

Today's Commentary

Another day, another bear: equity markets continued their recent drag yesterday as all major indices fell yesterday. Home Depot was one of the lone bright spots in the US, gaining 3.63% after posting an encouraging earnings report. Regardless, the S&P 500 lost 0.4%, with the S&P/TSX and Dow posting similar losses. Government debt continued to get pricier yesterday, with US 10 yield rates dipping below 1.6%, reflecting their safe haven status. Brent crude fell by 0.75%, narrowing its gap with the lighter, sweeter WTI crude, which fell by 19 cents per barrel yesterday. US stock futures gained somewhat this morning after American wholesale prices (PPI Index) unexpectedly fell by 0.2% last month – a stark contrast against a forecast gain of 0.2% by economists. This comes before CPI, which will be released tomorrow morning. Retail sales, however, dropped for the first time in four months, but the release was almost on par with forecasts.

China moved one step closer to solidifying its leadership duo of President Hu Jintao and Premier Wen Jiabao for the next decade. Although not officially ratified yet, it is highly likely that Xi Jinping and Li Keqiang will be appointed to the roles of President and Premier, respectively, in March. Keqiang, a well-regarded and award-winning economist, will find himself leading an economy in the midst of its slowest growth in more than two decades. In February 2010, Keqiang gave a laundry list of economic problems that China was facing, many of which have come true today and have shown to be root causes of the country's slowdown. He has also endorsed the World Bank's "China 2030" report – a compilation of economic policy recommendation for the Chinese economy – and is expected to rejuvenate decades old reform policies to continue to ramp up growth measures.

Portugal is expected to enter a third straight year of its current recession in 2013. The Bank of Portugal – the country's central bank – is forecasting that output will decline by a further 1.6% next year, after falling an estimated 3% this year. This comes as a sharp contrast to the bank's predictions of no growth, made just four months ago in July. The Portuguese government is finding itself cutting spending and raising taxes, as stipulated in the country's 78 billion euro bailout package, while investment falls and unemployment continues to rise. In September, the budget deficit for the country was revised down from 4.5% of GDP in 2012, to 5%, and Finance Minister Vitor Gaspar is aiming for 4.5% in 2013.

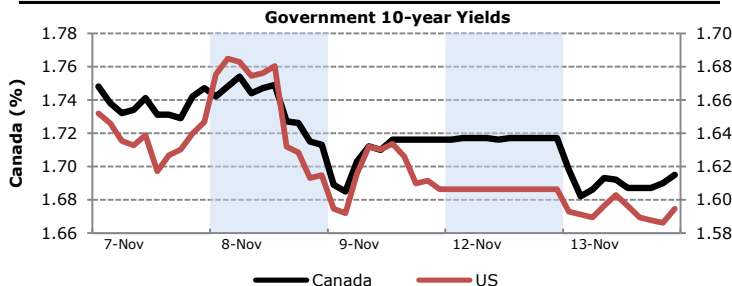
The Daily Roll is written by MFE Candidates Calum MacBeth and Chris Watson in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

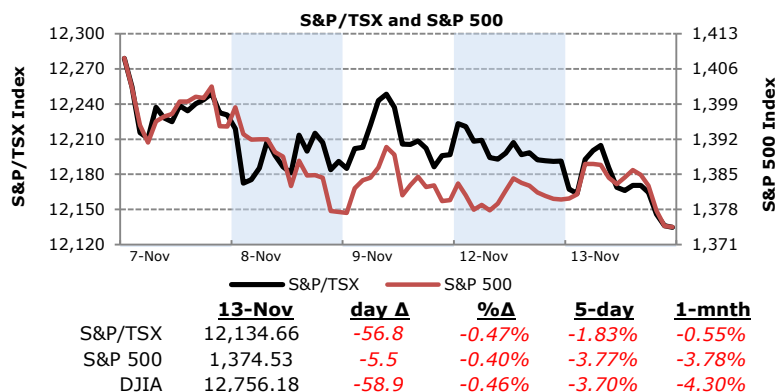
United States	Period	Survey	Actual	Prior
Advance Retail Sales	30-Nov	-0.2%	-0.3%	1.1%
Producer Price Index (MoM)	31-Oct	0.2%	-0.2%	1.1%

Canada	Period	Survey	Actual	Prior
None Scheduled				

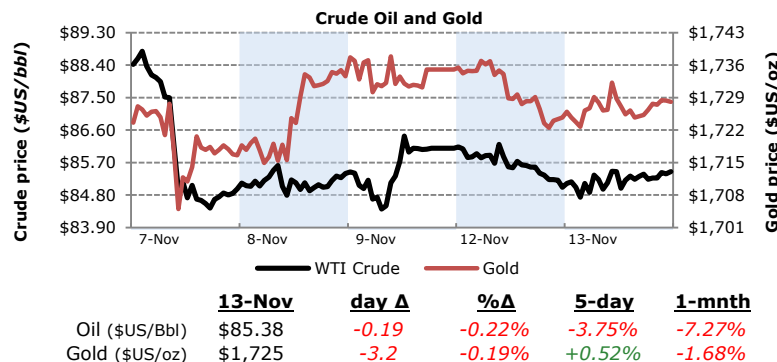
Interest Rates



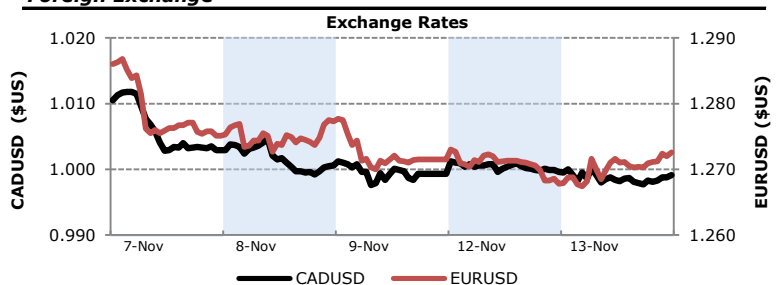
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	13-Nov	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.002	+0.002	0.992	0.981	1.049
EURUSD	\$1.270	-0.001	1.281	1.295	1.334
USDJPY	¥79.38	-0.120	80.350	78.65	77.31

	Government 10-year Yields		Historical levels		
	13-Nov	day Δ	-1 mnth	-3 mnths	-1 year
Canada	1.70%	-0.022%	1.80%	1.95%	2.12%
United States	1.59%	-0.012%	1.66%	1.82%	2.06%

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.

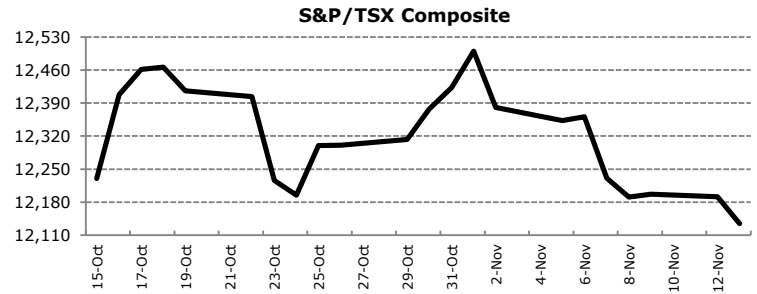
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	13-Nov	day Δ	%Δ
S&P/TSX	12,134.66	-56.8	-0.47%
Trailing S&P/TSX			
5-day		-1.83%	-1.85%
1-month		-0.55%	-0.18%
3-months		+2.50%	+2.86%
6-months		+3.76%	+4.71%
12-months		-1.16%	-0.52%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.03%	-1.15%	+1.15%	+10.33%
C. Staples	+0.36%	-0.22%	+0.59%	+12.86%
Energy	-0.72%	-4.23%	-4.46%	-10.45%
Financials	-0.30%	-1.13%	+0.99%	+9.26%
Healthcare	+0.89%	-6.07%	-7.52%	+10.09%
Info Tech	-1.46%	-3.00%	+1.50%	-12.35%
Industrials	-0.12%	-1.96%	+0.49%	+7.45%
Materials	-0.94%	-1.67%	-0.38%	-16.27%
Metals & Mining	-2.13%	-4.65%	+3.84%	-13.30%
Telecom	-0.09%	+0.13%	+2.86%	+11.51%
Utilities	-0.54%	-2.02%	-0.71%	-2.24%

TSX Top Performers

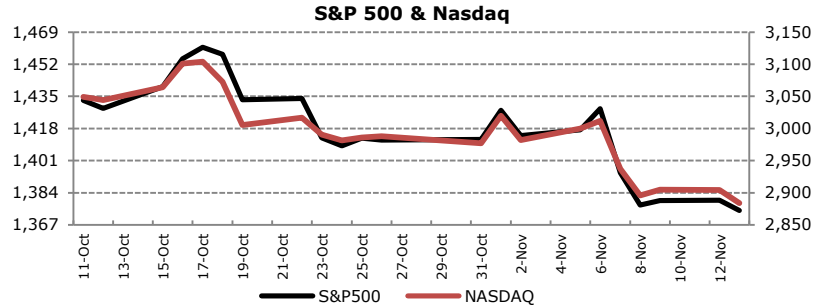
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Cml Healthcare Inc	+7.80%	-26.82%	-28.30%	-33.02%
Gabriel Resources Ltd	+5.67%	-2.97%	+23.11%	-64.25%
Westport Innovations Inc	+4.58%	+11.04%	-7.80%	-5.34%
Rona Inc	+3.68%	+8.18%	-1.70%	+17.60%
Lake Shore Gold Corp	+3.45%	+11.11%	+5.88%	-45.78%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Niko Resources Ltd	-7.51%	-24.33%	-41.01%	-83.14%
Birchcliff Energy Ltd	-7.05%	-13.91%	-7.89%	-49.11%
Colossus Minerals Inc	-6.72%	-12.75%	-11.61%	-35.52%
Banro Corporation	-6.03%	-6.86%	-7.47%	-2.55%
Major Drilling Group Intl	-5.57%	-8.74%	-9.95%	-29.06%

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
13-Nov	1,374.53	12,756.18	2,883.89
1-day	-0.40%	-0.46%	-0.70%
5-day	-3.77%	-3.70%	-4.25%
1-month	-3.78%	-4.30%	-5.26%
3-months	-2.11%	-3.14%	-4.59%
6-months	+1.56%	-0.50%	-1.70%
12-months	+8.76%	+4.96%	+7.66%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.24%	-2.95%	-1.47%	+15.75%
C. Staples	-0.15%	-2.37%	-3.87%	+10.01%
Energy	-0.57%	-5.05%	-4.72%	-3.05%
Financials	-0.67%	-4.72%	-2.63%	+16.55%
Healthcare	-0.43%	-2.68%	-2.95%	+15.26%
Info Tech	-0.78%	-4.75%	-6.97%	+5.37%
Industrials	-0.43%	-3.24%	-1.12%	+8.19%
Materials	-0.36%	-3.51%	-2.72%	+1.17%
Telecom	+0.03%	-2.81%	-4.33%	+15.01%
Utilities	+0.34%	-3.51%	-5.82%	-2.39%

DJIA Top Performers

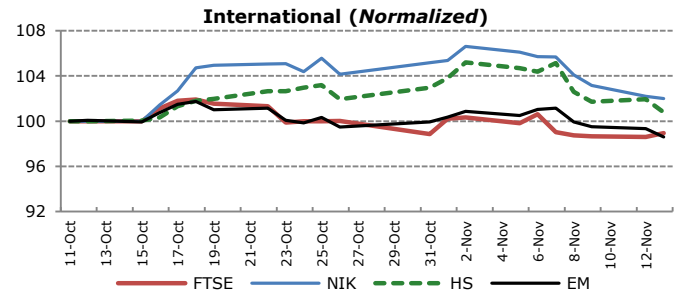
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Home Depot Inc	+3.63%	+1.21%	+6.41%	+69.89%
Walt Disney Co/The	+1.07%	-4.97%	-5.20%	+35.01%
Du Pont (E.I.) De Nemours	+0.49%	-2.71%	-10.98%	-7.92%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Microsoft Corp	-3.39%	-8.69%	-6.57%	+4.76%
Intel Corp	-2.36%	-6.63%	-4.52%	-14.80%
Caterpillar Inc	-2.25%	-5.47%	+1.14%	-11.91%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	5,786.25	8,661.05	21,188.65	982.17
1-day	+0.33%	-0.18%	-1.13%	-0.72%
5-day	-1.68%	-3.50%	-3.44%	-2.39%
1-month	-0.12%	+1.49%	+0.25%	-1.46%
3-months	-0.78%	-2.52%	+5.51%	+0.98%
6-months	+3.78%	-3.26%	+6.13%	+1.15%
12-months	+4.34%	+1.72%	+10.72%	+1.13%



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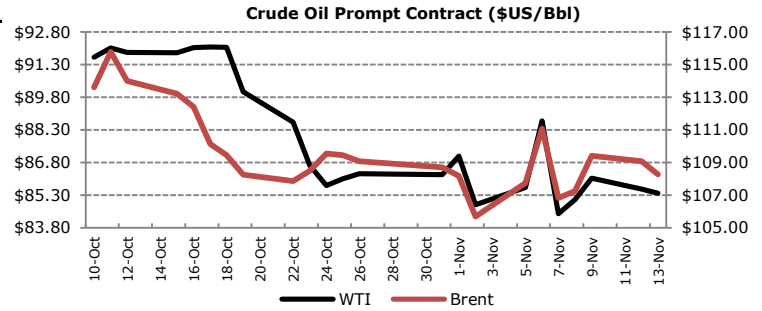
Nymex WTI Crude Oil

(\$US/Bbl)	13-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$85.38	-\$0.19	-0.22%	-3.75%	-7.27%
Cal 13	\$88.47	-\$0.13	-0.15%	-3.07%	-5.60%
Cal 14	\$89.37	-\$0.04	-0.04%	-2.06%	-2.63%

(\$US/bbl)	Q1-13	Q2-13	Q3-13	Q4-13	2014
Consensus Forecast	\$96.00	\$98.50	\$100.00	\$100.00	\$100.00
Current Forward	\$86.50	\$88.34	\$89.36	\$89.67	\$89.37

Inventory Levels (as of Nov-02)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	374,847	+1,766	337,426	319,411
Motor Gas	202,377	+2,875	214,389	200,481
Distillates	118,056	+131	171,756	140,851

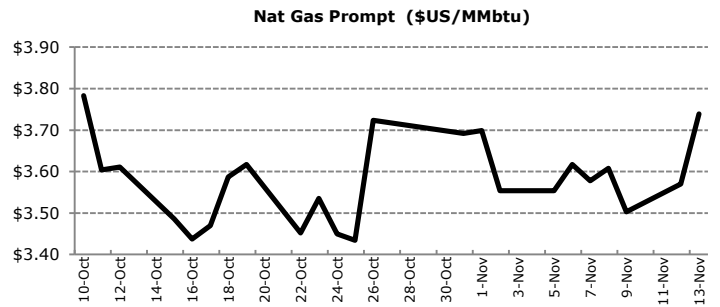
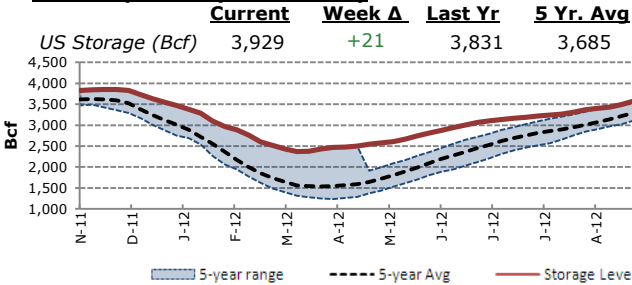


(\$US/Bbl)	13-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$108.26	-\$0.81	-0.75%	-2.53%	-6.51%

Nymex Natural Gas

(\$US/MMbtu)	13-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.74	+\$0.17	+4.73%	+3.37%	+3.75%
Dec12-Mar13	\$3.82	+\$0.16	+4.33%	+3.00%	+2.53%
Apr13-Oct13	\$3.91	+\$0.14	+3.69%	+2.71%	+2.59%
Nov13-Mar14	\$4.27	+\$0.11	+2.72%	+1.86%	+2.43%
Apr14-Oct14	\$4.15	+\$0.08	+1.97%	+1.47%	+0.97%

Inventory Levels (as of Nov-02)

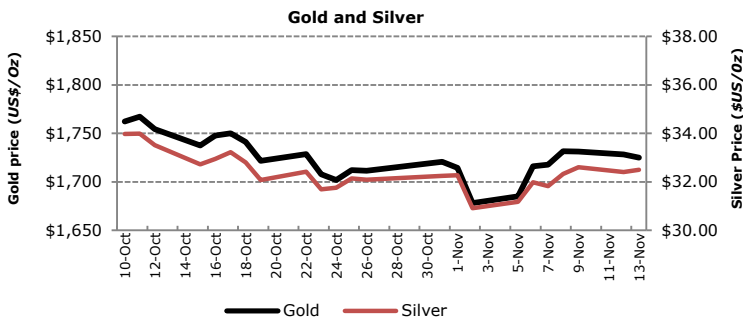


Alberta Natural Gas

(\$CAD/GJ)	13-Nov	day Δ	%Δ
AECO Dec-12	\$3.32	+\$0.17	+5.4%

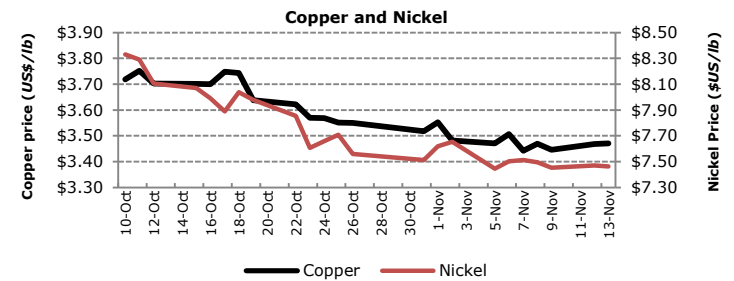
Precious Metals

\$US/oz	13-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,725.00	-\$3.20	-0.2%	+0.5%	-1.7%	+7.6%
Silver	\$32.49	+\$0.08	+0.3%	+1.6%	-3.1%	+16.8%
Platinum	\$1,583	+\$18.25	+1.2%	+1.9%	-4.2%	+13.5%



Industrial Metals

\$US/lb	13-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.47	+\$0.00	+0.1%	-1.0%	-6.3%	+3.6%
Nickel	\$7.46	-\$0.01	-0.1%	-0.5%	-7.9%	+3.9%
Zinc	\$0.94	+\$0.01	+0.9%	+2.5%	+0.1%	+6.2%
Aluminum	\$0.88	+\$0.00	0.0%	+2.3%	-2.2%	+7.3%
Uranium	\$41.40	+\$0.15	+0.4%	+1.8%	-5.9%	-15.5%



Agriculture & Other

	13-Nov	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$7.26	+\$0.04	+0.6%	-2.3%	-3.5%
Wheat (\$US/bu)	\$8.66	-\$0.07	-0.8%	-2.8%	-0.4%
Soybeans (\$US/bu)	\$14.08	+\$0.03	+0.2%	-7.1%	-7.5%
Rough Rice (\$US/cwt)	\$14.79	-\$0.13	-0.8%	-3.5%	-3.7%
Sugar #11 (¢US/lb)	¢19.35	¢0.01	-0.1%	-1.2%	-3.5%
Lean Hogs (¢US/lb)	¢86.85	¢0.57	+0.7%	+4.1%	+2.6%
Live Cattle (¢US/lb)	¢129.80	¢0.45	+0.3%	+0.3%	+0.3%
Cotton No.2 (\$US/lb)	\$0.71	-\$0.01	-0.8%	-0.9%	-1.8%
Lumber (\$US/Mbft)	\$324.00	-\$3.70	-1.1%	-2.8%	+9.1%

Commodity ETFs

\$CAD	13-Nov	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$3.93	-\$0.02	-0.5%	-6.9%	-15.1%
HBP Nat Gas U	\$16.29	+\$1.35	+9.0%	+6.6%	-3.7%
HBP Comex Gold	\$17.24	-\$0.02	-0.1%	+0.5%	-0.5%

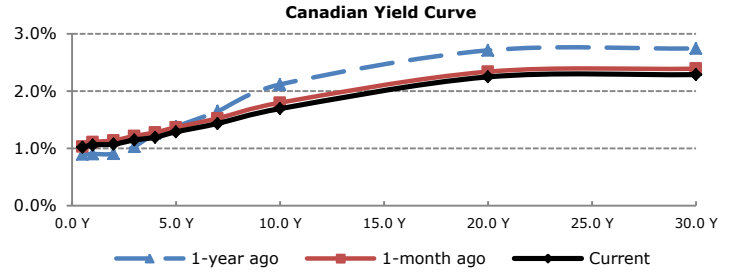
\$USD	13-Nov	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$31.41	-\$0.18	-0.6%	-3.5%	-7.6%
US Nat Gas	\$22.02	+\$1.01	+4.8%	+3.8%	-4.9%
PSDB Agriculture	\$28.37	-\$0.10	-0.4%	-2.0%	-1.9%
PSDB Base Metals	\$18.24	+\$0.06	+0.3%	+0.7%	-2.6%

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Interest Rates

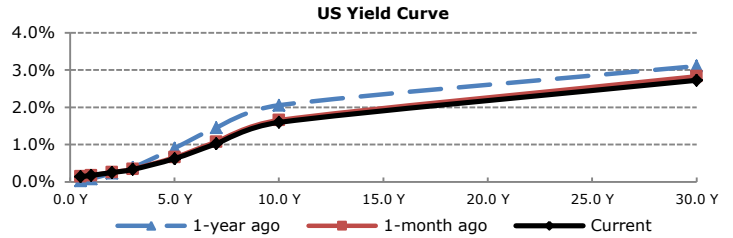
Canadian yield curve

	13-Nov	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.98%	-	0.98%	1.02%	0.89%
6-mnth	1.02%	-	1.03%	1.05%	0.90%
12-mnth	1.06%	-0.00%	1.11%	1.18%	0.90%
2-year	1.08%	-0.01%	1.14%	1.25%	0.91%
5-year	1.29%	-0.01%	1.37%	1.52%	1.38%
10-year	1.70%	-0.02%	1.80%	1.95%	2.12%
20-year	2.25%	-0.02%	2.34%	2.43%	2.71%
30-year	2.29%	-0.02%	2.39%	2.47%	2.75%

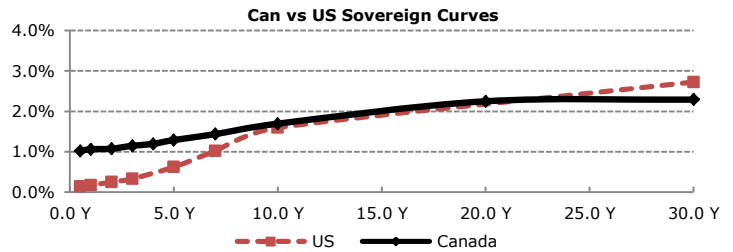
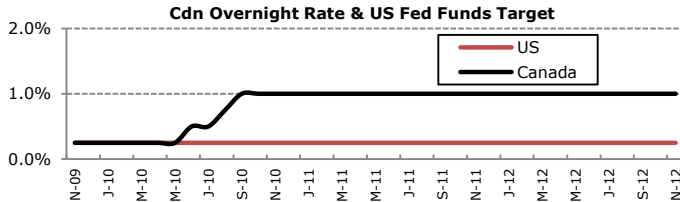


US yield curve

	13-Nov	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.09%	-0.01%	0.10%	0.08%	0.01%
6-mnth	0.14%	-0.00%	0.15%	0.14%	0.03%
12-mnth	0.17%	-	0.17%	0.18%	0.08%
2-year	0.25%	-0.01%	0.26%	0.29%	0.23%
5-year	0.62%	-0.02%	0.66%	0.80%	0.90%
10-year	1.59%	-0.01%	1.66%	1.82%	2.06%
30-year	2.72%	-0.02%	2.83%	2.92%	3.11%



	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)

	13-Nov	day Δ	<i>Historical Levels</i>		
Spot			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.002	+0.002	0.981	0.989	1.049
EURUSD	\$1.270	-0.001	1.295	1.229	1.334
USDJPY	¥79.38	-0.120	78.65	78.99	77.31
GBPUSD	\$1.587	-0.001	1.607	1.568	1.553
AUDUSD	\$1.044	+0.001	1.025	1.051	0.969

	13-Nov	day Δ	<i>Historical Levels</i>		
Spot			-1 mnth	-3 mnths	-1 year
CADJPY	¥79.21	-0.300	80.19	79.84	73.72
CADAUD	\$0.956	-0.003	0.994	0.962	0.984
GBPCAD	£1.591	+0.003	1.576	1.552	1.628
EURJPY	¥100.84	-0.190	101.84	97.08	103.15
EURAUD	\$1.22	-0.001	1.26	1.17	1.38

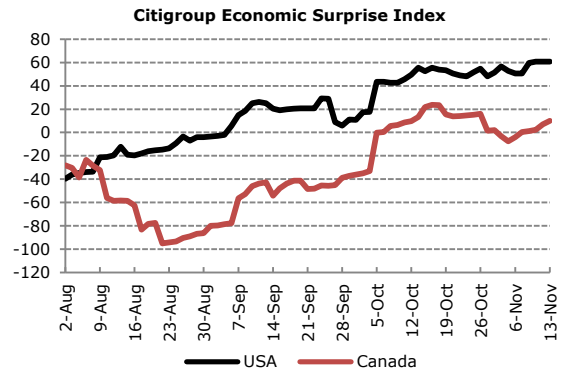
Economic Releases

United States

	Period	Survey	Actual	Prior	
Wed, Nov 14	Advance Retail Sales	30-Nov	-0.2%	-0.3%	1.1%
Wed, Nov 14	Producer Price Index (MoM)	31-Oct	0.2%	-0.2%	1.1%
Thu, Nov 15	Continuing Claims	3-Nov	3181K	--	3127K
Thu, Nov 15	Initial Jobless Claims	10-Nov	375K	--	355K
Thu, Nov 15	Consumer Price Index (MoM)	31-Oct	0.1%	--	0.6%
Fri, Nov 16	Industrial Production	31-Oct	0.2K	--	-1.2K

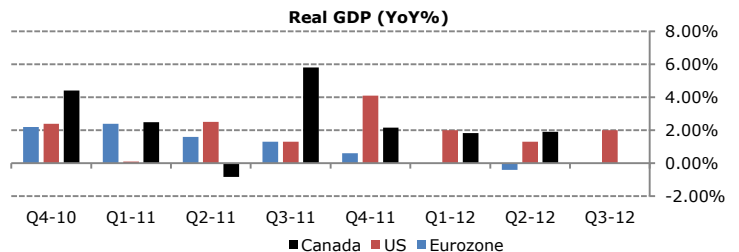
Canada

	Period	Survey	Actual	Prior	
Thu, Nov 15	Manufacturing Sales (MoM)	30-Sep	0.25%	--	1.5%



Economics

	Q4-11	Q1-12	Q2-12	Q3-12	2012E
Canada					
Real GDP	2.15%	1.82%	1.90%	NA	2.05%
CPI	2.70%	2.33%	1.57%	1.23%	1.70%
Unemployment	7.50%	7.20%	7.20%	7.40%	7.30%
US					
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					
Real GDP	8.90%	8.10%	7.60%	7.40%	7.70%



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