

## Today's Commentary

Financial markets fell from morning highs on Monday after comments from Dutch Finance Minister Jeroen Dijsselbloem suggested that uninsured bank deposits in the euro zone are susceptible to losses in the event of banking failures. Canada's benchmark index was down 0.60 percent, while the Dow and S&P 500 lost 0.44 and 0.33 percent respectively. The energy sector fell 0.76 percent despite modest gains in oil prices. Goldman Sachs' downgraded their outlook for BlackBerry after a disappointing U.S. launch of their newest smartphone on Friday, sending shares down an additional 4.5 percent. The materials sector was dragged 1.44 percent lower by falling gold prices, with Yamana Gold and Kinross Gold losing 3.3 and 3.4 percent respectively.

Uninsured depositors at Cyprus' second largest bank, Laiki, are now facing losses of about 50 percent, according to anonymous EU negotiators. The funds will be used to recapitalize the Bank of Cyprus with the aid of 10 billion euros in additional funding from the troika of international creditors. German Finance Minister Wolfgang Schauble reported that he was satisfied with the deal, stating that "This is bitter for Cyprus but we now have the result that the (German) government always stood out for". In response to criticism from angry Russian and Cypriot depositors, French Finance Minister Pierre Moscovici said that "To all those who say that we are strangling an entire people ... Cyprus is a casino economy that was on the brink of bankruptcy". Financial markets traded lower after comments from Dutch Finance Minister Jeroen Dijsselbloem suggested that the Cyprus agreement would form the template for similar deals in the future.

According to median forecasts, orders for U.S. durable goods likely rose for the month of February by the most in five months. The uptick will come on the back of increased demand for commercial aircraft, auto sales and home purchases. Boeing announced that it received 179 orders for aircraft in February, while economists predict that 420,000 new home sales in the previous month. A strong durable goods number would be a good indicator for future increases in business investment as businesses employ resources to meet expanding demand. The durable goods orders report will be released at 8:30, followed by the Case-Shiller home price index at 9 a.m that is likely to show that prices rose significantly across 20 cities for the 12 months ended in January. The new home sales report from the Commerce Department is due later in the morning.

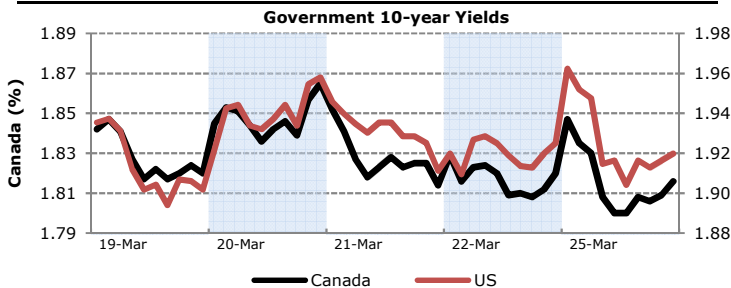
The Daily Roll is written by MFE Candidates Dipanker Koirala and Jan Varsava in partnership with the Rotman Finance Association. Please email [dailyroll@economics.utoronto.ca](mailto:dailyroll@economics.utoronto.ca) to subscribe/unsubscribe.

## Today's Major Economic Releases

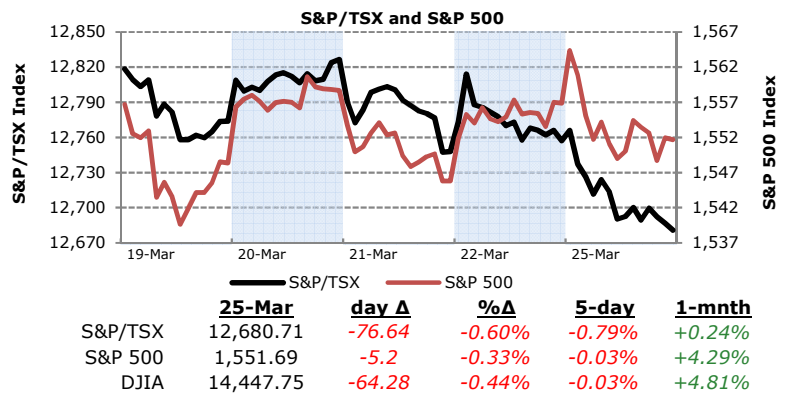
United States	Period	Survey	Actual	Prior
Durable Goods Orders	28-Feb	3.9%	-	-5.2%
New Home Sales	31-Jan	425K	-	437K

Canada	Period	Survey	Actual	Prior
None Scheduled				

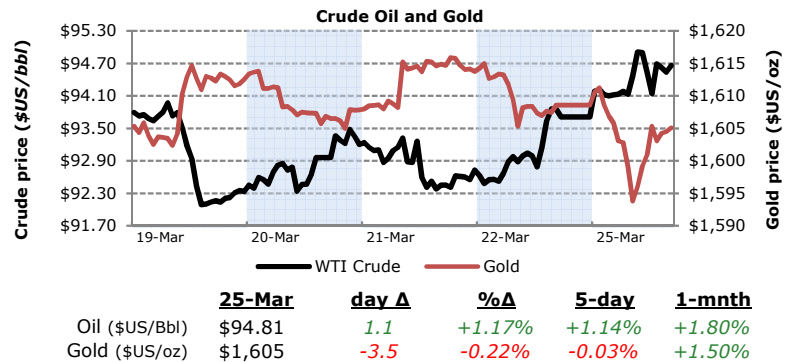
## Interest Rates



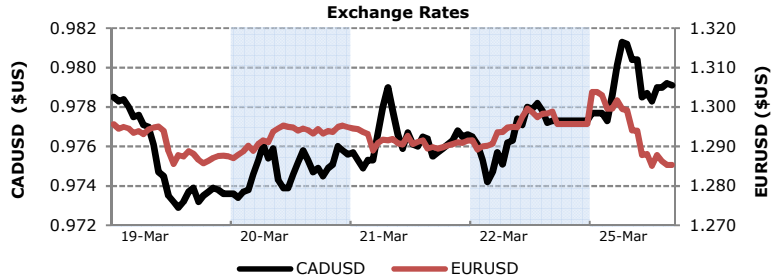
## Equities



## Commodities



## Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	25-Mar	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.021	-0.002	1.022	1.022	0.996
EURUSD	\$1.285	-0.014	1.296	1.319	1.314
USDJPY	¥94.17	-0.290	95.210	93.42	82.46

Government 10-year Yields	25-Mar	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	1.82%	-0.004%	1.94%	1.82%	2.18%
United States	1.92%	-0.005%	1.96%	1.77%	2.23%

## 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.

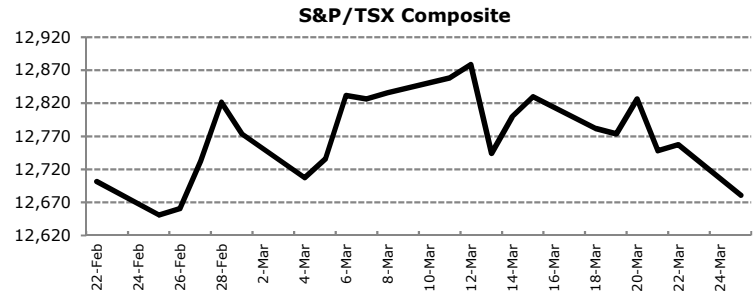
<http://www.rotman.utoronto.ca/financeassociation>

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	<b>25-Mar</b>	<b>day Δ</b>	<b>%Δ</b>
<b>S&amp;P/TSX</b>	12,680.71	-76.64	-0.60%
<b>Trailing S&amp;P/TSX</b>			
5-day		-0.79%	-0.77%
1-month		+0.24%	+0.14%
3-months		+2.51%	+2.38%
6-months		+3.46%	+3.93%
12-months		+1.73%	+2.36%



### TSX Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
C. Discretionary	-0.01%	+0.84%	+4.60%	+14.48%
C. Staples	-0.09%	+0.15%	+1.94%	+16.73%
Energy	-0.76%	-2.04%	+1.14%	-6.09%
Financials	-0.26%	-0.55%	-1.03%	+4.97%
Healthcare	-0.35%	+1.92%	+1.75%	+9.82%
Info Tech	-1.21%	-1.60%	+2.22%	+13.81%
Industrials	-0.89%	-1.76%	+0.46%	+20.18%
Materials	-1.44%	-1.23%	-1.60%	-17.10%
Metals & Mining	-1.76%	-5.87%	-2.28%	-17.73%
Telecom	-0.01%	+0.17%	+1.77%	+15.52%
Utilities	-0.29%	+0.23%	-4.64%	-4.27%

### TSX Top Performers

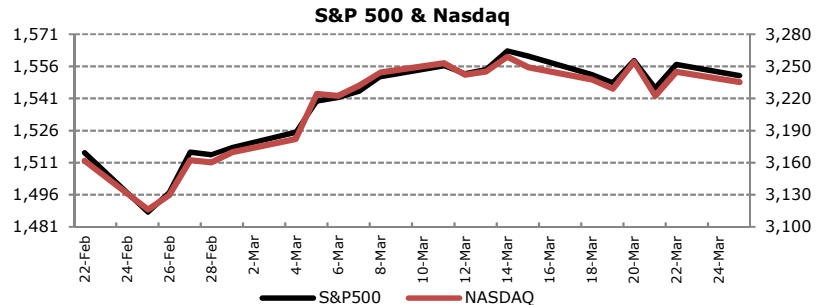
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Crew Energy Inc	+2.53%	+1.67%	+13.37%	-28.46%
Tmx Group Ltd	+2.30%	+0.70%	+6.12%	NA
Dorel Industries-Cl B	+2.06%	+4.23%	+10.34%	+47.55%
Labrador Iron Ore Royalty	+1.96%	-5.29%	-1.86%	-3.07%
Iamgold Corp	+1.89%	+5.91%	+0.53%	-43.00%

### 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	-5.88%	+4.49%	+15.32%	-50.39%
Just Energy Group Inc	-5.79%	-10.69%	-20.05%	-53.74%
Atlantic Power Corp	-5.69%	-5.87%	-54.02%	-64.17%
Taseko Mines Ltd	-4.79%	-6.40%	-7.02%	-21.02%
Research In Motion	-4.48%	-6.08%	+7.64%	+6.14%

### US Indices

<i>Trailing</i>	<b>S&amp;P 500</b>	<b>DJIA</b>	<b>Nasdaq</b>
25-Mar	1,551.69	14,447.75	3,235.30
1-day	-0.33%	-0.44%	-0.30%
5-day	-0.03%	-0.03%	-0.07%
1-month	+4.29%	+4.81%	+3.82%
3-months	+8.76%	+9.96%	+7.39%
6-months	+7.64%	+7.36%	+3.77%
12-months	+11.06%	+10.45%	+5.46%



### S&P 500 Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
C. Discretionary	-0.18%	+0.57%	+6.37%	+17.86%
C. Staples	-0.10%	+2.26%	+4.16%	+16.60%
Energy	-0.38%	-0.45%	+3.36%	+6.82%
Financials	-0.29%	-0.80%	+5.24%	+15.30%
Healthcare	-0.33%	+0.74%	+4.75%	+22.40%
Info Tech	-0.30%	-0.57%	+3.06%	-2.35%
Industrials	-0.81%	-1.09%	+3.42%	+11.52%
Materials	-0.74%	-1.97%	+4.06%	+4.70%
Telecom	-0.11%	+0.83%	+4.62%	+18.62%
Utilities	-0.25%	+0.42%	+3.99%	+10.13%

### DJIA Top Performers

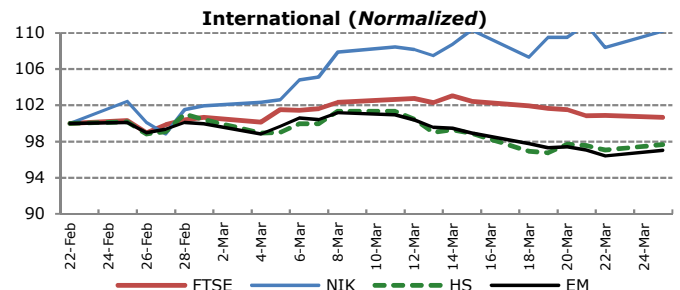
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Wal-Mart Stores Inc	+0.77%	+3.60%	+6.32%	+23.21%
Unitedhealth Group Inc	+0.73%	-0.25%	+0.72%	+2.24%
Cisco Systems Inc	+0.48%	-3.78%	-0.24%	+1.66%

### 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>
Bank Of America Corp	-1.27%	-1.27%	+8.39%	+25.89%
3M Co	-1.17%	-0.23%	+1.57%	+18.89%
Mcdonald'S Corp	-1.04%	-0.33%	+3.14%	+2.82%

### International Markets

<i>Trailing</i>	<b>FTSE 100</b>	<b>Nikkei</b>	<b>Hang Seng</b>	<b>MSCI EM</b>
Last Close	6,378.38	12,546.46	22,251.15	1,022.27
1-day	-0.22%	+1.69%	+0.61%	+0.67%
5-day	-1.23%	-0.12%	+0.76%	-0.76%
1-month	+0.36%	+7.58%	-2.49%	-3.05%
3-months	+7.12%	+24.47%	-1.29%	-2.06%
6-months	+8.85%	+38.00%	+7.50%	+2.04%
12-months	+8.94%	+25.32%	+7.66%	-1.89%



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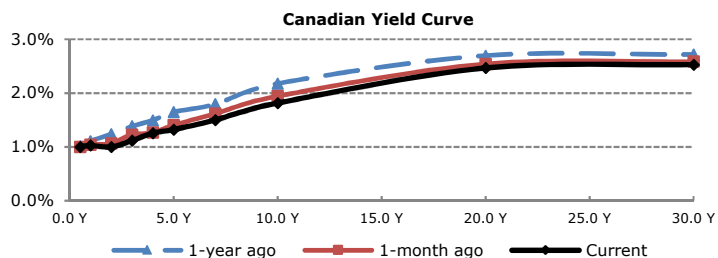


## Interest Rates

### Canadian yield curve

	<b>25-Mar</b>	<b>day Δ</b>	<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.98%	-	0.96%	0.92%	0.90%
6-mnth	1.00%	-	1.00%	1.01%	1.01%
12-mnth	1.03%	+0.01%	1.04%	1.11%	1.11%
2-year	1.00%	+0.00%	1.07%	1.13%	1.24%
5-year	1.32%	+0.00%	1.40%	1.38%	1.65%
10-year	1.82%	-0.00%	1.94%	1.82%	2.18%
20-year	2.47%	-	2.54%	2.34%	2.70%
30-year	2.53%	+0.00%	2.59%	2.38%	2.72%

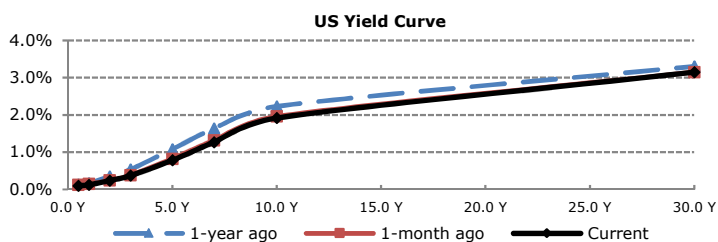
### Historical Levels



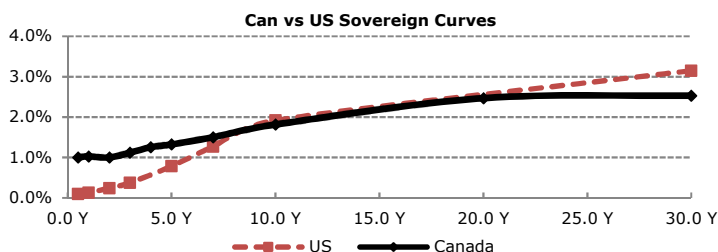
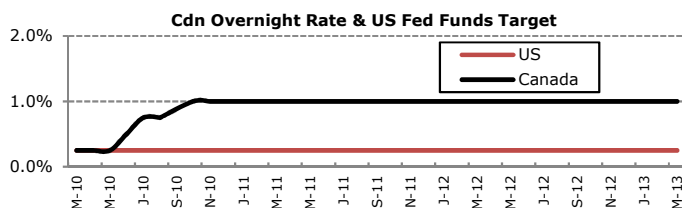
### US yield curve

	<b>25-Mar</b>	<b>day Δ</b>	<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.06%	-0.01%	0.12%	0.05%	0.07%
6-mnth	0.10%	-	0.13%	0.10%	0.14%
12-mnth	0.13%	-	0.15%	0.14%	0.17%
2-year	0.24%	-0.01%	0.25%	0.27%	0.35%
5-year	0.79%	-0.01%	0.83%	0.77%	1.08%
10-year	1.92%	-0.01%	1.96%	1.77%	2.23%
30-year	3.15%	+0.00%	3.15%	2.94%	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%



## Foreign Exchange

(USDCAD implies 1-USD to CAD)

	<b>Spot</b>	<b>25-Mar</b>	<b>day Δ</b>	<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
USDCAD	\$1.021	-0.002	1.022	0.993	0.996	
EURUSD	\$1.285	-0.014	1.319	1.319	1.314	
USDJPY	¥94.17	-0.290	93.42	84.24	82.46	
GBPUSD	£1.518	-0.006	1.516	1.617	1.589	
AUDUSD	\$1.047	+0.002	1.032	1.040	1.027	

	<b>Spot</b>	<b>25-Mar</b>	<b>day Δ</b>	<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
CADJPY	¥92.21	-0.124	91.44	84.80	82.77	
CADAUD	\$0.936	-0.000	0.948	0.968	0.977	
GBPUSD	£1.550	-0.008	1.549	1.606	1.583	
EURJPY	¥121.04	-1.690	123.22	111.08	108.37	
EURAUD	\$1.23	-0.016	1.28	1.27	1.28	

## Economic Releases

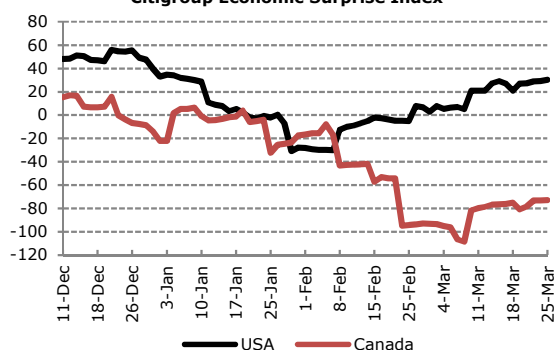
### United States

		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Tue, Mar 26	Durable Goods Orders	28-Feb	3.9%	--	-5.2%
Tue, Mar 26	New Home Sales	28-Feb	425K	--	437K
Tue, Mar 26	Consumer Confidence	31-Mar	67.5%	--	69.6%
Thu, Mar 28	Continuing Claims	16-Mar	3041K	--	3053K
Thu, Mar 28	Initial Jobless Claims	23-Mar	340K	--	336K
Thu, Mar 28	GDP QoQ (Annualized)	31-Mar	0.5%	--	0%
Fri, Mar 29	Personal Income	28-Feb	0.8%	--	-3.6%

### Canada

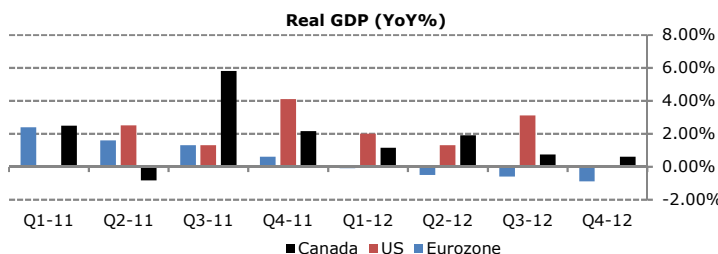
		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Wed, Mar 27	BOC CPI Core (YoY)	28-Feb	1%	--	1%
Wed, Mar 27	Consumer Price Index	28-Feb	0.8%	--	0.5%
Thu, Mar 28	GDP MoM	31-Jan	0.1%	--	-0.2%

### 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%	0.10%	1.90%
CPI	2.83%	1.90%	1.70%	1.90%	1.80%
Unemployment	8.20%	8.20%	7.80%	7.80%	7.70%
<b>China</b>					
Real GDP	8.10%	7.60%	7.40%	7.90%	8.10%



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