

Today's Commentary

Thursday brought about more risk aversion as investors shied away from both Canadian and US equities. The Dow fell 0.23%, as Wal-Mart's forecasts for fourth quarter profit fell below analysts' estimates. Wal-Mart's stock price retreated 3.63% on the day, while skepticism concerning US budget talks and terrible US jobless claims numbers also fueled losses. The S&P 500 dipped 0.16% before close, led by losses in the Telecom sector. The S&P/TSX fared even worse, as the index fell 0.99% on the day. The large losses are attributed mainly to companies in the Industrials, Materials, and Utilities sectors, as falling oil and gold prices had investors exiting their positions in these sectors. Canadian and US treasuries were also being sold yesterday, as yields on the both countries' 10-year notes increased.

Italy released some unpleasant, albeit expected news yesterday: the country's fourth recession since 2001 has entered its second year, as GDP declined for a fifth straight quarter. There is a silver lining to this story, however, as the 0.2% decline in output beat forecasts of a 0.5% step back. This was also an improvement from the second quarter this year when GDP fell a revised 0.7%. Germany and France also reported GDP numbers yesterday, and both economies grew 0.2% in the third quarter. Germany beat expectations of a 0.1% expansion, while France's economy was expected to contract. Greece will stave off default for at least another few weeks, as the country managed to raise 5 billion euros in bond auctions on Tuesday and Thursday to roll over debt maturing today. EU officials called for a special meeting, which will take place on November 20th, to discuss the next tranche of Greek aid, worth 31.5 billion euros.

The Federal Reserve is planning to do another round of stress testing on US banks to gauge their resilience to dooms day scenarios. Scenarios in this round will include the unemployment rate rising above 12 percent, Europe and Japan falling into a recession, and China experiencing a more drastic slowdown. Europe fell into a technical recession with GDP growth contracting in the third quarter, and Japan is expected to enter a recession as well by December, having shrunk nearly 0.9% last quarter. The stress tests follow Dodd-Frank regulations, which require the regular stress testing of banks' capital levels. Banks that pass with flying colours will be permitted to drain their tier 1 capital either in the form of dividends or share buybacks.

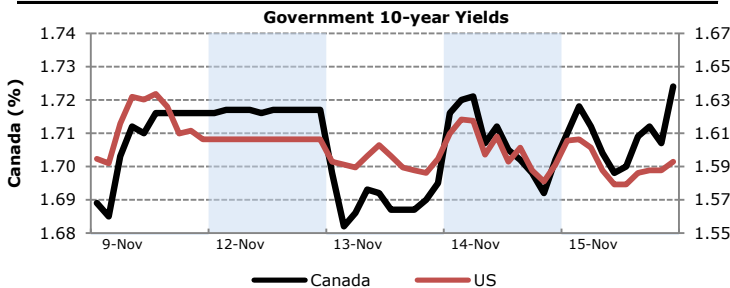
The Daily Roll is written by MFE Candidates Calum MacBeth and Chris Watson in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

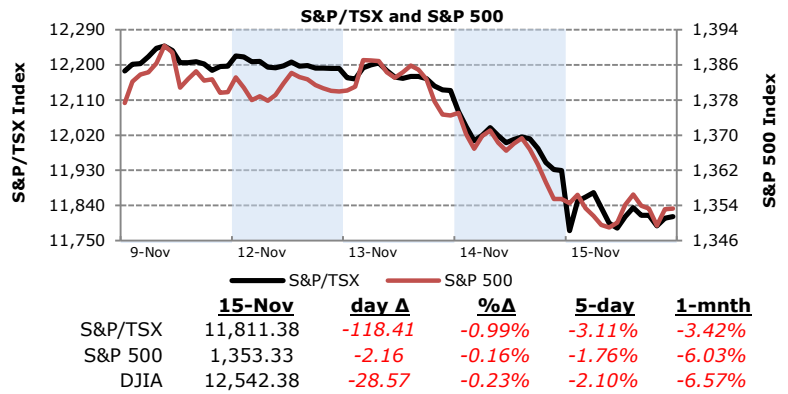
United States	Period	Survey	Actual	Prior
Industrial Production	31-Oct	0.2K	--	0.4K

Canada	Period	Survey	Actual	Prior
None Scheduled				

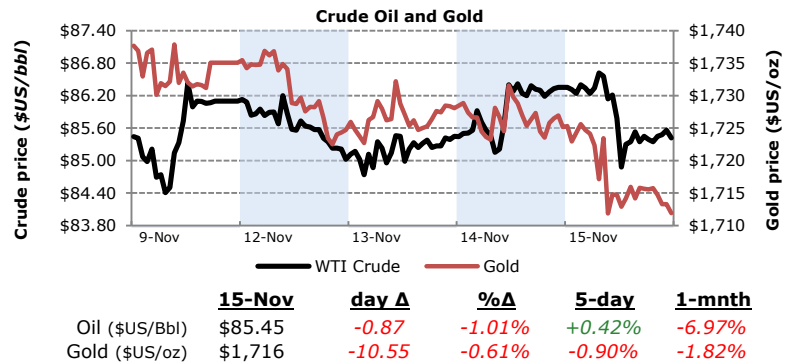
Interest Rates



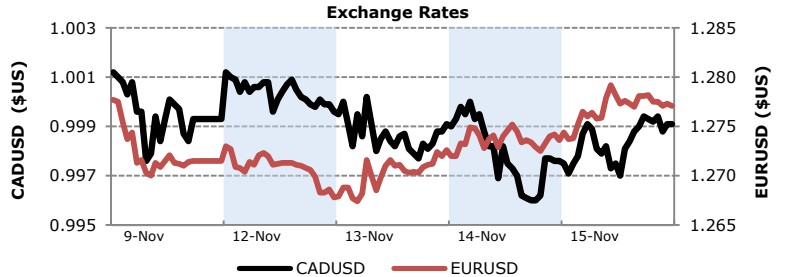
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	15-Nov	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.001	-0.003	1.000	0.978	1.047
EURUSD	\$1.278	+0.004	1.275	1.312	1.324
USDJPY	¥81.17	+0.920	79.470	78.93	77.73

Government 10-year Yields

	15-Nov	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	1.72%	0.022%	1.83%	1.95%	2.10%
United States	1.59%	0.002%	1.72%	1.81%	2.00%

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>

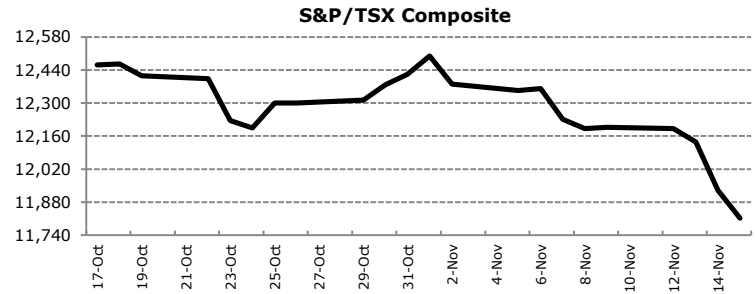
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	15-Nov	day Δ	%Δ
S&P/TSX	11,811.38	-118.41	-0.99%

	Trailing S&P/TSX	TSX 60
5-day	-3.11%	-3.01%
1-month	-3.42%	-3.26%
3-months	-0.79%	-0.60%
6-months	+4.13%	+4.76%
12-months	-3.42%	-2.85%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.29%	-1.64%	-0.93%	+7.89%
C. Staples	-0.37%	+0.51%	+0.40%	+12.69%
Energy	-0.61%	-2.55%	-5.97%	-11.32%
Financials	-0.75%	-1.39%	-1.58%	+7.68%
Healthcare	+0.02%	-3.71%	-9.53%	+6.07%
Info Tech	+0.93%	-0.08%	+1.92%	-11.61%
Industrials	-1.43%	-2.48%	-3.03%	+4.20%
Materials	-2.18%	-8.05%	-5.77%	-20.44%
Metals & Mining	-1.00%	-5.09%	+0.31%	-17.26%
Telecom	-0.90%	-1.97%	-0.23%	+9.17%
Utilities	-2.57%	-4.64%	-5.22%	-5.75%

TSX Top Performers

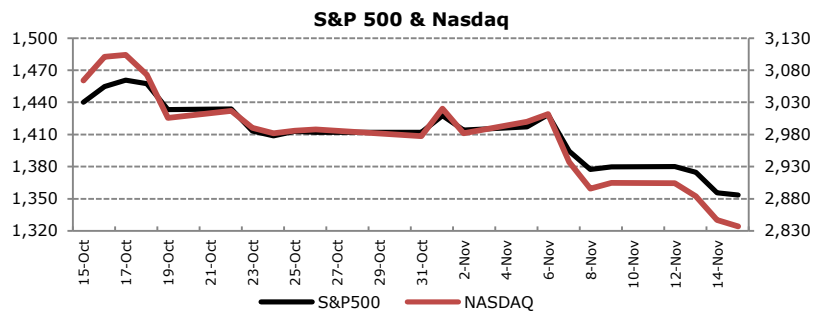
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Gabriel Resources Ltd		+10.00%	+7.42%	+26.73%	-62.64%
Birchcliff Energy Ltd		+7.73%	+0.76%	+3.79%	-42.88%
Athabasca Oil Corp		+3.49%	-0.18%	-17.89%	-11.25%
Research In Motion		+3.41%	+7.19%	+15.03%	-55.31%
Novagold Resources Inc		+3.09%	-3.56%	-11.61%	-56.87%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Poseidon Concepts Corp		-62.18%	-63.48%	-65.52%	-59.45%
Premier Gold Mines Ltd		-9.47%	-18.33%	-17.00%	-18.90%
Banro Corporation		-8.06%	-18.53%	-19.25%	-13.92%
Fortuna Silver Mines Inc		-7.35%	-16.54%	-3.81%	-31.93%
Nevsun Resources Ltd		-6.68%	-14.01%	-9.19%	-30.29%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing			
15-Nov	1,353.33	12,542.38	2,836.94
1-day	-0.16%	-0.23%	-0.35%
5-day	-1.76%	-2.10%	-2.03%
1-month	-6.03%	-6.57%	-7.42%
3-months	-3.71%	-4.73%	-6.40%
6-months	+1.70%	-0.71%	-1.96%
12-months	+7.59%	+3.69%	+5.61%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.08%	-1.72%	-4.04%	+14.31%
C. Staples	-0.12%	-1.26%	-5.46%	+9.09%
Energy	+0.10%	-1.58%	-6.32%	-2.86%
Financials	+0.28%	-1.92%	-5.25%	+16.66%
Healthcare	-0.25%	-1.05%	-5.63%	+14.19%
Info Tech	-0.44%	-1.96%	-8.90%	+3.20%
Industrials	-0.04%	-2.34%	-4.20%	+5.56%
Materials	-0.42%	-2.70%	-5.58%	-0.17%
Telecom	-1.07%	-0.88%	-5.47%	+13.65%
Utilities	-0.68%	-2.77%	-7.79%	-2.95%

DJIA Top Performers

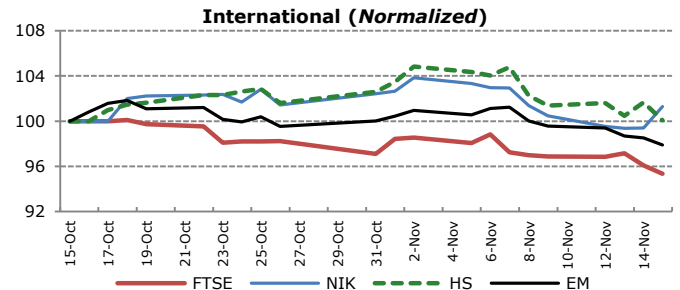
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Cisco Systems Inc		+1.59%	+6.60%	-3.29%	-4.57%
Bank Of America Corp		+1.22%	-3.09%	-3.60%	+54.24%
Coca-Cola Co/The		+1.17%	+0.19%	-4.46%	+8.73%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Wal-Mart Stores Inc		-3.63%	-5.19%	-10.93%	+21.24%
Verizon Communications In		-1.28%	-2.14%	-6.29%	+13.78%
At&T Inc		-1.12%	+0.60%	-5.14%	+16.05%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing				
Last Close	5,677.75	8,829.72	21,108.93	974.33
1-day	-0.77%	+1.90%	-1.55%	-0.64%
5-day	-1.70%	-0.08%	-2.12%	-2.11%
1-month	-2.20%	+2.94%	-0.19%	-2.10%
3-months	-2.66%	-1.07%	+5.27%	+0.01%
6-months	+4.42%	-0.80%	+6.11%	+2.98%
12-months	+2.91%	+3.37%	+9.10%	+0.53%

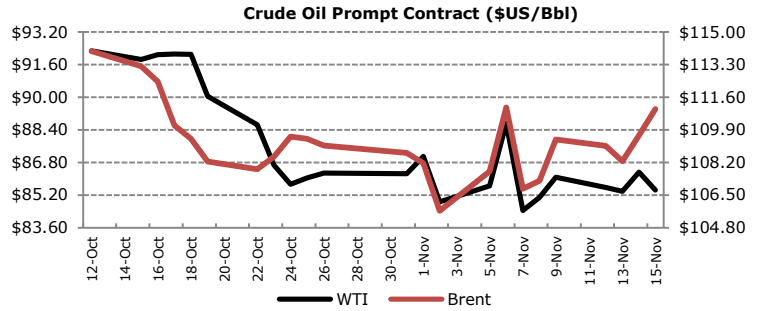


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Nymex WTI Crude Oil

(\$US/Bbl)	15-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$85.45	-\$0.87	-1.01%	+0.42%	-6.97%
Cal 13	\$88.20	-\$0.82	-0.92%	+0.29%	-5.78%
Cal 14	\$89.03	-\$0.70	-0.78%	+0.51%	-3.26%

(\$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	\$86.45	\$88.05	\$88.97	\$89.31	\$89.03



Inventory Levels (as of Nov-09)

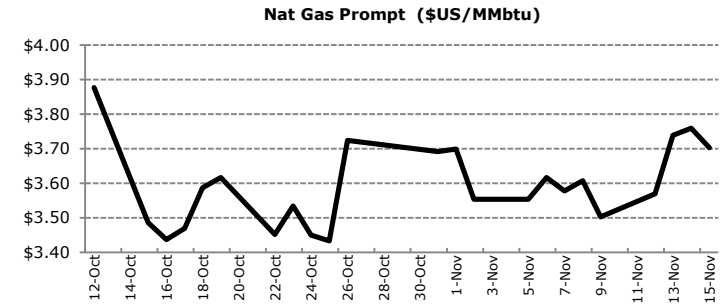
(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	375,936	+1,089	337,426	319,411
Motor Gas	201,937	-440	214,389	200,481
Distillates	115,517	-2,539	171,756	140,851

UK Brent Crude Oil

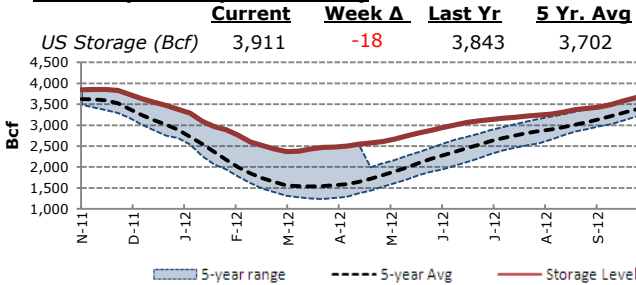
(\$US/Bbl)	15-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$110.98	+\$1.37	+1.23%	+3.48%	-1.98%

Nymex Natural Gas

(\$US/MMbtu)	15-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.70	-\$0.06	-1.52%	+2.63%	+6.22%
Dec12-Mar13	\$3.79	-\$0.06	-1.49%	+2.33%	-1.69%
Apr13-Oct13	\$3.87	-\$0.06	-1.41%	+1.72%	-0.79%
Nov13-Mar14	\$4.23	-\$0.09	-2.06%	+0.95%	-0.44%
Apr14-Oct14	\$4.10	-\$0.05	-1.19%	+0.26%	-1.28%



Inventory Levels (as of Nov-09)

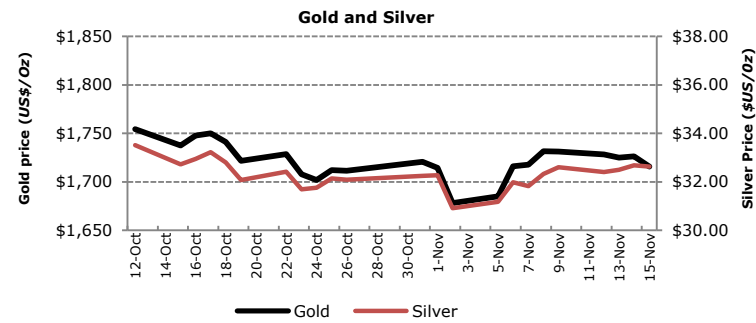


Alberta Natural Gas

(\$CAD/GJ)	15-Nov	day Δ	%Δ
AECO Dec-12	\$3.27	-\$0.05	-1.5%

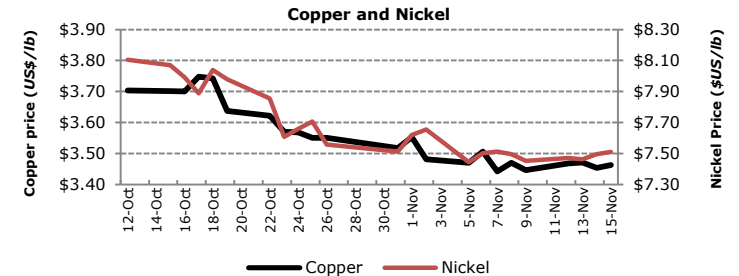
Precious Metals

\$US/oz	15-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,715.80	-\$10.55	-0.6%	-0.9%	-1.8%	+6.2%
Silver	\$32.63	-\$0.06	-0.2%	+0.9%	-1.0%	+16.2%
Platinum	\$1,572	-\$15.00	-0.9%	+1.9%	-4.4%	+6.6%



Industrial Metals

\$US/lb	15-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.46	+\$0.01	+0.3%	-0.2%	-6.4%	+1.3%
Nickel	\$7.51	+\$0.01	+0.2%	+0.2%	-6.0%	+3.2%
Zinc	\$0.95	-\$0.01	-0.7%	+0.9%	+2.1%	+7.2%
Aluminum	\$0.88	-\$0.01	-1.1%	+2.3%	0.0%	+7.3%
Uranium	\$41.40	+\$0.00	0.0%	+1.8%	-5.9%	-15.5%



Agriculture & Other

	15-Nov	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$7.25	-\$0.04	-0.6%	-2.5%	-1.8%
Wheat (\$US/bu)	\$8.61	-\$0.03	-0.3%	-6.0%	+0.1%
Soybeans (\$US/bu)	\$14.02	-\$0.17	-1.2%	-6.3%	-6.1%
Rough Rice (\$US/cwt)	\$14.87	+\$0.22	+1.5%	-1.3%	-2.1%
Sugar #11 (¢US/lb)	¢19.04	¢0.20	+1.0%	+1.1%	-5.6%
Lean Hogs (¢US/lb)	¢86.15	¢0.10	+0.1%	+0.2%	+2.0%
Live Cattle (¢US/lb)	¢129.38	¢0.25	+0.2%	+0.0%	-0.8%
Cotton No.2 (\$US/lb)	\$0.72	+\$0.01	+1.4%	+2.7%	-3.2%
Lumber (\$US/Mbft)	\$325.40	-\$1.60	-0.5%	+1.0%	+6.1%

Commodity ETFs

	15-Nov	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$3.94	-\$0.07	-1.7%	+1.0%	-15.5%
HBP Nat Gas U	\$15.84	-\$0.50	-3.1%	+4.2%	-8.0%
HBP Comex Gold	\$17.13	-\$0.07	-0.4%	-1.1%	-2.1%
\$USD					
US Crude Oil	\$31.49	-\$0.28	-0.9%	+0.6%	-7.7%
US Nat Gas	\$21.72	-\$0.35	-1.6%	+2.5%	-2.2%
PSDB Agriculture	\$28.37	-\$0.04	-0.1%	-1.4%	-1.7%
PSDB Base Metals	\$18.24	+\$0.09	+0.5%	+0.7%	-1.7%

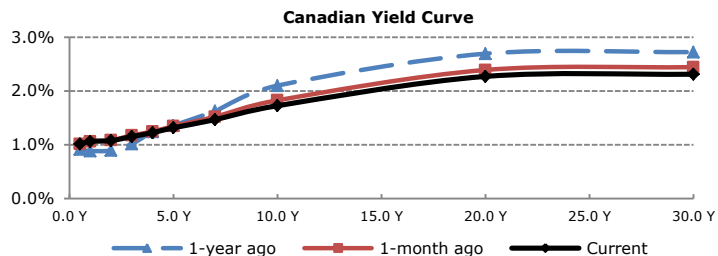
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Interest Rates

Canadian yield curve

	15-Nov	day Δ	-1 mnth	-3 mnths	-1 year
3-mnth	0.98%	-	0.97%	1.00%	0.89%
6-mnth	1.01%	-	1.01%	1.05%	0.91%
12-mnth	1.06%	-0.00%	1.06%	1.15%	0.88%
2-year	1.08%	+0.00%	1.08%	1.20%	0.89%
5-year	1.31%	+0.02%	1.34%	1.50%	1.36%
10-year	1.72%	+0.02%	1.83%	1.95%	2.10%
20-year	2.27%	+0.01%	2.39%	2.44%	2.69%
30-year	2.31%	+0.01%	2.44%	2.48%	2.72%

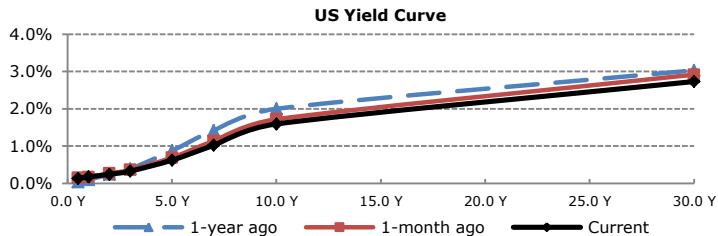
Historical Levels



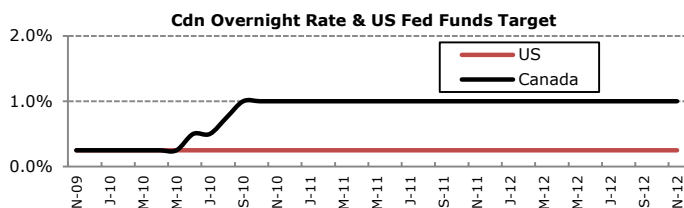
US yield curve

	15-Nov	day Δ	-1 mnth	-3 mnths	-1 year
3-mnth	0.08%	-0.03%	0.09%	0.07%	0.01%
6-mnth	0.13%	-0.01%	0.15%	0.14%	0.04%
12-mnth	0.17%	+0.01%	0.17%	0.18%	0.10%
2-year	0.24%	-0.00%	0.27%	0.29%	0.24%
5-year	0.62%	-0.00%	0.69%	0.80%	0.87%
10-year	1.59%	+0.00%	1.72%	1.81%	2.00%
30-year	2.73%	+0.00%	2.92%	2.93%	3.03%

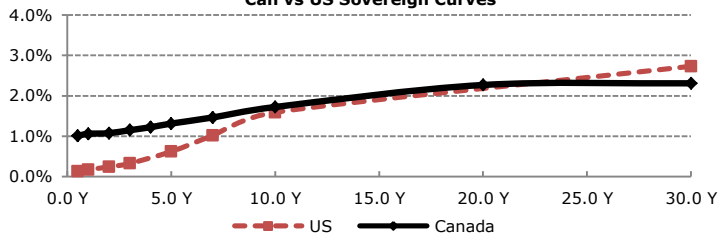
Historical Levels



	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%



Can vs US Sovereign Curves



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	15-Nov	day Δ	-1 mnth	-3 mnths	-1 year
USDCAD	\$1.001	-0.003	0.978	0.989	1.047	
EURUSD	\$1.278	+0.004	1.312	1.233	1.324	
USDJPY	¥81.17	+0.920	78.93	79.56	77.73	
GBPUSD	£1.587	+0.003	1.615	1.570	1.544	
AUDUSD	\$1.033	-0.004	1.038	1.042	0.971	

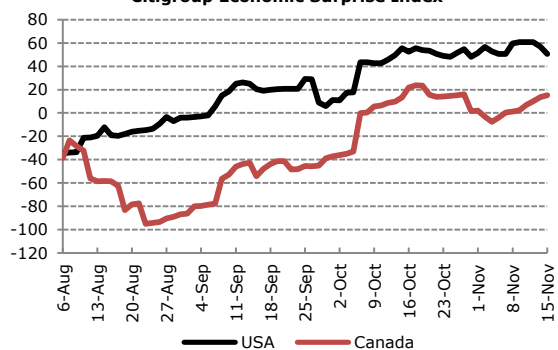
	Spot	15-Nov	day Δ	-1 mnth	-3 mnths	-1 year
CADJPY	¥81.09	+1.144	80.72	80.43	74.25	
CADAUD	\$0.967	+0.007	0.985	0.970	0.984	
GBPCAD	£1.588	-0.002	1.579	1.553	1.616	
EURJPY	¥103.75	+1.550	103.56	98.13	102.91	
EURAUD	\$1.24	+0.010	1.26	1.18	1.36	

Economic Releases

United States

	Period	Survey	Actual	Prior	
Wed, Nov 14	Advance Retail Sales	31-Oct	-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	3334K	3127K
Thu, Nov 15	Initial Jobless Claims	10-Nov	375K	439K	355K
Thu, Nov 15	Consumer Price Index (MoM)	31-Oct	0.1%	0.1%	0.6%
Fri, Nov 16	Industrial Production	31-Oct	0.2K	--	0.4K

Citigroup Economic Surprise Index



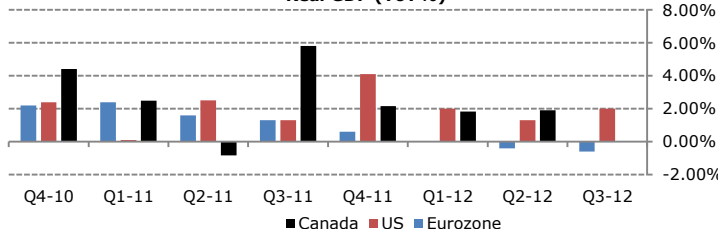
Canada

	Period	Survey	Actual	Prior	
Thu, Nov 15	Manufacturing Sales (MoM)	30-Sep	0.25%	0.4%	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%	2.20%
CPI	3.30%	2.83%	1.90%	1.70%	2.10%
Unemployment	8.50%	8.20%	8.20%	7.80%	8.10%
China					
Real GDP	8.90%	8.10%	7.60%	7.40%	7.70%

Real GDP (YoY%)



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