

Today's Commentary

The S&P/TSX composite was mostly flat on Thursday, ending up 0.04 percent, while the S&P 500 and Dow gained 0.35 and 0.36 percent respectively. An improvement in new jobless claims in the U.S. added to speculation that the Fed may move ahead with tapering in October. However, in the near-term, markets are focused on whether the federal debt negotiations will avoid a government shutdown at the end of the month, and increase the debt ceiling by mid-October. Gains in the TSX's energy sector, led by a 4.1 percent jump in Husky Energy shares, were offset by declines in the materials sector as gold miners gave back some of the gains made earlier in the week.

Comments from Federal Reserve officials on Thursday suggested that the Fed should do more to communicate its intentions in a transparent and predictable manner. Fed Board Governor Jeremy Stein stated that the decision not to taper bond purchases at the last FOMC meeting was a "close call" and that tapering is still on the table for their October meeting. Richmond Federal Reserve President Jeffrey Lacker added that "It could be hard to do it (tapering) in October without losing face, but I don't see why we couldn't do it... It's going to be harder for us to communicate credibly in the future." Minneapolis Fed chief Narayana Kocherlakota was also critical of how communications have been handled, commenting that "I think we've set ourselves up in a very awkward position where every action, no matter how minute the economic consequences of that action, and every communication about that action, no matter how minute that communication might be, is having very undue consequences on people's beliefs about the course of future policy."

Data released this morning show that for the fourth consecutive month Consumer spending in the U.S. rose - climbing 0.3 percent in August, in line with consensus estimates. Household incomes also rose 0.4 percent, which was the most in six months. The rebound in the housing market and an improving job market are outstripping the effects for tax increases that came into effect earlier this year. The numbers indicate that households are still working to improve their balance sheets as the savings rate climbed from 4.5 percent to 4.6 percent. The possible government shutdown could mean that the positive trend in consumer spending could reverse in the fourth quarter as government workers would be furloughed - with some analysts estimating that a three-to-four week shutdown could cut growth by as much as 1.4 percent.

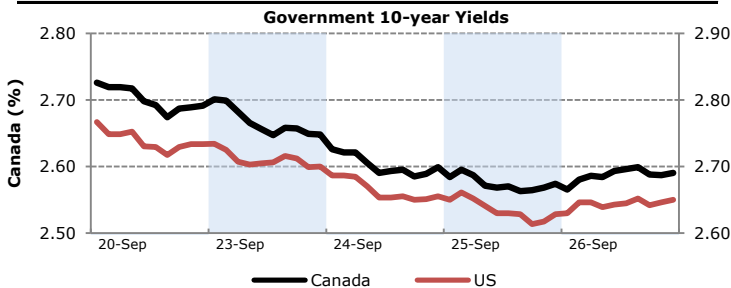
The Daily Roll is written by MFE Candidates Dipanker Koirala and Jan Varsava in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

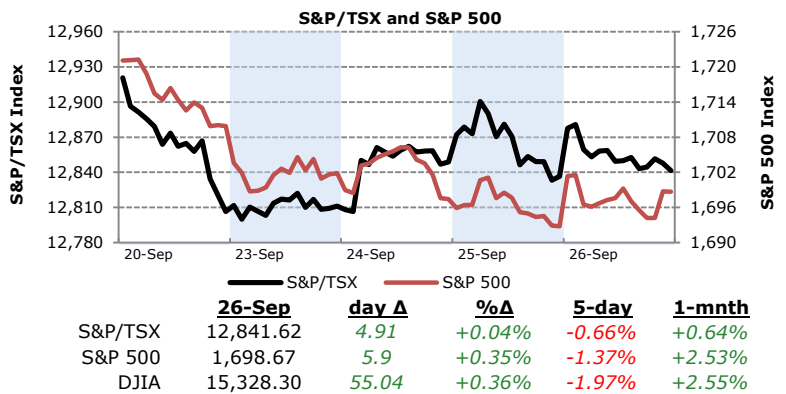
United States	Period	Survey	Actual	Prior
Personal Income	31-Aug	0.4%	0.4%	0.3%

Canada	Period	Survey	Actual	Prior
None Scheduled				

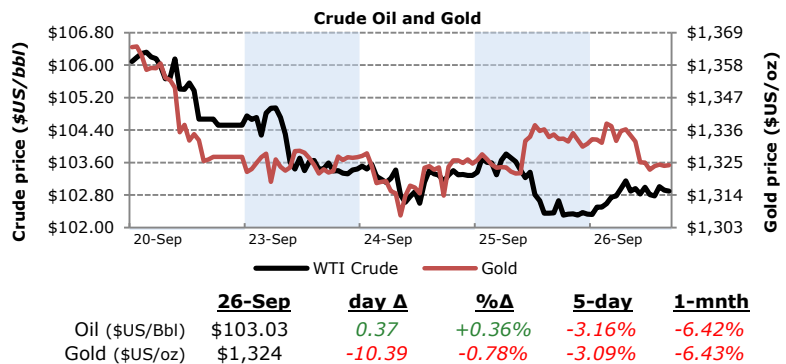
Interest Rates



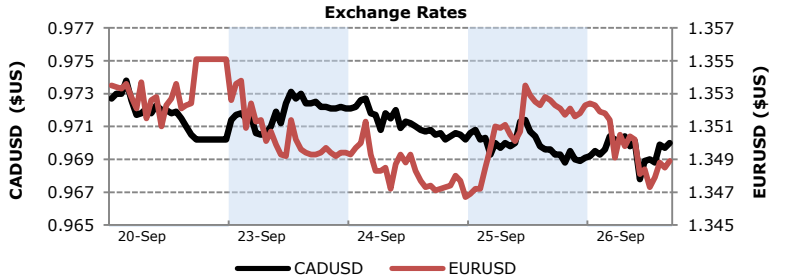
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	26-Sep	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.031	-0.000	1.027	1.047	0.984
EURUSD	\$1.349	-0.004	1.353	1.339	1.292
USDJPY	¥98.99	+0.560	99.450	97.03	78.16

	26-Sep	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Government 10-year Yields					
Canada	2.59%	0.016%	2.56%	2.44%	1.75%
United States	2.65%	0.022%	2.71%	2.49%	1.61%

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.

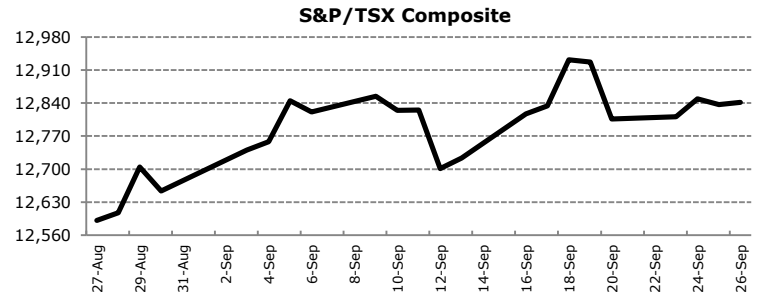
<http://www.rotman.utoronto.ca/financeassociation>

Sponsored By:



The information contained in this report is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of author(s), and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

	26-Sep	day Δ	%Δ
S&P/TSX	12,841.62	4.91	+0.04%
Trailing S&P/TSX TSX 60			
5-day	-0.66%	-0.53%	
1-month	+0.64%	+0.55%	
3-months	+7.44%	+7.29%	
6-months	+1.06%	+0.98%	
12-months	+4.98%	+5.35%	



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.21%	+0.56%	+2.70%	+37.60%
C. Staples	+0.21%	+0.26%	+0.55%	+28.07%
Energy	+0.50%	+0.33%	+2.81%	+2.84%
Financials	+0.17%	+0.61%	+2.29%	+18.41%
Healthcare	+0.18%	-2.39%	-3.24%	+23.92%
Info Tech	-0.43%	-4.06%	-2.13%	+42.48%
Industrials	+0.39%	-0.35%	+4.35%	+25.69%
Materials	-1.02%	-4.80%	-9.92%	-31.93%
Metals & Mining	+0.75%	-1.77%	+0.90%	-6.95%
Telecom	+0.32%	+0.92%	+5.33%	+6.18%
Utilities	-0.21%	-0.88%	+2.62%	-8.81%

TSX Top Performers

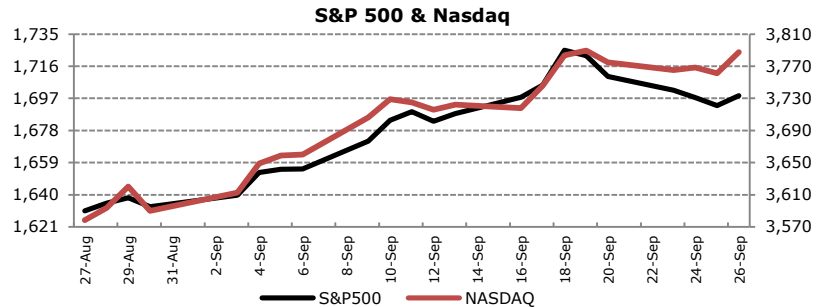
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Capstone Mining Corp		+4.80%	+3.56%	+12.93%	+3.97%
Husky Energy Inc		+4.13%	+4.34%	+1.48%	+18.03%
Agf Management Ltd-Class		+2.95%	+3.45%	-2.93%	+26.05%
Calfrac Well Services Ltd		+2.76%	-6.45%	-3.73%	+37.19%
Teck Resources Ltd-Cls B		+2.48%	-0.17%	+6.20%	+4.02%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Westport Innovations Inc		-8.69%	-9.71%	-10.37%	-1.11%
Semafo Inc		-6.92%	-0.82%	+2.54%	-42.95%
Alacer Gold Corp		-6.14%	-8.55%	-8.29%	-48.07%
Torex Gold Resources Inc		-6.12%	-12.10%	-26.98%	-31.00%
Argonaut Gold Inc		-5.38%	-11.28%	-25.34%	-38.98%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing 26-Sep	1,698.67	15,328.30	3,787.43
1-day	+0.35%	+0.36%	+0.70%
5-day	-1.37%	-1.97%	-0.05%
1-month	+2.53%	+2.55%	+3.55%
3-months	+5.95%	+2.80%	+12.18%
6-months	+8.63%	+5.28%	+16.45%
12-months	+18.51%	+14.28%	+22.42%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.90%	-0.87%	+4.24%	+31.00%
C. Staples	+0.51%	-2.05%	+2.05%	+12.80%
Energy	+0.06%	-1.23%	+2.89%	+11.89%
Financials	+0.04%	-1.99%	+1.20%	+30.06%
Healthcare	+0.33%	-1.88%	+1.97%	+26.43%
Info Tech	+0.30%	-0.62%	+2.03%	+7.10%
Industrials	+0.36%	-1.23%	+4.50%	+27.98%
Materials	+0.60%	-1.16%	+3.92%	+16.33%
Telecom	+0.90%	-1.49%	+1.26%	-4.09%
Utilities	-0.13%	-1.26%	+1.31%	+3.53%

DJIA Top Performers

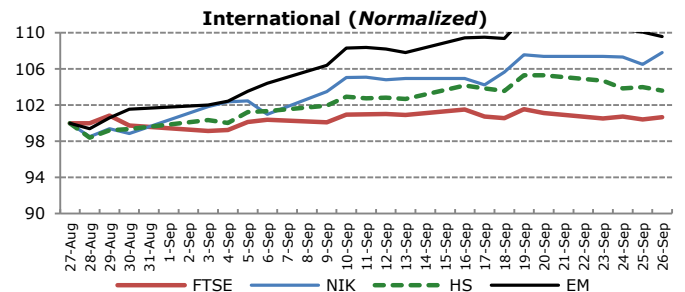
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Nike Inc -CI B		+2.06%	+1.21%	+10.41%	+49.53%
Verizon Communications In		+1.51%	-1.73%	+1.56%	+9.17%
Walt Disney Co/The		+1.23%	-0.73%	+6.34%	+27.54%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Cisco Systems Inc		-2.70%	-3.41%	-0.25%	+31.81%
Intel Corp		-1.22%	-2.17%	+5.07%	+7.67%
Chevron Corp		-0.47%	-1.55%	+3.91%	+9.70%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing Last Close	6,565.59	14,799.12	23,125.03	1,003.00
1-day	+0.21%	+1.22%	-0.36%	-0.45%
5-day	-0.90%	+2.03%	+0.03%	-1.91%
1-month	+1.13%	+8.53%	+5.09%	+7.53%
3-months	+6.49%	+15.31%	+13.70%	+11.20%
6-months	+2.60%	+18.66%	+3.65%	-2.49%
12-months	+13.83%	+66.16%	+12.65%	+1.28%



This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

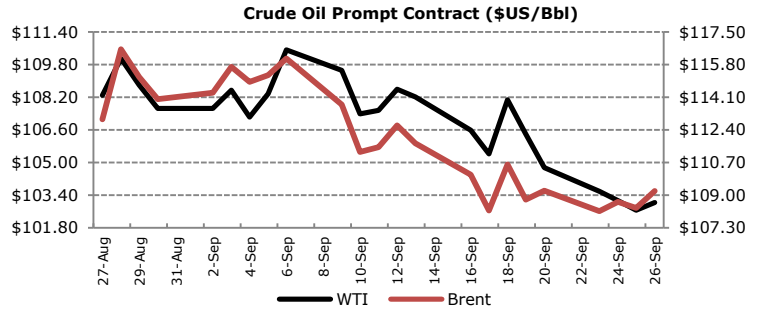
Nymex WTI Crude Oil

(\$US/Bbl)	26-Sep	day Δ	%Δ	5-day	1-mnth
Prompt	\$103.03	+\$0.37	+0.36%	-3.16%	-6.42%
Cal 14	\$96.92	+\$0.68	+0.71%	-0.57%	-0.33%
Cal 15	\$89.52	+\$0.56	+0.64%	-0.08%	-0.63%

(\$US/bbl)	Q1-14	Q2-14	Q3-14	Q4-14	2015
Consensus Forecast	\$102.00	\$98.00	\$99.00	\$98.00	\$101.00
Current Forward	\$100.73	\$97.87	\$95.48	\$93.58	\$89.52

Inventory Levels (as of Sep-20)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	358,260	+2,635	337,426	319,411
Motor Gas	216,235	+217	214,389	200,481
Distillates	130,859	-234	171,756	140,851



UK Brent Crude Oil

(\$US/Bbl)	26-Sep	day Δ	%Δ	5-day	1-mnth
Prompt	\$109.21	+\$0.89	+0.81%	+0.41%	-6.35%

Nymex Natural Gas

(\$US/MMbtu)	26-Sep	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.50	+\$0.01	+0.14%	-5.97%	-1.02%
Nov13-Mar14	\$3.71	-\$0.03	-0.89%	-6.73%	+0.68%
Apr14-Oct14	\$3.85	+\$0.04	+1.05%	-3.51%	+2.72%
Nov14-Mar15	\$4.09	-\$0.00	-0.02%	-3.91%	+0.96%
Apr15-Oct15	\$4.02	+\$0.06	+1.52%	-1.82%	+1.87%

Inventory Levels (as of Sep-20)

	Current	Week Δ	Last Yr	5 Yr. Avg
US Storage (Bcf)	3,386	+87	3,576	3,356

Nat Gas Prompt (\$US/MMbtu)

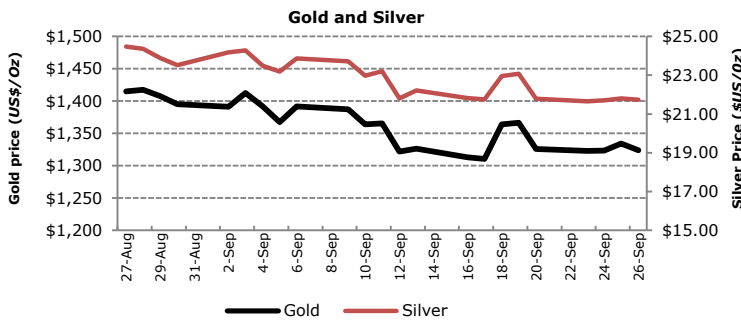


Alberta Natural Gas

(\$CAD/GJ)	26-Sep	day Δ	%Δ
AECO Oct-13	\$2.29	-\$0.00	-0.1%

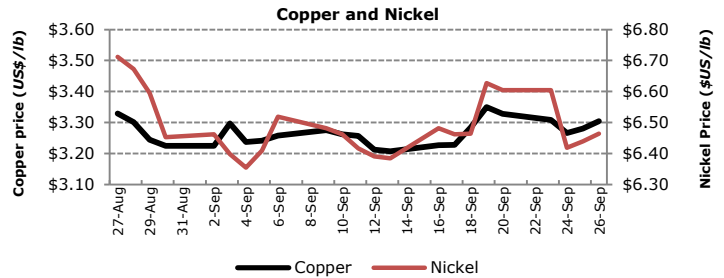
Precious Metals

\$US/oz	26-Sep	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,324.09	-\$10.39	-0.8%	-3.1%	-6.4%	+5.7%
Silver	\$21.73	-\$0.07	-0.3%	-5.8%	-11.2%	+9.9%
Platinum	\$1,411	-\$15.05	-1.1%	-3.6%	-7.5%	+5.0%



Industrial Metals

\$US/lb	26-Sep	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.30	+\$0.02	+0.7%	-1.4%	-0.7%	+4.1%
Nickel	\$6.46	+\$0.03	+0.4%	-2.5%	-3.7%	-0.2%
Zinc	\$0.94	+\$0.01	+0.9%	-0.7%	-3.6%	+1.5%
Aluminum	\$0.80	+\$0.00	0.0%	-1.2%	-3.6%	-1.2%
Uranium	\$34.90	-\$0.25	-0.7%	-0.6%	+0.4%	-11.4%



Agriculture & Other

	26-Sep	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.57	+\$0.02	+0.4%	-0.6%	-5.0%
Wheat (\$US/bu)	\$6.78	+\$0.08	+1.2%	+3.2%	+2.8%
Soybeans (\$US/bu)	\$13.17	-\$0.05	-0.4%	-1.7%	-4.1%
Rough Rice (\$US/cwt)	\$15.32	-\$0.16	-1.0%	-2.3%	-2.5%
Sugar #11 (¢US/lb)	¢18.19	+¢0.00	+0.0%	+2.5%	+7.4%
Lean Hogs (¢US/lb)	¢87.73	-¢0.88	-1.0%	+0.5%	+5.5%
Live Cattle (¢US/lb)	¢131.58	+¢0.30	+0.2%	+1.4%	+1.3%
Cotton No.2 (\$US/lb)	\$0.85	+\$0.01	+1.0%	+0.9%	+2.1%
Lumber (\$US/Mbft)	\$341.30	-\$7.10	-2.0%	-3.7%	+11.9%

Commodity ETFs

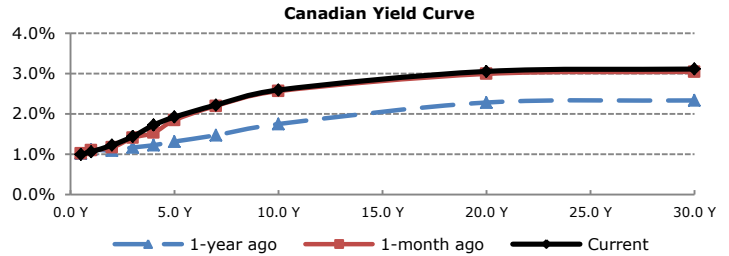
	26-Sep	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$5.20	+\$0.06	+1.2%	-5.1%	-9.2%
HBP Nat Gas U	\$10.20	+\$0.06	+0.6%	-11.2%	-5.2%
HBP Comex Gold	N/A	-	-	-	-
\$USD					
US Crude Oil	\$37.08	+\$0.20	+0.5%	-2.63%	-2.3%
US Nat Gas	\$18.36	+\$0.08	+0.4%	-5.65%	-1.2%
PSDB Agriculture	\$25.49	+\$0.09	+0.4%	0.51%	+0.3%
PSDB Base Metals	\$16.55	+\$0.08	+0.5%	-1.31%	-3.7%

This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

Interest Rates

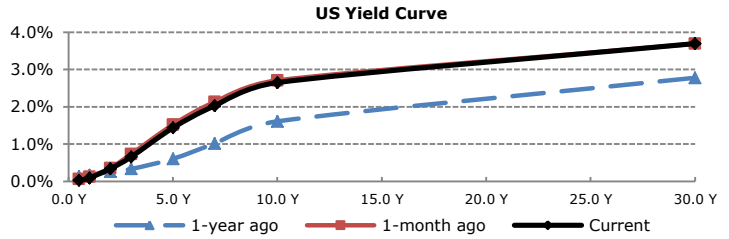
Canadian yield curve

	26-Sep	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.98%	-	0.99%	1.02%	0.99%
6-mnth	0.99%	-	1.02%	1.05%	1.02%
12-mnth	1.06%	-0.01%	1.10%	1.13%	1.11%
2-year	1.22%	+0.01%	1.16%	1.22%	1.09%
5-year	1.92%	+0.02%	1.84%	1.80%	1.31%
10-year	2.59%	+0.02%	2.56%	2.44%	1.75%
20-year	3.05%	+0.01%	2.99%	2.86%	2.28%
30-year	3.11%	+0.01%	3.04%	2.90%	2.33%

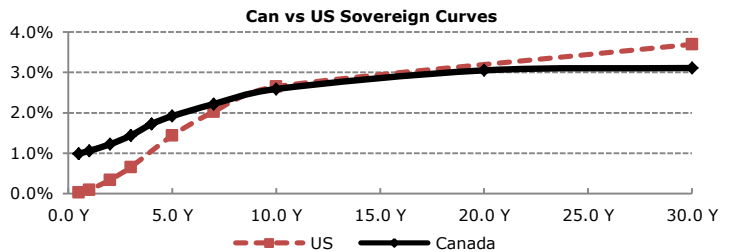
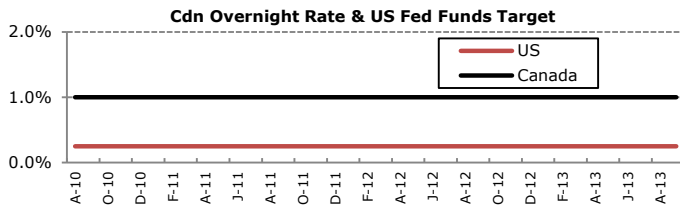


US yield curve

	26-Sep	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.00%	-0.02%	0.06%	0.03%	0.10%
6-mnth	0.03%	-0.02%	0.06%	0.09%	0.13%
12-mnth	0.09%	-0.01%	0.12%	0.14%	0.16%
2-year	0.34%	-	0.36%	0.36%	0.26%
5-year	1.44%	+0.04%	1.52%	1.39%	0.61%
10-year	2.65%	+0.02%	2.71%	2.49%	1.61%
30-year	3.70%	+0.03%	3.69%	3.50%	2.78%



	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	23-Oct-13	1.00%
US Fed Funds	0.25%	0.25%	30-Oct-13	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

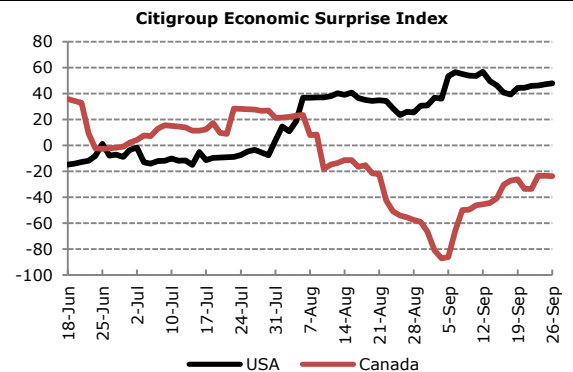
	Spot	26-Sep	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.031	-0.000		1.047	1.052	0.984
EURUSD	\$1.349	-0.004		1.339	1.308	1.292
USDJPY	¥98.99	+0.560		97.03	97.81	78.16
GBPUSD	\$1.604	-0.004		1.555	1.542	1.613
AUDUSD	\$0.936	-0.000		0.899	0.926	1.027

	Spot	26-Sep	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥96.01	+0.575		92.63	93.03	79.41
CADAUD	\$1.036	+0.001		1.063	1.027	0.990
GBPCAD	£1.654	-0.005		1.628	1.622	1.588
EURJPY	¥133.52	+0.380		129.95	127.93	100.97
EURAUD	\$1.44	-0.004		1.49	1.41	1.26

Economic Releases

United States

		Period	Survey	Actual	Prior
Tue, Sep 24	Consumer Confidence	30-Sep	79.9	79.7	81.5
Wed, Sep 25	Durable Goods Orders	31-Aug	-0.2%	0.1%	-7.3%
Wed, Sep 25	New Home Sales	31-Aug	420%	421%	394%
Thu, Sep 26	Continuing Claims	14-Sep	2817.5K	2823K	2787K
Thu, Sep 26	Initial Jobless Claims	21-Sep	325K	305K	309K
Thu, Sep 26	GDP QoQ (Annualized)	30-Jun	2.6%	2.5%	2.5%
Fri, Sep 27	Personal Income	31-Aug	0.4%	0.4%	0.3%

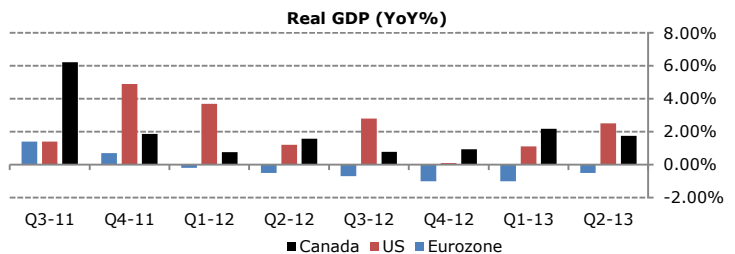


Canada

		Period	Survey	Actual	Prior
Tue, Sep 24	Retail Sales (MoM)	31-Jul	0.5%	0.6%	-0.6%

Economics

	Q3-12	Q4-12	Q1-13	Q2-13	2013E
Canada					
Real GDP	0.77%	0.93%	2.18%	1.75%	1.70%
CPI	1.23%	0.93%	0.90%	0.77%	1.10%
Unemployment	7.30%	7.10%	7.20%	7.10%	7.10%
US					
Real GDP	2.80%	0.10%	1.10%	2.50%	1.60%
CPI	1.70%	1.90%	1.70%	1.43%	1.60%
Unemployment	7.80%	7.80%	7.60%	7.60%	7.50%
China					
Real GDP	7.40%	7.90%	7.70%	7.50%	7.60%



This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**