

Today's Commentary

Hurricane Sandy hit the east coast of the United States 5 miles south of Atlantic City, New Jersey last night at approximately 8:00 pm EST. The New York Stock Exchange did not open on Monday in anticipation of Sandy's wrath and will be closed again today. This marks the first consecutive day weather-related closure of the NYSE since 1888. Despite her best efforts, Sandy failed to shut down Canadian equity and commodities markets. There was some speculation that the hurricane would damage east coast oil refineries causing gasoline prices to climb 5.77 cents per gallon, while WTI crude prices to fall 0.59% to \$85.54 per barrel. Gold prices also fell on the day, dropping \$2.75 per ounce to \$1,709. Despite the fall in oil, Canadian Info Tech and Utilities companies carried the S&P/TSX upwards 0.1% on the day, as the sectors gained 1.68% and 0.60%, respectively.

As expected, the Bank of Japan expanded its asset purchase program for the second time in two months. Japanese equity markets were hardly phased by this decision, having priced in the move beforehand. Economists predicted the increase fairly well, with a Bloomberg survey predicting that the Bank would add 10 trillion yen to the program. The actual expansion will increase the fund by 11 trillion yen (\$138 billion), bringing the total to 66 trillion. Japanese stocks have fallen due to signals indicating that their economy contracted last quarter. Industrial output declined the most since the devastating earthquake that occurred last year.

Switzerland's largest bank UBS AG announced that it will be cutting most, if not all, of its investment bank in the near future. The move comes as Swiss regulatory pressures mount for both UBS and Credit Suisse Group AG to meet Basel III requirements ahead of schedule. This overhaul of the bank may not come as a surprise, however, as CEO Sergio Ermotti said in July that once the bank meets its capital requirements, he wanted to return more funds to shareholders. UBS will shed up to 100 billion Swiss francs worth of risk-weighted assets and cut 10,000 jobs as it exits from capital-intensive trading and fixed-income businesses.

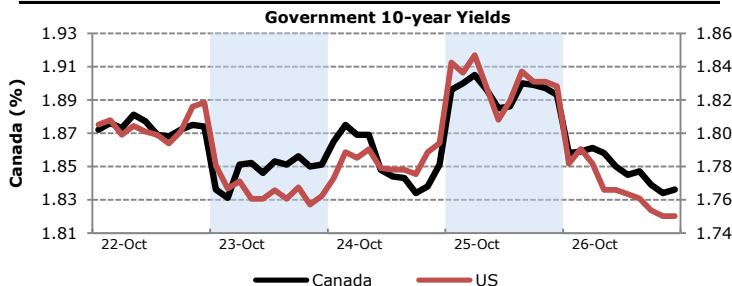
The Daily Roll is written by MFE Candidates Calum MacBeth and Chris Watson in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

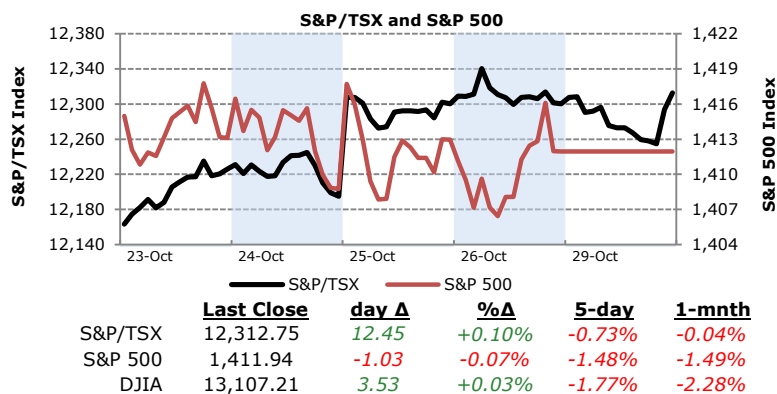
United States	Period	Survey	Actual	Prior
None Scheduled				

Canada	Period	Survey	Actual	Prior
None Scheduled				

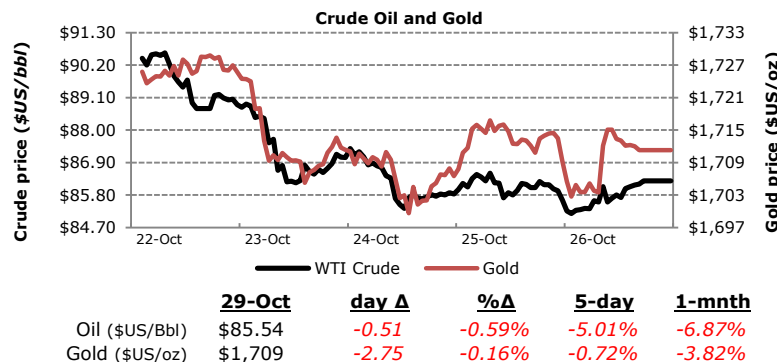
Interest Rates



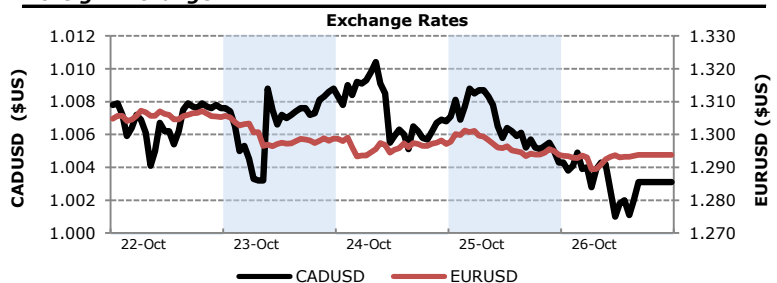
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	29-Oct	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.001	+0.004	0.992	0.984	1.009
EURUSD	\$1.290	-0.003	1.306	1.286	1.383
USDJPY	¥79.80	+0.150	79.940	77.96	77.73

	Government 10-year Yields		Historical levels		
	29-Oct	day Δ	-1 mnth	-3 mnths	-1 year
Canada	1.81%	-0.026%	1.73%	1.68%	2.43%
United States	1.72%	-0.026%	1.63%	1.47%	2.32%

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.

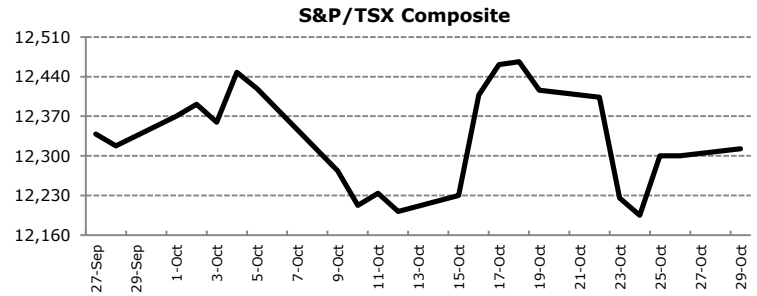
<http://www.rotman.utoronto.ca/financeassociation>

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.**

	29-Oct	day Δ	%Δ
S&P/TSX	12,312.75	12.45	+0.10%
Trailing S&P/TSX			
5-day		-0.73%	-0.61%
1-month		-0.04%	+0.40%
3-months		+4.64%	+5.05%
6-months		+0.61%	+1.40%
12-months		-1.65%	-1.23%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.23%	-0.31%	-0.09%	+8.91%
C. Staples	+0.23%	-0.28%	+1.07%	+11.61%
Energy	+0.33%	-1.60%	-0.47%	-8.74%
Financials	-0.41%	-1.53%	+0.42%	+3.30%
Healthcare	+0.15%	-0.70%	-0.36%	+26.00%
Info Tech	+1.68%	+1.82%	+0.38%	-14.70%
Industrials	-0.27%	+0.50%	+2.18%	+6.74%
Materials	+0.23%	-1.04%	-1.68%	-14.01%
Metals & Mining	-0.96%	-3.04%	+1.70%	-21.54%
Telecom	+0.27%	+2.85%	+3.01%	+12.63%
Utilities	+0.60%	+0.56%	+0.19%	-1.27%

TSX Top Performers

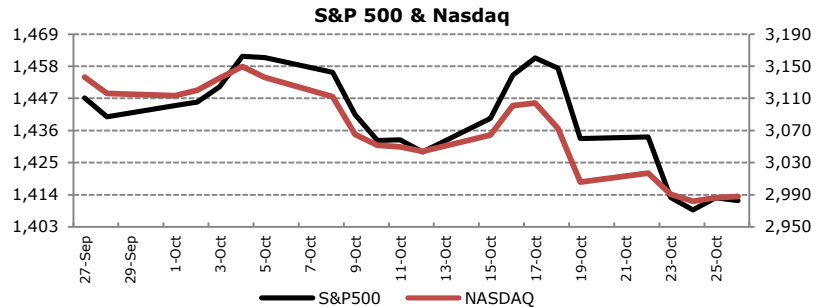
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Macdonald Dettwiler & Ass		+10.46%	+12.85%	+7.84%	+27.63%
Progress Energy Resources		+7.90%	+0.87%	-9.54%	+34.76%
Nexen Inc		+5.41%	+2.04%	-1.49%	+46.62%
Transglobe Energy Corp		+3.17%	-1.34%	+3.36%	+2.41%
Celestica Inc		+3.03%	+0.99%	+1.71%	-18.19%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Trinidad Drilling Ltd		-3.67%	-5.47%	-4.09%	-19.68%
Chorus Aviation Inc - B		-3.15%	-3.76%	-19.21%	-22.08%
New Gold Inc		-2.85%	-5.46%	-6.64%	-11.14%
Poseidon Concepts Corp		-2.52%	+3.14%	+3.42%	NA
Dundee Precious Metals In		-2.11%	+0.11%	-4.24%	+8.50%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing			
26-Oct	1,411.94	13,107.21	2,987.95
1-day	-0.07%	+0.03%	+0.06%
5-day	-1.48%	-1.77%	-0.59%
1-month	-1.49%	-2.28%	-3.42%
3-months	+3.82%	+1.70%	+3.27%
6-months	+0.85%	-0.74%	-2.05%
12-months	+13.68%	+10.43%	+12.72%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.30%	-1.54%	-1.38%	+18.36%
C. Staples	-0.31%	-1.02%	-1.55%	+13.54%
Energy	+0.09%	-2.41%	-1.16%	+4.08%
Financials	-0.59%	-2.01%	+1.86%	+19.24%
Healthcare	-0.39%	-0.84%	+0.47%	+20.83%
Info Tech	+0.16%	-0.92%	-5.54%	+11.55%
Industrials	+0.01%	-1.48%	-0.36%	+11.72%
Materials	+0.18%	-2.80%	-1.49%	+6.77%
Telecom	+0.50%	-1.48%	-5.67%	+21.61%
Utilities	+0.00%	-1.50%	+0.56%	+6.02%

DJIA Top Performers

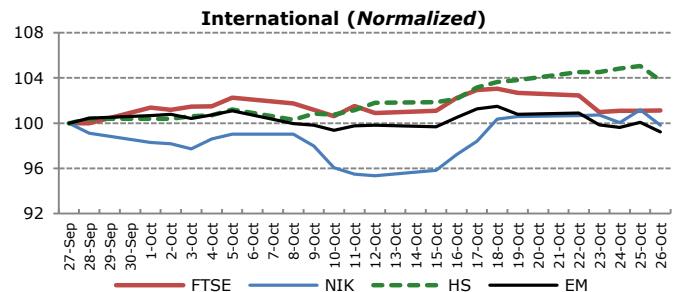
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Intel Corp		+1.20%	+3.25%	-2.49%	-12.65%
Microsoft Corp		+1.18%	-1.50%	-7.20%	+3.52%
United Technologies Corp		+1.18%	+0.27%	-0.72%	-1.39%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Bank Of America Corp		-1.30%	-3.39%	+2.24%	+26.32%
Jpmorgan Chase & Co		-1.22%	-2.74%	+1.50%	+11.18%
Alcoa Inc		-0.92%	-4.00%	-2.15%	-23.72%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing				
Last Close	5,795.10	8,929.34	21,511.05	990.70
1-day	-0.20%	-0.04%	-0.16%	-0.84%
5-day	-1.49%	-0.90%	-0.19%	-1.53%
1-month	+0.92%	+0.67%	+3.22%	+0.03%
3-months	+2.98%	+4.23%	+11.60%	+8.10%
6-months	+0.31%	-6.21%	+3.71%	-2.48%
12-months	+1.63%	-1.34%	+7.45%	+3.16%



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)	29-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$85.54	-\$0.51	-0.59%	-5.01%	-6.87%
Cal 13	\$87.97	-\$0.66	-0.74%	-2.95%	-9.77%
Cal 14	\$87.89	-\$0.52	-0.59%	-2.01%	-6.45%

(\$US/bbl)	Q1-13	Q2-13	Q3-13	Q4-13	2014
Consensus Forecast	\$98.50	\$100.00	\$103.00	\$106.50	\$101.00
Current Forward	\$86.59	\$87.96	\$88.61	\$88.71	\$87.89

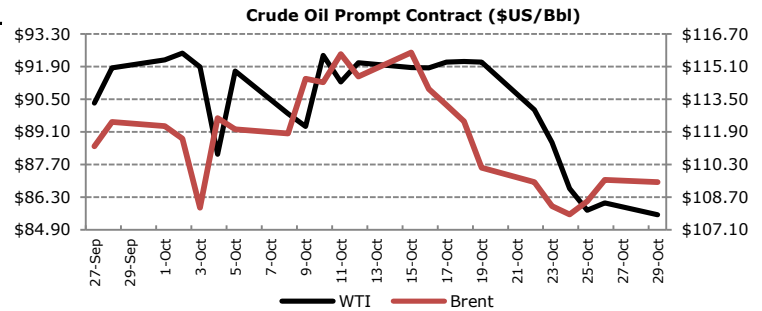
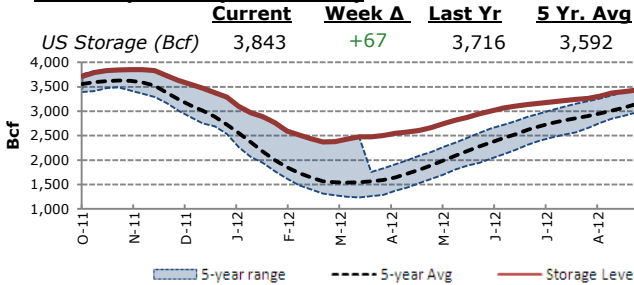
Inventory Levels (as of Oct-19)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	375,126	+5,896	337,426	319,411
Motor Gas	198,567	+1,439	214,389	200,481
Distillates	118,018	-646	171,756	140,851

Nymex Natural Gas

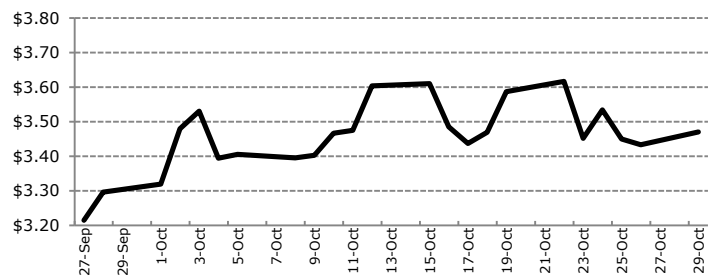
(\$US/MMbtu)	29-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.47	+\$0.04	+1.08%	-4.04%	+5.28%
Dec12-Mar13	\$3.81	-\$0.01	-0.23%	-1.33%	+12.05%
Apr13-Oct13	\$3.94	+\$0.05	+1.16%	+0.48%	+11.44%
Nov13-Mar14	\$4.27	+\$0.01	+0.29%	-0.12%	+9.09%
Apr14-Oct14	\$4.22	+\$0.08	+1.92%	+2.21%	+8.68%

Inventory Levels (as of Oct-19)



(\$US/Bbl)	29-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$109.44	-\$0.11	-0.10%	+0.00%	-2.62%

Nat Gas Prompt (\$US/MMbtu)

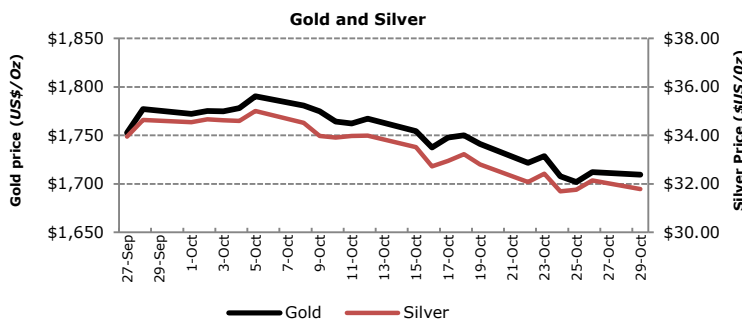


Alberta Natural Gas

(\$CAD/GJ)	29-Oct	day Δ	%Δ
AECO Nov-12	\$3.19	+\$0.12	+3.9%

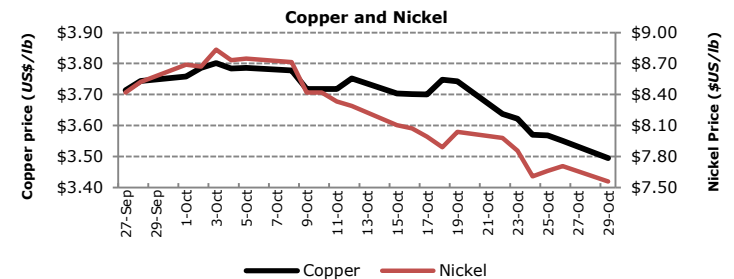
Precious Metals

\$US/oz	29-Oct	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,709.35	-\$2.75	-0.2%	-0.7%	-3.8%	+5.4%
Silver	\$31.79	-\$0.36	-1.1%	-0.9%	-8.2%	+12.8%
Platinum	\$1,537	-\$29.00	-1.9%	-5.1%	-6.9%	+8.5%



Industrial Metals

\$US/lb	29-Oct	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.49	-\$0.06	-1.6%	-3.9%	-6.7%	+2.3%
Nickel	\$7.56	-\$0.15	-1.9%	-5.3%	-11.3%	+0.7%
Zinc	\$0.90	-\$0.01	-1.4%	-3.5%	-11.2%	-1.8%
Aluminum	\$0.86	-\$0.01	-1.1%	-4.4%	-8.5%	+2.4%
Uranium	\$43.00	+\$0.00	0.0%	-2.3%	-7.3%	-13.1%



Agriculture & Other

	29-Oct	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$7.37	-\$0.05	-0.7%	-3.2%	+2.9%
Wheat (\$US/bu)	\$8.58	-\$0.15	-1.7%	-1.7%	+0.3%
Soybeans (\$US/bu)	\$15.30	-\$0.36	-2.3%	-0.4%	-2.6%
Rough Rice (\$US/cwt)	\$15.05	-\$0.19	-1.2%	-2.0%	-2.8%
Sugar #11 (¢US/lb)	¢19.41	¢-0.12	-0.6%	-4.1%	-4.8%
Lean Hogs (¢US/lb)	¢77.80	¢-0.33	-0.4%	-2.3%	+5.7%
Live Cattle (¢US/lb)	¢125.28	¢-0.38	-0.3%	-1.6%	+0.1%
Cotton No.2 (\$US/lb)	\$0.73	-\$0.00	-0.2%	-5.6%	+1.5%
Lumber (\$US/Mbft)	\$322.20	+\$6.20	+2.0%	+3.7%	+12.7%

Commodity ETFs

\$CAD	29-Oct	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$3.95	-\$0.08	-2.0%	-8.8%	-16.0%
HBP Nat Gas U	\$17.25	+\$0.95	+5.8%	+2.7%	+13.9%
HBP Comex Gold	\$17.08	+\$0.01	+0.1%	-0.9%	-3.7%

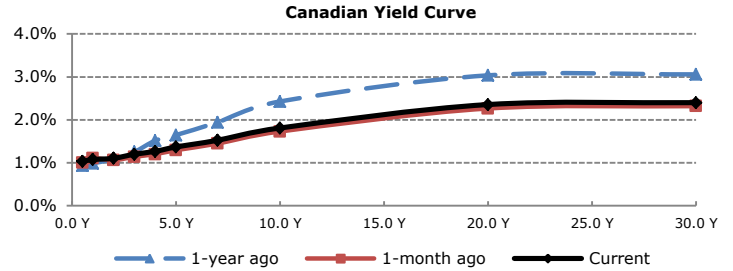
\$USD	26-Oct	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$31.78	+\$0.15	+0.5%	-6.7%	-5.8%
US Nat Gas	\$22.17	-\$0.02	-0.1%	-3.4%	+10.8%
PSDB Agriculture	\$28.94	-\$0.11	-0.4%	-0.9%	-1.9%
PSDB Base Metals	\$18.06	-\$0.04	-0.2%	-4.0%	-9.0%

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

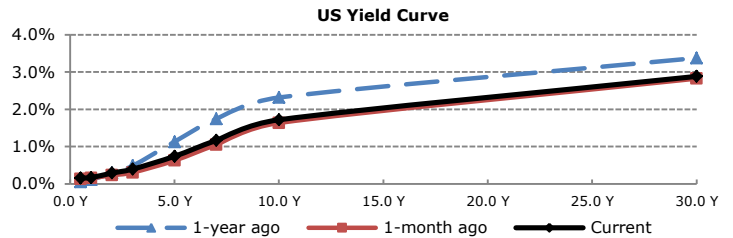
Canadian yield curve

	29-Oct	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	1.00%	-	0.97%	0.98%	0.91%
6-mnth	1.03%	-	1.00%	0.99%	0.94%
12-mnth	1.08%	-0.01%	1.11%	1.06%	0.99%
2-year	1.11%	-0.01%	1.06%	1.08%	1.09%
5-year	1.37%	-0.02%	1.29%	1.27%	1.65%
10-year	1.81%	-0.03%	1.73%	1.68%	2.43%
20-year	2.36%	-0.02%	2.26%	2.22%	3.04%
30-year	2.40%	-0.02%	2.32%	2.27%	3.06%

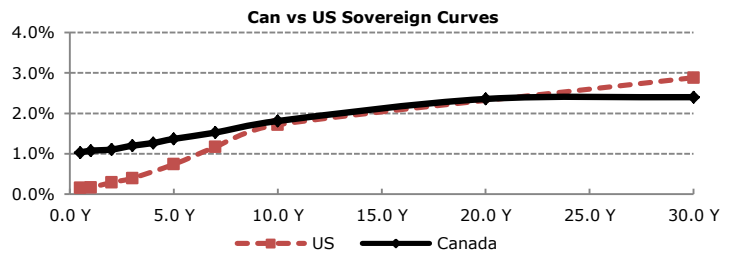
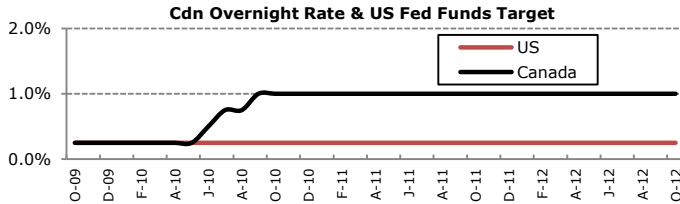


US yield curve

	29-Oct	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.11%	-	0.09%	0.10%	0.00%
6-mnth	0.16%	+0.01%	0.13%	0.13%	0.06%
12-mnth	0.17%	-0.01%	0.15%	0.16%	0.11%
2-year	0.29%	-0.01%	0.23%	0.21%	0.29%
5-year	0.74%	-0.02%	0.63%	0.58%	1.13%
10-year	1.72%	-0.03%	1.63%	1.47%	2.32%
30-year	2.88%	-0.02%	2.82%	2.55%	3.38%



	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	4-Dec-12	1.00%
US Fed Funds	0.25%	0.25%	11-Dec-12	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

Spot	29-Oct	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.001	+0.004	0.984	1.003	1.009
EURUSD	\$1.290	-0.003	1.286	1.230	1.383
USDJPY	¥79.80	+0.150	77.96	78.12	77.73
GBPUSD	\$1.603	-0.007	1.617	1.568	1.609
AUDUSD	\$1.033	-0.004	1.038	1.050	1.039

Spot	29-Oct	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
CADJPY	¥79.72	-0.163	79.23	77.88	77.04
CADAUD	\$0.967	-0.000	0.980	0.949	0.954
GBPCAD	£1.605	-0.001	1.590	1.573	1.623
EURJPY	¥102.98	-0.070	100.21	96.12	107.52
EURAUD	\$1.25	+0.002	1.24	1.17	1.33

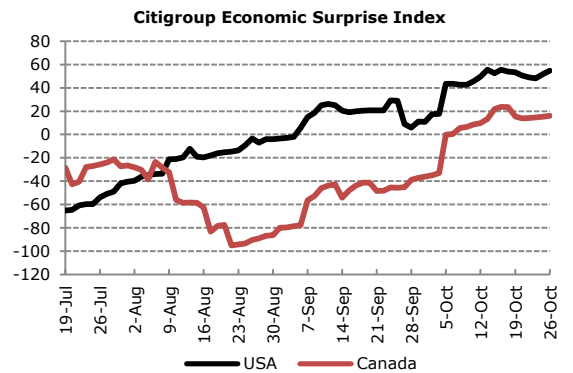
Economic Releases

United States

	Period	Survey	Actual	Prior
Mon, Oct 29	Personal Income	30-Sep	0.4%	0.1%
Wed, Oct 31	MBA Mortgage Applications	26-Oct	--	-12%
Thu, Nov 01	ISM Manufacturing	31-Oct	51	51.5
Thu, Nov 01	Continuing Claims	20-Oct	3250K	3254K
Thu, Nov 01	Initial Jobless Claims	27-Oct	370K	369K
Thu, Nov 01	Consumer Confidence	31-Oct	73	60.6
Fri, Nov 02	Factory Orders	30-Sep	4.6%	-5.2%
Fri, Nov 02	Nonfarm Payroll	31-Oct	0.1K	114K
Fri, Nov 02	Unemployment Rate	31-Oct	7.9%	7.8%

Canada

	Period	Survey	Actual	Prior
Wed, Oct 31	GDP MoM	31-Aug	0.2%	0.2%
Fri, Nov 02	Net Change in Employment	31-Oct	10K	52.1K
Fri, Nov 02	Unemployment	31-Oct	7.4%	7.4%

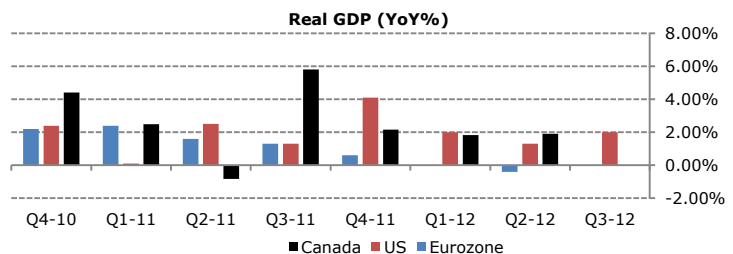


Economics

Canada	Q4-11	Q1-12	Q2-12	Q3-12	2012E
Real GDP	2.15%	1.82%	1.90%	NA	2.00%
CPI	2.70%	2.33%	1.57%	1.23%	1.70%
Unemployment	7.50%	7.20%	7.20%	7.40%	7.30%

US	Q4-11	Q1-12	Q2-12	Q3-12	2012E
Real GDP	4.10%	2.00%	1.30%	2.00%	2.10%
CPI	3.30%	2.83%	1.90%	1.70%	2.00%
Unemployment	8.50%	8.20%	8.20%	7.80%	8.10%

China	Q4-11	Q1-12	Q2-12	Q3-12	2012E
Real GDP	8.90%	8.10%	7.60%	7.40%	7.70%



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.**