

Today's Commentary

The S&P/TSX composite managed a small gain of 0.23 percent on Tuesday, while U.S. markets were up sharply, with the S&P 500 and Nasdaq gaining 0.96 and 1.32 percent respectively. The Dow made history by surpassing its all-time high set in 2007, closing at 14,286. Bank of Nova Scotia reported rising profits and raised its dividend, which lifted its stock price by 0.74 percent. The financial sector performed well overall, as TD Bank and CIBC each gained 0.5 percent as well. China announced that government spending would help to stimulate domestic consumption and ensure that the country reaches its goal of 7.5 percent growth this year. The news was bullish for commodities, which helped the slumping materials and energy sectors gain 0.4 and 0.3 percent respectively.

Michael Dell is still negotiating to take PC maker Dell Inc. private in a \$24 billion buyout. However, the company's largest shareholder, Southeastern Asset Management, is strongly opposing the transaction and has requested more detailed information regarding the firm's finances. On Tuesday, Dell was accused of understating projected PC sales and growth in IT services. Furthermore, a filing by Southeastern Asset Management stated that "Under the current buyout proposal, management and Silver Lake stand to receive all of the future upside, while denying shareholders, who have paid to reposition the company, the opportunity to reap the rewards of our investment." Michael Dell currently owns 16 percent of the company and requires a majority of shareholders to vote in favor of taking the company private. The buyout negotiations have driven Dell's stock price up about 30 percent since January.

Data shows that euro-zone exports declined for the first time in three years in the fourth quarter of 2012 and business investment also contracted, suggesting that the trading bloc is sinking deeper into recession. The outflow of goods fell by 0.9 percent over the last three months of the year, a period when GDP shrank 0.6 percent. Most economists predict the weakness to persist through the next few quarters – the European Commission forecasts the euro-zone economy to shrink 0.3 percent during the year. Despite weak numbers and an inconclusive result in Italian elections, the European Central Bank is expected to keep its benchmark rate at 0.75 percent tomorrow. In a meeting two days ago German Chancellor Angela Merkel said, "We've done quite a bit to consolidate budgets, but we always have this discussion about growth, and don't quite have the answers for where growth should come from."

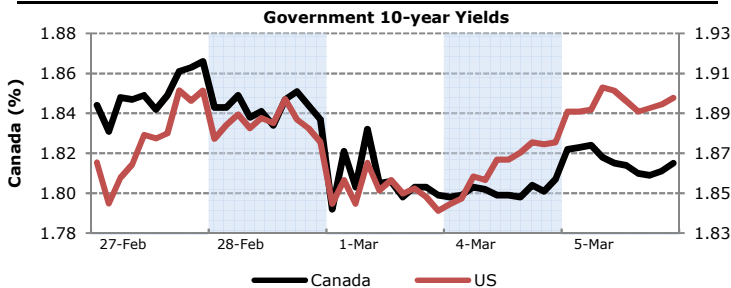
The Daily Roll is written by MFE Candidates Dipanker Koirala and Jan Varsava in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

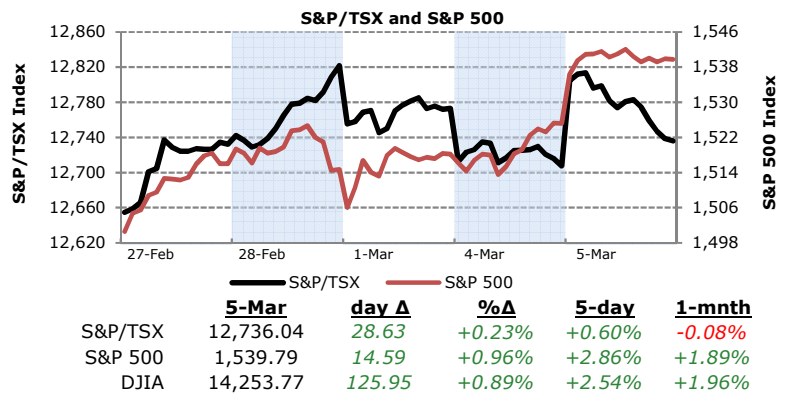
United States	Period	Survey	Actual	Prior
Factory Orders	31-Jan	-2.2%	-	1.8%
ADP Employment Change	28-Feb	173K	198K	192K

Canada	Period	Survey	Actual	Prior
None Scheduled				

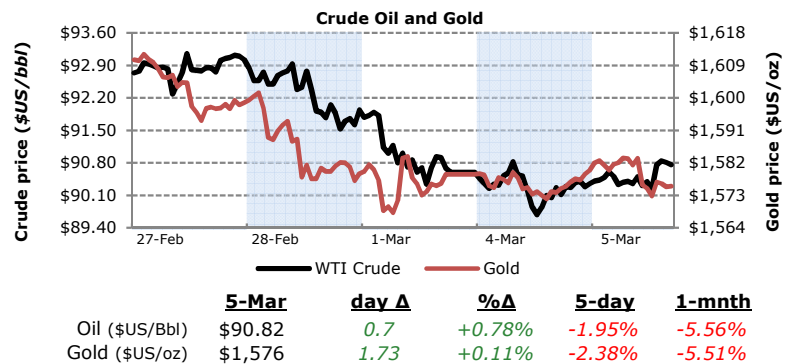
Interest Rates



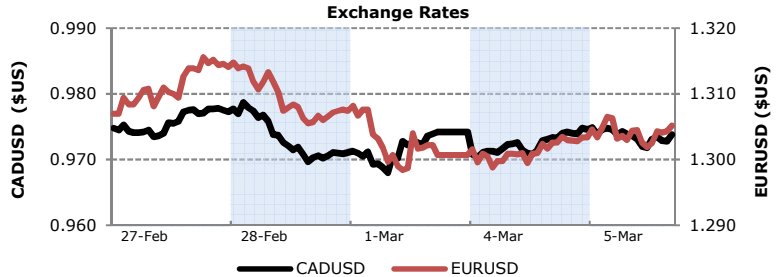
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	5-Mar	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.027	-0.000	1.026	0.997	0.992
EURUSD	\$1.305	+0.003	1.306	1.364	1.308
USDJPY	¥93.29	-0.190	91.980	92.77	83.57

Government 10-year Yields

	5-Mar	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	1.82%	0.008%	2.04%	1.69%	1.98%
United States	1.90%	0.022%	2.01%	1.59%	2.01%

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>

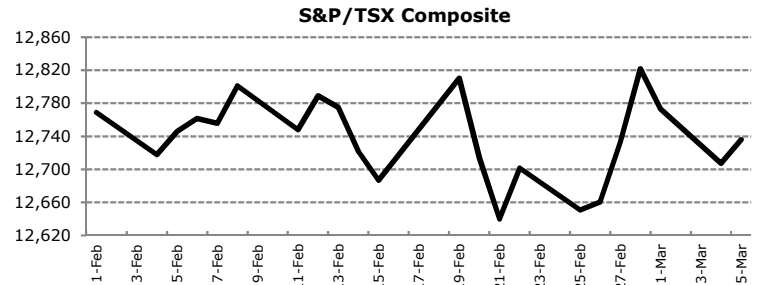
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	5-Mar	day Δ	%Δ
S&P/TSX	12,736.04	28.63	+0.23%

	Trailing S&P/TSX	TSX 60
5-day	+0.60%	+0.69%
1-month	-0.08%	+0.28%
3-months	+4.76%	+5.01%
6-months	+6.22%	+6.84%
12-months	+1.69%	+2.86%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.46%	+3.42%	+3.86%	+17.09%
C. Staples	-0.22%	+1.65%	+3.52%	+27.52%
Energy	+0.32%	+0.77%	-2.37%	-10.98%
Financials	+0.39%	+1.09%	+2.96%	+11.34%
Healthcare	+0.96%	+3.69%	+4.92%	+9.52%
Info Tech	+0.38%	+1.08%	-3.41%	+13.82%
Industrials	-0.17%	+2.75%	+5.25%	+24.21%
Materials	+0.06%	-4.33%	-9.63%	-22.11%
Metals & Mining	+0.40%	-2.48%	-12.55%	-22.03%
Telecom	+0.44%	+2.47%	+5.10%	+16.11%
Utilities	-0.90%	-2.12%	-4.02%	-2.93%

TSX Top Performers

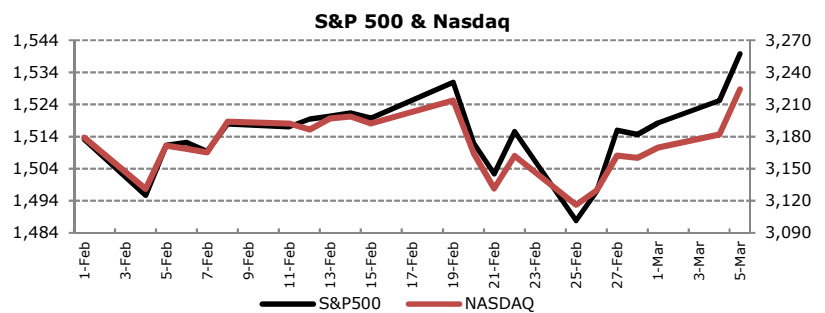
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Secure Energy Services In		+9.98%	+7.85%	+5.40%	+18.78%
Banro Corporation		+8.25%	-11.16%	-14.89%	-56.87%
Transglobe Energy Corp		+6.35%	+9.15%	+0.11%	-23.06%
Nevsun Resources Ltd		+4.32%	-2.28%	-6.99%	-2.77%
Westjet Airlines Ltd		+4.25%	+10.98%	+8.82%	+73.65%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Wajax Corp		-5.99%	-7.18%	-10.31%	-8.82%
Gabriel Resources Ltd		-5.95%	+0.85%	-8.14%	-59.83%
Capital Power Corp		-4.42%	-7.56%	-6.96%	-12.62%
Aurizon Mines Ltd		-4.23%	-4.02%	-6.93%	-13.83%
Atlantic Power Corp		-3.96%	-45.09%	-49.70%	-59.07%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing			
5-Mar	1,539.79	14,253.77	3,224.13
1-day	+0.96%	+0.89%	+1.32%
5-day	+2.86%	+2.54%	+3.02%
1-month	+1.89%	+1.96%	+1.66%
3-months	+9.26%	+9.35%	+8.42%
6-months	+9.72%	+9.25%	+5.05%
12-months	+12.86%	+9.96%	+9.27%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+1.01%	+4.13%	+3.11%	+19.89%
C. Staples	+0.32%	+1.96%	+3.50%	+16.40%
Energy	+0.72%	+1.86%	-0.44%	+3.69%
Financials	+0.84%	+3.45%	+1.92%	+21.26%
Healthcare	+0.90%	+3.29%	+2.53%	+22.73%
Info Tech	+1.49%	+2.44%	+1.25%	+2.12%
Industrials	+1.37%	+2.79%	+2.03%	+13.01%
Materials	+0.63%	+2.66%	-1.64%	+5.35%
Telecom	+0.98%	+3.13%	+3.06%	+19.53%
Utilities	+0.56%	+2.93%	+3.64%	+8.64%

DJIA Top Performers

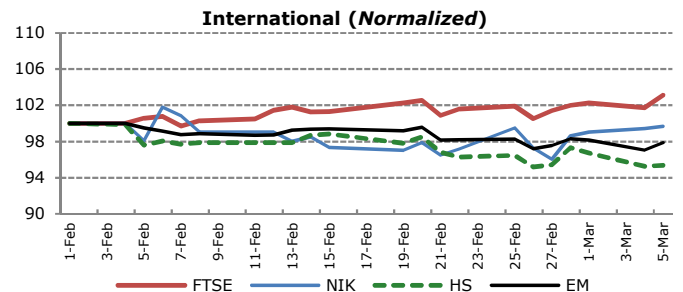
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Cisco Systems Inc		+2.27%	+2.96%	+1.78%	+8.21%
United Technologies Corp		+2.12%	+2.04%	+1.31%	+9.28%
Boeing Co/The		+2.04%	+3.98%	+5.06%	+6.11%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Coca-Cola Co/The		-0.36%	+1.50%	+3.04%	+11.74%
Merck & Co. Inc.		-0.21%	+1.96%	+3.39%	+12.48%
Alcoa Inc		+0.00%	-0.71%	-7.22%	-15.40%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing				
Last Close	6,431.95	11,683.45	22,560.50	1,049.94
1-day	+1.36%	+0.27%	+0.10%	+0.83%
5-day	+2.58%	+2.50%	+0.18%	+0.69%
1-month	+2.37%	+5.76%	-2.54%	-1.66%
3-months	+9.16%	+23.39%	+1.30%	+3.20%
6-months	+13.68%	+34.60%	+17.84%	+11.75%
12-months	+9.48%	+20.47%	+6.09%	-1.44%



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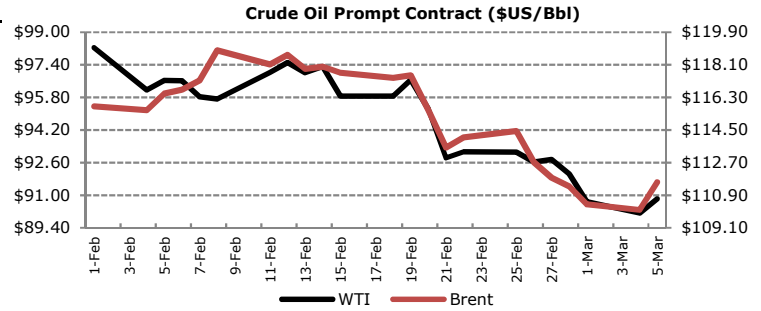
Nymex WTI Crude Oil

(\$US/Bbl)	5-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$90.82	+\$0.70	+0.78%	-1.95%	-5.56%
Cal 13	\$91.72	+\$0.69	+0.76%	-1.84%	-5.59%
Cal 14	\$89.88	+\$0.59	+0.66%	-1.78%	-4.32%

(\$US/bbl)	Q3-13	Q4-13	Q1-14	Q2-14	2014
Consensus Forecast	\$95.90	\$98.14	\$99.50	\$101.00	\$98.00
Current Forward	\$92.10	\$91.79	\$90.97	\$90.19	\$89.88

Inventory Levels (as of Feb-22)

(MBbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	377,518	+1,130	337,426	319,411
Motor Gas	228,495	-1,857	214,389	200,481
Distillates	124,184	+557	171,756	140,851



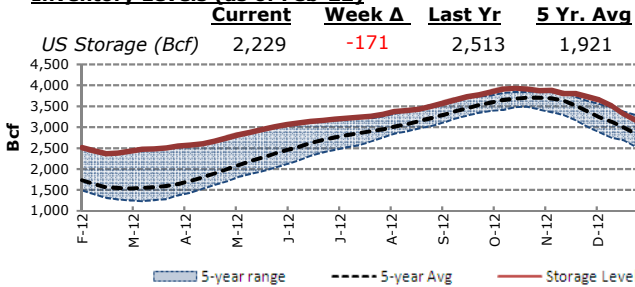
UK Brent Crude Oil

(\$US/Bbl)	5-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$111.61	+\$1.52	+1.36%	-0.98%	-3.45%

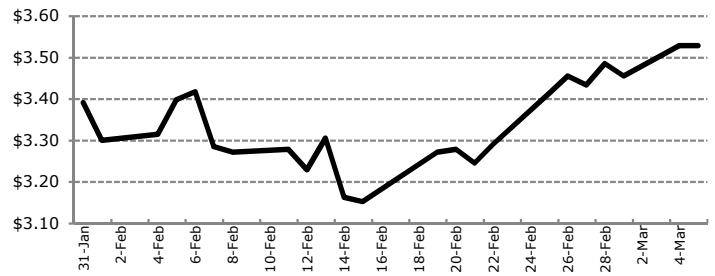
Nymex Natural Gas

(\$US/MMbtu)	5-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.53	+\$0.00	+0.00%	+2.11%	+6.91%
Apr13-Oct13	\$3.65	+\$0.00	+0.06%	+2.02%	-1.49%
Nov13-Mar14	\$4.04	+\$0.00	+0.09%	+1.69%	-1.49%
Apr14-Oct14	\$4.05	+\$0.00	+0.10%	+1.54%	-0.85%
Nov14-Mar15	\$4.36	+\$0.00	+0.01%	+0.80%	-0.67%

Inventory Levels (as of Feb-22)



Nat Gas Prompt (\$US/MMbtu)



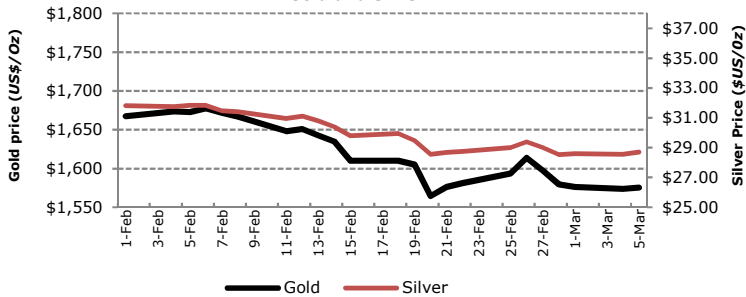
Alberta Natural Gas

(\$CAD/GJ)	5-Mar	day Δ	%Δ
AECO Apr-13	\$3.08	-\$0.02	-0.6%

Precious Metals

\$US/oz	5-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,575.50	+\$1.73	+0.1%	-2.4%	-5.5%	-7.0%
Silver	\$28.70	+\$0.14	+0.5%	-2.4%	-9.8%	-12.7%
Platinum	\$1,589	+\$20.50	+1.3%	-2.0%	-5.6%	+0.4%

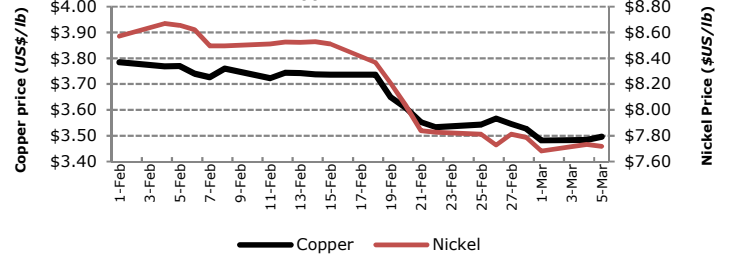
Gold and Silver



Industrial Metals

\$US/lb	5-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.50	+\$0.01	+0.4%	-2.0%	-7.6%	-4.6%
Nickel	\$7.72	-\$0.02	-0.2%	-0.1%	-9.9%	-5.4%
Zinc	\$0.98	-\$0.00	-0.3%	-3.9%	-6.3%	-1.1%
Aluminum	\$0.88	+\$0.00	0.0%	-2.2%	-5.4%	-7.4%
Uranium	\$42.15	+\$0.00	0.0%	+0.4%	-4.0%	-0.8%

Copper and Nickel



Agriculture & Other

	5-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$7.09	+\$0.06	+0.8%	+2.1%	-3.9%
Wheat (\$US/bu)	\$7.06	+\$0.03	+0.5%	-0.7%	-8.7%
Soybeans (\$US/bu)	\$14.67	+\$0.04	+0.3%	+2.4%	+0.1%
Rough Rice (\$US/cwt)	\$15.38	-\$0.21	-1.3%	-2.6%	-3.2%
Sugar #11 (¢US/lb)	¢18.19	+¢0.11	+0.6%	+0.8%	-3.9%
Lean Hogs (¢US/lb)	¢79.25	-¢1.05	-1.3%	-2.9%	-10.7%
Live Cattle (¢US/lb)	¢129.63	-¢0.72	-0.6%	+0.3%	-1.9%
Cotton No.2 (\$US/lb)	\$0.87	+\$0.01	+0.8%	+6.3%	+4.1%
Lumber (\$US/Mbft)	\$392.40	+\$1.20	+0.3%	+3.3%	+7.5%

Commodity ETFs

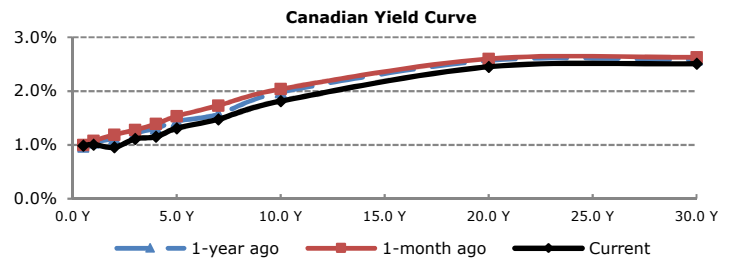
	5-Mar	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.18	+\$0.07	+1.7%	-3.9%	-14.9%
HBP Nat Gas U	\$12.23	-\$0.05	-0.4%	+4.5%	+9.1%
HBP Comex Gold	\$15.67	+\$0.03	+0.2%	-2.2%	-5.7%
\$USD					
US Crude Oil	\$32.69	+\$0.29	+0.9%	-1.92%	-7.3%
US Nat Gas	\$19.40	-\$0.05	-0.3%	2.21%	+3.4%
PSDB Agriculture	\$26.14	-\$0.12	-0.5%	-0.34%	-6.3%
PSDB Base Metals	\$18.23	-\$0.02	-0.1%	-2.93%	-6.3%

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Interest Rates

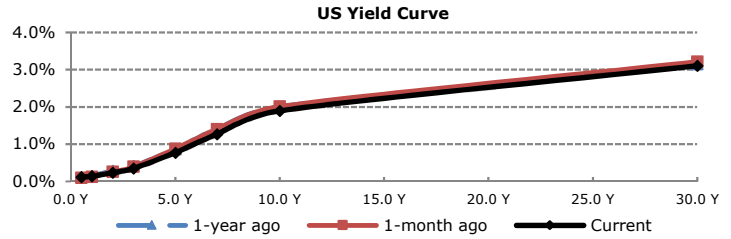
Canadian yield curve

	5-Mar	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.96%	-	0.93%	0.95%	0.92%
6-mnth	0.99%	-	1.00%	1.02%	0.97%
12-mnth	1.01%	+0.01%	1.08%	1.05%	1.05%
2-year	0.96%	+0.02%	1.19%	1.04%	1.12%
5-year	1.31%	+0.01%	1.53%	1.26%	1.44%
10-year	1.82%	+0.01%	2.04%	1.69%	1.98%
20-year	2.45%	+0.01%	2.60%	2.25%	2.57%
30-year	2.51%	+0.00%	2.63%	2.30%	2.59%

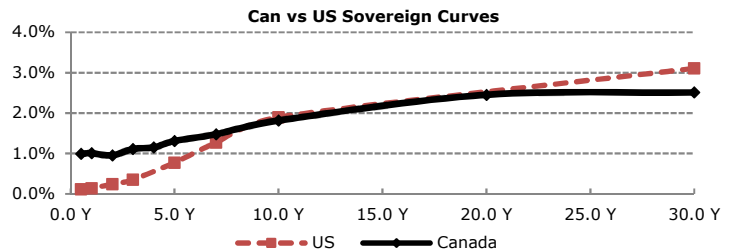
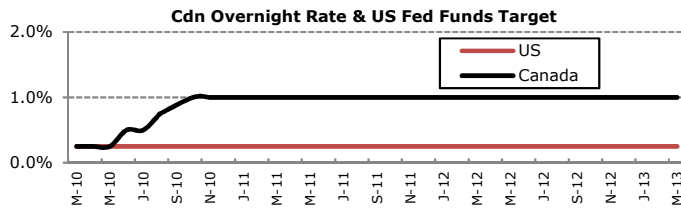


US yield curve

	5-Mar	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.10%	+0.01%	0.07%	0.09%	0.06%
6-mnth	0.12%	+0.01%	0.10%	0.13%	0.12%
12-mnth	0.14%	-0.01%	0.13%	0.16%	0.16%
2-year	0.24%	+0.00%	0.26%	0.24%	0.29%
5-year	0.78%	+0.02%	0.88%	0.60%	0.87%
10-year	1.90%	+0.02%	2.01%	1.59%	2.01%
30-year	3.11%	+0.02%	3.22%	2.78%	3.15%



	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	6-Mar-13	1.00%
US Fed Funds	0.25%	0.25%	20-Mar-13	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	5-Mar	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.027	-0.000		0.997	0.995	0.992
EURUSD	\$1.305	+0.003		1.364	1.305	1.308
USDJPY	¥93.29	-0.190		92.77	82.25	83.57
GBPUSD	\$1.513	+0.001		1.569	1.609	1.571
AUDUSD	\$1.026	+0.006		1.041	1.042	1.053

	Spot	5-Mar	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥90.84	-0.156		93.09	82.65	84.26
CADAUD	\$0.949	-0.005		0.964	0.964	0.958
GBPUSD	£1.553	+0.001		1.564	1.601	1.558
EURJPY	¥121.76	-0.010		126.66	107.36	109.32
EURAUD	\$1.27	-0.005		1.31	1.25	1.24

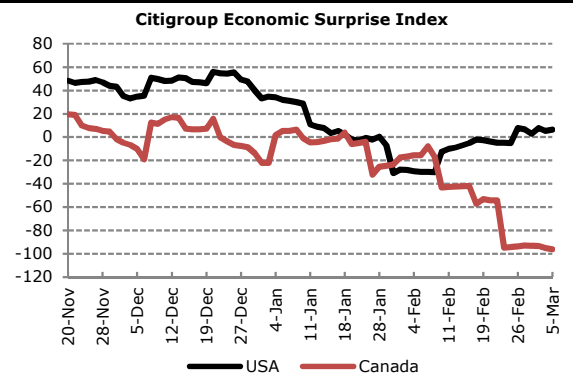
Economic Releases

United States

		Period	Survey	Actual	Prior
Wed, Mar 06	Factory Orders	31-Jan	-2.2%	--	1.8%
Wed, Mar 06	ADP Employment Change	28-Feb	173K	198K	192K
Thu, Mar 07	Continuing Claims	23-Feb	3120%	--	3074%
Thu, Mar 07	Initial Jobless Claims	2-Mar	355K	--	344K
Thu, Mar 07	Trade Balance	31-Jan	-42.6B	--	-38.5B
Fri, Mar 08	Nonfarm Payroll	28-Feb	160K	--	155K
Fri, Mar 08	Unemployment Rate	28-Feb	7.9%	--	7.9%

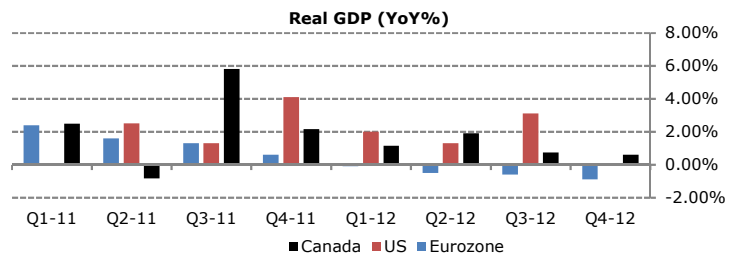
Canada

		Period	Survey	Actual	Prior
Thu, Mar 07	Building Permits (MoM)	31-Jan	5.3%	--	-11.2%
Fri, Mar 08	Net Change in Employment	28-Feb	8K	--	-21.9K
Fri, Mar 08	Unemployment	28-Feb	7.1%	--	7%
Fri, Mar 08	Housing Starts	28-Feb	175K	--	160.6K



Economics

	Q1-12	Q2-12	Q3-12	Q4-12	2013E
Canada					
Real GDP	1.15%	1.91%	0.73%	0.61%	1.75%
CPI	2.33%	1.57%	1.23%	0.93%	1.50%
Unemployment	7.20%	7.20%	7.30%	7.10%	7.20%
US					
Real GDP	2.00%	1.30%	3.10%	0.10%	1.80%
CPI	2.83%	1.90%	1.70%	1.90%	1.80%
Unemployment	8.20%	8.20%	7.80%	7.80%	7.70%
China					
Real GDP	8.10%	7.60%	7.40%	7.90%	8.10%



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