

## Today's Commentary

The S&P/TSX composite index was lifted by a late rally on Thursday, ending the week at 12,760. The financial sector led the index higher after banks reopened in Cyprus in an orderly fashion. U.S. markets were also up, with the S&P 500 and Dow gaining 0.41 and 0.36 percent, respectively. The S&P 500 followed the Dow to a record high on Thursday, closing at 1,569, after rallying 10 percent so far this year. Canada's benchmark index has lagged U.S. markets this year, having gained just 2.5 percent in 2013. The materials sector returned to its slump, losing 0.5 percent on lower gold prices. European and some Asian markets will remain closed for Easter holidays on Monday, so trading is expected to be light in North America.

A quarterly survey of Japanese manufacturers' confidence on Sunday showed the largest quarterly increase since September 2011. However, the report slightly disappointed analysts' estimates, sending the Nikkei 225 index lower at the open on Monday. Central bank Governor Haruhiko Kuroda is hoping confidence will improve throughout the year in response to promises of aggressive monetary and fiscal stimulus. Profits for Japanese exporters have improved over the past several months as the yen has depreciated considerably against the USD, and Toyota agreed in March to pay its employees the highest bonus they've seen in the past five years. Meanwhile, consumer spending in Japan has increased for two consecutive months, suggesting that the domestic economy may be gaining momentum as well.

Home prices in China have risen the fastest in two years as home buyers rush to beat policies intended to curb the property markets before they are enacted by local governments. Prices climbed 1.1 percent on average since the end of February. The government has been worried that the property market is overheating for some time and is in the process of introducing measures meant to reduce the attractiveness to buyers across 17 different cities by the end of the first quarter. In Beijing the government has banned single-person households from owning more than one property while in Shanghai banks are restricted from giving credit to third-home buyers. The government is not only worried about the sustainability of home prices but also affordability as up to two-thirds of the Chinese population believe that property prices are too high, the most since the fourth quarter of 2011. Some analysts expect the curbs to expand beyond the 17 cities in the coming months.

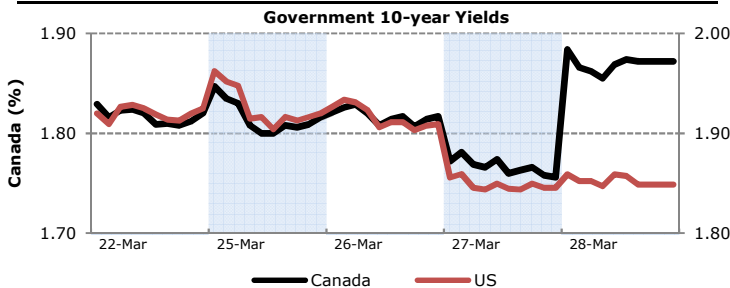
The Daily Roll is written by MFE Candidates Dipanker Koirala and Jan Varsava in partnership with the Rotman Finance Association. Please email [dailyroll@economics.utoronto.ca](mailto:dailyroll@economics.utoronto.ca) to subscribe/unsubscribe.

## Today's Major Economic Releases

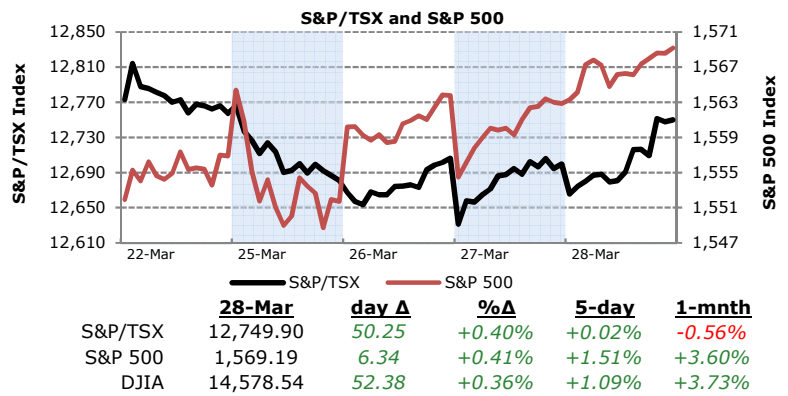
United States	Period	Survey	Actual	Prior
ISM Manufacturing	31-Mar	54	-	54.2

Canada	Period	Survey	Actual	Prior
None Scheduled				

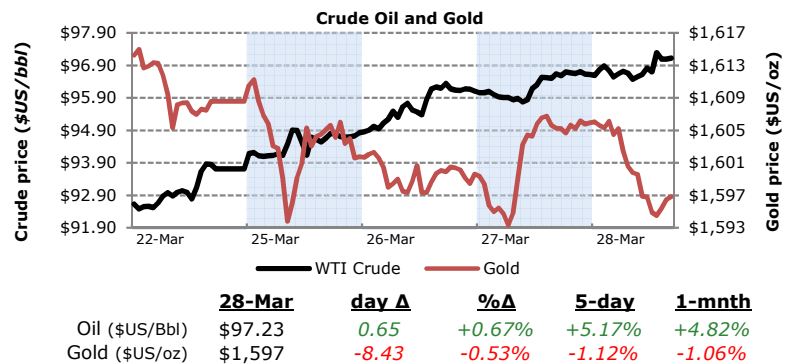
## Interest Rates



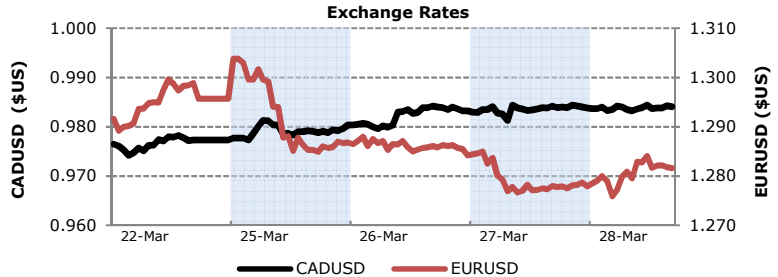
## Equities



## Commodities



## Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	28-Mar	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.016	+0.000	1.025	1.023	0.998
EURUSD	\$1.282	+0.004	1.290	1.314	1.311
USDJPY	¥94.15	-0.310	94.900	92.24	81.49

	28-Mar	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Government 10-year Yields					
Canada	1.87%	0.116%	1.86%	1.77%	2.12%
United States	1.85%	0.003%	1.88%	1.70%	2.20%

## 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.

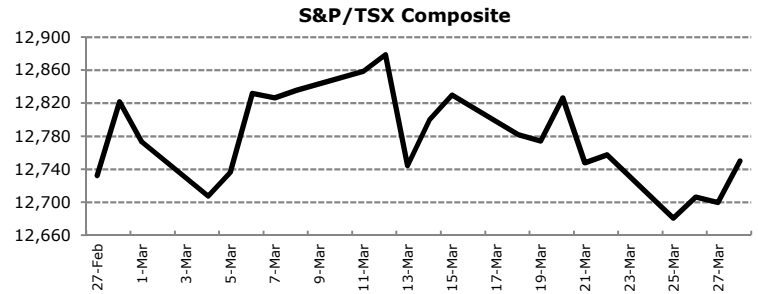
<http://www.rotman.utoronto.ca/financeassociation>

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	<b>28-Mar</b>	<b>day Δ</b>	<b>%Δ</b>
<b>S&amp;P/TSX</b>	12,749.90	50.25	+0.40%
<b>Trailing S&amp;P/TSX</b>			
5-day		+0.02%	-0.03%
1-month		-0.56%	-0.98%
3-months		+3.52%	+3.45%
6-months		+3.51%	+4.05%
12-months		+2.71%	+3.05%



### TSX Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
C. Discretionary	+0.93%	+2.15%	+5.07%	+16.56%
C. Staples	+0.65%	+1.84%	+1.16%	+18.09%
Energy	-0.08%	-0.77%	-0.36%	-4.37%
Financials	+0.49%	+0.11%	-2.42%	+4.29%
Healthcare	+0.52%	+0.04%	+0.56%	+9.81%
Info Tech	+1.41%	-1.79%	+2.72%	+15.41%
Industrials	+1.64%	+1.30%	+0.28%	+23.47%
Materials	-0.46%	-1.90%	-1.95%	-15.76%
Metals & Mining	+0.40%	-2.87%	-3.93%	-14.42%
Telecom	+0.97%	+2.12%	+2.13%	+16.08%
Utilities	+1.40%	+1.50%	-2.66%	-2.34%

### TSX Top Performers

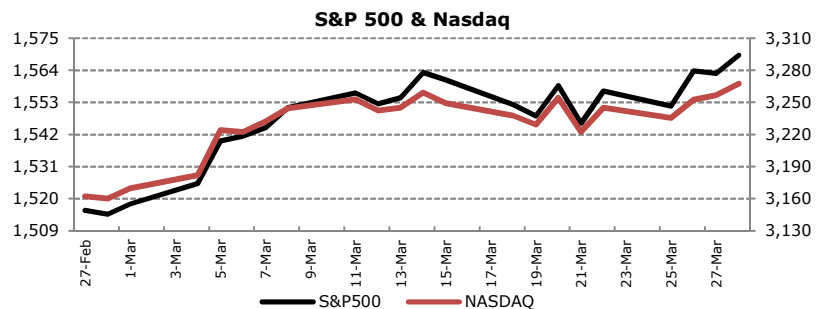
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Niko Resources Ltd	+9.79%	+12.90%	-14.46%	-82.18%
Blackpearl Resources Inc	+4.02%	+6.39%	-15.27%	-43.45%
Advantage Oil & Gas Ltd	+3.87%	+11.24%	+27.46%	+12.57%
Tahoe Resources Inc	+3.59%	+0.96%	+22.06%	-15.91%
Westport Innovations Inc	+3.55%	-1.41%	-0.43%	-28.15%

### 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>
Gabriel Resources Ltd	-6.20%	-6.92%	+6.61%	-48.07%
Novagold Resources Inc	-4.85%	-9.69%	-9.02%	-40.03%
Canexus Corp	-3.78%	-4.50%	-2.94%	+11.65%
Centerra Gold Inc	-3.51%	-6.35%	-12.95%	-58.30%
Semafo Inc	-3.42%	-5.22%	-11.50%	-48.89%

### US Indices

<i>Trailing</i>	<b>S&amp;P 500</b>	<b>DJIA</b>	<b>Nasdaq</b>
28-Mar	1,569.19	14,578.54	3,267.52
1-day	+0.41%	+0.36%	+0.34%
5-day	+1.51%	+1.09%	+1.39%
1-month	+3.60%	+3.73%	+3.40%
3-months	+11.89%	+12.68%	+10.38%
6-months	+8.92%	+8.49%	+4.86%
12-months	+11.64%	+11.06%	+5.24%



### S&P 500 Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
C. Discretionary	+0.37%	+1.96%	+4.76%	+18.35%
C. Staples	+0.50%	+2.02%	+4.50%	+17.51%
Energy	-0.31%	+1.49%	+1.85%	+9.32%
Financials	+0.23%	+0.64%	+3.69%	+14.68%
Healthcare	+0.98%	+3.14%	+6.24%	+23.60%
Info Tech	+0.25%	+1.01%	+2.43%	-3.23%
Industrials	+0.64%	+0.93%	+2.11%	+12.48%
Materials	+0.52%	+0.39%	+2.17%	+6.21%
Telecom	+0.35%	+1.09%	+3.24%	+20.75%
Utilities	+1.25%	+2.55%	+5.13%	+12.61%

### DJIA Top Performers

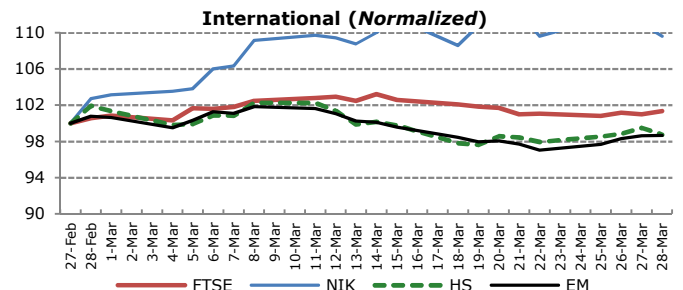
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Intl Business Machines Co	+1.14%	+0.49%	+7.99%	+2.90%
Hewlett-Packard Co	+1.10%	+6.81%	+25.01%	+1.10%
Unitedhealth Group Inc	+1.04%	+3.90%	+7.34%	+3.19%

### 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>
Chevron Corp	-1.14%	-1.26%	+4.65%	+12.21%
Jpmorgan Chase & Co	-0.65%	-1.84%	-0.50%	+2.57%
Exxon Mobil Corp	-0.52%	+2.20%	+2.75%	+4.95%

### International Markets

<i>Trailing</i>	<b>FTSE 100</b>	<b>Nikkei</b>	<b>Hang Seng</b>	<b>MSCI EM</b>
Last Close	6,411.74	12,397.91	22,299.63	1,032.62
1-day	+0.38%	+0.50%	-0.74%	+0.06%
5-day	+0.36%	+0.48%	+0.33%	+1.00%
1-month	+0.80%	+6.82%	-3.13%	-2.09%
3-months	+8.21%	+19.27%	-1.62%	-2.14%
6-months	+11.66%	+39.77%	+7.00%	+2.99%
12-months	+10.38%	+22.57%	+6.77%	-1.08%



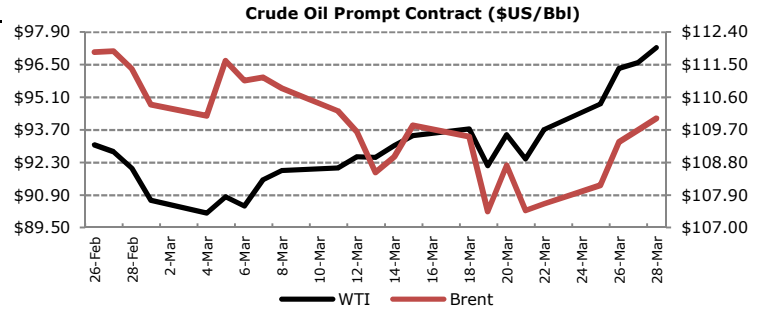
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### Nymex WTI Crude Oil

(\$US/Bbl)	28-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$97.23	+\$0.65	+0.67%	+5.17%	+4.82%
Cal 13	\$97.05	+\$0.65	+0.67%	+4.83%	-1.76%
Cal 14	\$93.21	+\$0.57	+0.61%	+3.68%	-2.44%

(\$US/bbl)	Q3-13	Q4-13	Q1-14	Q2-14	2014
Consensus Forecast	\$96.30	\$98.00	\$100.00	\$101.00	\$98.25
Current Forward	\$97.50	\$96.39	\$94.91	\$93.65	\$93.21



### Inventory Levels (as of Mar-22)

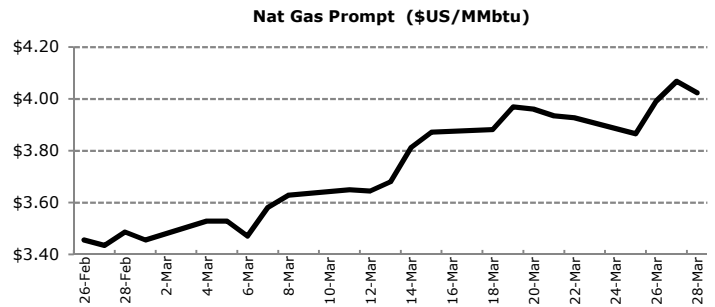
(MBbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	385,917	+3,256	337,426	319,411
Motor Gas	221,236	-1,596	214,389	200,481
Distillates	115,252	-4,513	171,756	140,851

### UK Brent Crude Oil

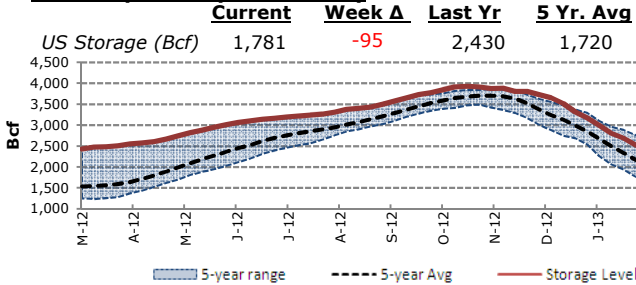
(\$US/Bbl)	28-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$110.02	+\$0.33	+0.30%	+2.37%	-1.65%

### Nymex Natural Gas

(\$US/MMbtu)	28-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$4.02	-\$0.04	-1.08%	+2.26%	+17.18%
May13-Oct13	\$4.11	-\$0.04	-0.94%	+1.72%	+19.45%
Nov13-Mar14	\$4.34	-\$0.03	-0.71%	+1.45%	+12.93%
Apr14-Oct14	\$4.13	-\$0.03	-0.68%	+0.62%	+5.71%
Nov14-Mar15	\$4.44	-\$0.02	-0.37%	+0.52%	+4.00%



### Inventory Levels (as of Mar-22)

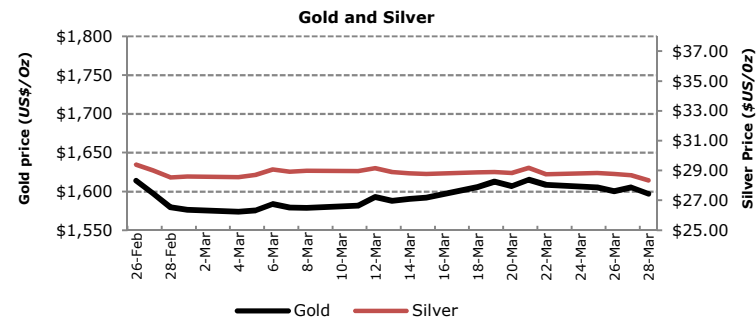


### Alberta Natural Gas

(\$CAD/GJ)	28-Mar	day Δ	%Δ
AECO Apr-13	\$3.36	-\$0.10	-2.9%

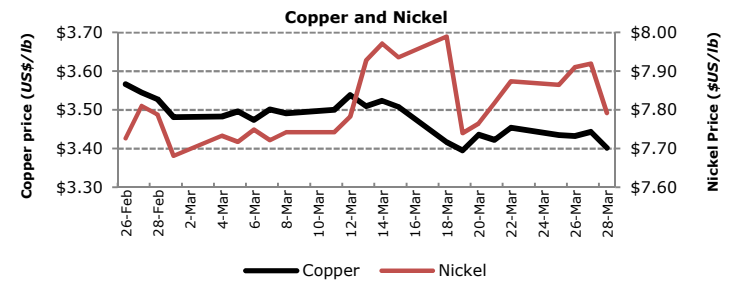
### Precious Metals

\$US/oz	28-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,596.82	-\$8.43	-0.5%	-1.1%	-1.1%	-5.3%
Silver	\$28.35	-\$0.33	-1.2%	-2.8%	-3.6%	-8.6%
Platinum	\$1,573	-\$9.75	-0.6%	-0.6%	-3.0%	+0.4%



### Industrial Metals

\$US/lb	28-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.40	-\$0.04	-1.2%	-0.6%	-4.6%	-8.9%
Nickel	\$7.79	-\$0.13	-1.6%	-0.3%	+0.9%	-4.5%
Zinc	\$0.92	-\$0.03	-2.8%	-2.3%	-9.7%	-10.3%
Aluminum	\$0.85	-\$0.01	-1.2%	-2.3%	-5.6%	-10.5%
Uranium	\$42.40	+\$0.10	+0.2%	+0.4%	+1.0%	-2.0%



### Agriculture & Other

	28-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$6.95	-\$0.40	-5.4%	-5.2%	+0.1%
Wheat (\$US/bu)	\$6.88	-\$0.49	-6.7%	-5.6%	-3.3%
Soybeans (\$US/bu)	\$14.05	-\$0.49	-3.4%	-3.1%	-1.9%
Rough Rice (\$US/cwt)	\$15.36	+\$0.03	+0.2%	+3.9%	-2.7%
Sugar #11 (¢US/lb)	¢17.66	¢0.19	-1.1%	-3.0%	-2.2%
Lean Hogs (¢US/lb)	¢91.08	¢0.40	+0.4%	+1.7%	-0.3%
Live Cattle (¢US/lb)	¢124.38	¢1.40	+1.1%	+1.9%	+0.0%
Cotton No.2 (\$US/lb)	\$0.88	-\$0.00	-0.1%	+0.3%	+8.1%
Lumber (\$US/Mbft)	\$391.20	+\$10.00	+2.6%	+0.9%	+3.0%

### Commodity ETFs

	28-Mar	day Δ	%Δ	5-day	1-mnth
<b>\$CAD</b>					
HBP Crude Oil U	\$4.70	+\$0.05	+1.1%	+10.1%	+7.6%
HBP Nat Gas U	\$15.37	-\$0.55	-3.5%	+2.9%	+33.3%
HBP Comex Gold	\$15.84	-\$0.08	-0.5%	-1.2%	-0.4%
<b>\$USD</b>					
US Crude Oil	\$34.75	+\$0.20	+0.6%	5.14%	+4.3%
US Nat Gas	\$21.88	-\$0.36	-1.6%	1.67%	+15.3%
PSDB Agriculture	\$25.90	-\$0.38	-1.4%	-0.96%	-1.3%
PSDB Base Metals	\$17.54	-\$0.24	-1.3%	-1.07%	-6.6%

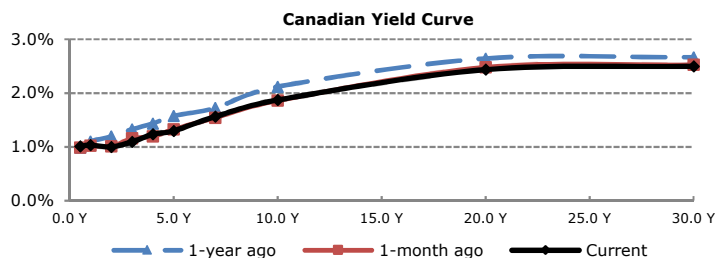
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## Interest Rates

### Canadian yield curve

	<b>28-Mar</b>	<b>day Δ</b>	<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.97%	-	0.96%	0.92%	0.92%
6-mnth	1.01%	-	0.99%	0.99%	0.99%
12-mnth	1.03%	+0.00%	1.02%	1.11%	1.10%
2-year	1.00%	+0.00%	1.01%	1.13%	1.19%
5-year	1.30%	+0.01%	1.33%	1.36%	1.58%
10-year	1.87%	+0.12%	1.86%	1.77%	2.12%
20-year	2.44%	+0.01%	2.48%	2.30%	2.64%
30-year	2.50%	+0.01%	2.53%	2.34%	2.67%

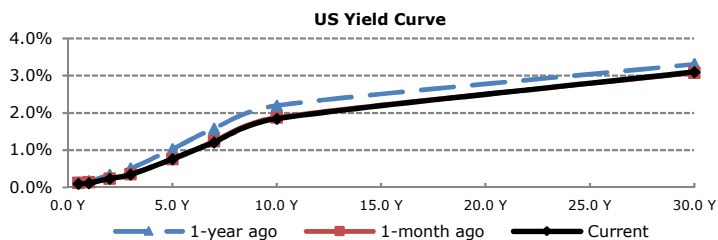
### Historical Levels



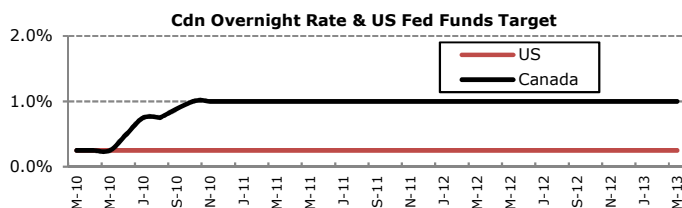
### US yield curve

	<b>28-Mar</b>	<b>day Δ</b>	<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.07%	-0.02%	0.11%	0.03%	0.08%
6-mnth	0.10%	-0.01%	0.13%	0.09%	0.14%
12-mnth	0.12%	-	0.15%	0.14%	0.17%
2-year	0.24%	-	0.24%	0.25%	0.34%
5-year	0.76%	+0.03%	0.76%	0.71%	1.03%
10-year	1.85%	+0.00%	1.88%	1.70%	2.20%
30-year	3.10%	+0.01%	3.08%	2.87%	3.31%

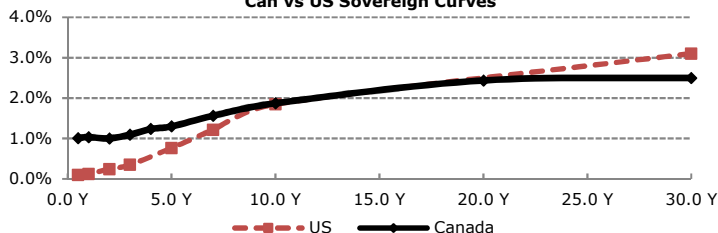
### Historical Levels



	<b>Current</b>	<b>Prior</b>	<b>Next Meeting</b>	<b>Survey</b>
Cdn Overnight	1.00%	1.00%	17-Apr-13	1.00%
US Fed Funds	0.25%	0.25%	1-May-13	0.25%



### Can vs US Sovereign Curves



## Foreign Exchange

(USDCAD implies 1-USD to CAD)

	<b>Spot</b>	<b>28-Mar</b>	<b>day Δ</b>	<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
USDCAD	\$1.016	+0.000	1.023	0.994	0.998	
EURUSD	\$1.282	+0.004	1.314	1.322	1.311	
USDJPY	¥94.15	-0.310	92.24	85.63	81.49	
GBPUSD	\$1.519	+0.006	1.516	1.614	1.589	
AUDUSD	\$1.041	-0.003	1.023	1.038	1.031	

	<b>Spot</b>	<b>28-Mar</b>	<b>day Δ</b>	<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
CADJPY	¥92.65	-0.303	90.16	86.12	81.69	
CADAUD	\$0.945	+0.003	0.955	0.969	0.972	
GBPCAD	£1.544	+0.007	1.551	1.605	1.586	
EURJPY	¥120.67	-0.040	121.17	113.24	106.80	
EURAUD	\$1.23	+0.007	1.28	1.27	1.27	

## Economic Releases

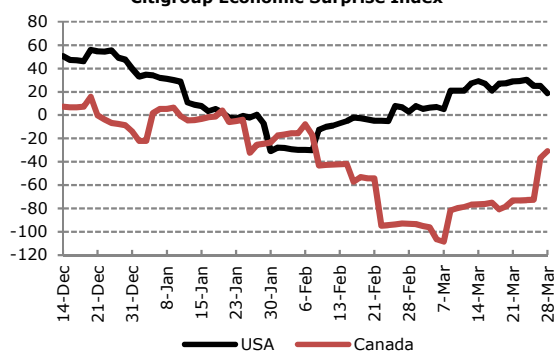
### United States

		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Mon, Apr 01	ISM Manufacturing	31-Mar	54	--	54.2
Tue, Apr 02	Factory Orders	28-Feb	2.9%	--	-2%
Wed, Apr 03	ADP Employment Change	31-Mar	200%	--	198%
Thu, Apr 04	Continuing Claims	23-Mar	3065K	--	3050K
Thu, Apr 04	Initial Jobless Claims	30-Mar	354K	--	357K
Fri, Apr 05	Nonfarm Payroll	31-Mar	200K	--	157K
Fri, Apr 05	Unemployment Rate	31-Mar	7.7%	--	7.7%
Fri, Apr 05	Trade Balance	28-Feb	0.1B	--	-44.4B

### Canada

		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Fri, Apr 05	Net Change in Employment	31-Mar	6.5K	--	50.7K
Fri, Apr 05	Unemployment	31-Mar	7%	--	7%

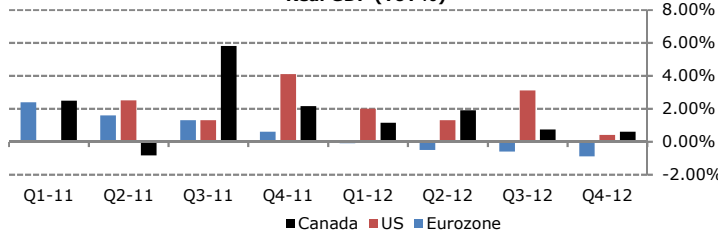
### Citigroup Economic Surprise Index



## Economics

	<b>Q1-12</b>	<b>Q2-12</b>	<b>Q3-12</b>	<b>Q4-12</b>	<b>2013E</b>
<b>Canada</b>					
Real GDP	1.15%	1.91%	0.73%	0.61%	1.60%
CPI	2.33%	1.57%	1.23%	0.93%	1.40%
Unemployment	7.20%	7.20%	7.30%	7.10%	7.10%
<b>US</b>					
Real GDP	2.00%	1.30%	3.10%	0.40%	1.90%
CPI	2.83%	1.90%	1.70%	1.90%	1.80%
Unemployment	8.20%	8.20%	7.80%	7.80%	7.70%
<b>China</b>					
Real GDP	8.10%	7.60%	7.40%	7.90%	8.10%

### Real GDP (YoY%)



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