed growth the third month in a row. Most Asian markets ended higher. Oil traded down and gold plunged not long before the equity markets opened.

• Intact Financial Corp (IFC). The property and casualty insurer said it will take catastrophe losses of C\$199 million in the third quarter due mainly to a series of bad weather events and a fiery train derailment that devastated the town of Lac-Mégantic, Quebec in early July. The after-tax estimate, which equates to C\$1.51 a share, follows an initial catastrophic loss estimate of C\$134 million in late July.

ANALYSTS' RECOMMENDATIONS

- Brookfield Office Properties Inc (BPO). CIBC cuts to rating sector performer from sector outperformer after Brookfield Property Partners (BPY) announced a proposal to acquire "any or all" Brookfield Office Properties shares outstanding
- **Genivar Inc** (GNV). Raymond James raises price target to C\$30 from C\$27 following a slew of positive data points for the company and the engineering services industry
- Niko Resources Ltd (NKO). Canaccord Genuity cuts rating to hold from buy and target price to C\$6 from C\$13.50 on financing concerns which were recently highlighted by the company's delinquency on rig payments
- **Primero Mining Corp** (P). Cantor raises price target to C\$7.05 from C\$6.45 on increased confidence in the management's ability to ramp its San Dimas project according to plan
- Twin Butte Energy Ltd (TBE). CIBC raises target price to C\$2.50 from C\$2.25 after the company announced the sale of a non-core gas

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