

## Today's Commentary

North American equity markets took a tumble on Wednesday due to a disappointing durable goods report, mediocre earnings releases and declining crude prices. Crude prices dropped as several governments including the US considered the possibility of releasing oil reserves to reduce oil prices; many fear that high oil prices could dampen the economic recovery. The Canadian dollar fell again slightly as a result. The S&P/TSX declined by 0.78%, with the energy and materials sectors put in harm's way due to falling commodity prices. The S&P 500 and Dow fell by about 0.5% each. The markets were almost completely unfazed by Italian Prime Minister Mario Monti's claim that the Eurozone debt crisis is "almost over", as most attribute the statements to spin-doctoring before Italy's bond auction. Just one week ago Monti advised that investors take a cautious approach regarding Europe. US economic releases made economists look good this morning, with almost all releases matching expectations: GDP grew by 3% in fourth quarter 2011 and Personal Consumption grew by 2.1% in the same period. Initial Jobless Claims came in slightly worse than expected at 359K.

Chinese companies are starting to miss their forecasted earnings targets for the first quarter of 2012. Share prices of several large corporations – including parts manufacturer Sany Heavy Industry Co. and gold producer Zijin Mining Group Co. – dropped more than 2.6% yesterday dragging China's benchmark index down for its to its lowest level in 10 weeks. The Shanghai Composite index ended the day down 1.4% yesterday bringing its total loss for March to 8.5%. Wednesday's drop was the largest one day decrease in the last four months, but the index still remains up 2.4% for the first quarter of 2012.

Italy followed Wednesday's successful auction of 6-month Treasury notes with another successful auction on Thursday. Demand for the 10-year Italian bond was 1.65 times the offered amount which drove the note's yield to 5.24%, its lowest level since August 2011. Investor confidence in the nation's recent fiscal responsibility is being attributed to Prime Minister Mario Monti's government and the strong austerity measures it passed in December along with measures to increase competition. The 10-year bond yield has dropped over 200 basis points since Monti's technocratic government was appointed to power in November 2011.

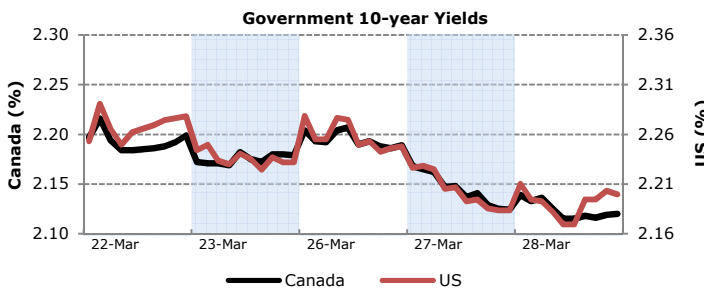
The Daily Roll is written by MFE Candidates Calum MacBeth and Chris Watson in partnership with the Rotman Finance Association. Please email [dailyroll@economics.utoronto.ca](mailto:dailyroll@economics.utoronto.ca) to subscribe/unsubscribe.

## Today's Major Economic Releases

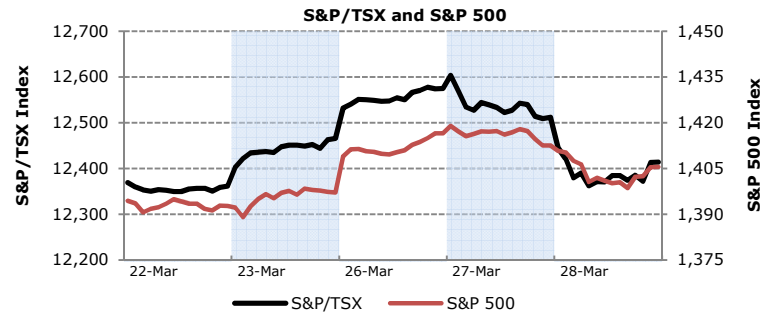
United States	Period	Survey	Actual	Prior
Continuing Claims	17-Mar	3350K	3340K	3352K
Initial Jobless Claims	24-Mar	350K	359K	348K
GDP QoQ (Annualized)	31-Dec	3%	3%	3%

Canada	Period	Survey	Actual	Prior
None Scheduled				

## Interest Rates

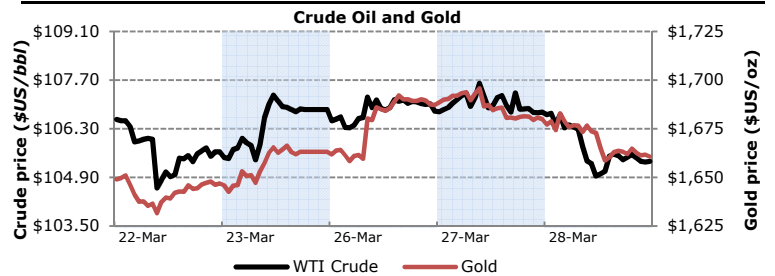


## Equities



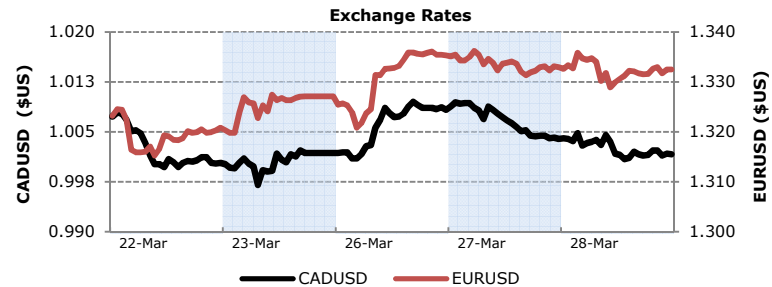
	28-Mar	day Δ	%Δ	5-day	1-mnth
S&P/TSX	12,413.86	-98.18	-0.78%	-0.18%	-2.56%
S&P 500	1,405.54	-6.98	-0.49%	+0.19%	+2.43%
DJIA	13,126.21	-71.52	-0.54%	+0.01%	+0.93%

## Commodities



	28-Mar	day Δ	%Δ	5-day	1-mnth
Oil (\$/US/bbl)	\$105.41	-1.92	-1.79%	-1.73%	-1.07%
Nat Gas (\$/US/Bcf)	\$2.19	-0.017	-0.77%	-7.16%	-13.02%
Gold (\$/US/oz)	\$1,664	-17.09	-1.02%	+0.80%	-5.88%
Copper (\$/US/lb)	\$3.79	-0.092	-2.37%	-1.62%	-2.41%

## Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	28-Mar	day Δ	-5 days	-1 mnth	-1 year
USDCAD	\$0.998		+0.003	0.992	0.995	0.971
EURUSD	\$1.332		+0.000	1.322	1.346	1.413
USDJPY	¥82.90		-0.270	83.410	80.46	82.89
AUDUSD	\$1.039		-0.007	1.046	1.077	1.033

## 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>

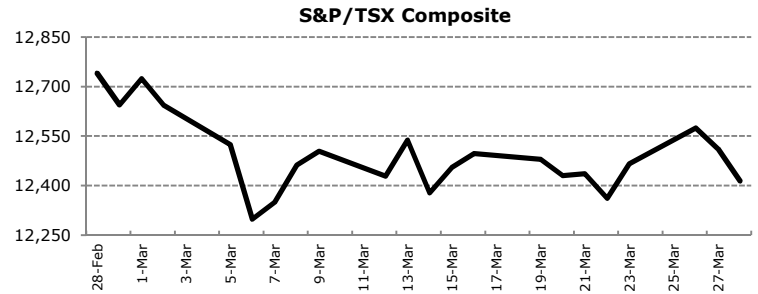
Sponsored By:



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.**

	<b>28-Mar</b>	<b>day Δ</b>	<b>%Δ</b>
<b>S&amp;P/TSX</b>	12,413.86	-98.18	-0.78%

	<b>Trailing S&amp;P/TSX</b>	<b>TSX 60</b>
5-day	-0.18%	+0.11%
1-month	-2.56%	-2.14%
3-months	+5.84%	+6.41%
6-months	+7.15%	+7.17%
12-months	-10.64%	-10.96%



### TSX Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
C. Discretionary	-0.48%	+0.92%	+4.70%	-3.66%
C. Staples	+0.24%	+2.26%	+9.82%	+10.85%
Energy	-1.50%	-2.85%	-8.78%	-24.91%
Financials	-0.06%	+1.32%	+5.06%	-3.77%
Healthcare	-0.20%	+0.52%	+1.34%	+12.19%
Info Tech	-0.11%	+0.58%	-0.42%	-21.85%
Industrials	-1.64%	-1.18%	-0.52%	-2.22%
Materials	-1.80%	-1.15%	-11.53%	-20.07%
Metals & Mining	-3.45%	-4.98%	-14.38%	-26.97%
Telecom	+0.82%	+1.78%	+2.18%	+14.35%
Utilities	-0.57%	+0.35%	-0.63%	+3.75%

### TSX Top Performers

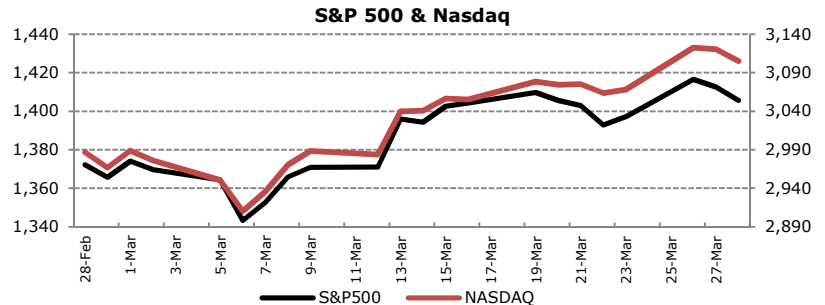
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Centerra Gold Inc	+5.91%	-10.10%	-32.29%	-12.85%
Pacific Rubiales Energy C	+2.11%	+1.54%	-2.09%	+11.61%
Rogers Communications Inc	+1.64%	+2.76%	+2.46%	+10.70%
Enbridge Inc	+1.53%	+4.92%	+1.67%	+31.79%
Onex Corporation	+1.52%	+0.21%	+1.65%	+12.42%

### TSX Worst Performers

<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Fortuna Silver Mines Inc	-18.89%	-27.12%	-36.15%	-13.95%
Avion Gold Corp	-8.13%	-17.52%	-36.52%	-31.52%
San Gold Corp	-8.11%	-6.85%	-21.84%	-46.25%
Torex Gold Resources Inc	-7.21%	-7.21%	-14.98%	+7.22%
Chorus Aviation Inc - B	-6.68%	-4.90%	-7.43%	-34.27%

### US Indices

<i>Trailing</i>	<b>S&amp;P 500</b>	<b>DJIA</b>	<b>Nasdaq</b>
28-Mar	1,405.54	13,126.21	3,104.96
1-day	-0.49%	-0.54%	-0.49%
5-day	+0.19%	+0.01%	+0.96%
1-month	+2.43%	+0.93%	+3.96%
3-months	+12.48%	+8.02%	+19.88%
6-months	+22.11%	+19.21%	+24.62%
12-months	+7.28%	+7.61%	+13.71%



### S&P 500 Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
C. Discretionary	-0.85%	+0.44%	+3.80%	+17.01%
C. Staples	-0.17%	+0.71%	+2.65%	+14.04%
Energy	-1.23%	-2.38%	-5.14%	-8.01%
Financials	+0.35%	+0.43%	+7.39%	-2.46%
Healthcare	-0.27%	+1.69%	+2.74%	+14.17%
Info Tech	-0.24%	+1.26%	+5.12%	+20.25%
Industrials	-1.03%	-0.84%	+0.07%	+0.27%
Materials	-1.52%	-0.95%	-2.07%	-4.28%
Telecom	-0.97%	-2.29%	+1.06%	+1.00%
Utilities	-0.84%	+0.41%	-0.02%	+10.95%

### DJIA Top Performers

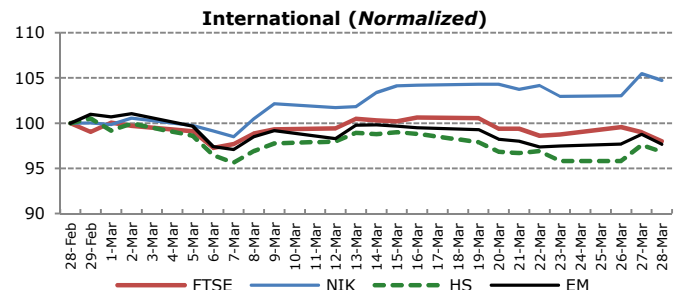
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Bank Of America Corp	+1.56%	-0.71%	+23.73%	-26.97%
American Express Co	+1.44%	+3.52%	+10.74%	+29.38%
Coca-Cola Co/The	+1.10%	+2.17%	+5.30%	+10.56%

### DJIA Worst Performers

<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Caterpillar Inc	-3.52%	-4.35%	-10.12%	-5.68%
Alcoa Inc	-2.29%	-4.28%	-5.75%	-43.80%
United Technologies Corp	-1.91%	-1.45%	-2.92%	-3.09%

### International Markets

<i>Trailing</i>	<b>FTSE 100</b>	<b>Nikkei</b>	<b>Hang Seng</b>	<b>MSCI EM</b>
Last Close	5,808.99	10,182.57	20,885.42	1,043.90
1-day	-1.03%	-0.71%	-0.77%	-1.09%
5-day	-1.41%	+0.95%	+0.14%	-0.36%
1-month	-2.01%	+4.73%	-3.17%	-2.33%
3-months	+5.48%	+20.88%	+12.78%	+14.32%
6-months	+11.33%	+18.19%	+15.96%	+17.15%
12-months	-1.62%	+7.43%	-9.46%	-8.30%



This market summary has been created by candidates 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.**

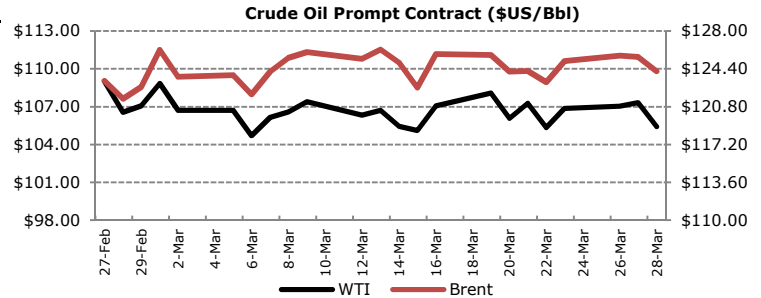
### Nymex WTI Crude Oil

(\$US/Bbl)	28-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$105.41	-\$1.92	-1.79%	-1.73%	-1.07%
Cal 12	\$106.74	-\$1.83	-1.68%	-1.44%	+3.72%
Cal 13	\$106.04	-\$1.39	-1.30%	-0.66%	+3.84%

(\$US/bbl)	Q3-12	Q4-12	Q1-13	Q2-13	2013
Consensus Forecast	\$105.00	\$106.00	\$106.50	\$113.00	\$110.00
Current Forward	\$106.77	\$107.41	\$107.53	\$106.68	\$106.04

### Inventory Levels (as of Mar-23)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	353,390	+7,102	337,426	319,411
Motor Gas	223,370	-3,537	214,389	200,481
Distillates	135,866	-711	171,756	140,851



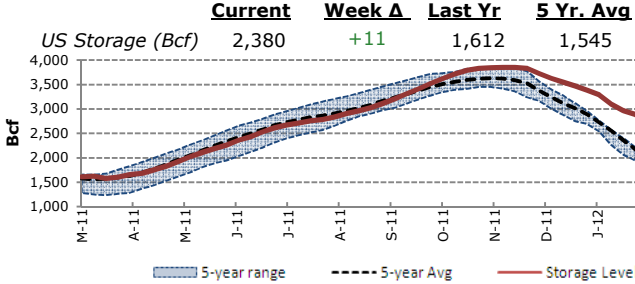
### UK Brent Crude Oil

(\$US/Bbl)	28-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$124.16	-\$1.38	-1.11%	-0.03%	+2.15%

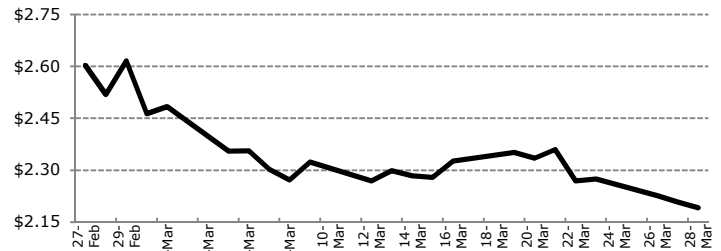
### Nymex Natural Gas

(\$US/MMbtu)	28-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$2.19	-\$0.02	-0.77%	-7.16%	-13.02%
May12-Oct12	\$2.47	-\$0.12	-4.48%	-8.57%	-18.04%
Nov12-Mar13	\$3.14	-\$0.15	-4.62%	-6.64%	-12.76%
Apr13-Oct13	\$3.46	-\$0.03	-0.87%	-2.37%	-8.13%
Nov13-Mar14	\$3.84	-\$0.07	-1.80%	-3.00%	-7.87%

### Inventory Levels (as of Mar-16)



### Nat Gas Prompt (\$US/MMbtu)

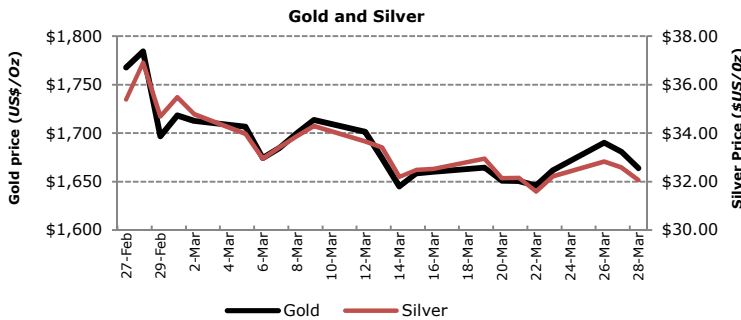


### Alberta Natural Gas

(\$CAD/GJ)	28-Mar	day Δ	%Δ
AECO Apr-12	\$1.69	-\$0.01	-0.6%

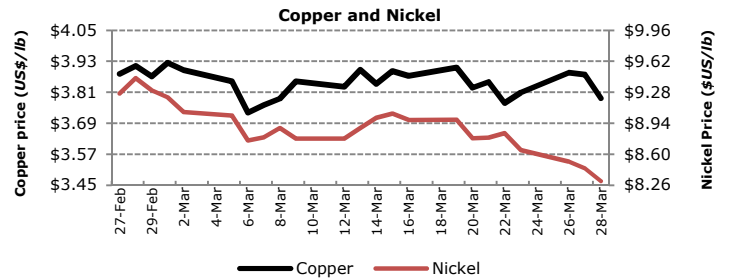
### Precious Metals

\$US/oz	28-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,663.68	-\$17.09	-1.0%	+0.8%	-5.9%	+7.6%
Silver	\$32.06	-\$0.53	-1.6%	-0.3%	-9.4%	+15.8%
Platinum	\$1,636	-\$17.75	-1.1%	-0.2%	-4.1%	+19.5%



### Industrial Metals

\$US/lb	28-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.79	-\$0.09	-2.4%	-1.6%	-2.4%	+12.4%
Nickel	\$8.30	-\$0.14	-1.7%	-5.4%	-10.4%	-1.6%
Zinc	\$0.99	-\$0.00	-0.3%	-1.1%	-1.8%	+10.6%
Aluminum	\$0.97	+\$0.00	0.0%	-3.0%	-5.8%	+7.8%
Uranium	\$51.05	+\$0.00	0.0%	-0.1%	-2.1%	-2.3%



### Agriculture & Other

	28-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$6.20	-\$0.11	-1.7%	-3.4%	-4.4%
Wheat (\$US/bu)	\$6.31	-\$0.09	-1.4%	-0.9%	-3.4%
Soybeans (\$US/bu)	\$13.68	-\$0.02	-0.2%	+0.9%	+5.0%
Rough Rice (\$US/cwt)	\$14.74	-\$0.36	-2.4%	+2.8%	+1.9%
Sugar #11 (¢US/lb)	¢24.26	¢0.04	-0.2%	-4.2%	-5.0%
Lean Hogs (¢US/lb)	¢92.18	¢1.55	-1.7%	-0.0%	-6.0%
Live Cattle (¢US/lb)	¢120.50	¢1.47	-1.2%	-1.2%	-4.9%
Cotton No.2 (\$US/lb)	\$0.94	+\$0.01	+1.6%	+6.5%	+3.7%
Lumber (\$US/Mbft)	\$261.60	+\$2.30	+0.9%	+0.7%	-6.1%

### Commodity ETFs

\$CAD	28-Mar	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$6.91	-\$0.19	-2.7%	-2.5%	-3.6%
HBP Nat Gas U	\$2.92	-\$0.01	-0.3%	-13.1%	-27.5%
HBP Comex Gold	\$16.75	-\$0.17	-1.0%	+0.7%	-7.0%

\$USD	28-Mar	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$40.19	-\$0.52	-1.3%	-1.2%	-2.4%
US Nat Gas	\$17.11	-\$0.08	-0.5%	-7.1%	-17.4%
PSDB Agriculture	\$28.04	-\$0.39	-1.4%	-1.3%	-3.8%
PSDB Base Metals	\$20.17	-\$0.30	-1.5%	-1.2%	-4.2%

This market summary has been created by candidates 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**

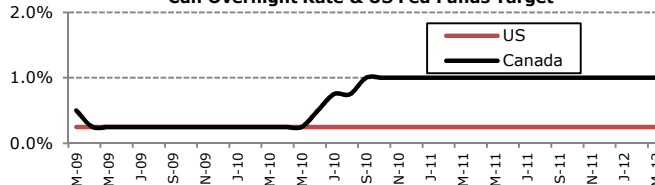
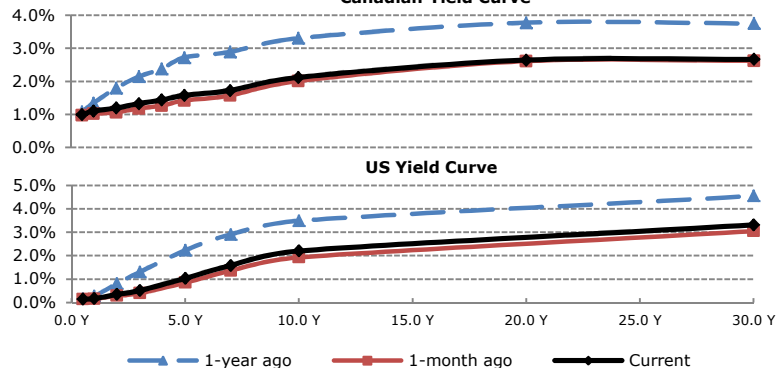
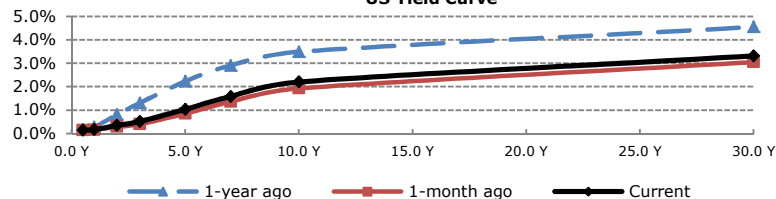
	<b>Current</b>	<b>Prior</b>	<b>Δ</b>	<b>Next Meeting</b>	<b>Survey</b>
Cdn Overnight	1.00%	1.00%	-	17-Apr-12	1.00%
US Fed Funds	0.25%	0.25%	-	24-Apr-12	0.25%

**Canadian yield curve**

	<b>28-Mar</b>	<b>day Δ</b>	<i>Historical Levels</i>		
			<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.92%	+0.01%	0.94%	0.82%	0.91%
6-mnth	0.99%	-0.01%	0.98%	0.90%	1.08%
12-mnth	1.10%	-	1.02%	0.93%	1.34%
2-year	1.19%	-0.02%	1.06%	0.95%	1.80%
5-year	1.58%	-0.02%	1.42%	1.28%	2.72%
10-year	2.12%	-0.00%	2.01%	1.94%	3.30%
20-year	2.64%	-0.01%	2.61%	2.50%	3.77%
30-year	2.67%	-0.00%	2.63%	2.50%	3.75%

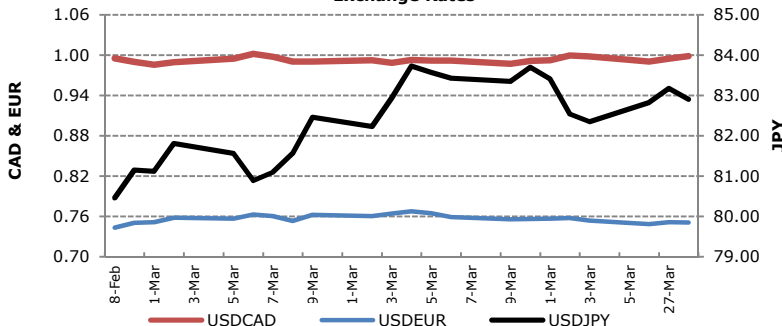
**US yield curve**

	<b>28-Mar</b>	<b>day Δ</b>	<i>Historical Levels</i>		
			<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.08%	-0.00%	0.10%	0.00%	0.10%
6-mnth	0.14%	-	0.14%	0.06%	0.17%
12-mnth	0.17%	+0.01%	0.16%	0.10%	0.27%
2-year	0.34%	+0.02%	0.29%	0.27%	0.81%
5-year	1.03%	+0.02%	0.84%	0.88%	2.23%
10-year	2.20%	+0.02%	1.93%	1.90%	3.49%
30-year	3.31%	+0.01%	3.05%	2.90%	4.54%

**Cdn Overnight Rate & US Fed Funds Target**

**Canadian Yield Curve**

**US Yield Curve**

**Foreign Exchange**

(USDCAD implies 1-USD to CAD)

	<b>28-Mar</b>	<b>day Δ</b>	<i>Historical Levels</i>		
<b>Spot</b>			<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
USDCAD	\$0.998	+0.003	0.995	1.024	0.971
EURUSD	\$1.332	+0.000	1.346	1.294	1.413
USDJPY	¥82.90	-0.270	80.46	77.94	82.89
GBPUSD	\$1.589	-0.006	1.590	1.546	1.607
AUDUSD	\$1.039	-0.007	1.077	1.009	1.033
CADJPY	¥83.03	-0.568	80.84	76.08	85.36
CADAUD	\$0.964	+0.003	0.933	0.967	0.997
EURJPY	¥110.40	-0.350	108.29	100.86	117.10
EURAUD	\$1.28	+0.009	1.25	1.28	1.37
<b>Forecasts</b>	<b>Q1-12</b>	<b>Q2-12</b>	<b>Q3-12</b>	<b>Q4-12</b>	<b>Q4-13</b>
USDCAD	\$1.01	1.00	0.99	0.98	0.98
EURUSD	\$1.29	1.29	1.30	1.30	1.30
USDJPY	¥77.00	82.00	83.00	83.00	87.00

**Exchange Rates**

**Economic Releases**

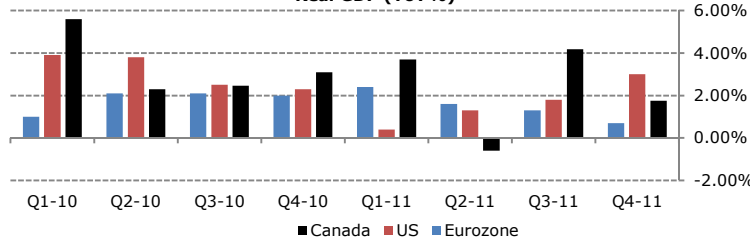
<b>United States</b>		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Tue, Mar 27	Consumer Confidence	31-Mar	70	70.2	70.8
Wed, Mar 28	Durable Goods Orders	29-Feb	3%	2.2%	-4%
Wed, Mar 28	MBA Mortgage Applications	23-Mar	--	-2.7%	-7.4%
Thu, Mar 29	Continuing Claims	17-Mar	3350K	3340K	3352K
Thu, Mar 29	Initial Jobless Claims	24-Mar	350K	359K	348K
Thu, Mar 29	GDP QoQ (Annualized)	31-Dec	3%	3%	3%
Fri, Mar 30	Personal Income	29-Feb	0.4%	--	0.3%

**Canada**

		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Fri, Mar 30	GDP MoM	31-Jan	0.1%	--	0.4%

**Economics**

<b>Canada</b>	<b>Q1-11</b>	<b>Q2-11</b>	<b>Q3-11</b>	<b>Q4-11</b>	<b>2012E</b>
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%
<b>US</b>					
Real GDP	0.40%	1.30%	1.80%	3.00%	2.20%
CPI	2.13%	3.47%	3.77%	3.30%	2.30%
Unemployment	8.90%	9.10%	9.00%	8.50%	8.20%
<b>China</b>					
Real GDP	9.70%	9.50%	9.10%	8.90%	8.30%

**Real GDP (YoY%)**


This market summary has been created by candidates 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.**