

Today's Commentary

Canada's benchmark index was almost flat on Tuesday, losing 8 points, while the S&P 500 and Nasdaq fell 0.24 and 0.26 percent respectively. The Dow managed a slight gain of 4 points. Investors remain nervous about the outcome of the Cypriot bailout, and are expecting comments from Ben Bernanke on the state of the U.S. economy on Wednesday. Meanwhile the euro has fallen to a four month low against the USD. The energy sector fell 0.4 percent on Tuesday as lower oil prices weighed on the market. The materials sector was also down, losing 0.3 percent, with Teck Resources dropping about 5 percent. There was some positive news in the U.S., however, as residential construction permits reached their highest level since 2008.

The Cypriot parliament voted against the planned levy on bank deposits on Tuesday, putting the country back on the brink of bankruptcy. The proposal would have given the country access to a 10 billion euro bailout of its banking sector. Cyprus' largest banks, the Bank of Cyprus and Marfin Popular, have been deeply indebted since a write down of Greek government bonds occurred in 2011. The country is in need of 17 billion euros, which is approximately equal to its GDP. Over the past ten days, an estimated 2 billion euros has been withdrawn from Cypriot banks as depositors worry about the outcome of the bailout proposal. While the size of the proposed Cypriot bailout pales in comparison to the bailouts of Greece and Ireland, the suggested levy on depositors is unprecedented and has led to considerable uncertainty about future bailouts in the euro zone.

The mortgage lender Freddie Mac has sued Bank of America, UBS and JPMorgan chase, among several others, over their alleged manipulation of LIBOR rates. According to the complaint filed, the government owned entity alleges "Defendants' fraudulent and collusive conduct caused USD LIBOR to be published at rates that were false, dishonest, and artificially low," which caused payments it received of LIBOR linked products to be much lower than it would have been. Freddie also sued the British Bankers Association, which has been the sponsor of LIBOR since the 1990s. Freddie has already joined class action lawsuits against the banks, such as the one brought by the city of Baltimore, but decided to file its own suit because its claims were not sufficiently covered by existing class action suits. Others who have sued the banks due to the LIBOR scandal include an array of bondholders and even homeowners. Freddie alleges the manipulation may have cost them approximately 3 billion dollars.

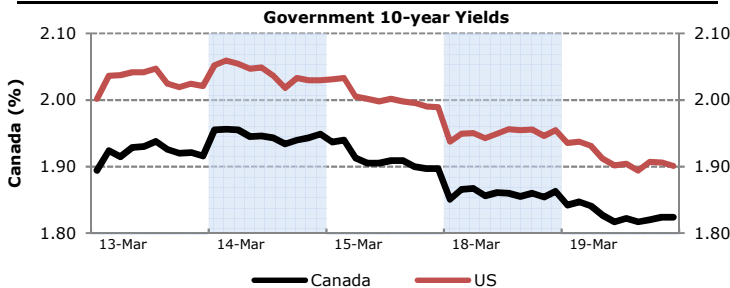
The Daily Roll is written by MFE Candidates Dipanker Koirala and Jan Varsava in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

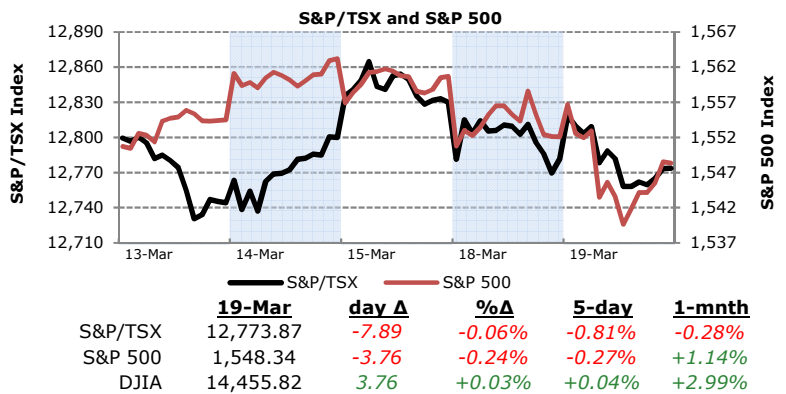
United States	Period	Survey	Actual	Prior
None Scheduled				

Canada	Period	Survey	Actual	Prior
None Scheduled				

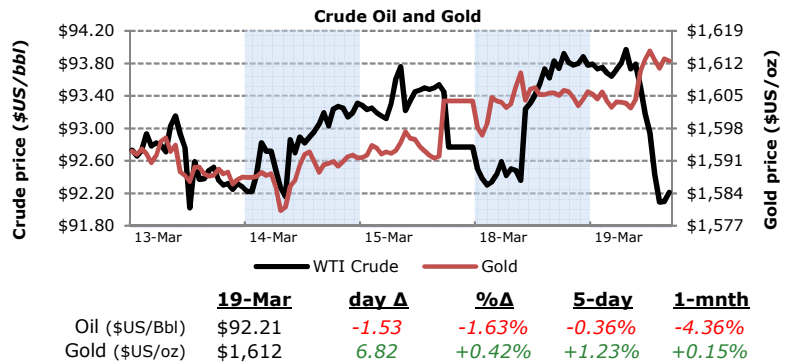
Interest Rates



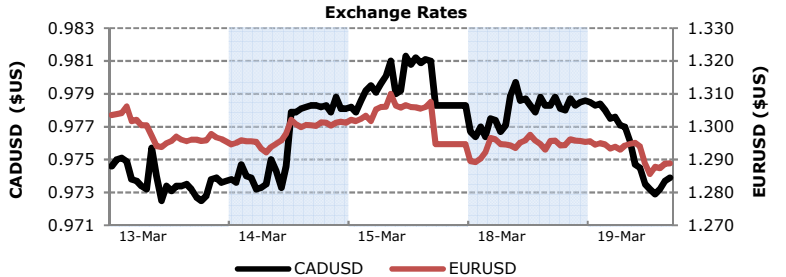
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	19-Mar	day Δ	Historical levels		
USDCAD	\$1.027	+0.005	-5 days	-1 mnth	-1 year
EURUSD	\$1.289	-0.007	1.303	1.336	1.330
USDJPY	¥95.09	-0.120	96.080	93.50	82.46

	19-Mar	day Δ	Historical levels		
Government 10-year Yields			-1 mnth	-3 mnths	-1 year
Canada	1.82%	-0.039%	2.02%	1.85%	2.29%
United States	1.90%	-0.054%	2.00%	1.80%	2.38%

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>

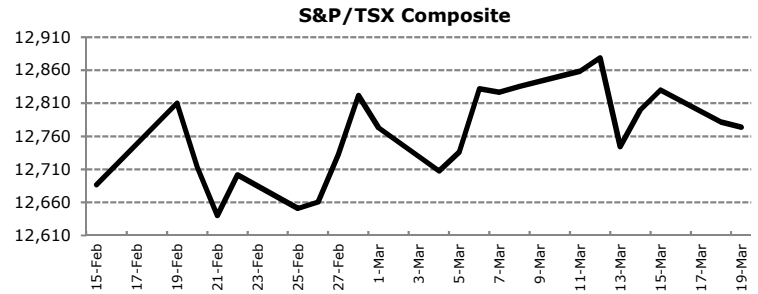
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	19-Mar	day Δ	%Δ
S&P/TSX	12,773.87	-7.89	-0.06%

	Trailing S&P/TSX	TSX 60
5-day	-0.81%	-0.95%
1-month	-0.28%	-0.31%
3-months	+2.98%	+3.02%
6-months	+2.72%	+3.15%
12-months	+2.36%	+3.26%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.75%	+0.64%	+2.72%	+15.96%
C. Staples	+0.01%	-0.36%	+0.65%	+19.17%
Energy	-0.41%	-0.11%	+1.06%	-6.94%
Financials	-0.06%	-1.07%	-1.22%	+6.04%
Healthcare	+0.30%	-1.00%	+0.33%	+8.23%
Info Tech	+0.23%	+0.13%	+1.90%	+14.78%
Industrials	-0.17%	-0.58%	+0.10%	+20.96%
Materials	-0.34%	-2.07%	-2.99%	-15.56%
Metals & Mining	-3.40%	-4.11%	-5.85%	-18.32%
Telecom	+0.01%	-0.88%	+1.09%	+15.93%
Utilities	+0.47%	-2.31%	-4.05%	-4.08%

TSX Top Performers

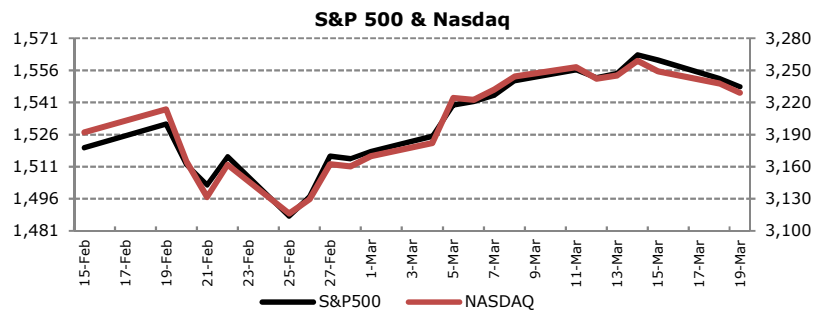
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnth
Rubicon Minerals Corp	+4.35%	+9.09%	+19.46%	-19.02%
Silver Standard Resources	+4.17%	+3.29%	-0.72%	-24.14%
Gabriel Resources Ltd	+4.08%	+8.97%	+4.94%	-53.47%
Rona Inc	+3.98%	-0.63%	-7.19%	+19.35%
Alamos Gold Inc	+3.96%	+1.56%	+6.62%	-9.76%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnth
Legacy Oil + Gas Inc	-5.62%	-5.46%	-17.84%	-44.83%
First Quantum Minerals Lt	-5.04%	-1.64%	+1.65%	+3.51%
Teck Resources Ltd-Cls B	-4.69%	-10.03%	-14.54%	-22.25%
Taseko Mines Ltd	-4.04%	-8.06%	-8.65%	-19.03%
Precision Drilling Corp	-3.77%	+3.12%	-2.40%	-15.83%

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
19-Mar	1,548.34	14,455.82	3,229.10
1-day	-0.24%	+0.03%	-0.26%
5-day	-0.27%	+0.04%	-0.41%
1-month	+1.14%	+2.99%	+0.48%
3-months	+7.84%	+9.08%	+6.07%
6-months	+5.97%	+6.47%	+1.46%
12-months	+9.83%	+9.19%	+4.90%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.73%	-1.22%	+1.37%	+16.55%
C. Staples	+0.74%	+0.40%	+1.90%	+15.36%
Energy	-0.94%	-0.87%	-1.29%	+2.52%
Financials	-0.53%	-0.26%	+1.57%	+14.95%
Healthcare	+0.01%	-0.77%	+1.97%	+20.77%
Info Tech	-0.22%	+0.21%	+0.54%	-2.50%
Industrials	-0.11%	+0.32%	+0.76%	+10.20%
Materials	-0.40%	-0.64%	+0.73%	+5.15%
Telecom	+0.26%	-0.41%	+4.11%	+17.31%
Utilities	+0.23%	+0.91%	+3.10%	+9.94%

DJIA Top Performers

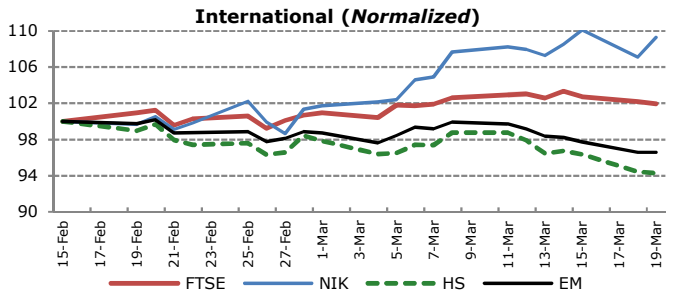
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnth
Coca-Cola Co/The	+1.47%	+0.95%	+5.10%	+11.73%
Procter & Gamble Co/The	+1.25%	-0.08%	+0.74%	+14.73%
Hewlett-Packard Co	+1.23%	+7.99%	+37.64%	-5.05%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnth
Caterpillar Inc	-1.22%	-1.64%	-7.68%	-22.39%
American Express Co	-0.99%	-0.25%	+5.58%	+13.72%
Alcoa Inc	-0.93%	-1.62%	-9.01%	-20.00%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,441.32	12,468.23	22,041.86	1,030.11
1-day	-0.26%	+2.03%	-0.19%	+0.00%
5-day	-1.06%	+1.25%	-3.71%	-2.60%
1-month	+0.98%	+9.64%	-4.76%	+0.00%
3-months	+8.05%	+22.71%	-2.57%	+1.03%
6-months	+9.39%	+35.05%	+5.76%	+5.40%
12-months	+8.06%	+22.94%	+4.39%	+0.25%

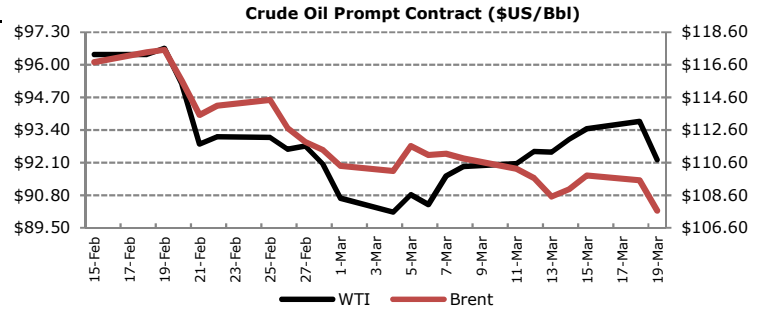


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Nymex WTI Crude Oil

(\$US/Bbl)	19-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$92.21	-\$1.53	-1.63%	-0.36%	-4.36%
Cal 13	\$92.51	-\$1.47	-1.56%	-0.46%	-5.46%
Cal 14	\$89.81	-\$1.20	-1.32%	-0.57%	-5.46%

(\$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	\$92.95	\$92.08	\$90.94	\$90.07	\$89.81



Inventory Levels (as of Mar-08)

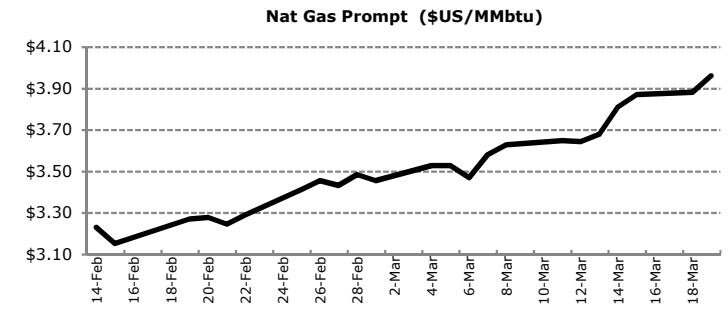
(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	383,975	+2,624	337,426	319,411
Motor Gas	224,308	-3,571	214,389	200,481
Distillates	120,437	+83	171,756	140,851

UK Brent Crude Oil

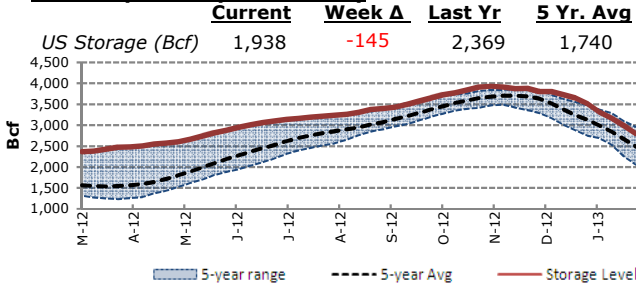
(\$US/Bbl)	19-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$107.65	-\$1.86	-1.73%	-1.82%	-8.29%

Nymex Natural Gas

(\$US/MMbtu)	19-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.96	+\$0.08	+2.06%	+8.70%	+25.66%
Apr13-Oct13	\$4.04	+\$0.07	+1.70%	+7.63%	+12.16%
Nov13-Mar14	\$4.29	+\$0.06	+1.33%	+4.90%	+6.79%
Apr14-Oct14	\$4.15	+\$0.03	+0.79%	+1.90%	+3.01%
Nov14-Mar15	\$4.44	+\$0.03	+0.75%	+1.56%	+1.43%



Inventory Levels (as of Mar-08)

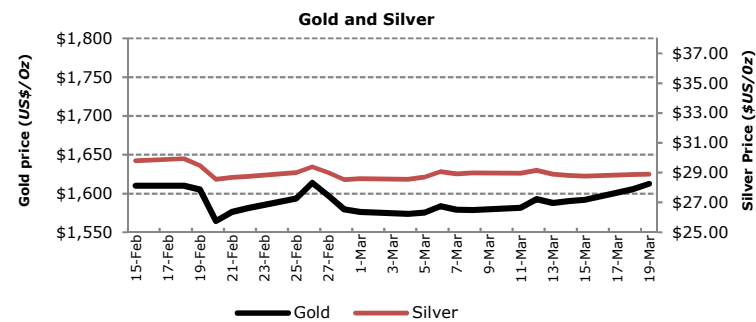


Alberta Natural Gas

(\$CAD/GJ)	19-Mar	day Δ	%Δ
AECO Apr-13	\$3.37	+\$0.10	+3.1%

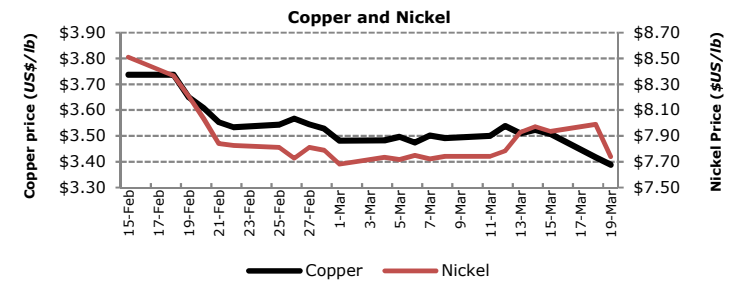
Precious Metals

\$US/oz	19-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,612.45	+\$6.82	+0.4%	+1.2%	+0.1%	-3.3%
Silver	\$28.90	+\$0.02	+0.1%	-0.9%	-3.0%	-6.9%
Platinum	\$1,557	-\$22.50	-1.4%	-2.5%	-7.4%	-2.1%



Industrial Metals

\$US/lb	19-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.39	-\$0.03	-0.8%	-4.2%	-9.3%	-5.8%
Nickel	\$7.74	-\$0.25	-3.1%	-0.6%	-9.1%	-6.0%
Zinc	\$0.94	-\$0.02	-2.4%	-1.0%	-11.6%	-6.9%
Aluminum	\$0.86	-\$0.02	-2.3%	0.0%	-11.3%	-8.5%
Uranium	\$42.25	+\$0.00	0.0%	-0.4%	-2.1%	-5.1%



Agriculture & Other

	19-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$7.29	+\$0.09	+1.2%	+2.0%	+4.5%
Wheat (\$US/bu)	\$7.22	+\$0.09	+1.3%	+2.6%	-3.5%
Soybeans (\$US/bu)	\$14.07	-\$0.03	-0.2%	-4.2%	-0.6%
Rough Rice (\$US/cwt)	\$14.72	+\$0.18	+1.2%	-3.4%	-8.9%
Sugar #11 (¢US/lb)	¢18.31	¢0.02	+0.1%	-2.7%	+3.2%
Lean Hogs (¢US/lb)	¢88.23	¢0.73	-0.8%	-3.1%	-5.1%
Live Cattle (¢US/lb)	¢120.73	¢0.65	-0.5%	-2.5%	-4.4%
Cotton No.2 (\$US/lb)	\$0.91	+\$0.00	+0.3%	+4.4%	+9.5%
Lumber (\$US/Mbft)	\$387.00	-\$7.40	-1.9%	-3.2%	-3.2%

Commodity ETFs

	19-Mar	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.27	-\$0.16	-3.6%	-1.4%	-9.7%
HBP Nat Gas U	\$15.22	+\$0.65	+4.5%	+17.8%	+48.2%
HBP Comex Gold	\$16.01	+\$0.08	+0.5%	+1.2%	+0.3%
\$USD					
US Crude Oil	\$33.07	-\$0.58	-1.7%	-0.57%	-6.2%
US Nat Gas	\$21.73	+\$0.47	+2.2%	8.70%	+21.8%
PSDB Agriculture	\$25.94	-\$0.02	-0.1%	-1.74%	-2.3%
PSDB Base Metals	\$17.62	-\$0.01	-0.1%	-3.56%	-10.7%

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Interest Rates

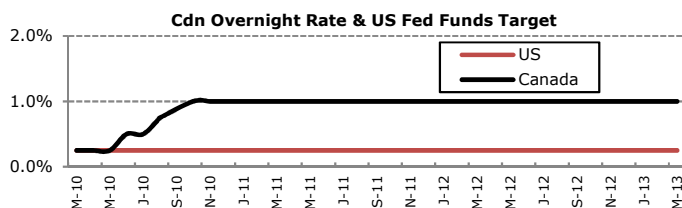
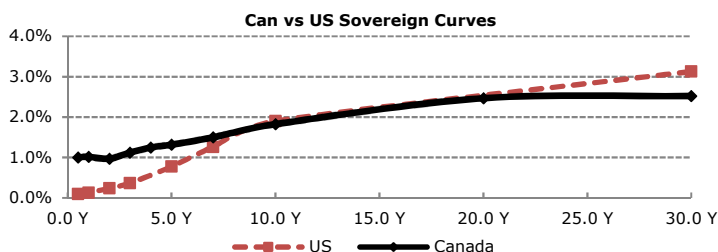
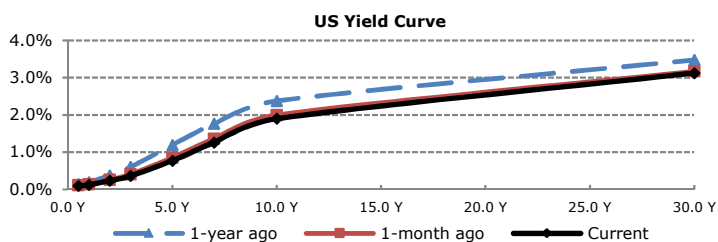
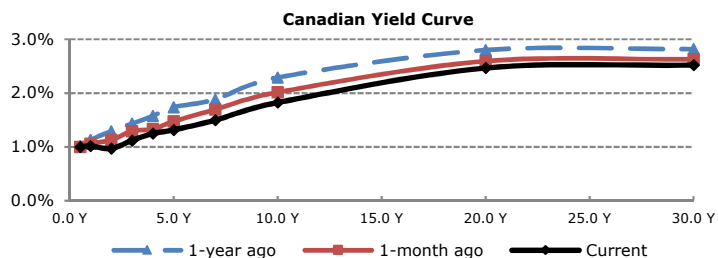
Canadian yield curve

	19-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.96%	-	0.95%	0.95%	0.90%
6-mnth	1.00%	-	1.00%	1.02%	1.02%
12-mnth	1.02%	-0.01%	1.06%	1.11%	1.13%
2-year	0.97%	-0.01%	1.13%	1.14%	1.29%
5-year	1.32%	-0.03%	1.48%	1.41%	1.74%
10-year	1.82%	-0.04%	2.02%	1.85%	2.29%
20-year	2.47%	-0.04%	2.59%	2.38%	2.80%
30-year	2.52%	-0.04%	2.63%	2.42%	2.82%

US yield curve

	19-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.07%	-	0.10%	0.05%	0.08%
6-mnth	0.10%	-	0.12%	0.10%	0.15%
12-mnth	0.13%	-0.00%	0.15%	0.15%	0.20%
2-year	0.24%	-0.00%	0.27%	0.27%	0.38%
5-year	0.78%	-0.03%	0.86%	0.77%	1.19%
10-year	1.90%	-0.05%	2.00%	1.80%	2.38%
30-year	3.13%	-0.06%	3.18%	2.99%	3.48%

	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	17-Apr-13	1.00%
US Fed Funds	0.25%	0.25%	20-Mar-13	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

<i>Spot</i>	19-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.027	+0.005	1.006	0.984	0.996
EURUSD	\$1.289	-0.007	1.336	1.316	1.330
USDJPY	¥95.09	-0.120	93.50	83.89	82.46
GBPUSD	\$1.510	-0.001	1.552	1.620	1.596
AUDUSD	\$1.037	-0.003	1.031	1.055	1.038

<i>Spot</i>	19-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
CADJPY	¥92.60	-0.561	92.91	85.29	82.75
CADAUD	\$0.939	-0.001	0.964	0.964	0.967
GBPUSD	£1.551	+0.007	1.562	1.594	1.590
EURJPY	¥122.55	-0.810	124.96	110.43	109.68
EURAUD	\$1.24	-0.003	1.30	1.25	1.28

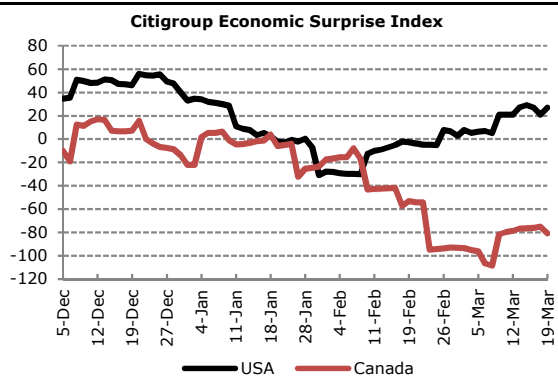
Economic Releases

United States

		Period	Survey	Actual	Prior
Tue, Mar 19	Housing Starts	28-Feb	915K	917K	890K
Thu, Mar 21	Leading Indicators	28-Feb	0.4%	--	0.2%
Thu, Mar 21	Existing Home Sales	28-Feb	5%	--	4.92%
Thu, Mar 21	Continuing Claims	9-Mar	3050K	--	3024K
Thu, Mar 21	Intial Jobless Claims	16-Mar	340K	--	332K

Canada

		Period	Survey	Actual	Prior
Tue, Mar 19	Manufacturing Sales (MoM)	31-Jan	0.6%	-0.2%	-3.1%
Thu, Mar 21	Retail Sales (MoM)	31-Jan	0.9%	--	-2.1%

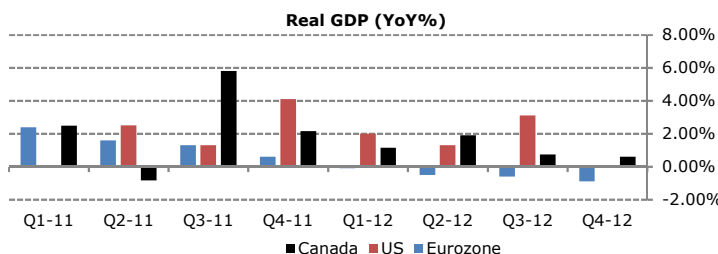


Economics

Canada	Q1-12	Q2-12	Q3-12	Q4-12	2013E
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%

US	Q1-12	Q2-12	Q3-12	Q4-12	2013E
Real GDP	2.00%	1.30%	3.10%	0.10%	1.90%
CPI	2.83%	1.90%	1.70%	1.90%	1.80%
Unemployment	8.20%	8.20%	7.80%	7.80%	7.70%

China	Q1-12	Q2-12	Q3-12	Q4-12	2013E
Real GDP	8.10%	7.60%	7.40%	7.90%	8.10%



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