

Today's Commentary

The bearish side of the market returned yesterday, just one day after the biggest American market rally of 2012 so far. The Federal Reserve's bolstered economic outlook dashed hopes of another round of quantitative easing. The S&P 500 slid by 0.12% yesterday while the Dow gained 0.12%. The S&P/TSX tumbled 1.27% to completely erase the gains made in yesterday's rally and more. The Canadian index reacted poorly to a large decline in commodities, where crude and gold slipped by -1.2% and -1.75%, respectively. Gold is now trading near a two month low. Most other major commodities dropped appreciably as well. Consequently, the Materials and Metals & Mining sectors both dropped over 3% each. Treasuries dropped as yield rates skyrocketed yet again yesterday. Over the past three days American Government 10-year bonds have jumped 27 basis points, while Canadian 10-year yields have risen by 24 basis points. The American dollar also rose significantly yesterday against almost all major currencies.

Stock futures rose this morning on upbeat economic news south of the border. The US released its weekly jobless claims numbers and they came in much better than last week's figures, and ahead of expectations. Initial jobless claims are reported to be 351K, compared with the previous week of 362K, while continuing claims were 3343K, 73,000 lower than the previous week. The US producer price index also beat forecasts, with the month-over-month number for February at 0.4% versus a 0.5% expected increase.

Spain has been left behind in the recent equity market rally. Of 24 major equity markets, Spain is the only nation that has suffered year-to-date losses in 2012. Compared with an 11% increase since January 1 in the Stoxx Europe 600 – an equity index containing 600 large, medium and small cap companies from 18 European countries – Spain's equity indices have fallen 2.1% as of yesterday's close. The fall is being attributed to the Spanish Prime Minister Mariano Rajoy's inability to control his country's budget deficit. Rajoy announced on March 2nd that the 2012 target budget deficit is 5.8% of GDP, up from the initial target of 4.4% of the country's GDP. Making things worse for Spain is its 23% unemployment rate – double the Eurozone average – and a recent property bubble burst that has left lenders with 175 billion euros in troubled real-estate assets. Analysts are forecasting that Spain's economy will shrink by 1% in 2012, compared with a consensus 0.4% decline in Eurozone growth as a whole.

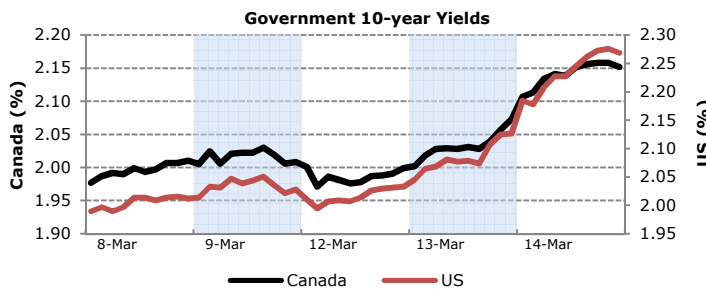
The Daily Roll is written by MFE Candidates Calum MacBeth and Chris Watson in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

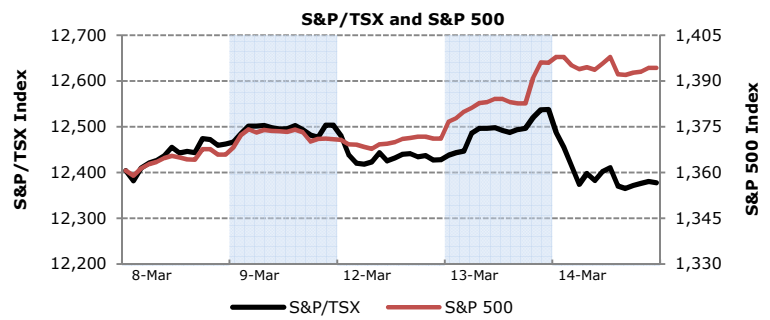
United States	Period	Survey	Actual	Prior
Continuing Claims		3405K	3343K	3416K
Initial Jobless Claims		356.5K	351K	362K
Producer Price Index (MoM)		0.5%	0.4%	0.1%

Canada	Period	Survey	Actual	Prior
None Scheduled				

Interest Rates

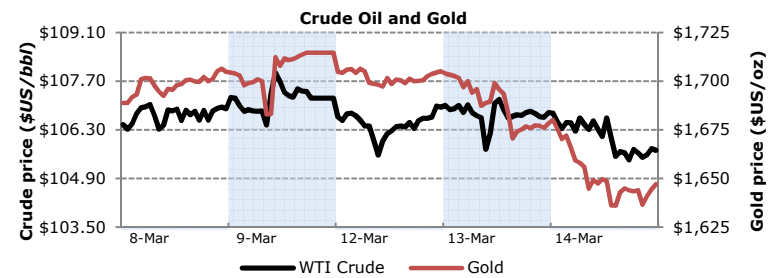


Equities



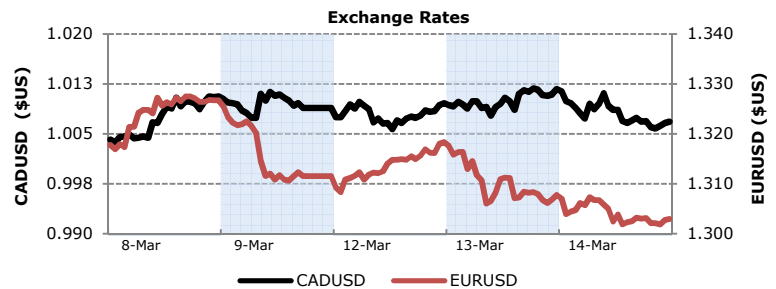
	14-Mar	day Δ	%Δ	5-day	1-mnth
S&P/TSX	12,377.90	-159.79	-1.27%	+0.22%	+0.19%
S&P 500	1,394.28	-1.67	-0.12%	+3.08%	+3.24%
DJIA	13,194.10	16.42	+0.12%	+2.78%	+2.45%

Commodities



	14-Mar	day Δ	%Δ	5-day	1-mnth
Oil (\$US/bbl)	\$105.43	-1.28	-1.20%	-0.69%	+4.48%
Nat Gas (\$US/Bcf)	\$2.28	-0.015	-0.65%	-0.78%	-6.05%
Gold (\$US/oz)	\$1,645	-29.22	-1.75%	-2.38%	-4.49%
Copper (\$US/lb)	\$3.84	-0.0545	-1.40%	+2.17%	+0.07%

Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	14-Mar	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$0.993	+0.004	0.997	0.999	0.991
EURUSD	\$1.303	-0.005	1.315	1.313	1.390
USDJPY	¥83.73	+0.790	81.090	78.44	79.59
AUDUSD	\$1.045	-0.010	1.058	1.069	0.984

Master of Financial Economics Program



The Master of Financial Economics Program at the University of Toronto is a collaborative program of the Department of Economics and the Rotman School of Management. The program's key objective is to provide a broad understanding of Financial Theory and the Economics framework upon which that theory is based. Students follow a three-term, 16-month program, with 12 one-term courses and a four-month summer internship. For more information on the program and its students please see the website below.

<http://www.economics.utoronto.ca/index.php/index/mfe/>

Rotman Finance Association



The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

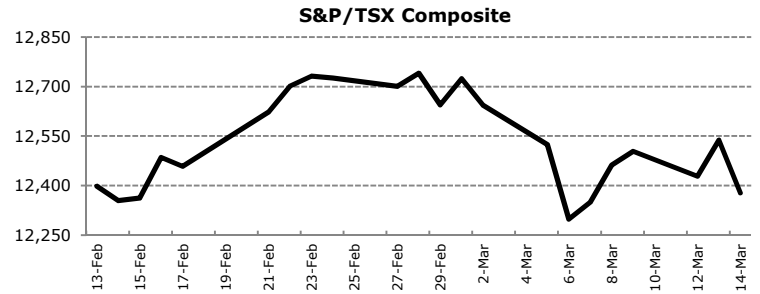
<http://www.rotman.utoronto.ca/financeassociation>

Sponsored By:



The information contained in this report is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of author(s), and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

	14-Mar	day Δ	%Δ
S&P/TSX	12,377.90	-159.79	-1.27%
Trailing S&P/TSX			
5-day		+0.22%	+0.21%
1-month		+0.19%	-0.02%
3-months		+7.23%	+6.89%
6-months		+0.69%	+0.41%
12-months		-9.11%	-10.64%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.71%	+1.65%	+5.40%	-7.20%
C. Staples	-1.02%	+3.80%	+5.16%	+7.39%
Energy	-2.08%	-1.47%	-2.19%	-19.77%
Financials	+0.61%	+3.71%	+4.75%	-5.41%
Healthcare	-0.54%	+0.43%	+7.27%	+18.27%
Info Tech	-0.15%	+3.63%	-0.23%	-22.20%
Industrials	-1.06%	+1.53%	-2.93%	-1.53%
Materials	-3.34%	-3.76%	-5.72%	-16.98%
Metals & Mining	-3.11%	-0.11%	-6.06%	-18.01%
Telecom	-1.09%	-0.11%	+1.80%	+14.91%
Utilities	-1.11%	-0.20%	+1.87%	+7.20%

TSX Top Performers

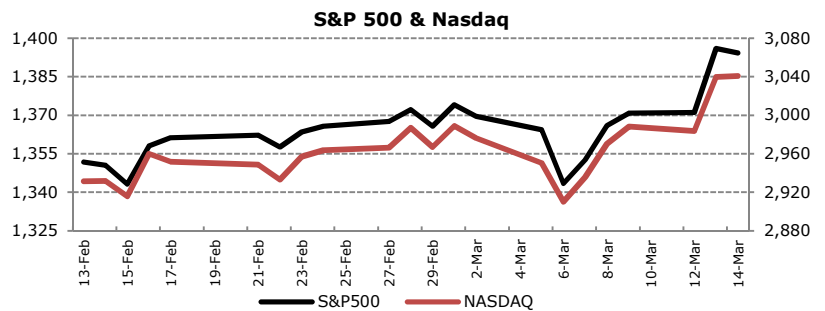
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Industrial Alliance Insur	+10.97%	+16.16%	+20.58%	-24.23%
Manulife Financial Corp	+6.64%	+14.32%	+14.81%	-15.79%
Power Financial Corp	+5.23%	+8.40%	+9.84%	-0.43%
Power Corp Of Canada	+4.87%	+8.53%	+9.40%	-0.29%
Sun Life Financial Inc	+4.48%	+9.39%	+8.44%	-24.58%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Premier Gold Mines Ltd	-9.52%	-2.26%	-15.63%	-26.58%
Guyana Goldfields Inc	-9.42%	-22.16%	-49.18%	-57.34%
Great Basin Gold Ltd	-8.54%	-15.73%	-23.47%	-69.88%
Detour Gold Corp	-7.62%	-4.43%	-10.57%	-15.50%
Crew Energy Inc	-7.46%	-9.21%	-20.08%	-40.40%

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
14-Mar	1,394.28	13,194.10	3,040.73
1-day	-0.12%	+0.12%	+0.03%
5-day	+3.08%	+2.78%	+3.58%
1-month	+3.24%	+2.45%	+3.71%
3-months	+15.06%	+11.59%	+19.75%
6-months	+17.30%	+17.31%	+18.20%
12-months	+7.55%	+10.01%	+12.58%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.07%	+2.80%	+4.20%	+15.55%
C. Staples	-0.25%	+1.73%	+2.38%	+13.91%
Energy	-1.00%	+0.32%	+0.38%	-1.49%
Financials	+0.02%	+5.46%	+5.97%	-5.86%
Healthcare	-0.02%	+2.97%	+1.92%	+13.63%
Info Tech	+0.63%	+4.39%	+5.85%	+17.95%
Industrials	-0.16%	+3.65%	+0.89%	+3.10%
Materials	-0.46%	+2.32%	+0.40%	-0.88%
Telecom	-0.51%	+1.78%	+4.26%	+6.64%
Utilities	-1.42%	+0.68%	+0.52%	+9.63%

DJIA Top Performers

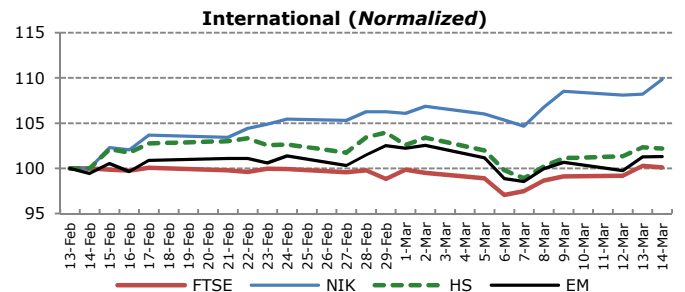
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Bank Of America Corp	+4.12%	+10.22%	+9.54%	-36.68%
American Express Co	+3.50%	+7.42%	+8.38%	+28.67%
Boeing Co/The	+1.24%	+2.33%	+0.37%	+7.95%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Walt Disney Co/The	-1.20%	+4.14%	+4.90%	+4.47%
Exxon Mobil Corp	-0.97%	+0.22%	+2.67%	+5.69%
Hewlett-Packard Co	-0.94%	-0.08%	-15.22%	-40.53%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	5,945.43	10,050.52	21,307.89	1,066.83
1-day	-0.18%	+1.53%	-0.15%	+0.03%
5-day	+2.66%	+4.95%	+3.30%	+2.81%
1-month	+0.77%	+11.03%	+1.86%	+1.90%
3-months	+10.78%	+17.98%	+16.09%	+18.02%
6-months	+13.74%	+17.98%	+11.88%	+12.00%
12-months	+2.95%	+4.47%	-8.73%	-4.48%



This market summary has been created by a candidate in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

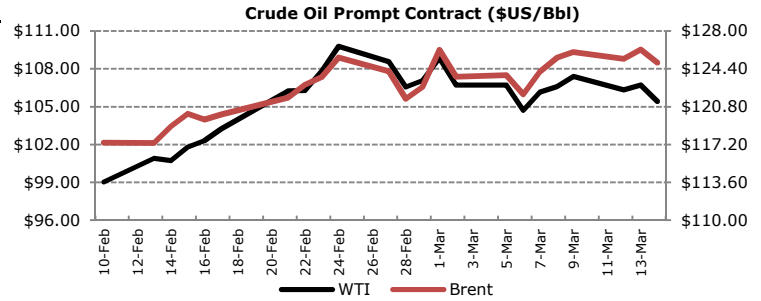
Nymex WTI Crude Oil

(\$US/Bbl)	14-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$105.43	-\$1.28	-1.20%	-0.69%	+4.48%
Cal 12	\$107.01	-\$1.19	-1.10%	-0.44%	+7.19%
Cal 13	\$106.09	-\$0.66	-0.62%	+0.52%	+7.17%

(\$US/bbl)	Q3-12	Q4-12	Q1-13	Q2-13	2013
Consensus Forecast	\$105.00	\$106.00	\$106.50	\$113.00	\$111.00
Current Forward	\$107.31	\$107.78	\$107.70	\$106.76	\$106.09

Inventory Levels (as of Mar-09)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	347,450	+1,750	337,426	319,411
Motor Gas	228,121	-1,410	214,389	200,481
Distillates	134,814	-4,682	171,756	140,851



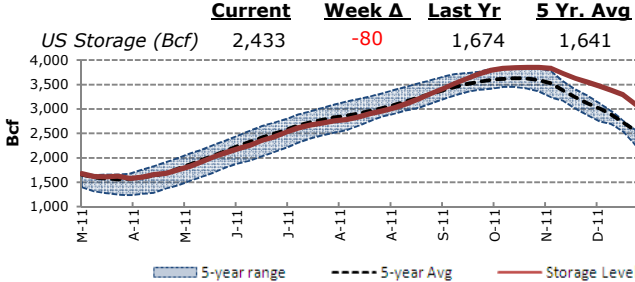
UK Brent Crude Oil

(\$US/Bbl)	14-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$124.97	-\$1.25	-1.00%	+0.68%	+6.49%

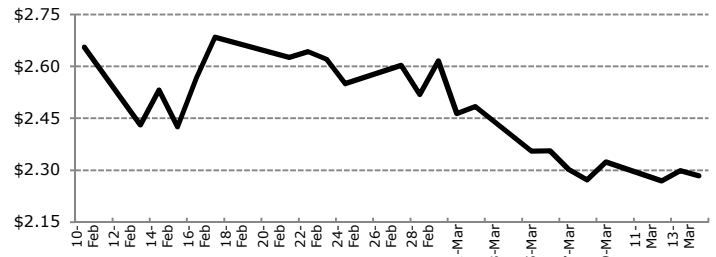
Nymex Natural Gas

(\$US/MMbtu)	14-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$2.28	-\$0.02	-0.65%	-0.78%	-6.05%
Apr12-Oct12	\$2.58	+\$0.02	+0.80%	+1.79%	-8.88%
Nov12-Mar13	\$3.34	+\$0.05	+1.66%	+4.45%	-1.61%
Apr13-Oct13	\$3.53	+\$0.06	+1.65%	+4.58%	+0.39%
Nov13-Mar14	\$3.94	+\$0.06	+1.65%	+4.27%	+0.86%

Inventory Levels (as of Mar-02)



Nat Gas Prompt (\$US/MMbtu)

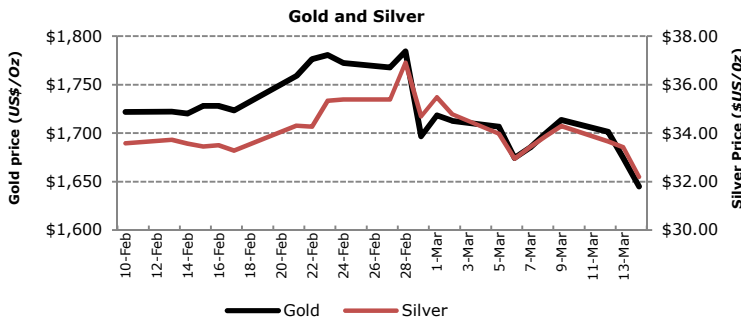


Alberta Natural Gas

(\$CAD/GJ)	14-Mar	day Δ	%Δ
AECO Apr-12	\$1.77	+\$0.00	+0.0%

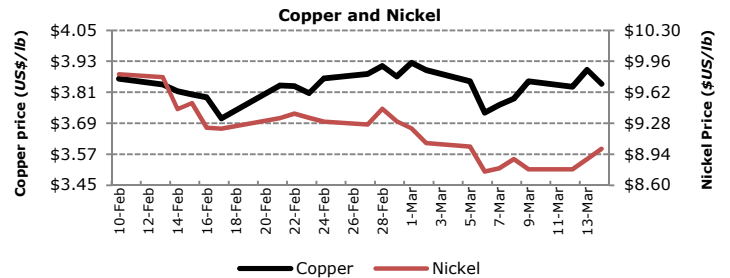
Precious Metals

\$US/oz	14-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,644.88	-\$29.22	-1.7%	-2.4%	-4.5%	+4.7%
Silver	\$32.19	-\$1.22	-3.7%	-3.7%	-4.6%	+10.4%
Platinum	\$1,673	-\$15.50	-0.9%	+2.6%	+1.3%	+18.9%



Industrial Metals

\$US/lb	14-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.84	-\$0.05	-1.4%	+2.2%	+0.1%	+17.9%
Nickel	\$9.00	+\$0.11	+1.3%	+2.5%	-8.0%	+7.3%
Zinc	\$1.02	+\$0.02	+2.4%	+4.3%	-0.4%	+10.9%
Aluminum	\$0.99	+\$0.01	+1.0%	0.0%	-1.0%	+10.0%
Uranium	\$51.05	+\$0.15	+0.3%	-0.9%	-2.1%	-3.2%



Agriculture & Other

	14-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$6.59	-\$0.03	-0.5%	+3.1%	+2.4%
Wheat (\$US/bu)	\$6.44	-\$0.05	-0.8%	+0.7%	-0.4%
Soybeans (\$US/bu)	\$13.50	+\$0.01	+0.1%	+1.8%	+7.2%
Rough Rice (\$US/cwt)	\$13.92	-\$0.42	-2.9%	-2.2%	-3.3%
Sugar #11 (¢US/lb)	¢24.44	+¢0.31	+1.3%	+2.2%	+2.7%
Lean Hogs (¢US/lb)	¢94.55	-¢0.48	-0.5%	-1.0%	-3.0%
Live Cattle (¢US/lb)	¢123.90	-¢0.90	-0.7%	+0.3%	-2.2%
Cotton No.2 (\$US/lb)	\$0.87	-\$0.01	-1.0%	-3.3%	-5.8%
Lumber #2 (\$US/Mbft)	\$276.50	+\$3.60	+1.3%	+1.5%	-1.3%

Commodity ETFs

\$CAD	14-Mar	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$7.03	-\$0.13	-1.8%	-0.8%	+9.0%
HBP Nat Gas U	\$3.28	-\$0.09	-2.7%	-0.6%	-24.6%
HBP Comex Gold	\$16.50	-\$0.32	-1.9%	-2.9%	-5.1%

\$USD	14-Mar	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$40.41	-\$0.42	-1.0%	-0.5%	+4.4%
US Nat Gas	\$18.10	-\$0.38	-2.1%	-1.0%	-12.6%
PSDB Agriculture	\$28.46	-\$0.15	-0.5%	+0.2%	-1.2%
PSDB Base Metals	\$20.71	-\$0.36	-1.7%	+1.6%	+0.1%

This market summary has been created by a candidate in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

Interest Rates

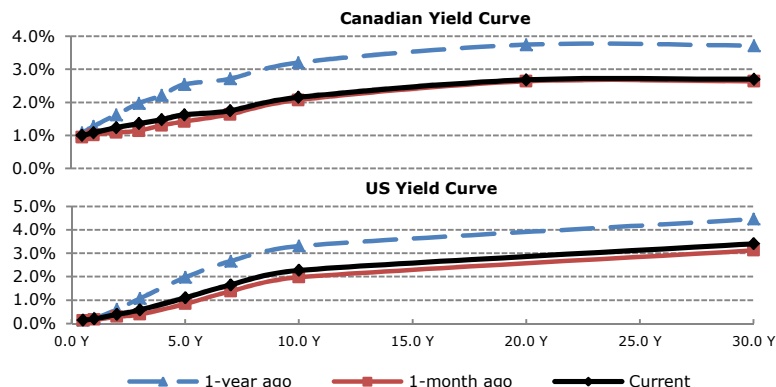
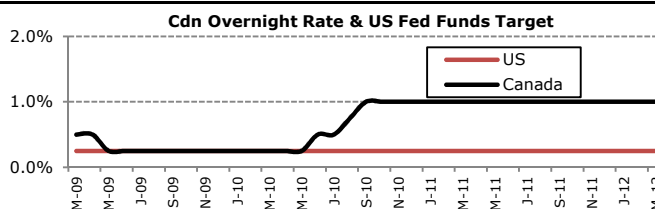
	Current	Prior	Δ	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	-	17-Apr-12	1.00%
US Fed Funds	0.25%	0.25%	-	24-Apr-12	0.25%

Canadian yield curve

	14-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.92%	-	0.90%	0.81%	0.92%
6-mnth	1.00%	-	0.95%	0.86%	1.08%
12-mnth	1.08%	-	1.02%	0.87%	1.28%
2-year	1.24%	+0.03%	1.09%	0.86%	1.63%
5-year	1.62%	+0.06%	1.42%	1.23%	2.54%
10-year	2.15%	+0.08%	2.07%	1.93%	3.20%
20-year	2.68%	+0.06%	2.64%	2.54%	3.74%
30-year	2.70%	+0.06%	2.64%	2.53%	3.72%

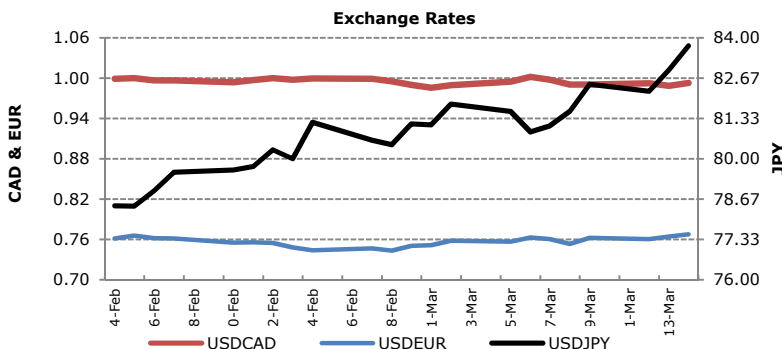
US yield curve

	14-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.08%	-	0.10%	-0.01%	0.09%
6-mnth	0.15%	+0.01%	0.13%	0.04%	0.14%
12-mnth	0.20%	+0.01%	0.16%	0.11%	0.22%
2-year	0.39%	+0.04%	0.29%	0.24%	0.60%
5-year	1.10%	+0.11%	0.83%	0.85%	1.97%
10-year	2.27%	+0.14%	1.97%	1.91%	3.30%
30-year	3.40%	+0.13%	3.12%	2.92%	4.45%


Foreign Exchange

(USDCAD implies 1-USD to CAD)

Spot	14-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$0.993	+0.004	0.999	1.027	0.991
EURUSD	\$1.303	-0.005	1.313	1.319	1.390
USDJPY	¥83.73	+0.790	78.44	77.94	79.59
GBPUSD	\$1.568	-0.003	1.569	1.558	1.602
AUDUSD	\$1.045	-0.010	1.069	1.007	0.984
CADJPY	¥84.35	+0.448	78.51	75.87	80.28
CADAUD	\$0.964	+0.005	0.936	0.967	1.025
EURJPY	¥109.12	+0.590	103.02	102.76	110.62
EURAUD	\$1.25	+0.007	1.23	1.31	1.41
Forecasts	Q1-12	Q2-12	Q3-12	Q4-12	Q4-13
USDCAD	\$1.01	1.00	1.00	1.00	0.99
EURUSD	\$1.29	1.29	1.30	1.30	1.29
USDJPY	¥77.00	79.00	80.00	81.00	86.00

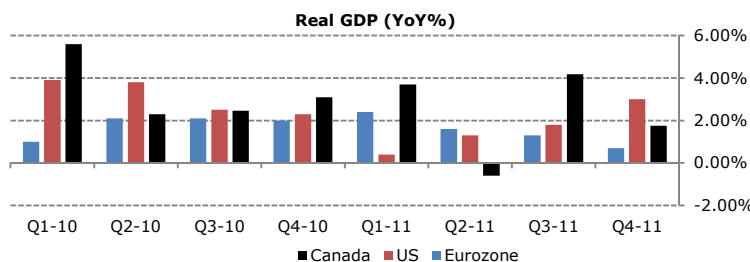

Economic Releases

United States		Period	Survey	Actual	Prior
Tue, Mar 13	Advance Retail Sales	29-Feb	1.1%	1.1%	0.4%
Wed, Mar 14	MBA Mortgage Applications		--	-2.4%	-1.2%
Thu, Mar 15	Continuing Claims		3405K	3343K	3416K
Thu, Mar 15	Initial Jobless Claims		356.5K	351K	362K
Thu, Mar 15	Producer Price Index (MoM)		0.5%	0.4%	0.1%
Fri, Mar 16	Industrial Production		0.4%	--	0%
Fri, Mar 16	Consumer Price Index (MoM)		0.4%	--	0.2%

Canada		Period	Survey	Actual	Prior
Fri, Mar 16	Manufacturing Sales (MoM)		0.2%	--	0.6%

Economics

	Q1-11	Q2-11	Q3-11	Q4-11	2012E
Canada					
Real GDP	3.70%	-0.60%	4.17%	1.75%	2.00%
CPI	2.60%	3.37%	3.00%	2.70%	1.90%
Unemployment	7.60%	7.40%	7.20%	7.50%	7.40%
US					
Real GDP	0.40%	1.30%	1.80%	3.00%	2.20%
CPI	2.13%	3.47%	3.77%	3.30%	2.05%
Unemployment	8.90%	9.10%	9.00%	8.50%	8.25%
China					
Real GDP	9.70%	9.50%	9.10%	8.90%	8.50%



This market summary has been created by a candidate in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**