

## Today's Commentary

US Equities prices were not moved dramatically by Hurricane Sandy's wake of destruction, as most stocks gained slightly after the NYSE reopened after a record-setting two days of weather related closure. Home improvement stocks – namely Lowe's and Home Depot – gained 2.2% on Wednesday as the tools for hurricane reparations were in demand. GM shares leaped 9% following an earnings release that was well ahead of forecasts. The S&P/TSX extended its winning streak to 5 days yesterday, gaining 0.4% on the day. All sectors rose except for energy and health care. The materials index for the S&P/TSX rose 1.2%; Potash Corp. gained 0.5% as they entered talks regarding a potential purchase of Israel Chemicals, a deal that could be worth \$13.5 billion. After a long slide, oil prices seemed to have stabilized over the past week, as WTI crude prices have not deviated far from \$86 per barrel.

US stock futures are up on ahead-of-forecast employment numbers. The ADP Employment report released this morning showed that the United States added 158,000 new jobs in October. This comes after even a new counting process has been implemented, which saw last month's results of 163,000 revised down to below 90,000. Initial jobless claims fell to a three week low this week, at 363K. These encouraging numbers precede the Nonfarm payroll and unemployment rate figures, both of which come out tomorrow; the last of each before the election. Investors look forward to an ISM manufacturing report and consumer confidence report that will be released at 10:00am today.

The Greek debt debacle continued yesterday, as Greece requested a 31 billion euro bailout for November. European finance ministers pressed Greece to further their spending cuts in order to receive extra aid. Greece, having released their 2013 budget yesterday, has forecast a deeper 2013 recession than previously thought. The budget projected that the Greek deficit will be narrowed to 5.2% of GDP, down from 6.6% this year. The budget will make major cuts to health, education, defense, wages, pensions, and will increase the retirement age from 65 to 67. European stocks declined yesterday following these developments and disappointing earnings.

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.

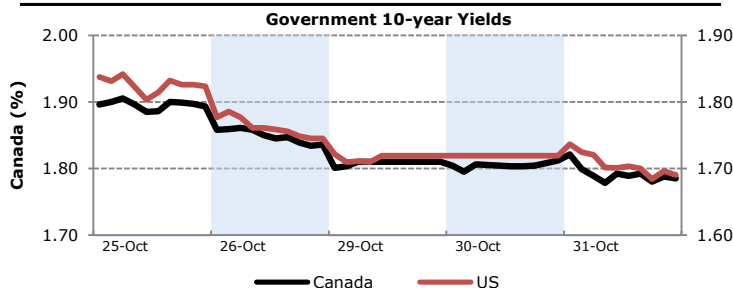
## Today's Major Economic Releases

United States	Period	Survey	Actual	Prior
ISM Manufacturing	30-Sep	51	--	51.5
ADP Employment Change	30-Sep	135K	158K	162K
Continuing Claims	13-Oct	3250K	3263K	3254K
Initial Jobless Claims	20-Oct	370K	363K	369K
Consumer Confidence	30-Sep	73	--	60.6

## Canada

None Scheduled

## Interest Rates



## 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.

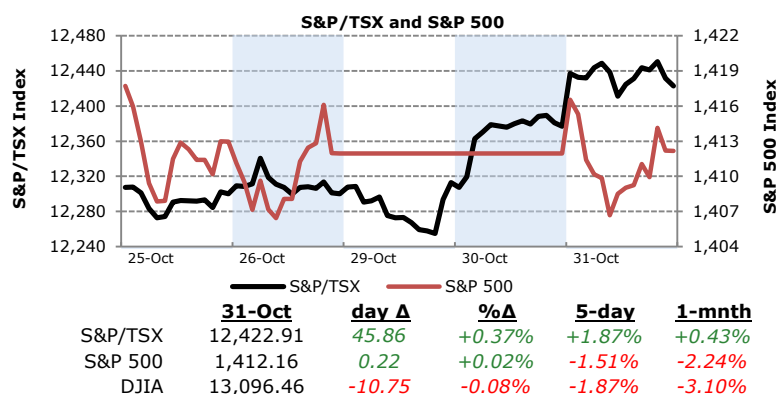
<http://www.economics.utoronto.ca/index.php/index/mfe/>

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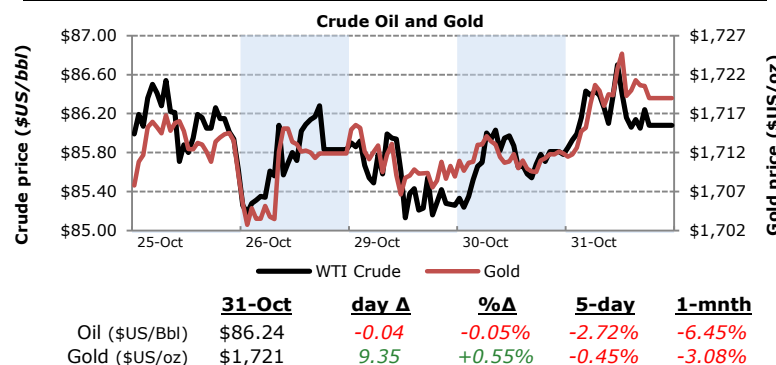


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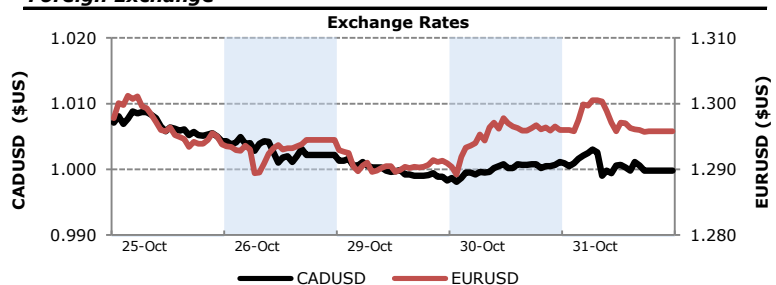
## Equities



## Commodities



## Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	31-Oct	day Δ	Historical levels		
				-5 days	-1 mnth	-1 year
USDCAD	\$0.999	\$0.999	+0.000	0.994	0.984	1.017
EURUSD	\$1.296	\$1.296	+0.000	1.297	1.292	1.361
USDJPY	¥79.77	¥79.77	+0.140	79.810	78.16	77.65

Government 10-year Yields

	31-Oct	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	1.79%	-0.027%	1.71%	1.67%	2.16%
United States	1.69%	-0.055%	1.62%	1.48%	1.99%

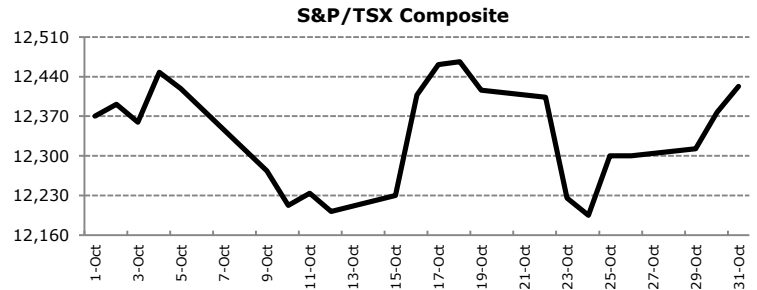
## Rotman Finance Association



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>

	<b>31-Oct</b>	<b>day Δ</b>	<b>%Δ</b>
<b>S&amp;P/TSX</b>	12,422.91	45.86	+0.37%
<b>Trailing S&amp;P/TSX TSX 60</b>			
5-day	+1.87%	+2.01%	
1-month	+0.43%	+0.70%	
3-months	+6.50%	+6.93%	
6-months	+0.73%	+1.47%	
12-months	+1.39%	+1.94%	



### TSX Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
C. Discretionary	+0.33%	+2.46%	+0.79%	+11.85%
C. Staples	+0.54%	+1.72%	+1.84%	+14.28%
Energy	-0.21%	+1.04%	-1.33%	-5.37%
Financials	+0.28%	+0.63%	+1.03%	+5.48%
Healthcare	-0.71%	+0.54%	-1.68%	+26.79%
Info Tech	+1.35%	+4.66%	+2.38%	-12.35%
Industrials	+0.84%	+0.76%	+2.71%	+10.84%
Materials	+1.17%	+4.36%	-0.04%	-9.31%
Metals & Mining	+0.91%	-0.45%	+3.82%	-17.85%
Telecom	+0.28%	+2.82%	+3.63%	+12.85%
Utilities	+0.34%	+1.37%	-0.08%	-0.57%

### TSX Top Performers

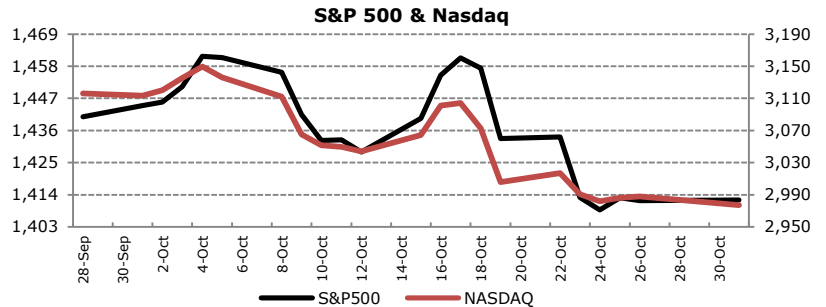
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
Westport Innovations Inc	+15.34%	-4.65%	+1.68%	-5.71%
Fortuna Silver Mines Inc	+7.78%	+15.90%	+6.33%	-11.64%
Oceanagold Corp	+6.71%	+2.94%	+7.36%	+39.44%
Centerra Gold Inc	+6.38%	+10.00%	-7.96%	-47.20%
Banro Corporation	+6.21%	+0.43%	+1.09%	+8.20%

### TSX Worst Performers

<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
Firstservice Corp	-5.09%	-0.03%	+2.72%	+3.95%
Sherritt International Co	-3.57%	-7.30%	-13.25%	-22.30%
Novagold Resources Inc	-3.19%	-1.02%	-11.66%	-42.93%
Pacific Rubiales Energy C	-2.89%	-1.76%	+0.00%	+2.85%
Encana Corp	-2.81%	+2.93%	+4.51%	+8.64%

### US Indices

<i>Trailing</i>	<b>S&amp;P 500</b>	<b>DJIA</b>	<b>Nasdaq</b>
31-Oct	1,412.16	13,096.46	2,977.23
1-day	+0.02%	-0.08%	-0.36%
5-day	-1.51%	-1.87%	-1.32%
1-month	-2.24%	-3.10%	-4.38%
3-months	+2.38%	+0.67%	+1.28%
6-months	+0.45%	-1.38%	-2.40%
12-months	+12.68%	+9.55%	+10.91%



### S&P 500 Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
C. Discretionary	+0.33%	-0.81%	-1.62%	+18.23%
C. Staples	+0.24%	-0.82%	-2.02%	+14.09%
Energy	-0.09%	-2.07%	-2.57%	+4.27%
Financials	+0.61%	-1.38%	+1.34%	+17.79%
Healthcare	-0.72%	-1.56%	-1.01%	+19.31%
Info Tech	-0.52%	-2.36%	-6.63%	+9.32%
Industrials	+0.42%	-0.77%	-1.07%	+10.24%
Materials	-0.17%	-3.31%	-2.56%	+4.89%
Telecom	-0.14%	-1.17%	-4.96%	+19.97%
Utilities	+0.84%	-0.30%	+1.80%	+6.03%

### DJIA Top Performers

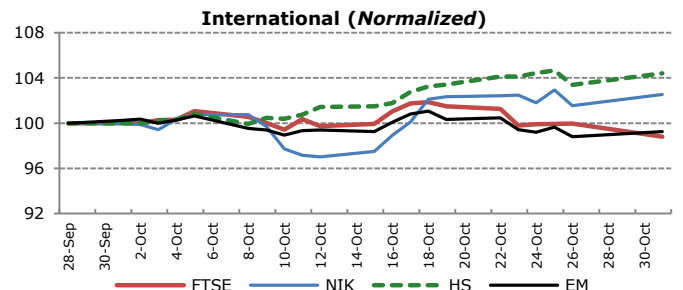
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
Home Depot Inc	+2.23%	-1.06%	+1.67%	+72.71%
Bank Of America Corp	+2.19%	-2.41%	+5.55%	+45.63%
Jpmorgan Chase & Co	+1.26%	-0.97%	+2.96%	+27.42%

### DJIA Worst Performers

<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
Pfizer Inc	-2.20%	-2.85%	+0.08%	+28.66%
Walt Disney Co/The	-2.02%	-5.25%	-6.14%	+46.04%
Hewlett-Packard Co	-1.70%	-5.85%	-18.82%	-45.98%

### International Markets

<i>Trailing</i>	<b>FTSE 100</b>	<b>Nikkei</b>	<b>Hang Seng</b>	<b>MSCI EM</b>
Last Close	5,782.70	8,928.29	21,641.82	995.33
1-day	-1.15%	+0.98%	+1.00%	+0.47%
5-day	-0.38%	-0.29%	-0.56%	-1.19%
1-month	-0.65%	+1.50%	+3.85%	-0.97%
3-months	+2.62%	+2.68%	+9.32%	+4.50%
6-months	-0.51%	-4.52%	+2.60%	-2.95%
12-months	+4.30%	-0.67%	+8.95%	+0.03%



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### Nymex WTI Crude Oil

(\$US/Bbl)	31-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$86.24	-\$0.04	-0.05%	-2.72%	-6.45%
Cal 13	\$88.71	+\$0.09	+0.10%	-2.13%	-9.01%
Cal 14	\$88.50	+\$0.09	+0.11%	-1.33%	-5.80%

(\$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	\$87.28	\$88.69	\$89.37	\$89.48	\$88.50

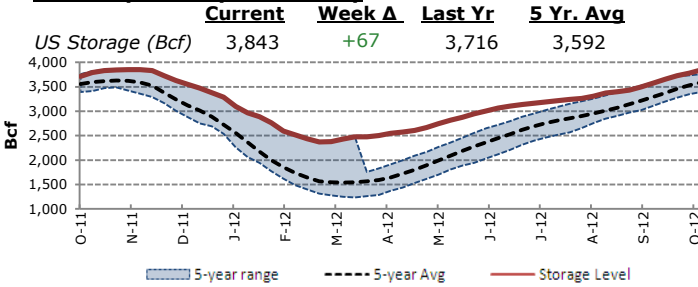
### Inventory Levels (as of Oct-19)

(MBbls)	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

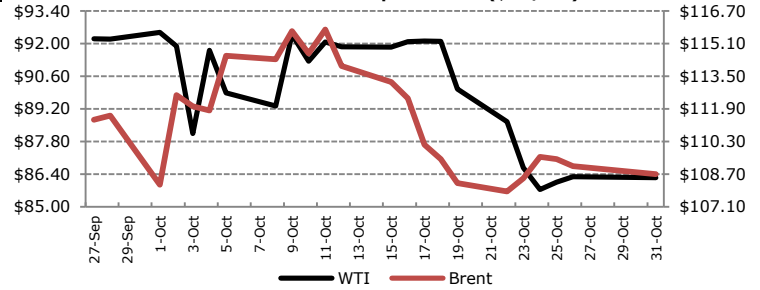
### Nymex Natural Gas

(\$US/MMbtu)	31-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.69	-\$0.03	-0.86%	+6.95%	+11.20%
Dec12-Mar13	\$3.78	-\$0.04	-0.97%	-2.07%	+11.21%
Apr13-Oct13	\$3.86	-\$0.03	-0.80%	-1.48%	+9.27%
Nov13-Mar14	\$4.24	-\$0.02	-0.40%	-0.81%	+8.33%
Apr14-Oct14	\$4.13	-\$0.01	-0.28%	+0.00%	+6.34%

### Inventory Levels (as of Oct-19)



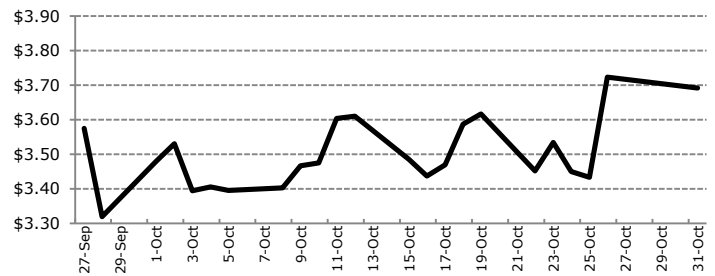
### Crude Oil Prompt Contract (\$US/Bbl)



### UK Brent Crude Oil

(\$US/Bbl)	31-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$108.70	-\$0.38	-0.35%	+0.79%	-2.57%

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



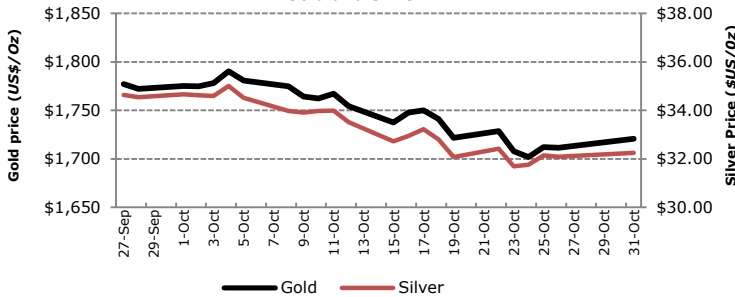
### Alberta Natural Gas

(\$CAD/GJ)	31-Oct	day Δ	%Δ
AECO Nov-12	\$3.28	+\$0.21	+6.8%

### Precious Metals

\$US/oz	31-Oct	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,720.65	+\$9.35	+0.5%	-0.5%	-3.1%	+8.3%
Silver	\$32.25	+\$0.16	+0.5%	-0.5%	-7.0%	+18.8%
Platinum	\$1,569	+\$24.00	+1.6%	-2.5%	-6.6%	+12.9%

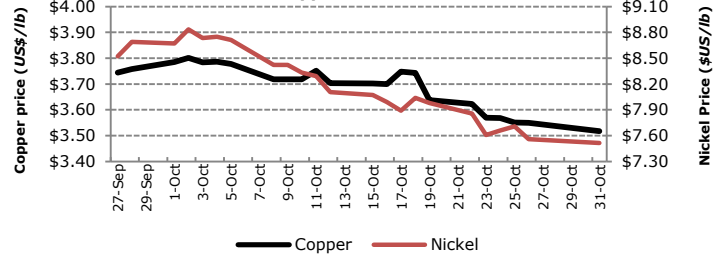
### Gold and Silver



### Industrial Metals

\$US/lb	31-Oct	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.52	-\$0.03	-0.9%	-2.9%	-7.1%	+6.9%
Nickel	\$7.51	-\$0.05	-0.6%	-4.4%	-13.3%	+3.5%
Zinc	\$0.91	+\$0.01	+1.5%	-1.3%	-9.3%	+1.2%
Aluminum	\$0.86	+\$0.00	0.0%	-2.3%	-8.5%	+3.6%
Uranium	\$41.50	-\$1.50	-3.5%	-5.7%	-9.3%	-16.2%

### Copper and Nickel



### Agriculture & Other

	31-Oct	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$7.56	+\$0.18	+2.4%	-0.7%	-0.1%
Wheat (\$US/bu)	\$8.65	+\$0.01	+0.1%	-1.6%	-2.2%
Soybeans (\$US/bu)	\$15.49	-\$0.15	-1.0%	-0.0%	-0.9%
Rough Rice (\$US/cwt)	\$15.14	+\$0.03	+0.2%	-0.5%	-2.7%
Sugar #11 (¢US/lb)	¢19.46	¢0.11	+0.6%	-3.0%	-7.9%
Lean Hogs (¢US/lb)	¢78.28	¢0.63	-0.8%	-0.5%	+4.2%
Live Cattle (¢US/lb)	¢125.93	¢0.67	+0.5%	-1.1%	-0.2%
Cotton No.2 (\$US/lb)	\$0.70	-\$0.02	-3.2%	-8.9%	-1.6%
Lumber (\$US/Mbft)	\$331.20	+\$10.40	+3.2%	+7.0%	+11.9%

### Commodity ETFs

	31-Oct	day Δ	%Δ	5-day	1-mnth
<b>\$CAD</b>					
HBP Crude Oil U	\$4.03	+\$0.05	+1.3%	+1.1%	-14.6%
HBP Nat Gas U	\$16.07	-\$0.08	-0.5%	-4.2%	-5.0%
HBP Comex Gold	\$17.15	NA	NA	+0.9%	-3.2%
<b>\$USD</b>					
US Crude Oil	\$31.78	-\$0.01	-0.0%	-3.4%	-7.2%
US Nat Gas	\$21.74	-\$0.15	-0.7%	-2.1%	-2.6%
PSDB Agriculture	\$28.93	+\$0.12	+0.4%	-1.3%	-1.7%
PSDB Base Metals	\$17.89	-\$0.07	-0.4%	-2.1%	-10.2%

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## Interest Rates

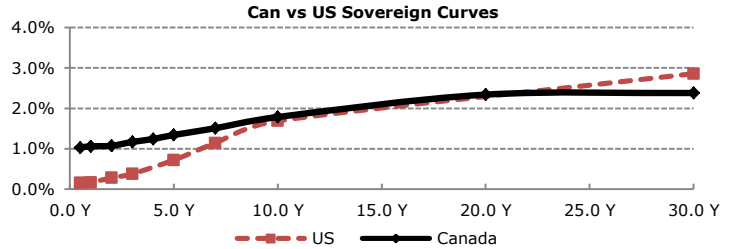
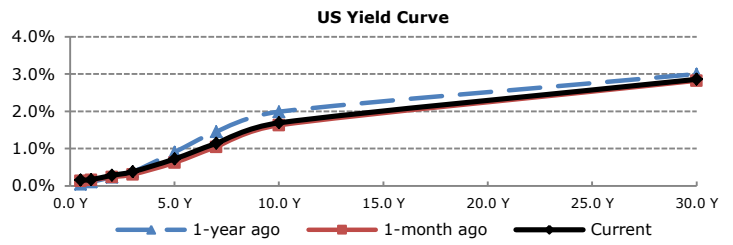
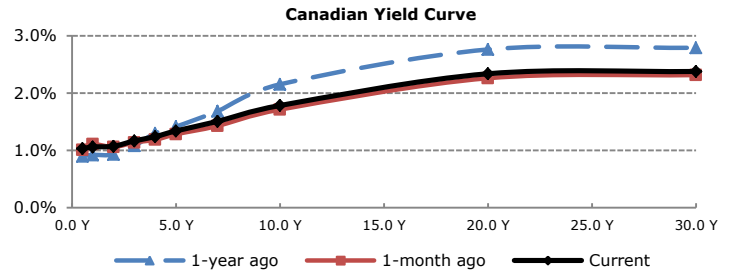
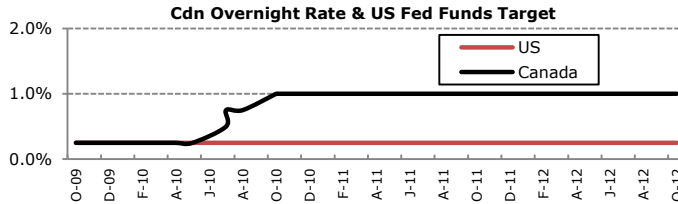
### Canadian yield curve

	<b>31-Oct</b>	<b>day Δ</b>	<i>Historical Levels</i>		
			<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.99%	-	0.97%	0.97%	0.88%
6-mnth	1.03%	-	1.01%	0.99%	0.90%
12-mnth	1.06%	-0.02%	1.11%	1.06%	0.92%
2-year	1.07%	-0.03%	1.06%	1.07%	0.93%
5-year	1.34%	-0.03%	1.28%	1.26%	1.42%
10-year	1.79%	-0.03%	1.71%	1.67%	2.16%
20-year	2.34%	-0.02%	2.26%	2.20%	2.76%
30-year	2.38%	-0.02%	2.32%	2.25%	2.79%

### US yield curve

	<b>31-Oct</b>	<b>day Δ</b>	<i>Historical Levels</i>		
			<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.11%	-0.01%	0.08%	0.09%	-0.01%
6-mnth	0.15%	+0.01%	0.13%	0.13%	0.04%
12-mnth	0.17%	-0.01%	0.15%	0.16%	0.10%
2-year	0.28%	-0.02%	0.23%	0.22%	0.24%
5-year	0.72%	-0.04%	0.62%	0.61%	0.90%
10-year	1.69%	-0.05%	1.62%	1.48%	1.99%
30-year	2.86%	-0.05%	2.82%	2.55%	3.00%

	<b>Current</b>	<b>Prior</b>	<b>Next Meeting</b>	<b>Survey</b>
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)

	<b>Spot</b>	<b>31-Oct</b>	<b>day Δ</b>	<i>Historical Levels</i>		
				<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
USDCAD	\$0.999	+0.000		0.984	1.007	1.017
EURUSD	\$1.296	+0.000		1.292	1.218	1.361
USDJPY	¥79.77	+0.140		78.16	78.24	77.65
GBPUSD	\$1.613	+0.006		1.613	1.552	1.594
AUDUSD	\$1.038	+0.001		1.027	1.047	1.016

	<b>Spot</b>	<b>31-Oct</b>	<b>day Δ</b>	<i>Historical Levels</i>		
				<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
CADJPY	¥79.81	+0.128		79.41	77.66	76.35
CADAUD	\$0.964	-0.001		0.990	0.949	0.968
GBPCAD	£1.612	+0.006		1.588	1.563	1.620
EURJPY	¥103.38	+0.200		100.97	95.30	105.66
EURAUD	\$1.25	-0.001		1.26	1.16	1.34

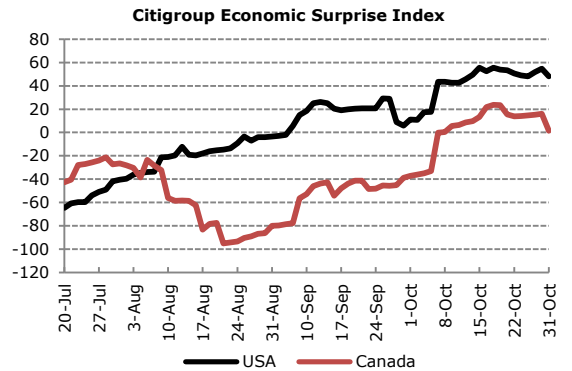
## Economic Releases

### United States

		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Mon, Oct 29	Personal Income	30-Sep	0.4%	0.4%	0.1%
Thu, Nov 01	ISM Manufacturing	30-Sep	51	--	51.5
Thu, Nov 01	ADP Employment Change	30-Sep	135K	158K	162K
Thu, Nov 01	Continuing Claims	13-Oct	3250K	3263K	3254K
Thu, Nov 01	Initial Jobless Claims	20-Oct	370K	363K	369K
Thu, Nov 01	Consumer Confidence	30-Sep	73	--	70.3
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

		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Wed, Oct 31	GDP MoM	31-Aug	0.2%	-0.1%	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

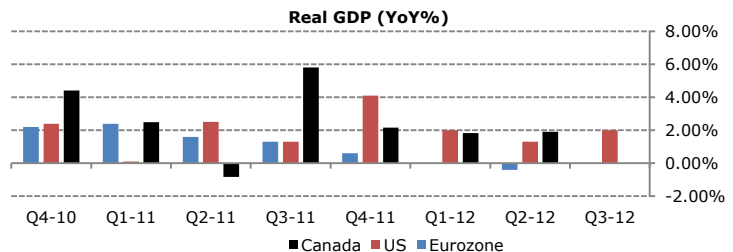
	<b>Q4-11</b>	<b>Q1-12</b>	<b>Q2-12</b>	<b>Q3-12</b>	<b>2012E</b>
Real GDP	2.15%	1.82%	1.90%	NA	2.00%
CPI	2.70%	2.33%	1.57%	1.23%	1.70%
Unemployment	7.50%	7.20%	7.20%	7.40%	7.30%

### US

	<b>Q4-11</b>	<b>Q1-12</b>	<b>Q2-12</b>	<b>Q3-12</b>	<b>2012E</b>
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

	<b>Q4-11</b>	<b>Q1-12</b>	<b>Q2-12</b>	<b>Q3-12</b>	<b>2012E</b>
Real GDP	8.90%	8.10%	7.60%	7.40%	7.70%



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