

Today's Commentary

The S&P 500 closed at 1,756.54 (-0.38%) off recent all-time highs after FOMC minutes provided little guidance for a timeline for Fed purchase tapering. The TSX also fell to 13,361.26 (-0.60%) despite stronger than expected Canadian GDP growth, which came in at 0.3% m/m versus 0.1% m/m expectations. Oil (WTI) and gold also continued to slide and are down -0.71% each. This morning manufacturing PMI came in at 51.8, better than the 51.1 expectation. ISM manufacturing numbers for October will also be released at 10am (EST) today, with a consensus estimate of 55.0.

The euro slid for a fifth day against the dollar after the release of soft inflation on Thursday, the biggest weekly loss since July 2012. The rate of Inflation in the euro-zone unexpectedly slowed, declining to 0.7% last month and the jobless rate climbed to a record high of 12.2%. This is fuelling speculation the ECB will cut interest rates as soon as its meeting next week. The ECB's mandate is price stability, but its current disinflationary environment combined with a strong EUR is a dangerous combination, introducing a Japan-like scenario where a country faces weak fundamentals but a strong currency. Bank of America Corp., UBS AG and Royal Bank of Scotland Group Plc all forecast the ECB will cut rates on Nov. 7. European equity markets were a little weaker Friday with both the SX5E and the DAX down -0.20% and -0.15% respectively. China had another positive data release as manufacturing growth was the highest it has been in 18 months. As

China's manufacturing sector is the largest in the world this is seen as a strong indicator of an emerging market rebound. However, others are not as optimistic and attribute the growth to lower input prices and cost cutting, as crude steel prices remain low and the employment sub-index has shown a contraction in Chinese manufacturing jobs for 16 consecutive months. Additionally, the growth was primarily due to expansion of larger companies, as small and medium cap manufacturers continue to show poor performance.

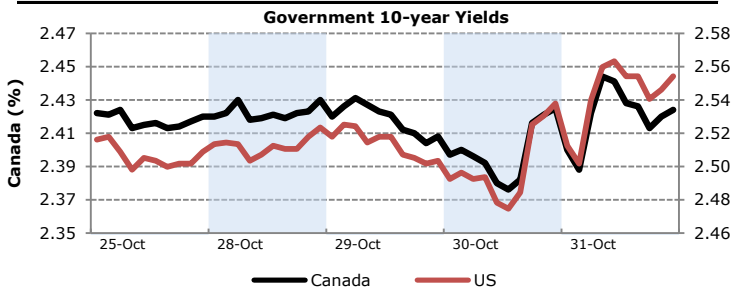
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

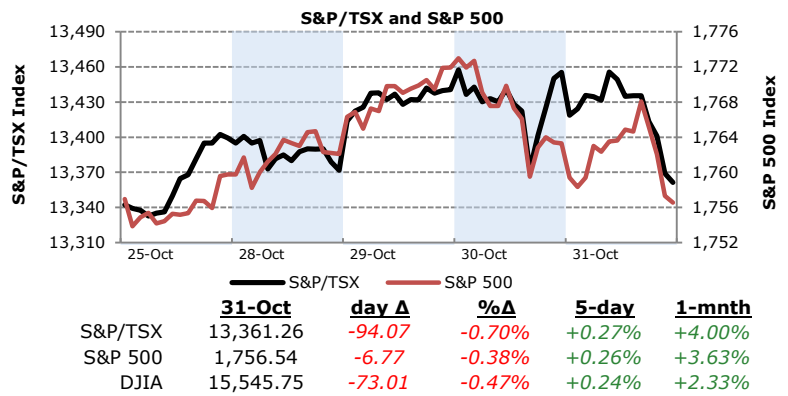
United States	Period	Survey	Actual	Prior
ISM Manufacturing	30-Sep	55	--	56.2

Canada	Period	Survey	Actual	Prior
None Scheduled				

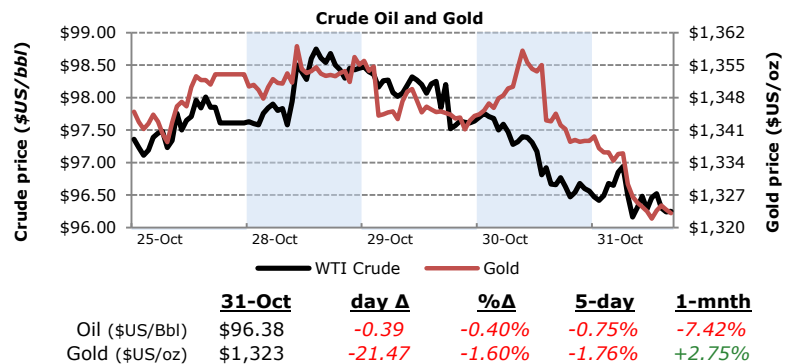
Interest Rates



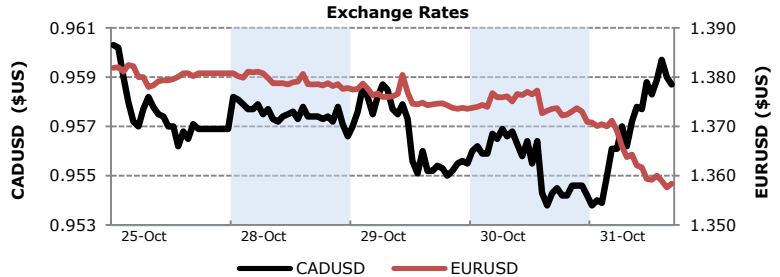
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	31-Oct	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.043	-0.005	1.042	1.032	0.996
EURUSD	\$1.358	-0.015	1.380	1.353	1.280
USDJPY	¥98.36	-0.150	97.280	98.00	80.29

	31-Oct	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.42%	-0.001%	2.56%	2.49%	1.79%
United States	2.55%	0.016%	2.65%	2.60%	1.69%

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>

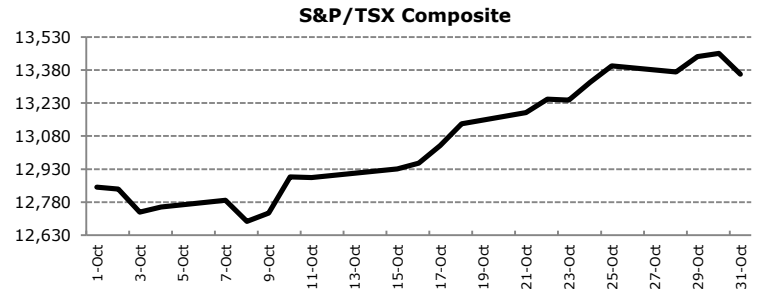
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	31-Oct	day Δ	%Δ
S&P/TSX	13,361.26	-94.07	-0.70%

	Trailing S&P/TSX	TSX 60
5-day	+0.27%	+0.20%
1-month	+4.00%	+4.15%
3-months	+7.00%	+7.39%
6-months	+8.44%	+9.20%
12-months	+7.55%	+7.85%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.13%	+1.37%	+4.27%	+41.49%
C. Staples	-0.27%	+0.25%	+4.53%	+30.92%
Energy	-0.32%	+0.56%	+1.74%	+4.59%
Financials	-0.10%	+1.85%	+5.51%	+23.26%
Healthcare	-2.93%	-4.10%	+0.17%	+26.66%
Info Tech	-1.64%	-2.97%	-1.40%	+34.26%
Industrials	-0.84%	+0.07%	+7.48%	+32.43%
Materials	-2.95%	-2.40%	+2.92%	-33.11%
Metals & Mining	-1.23%	-2.23%	+4.67%	-11.44%
Telecom	-0.44%	+0.85%	+3.26%	+4.60%
Utilities	-0.18%	+0.29%	+4.08%	-6.05%

TSX Top Performers

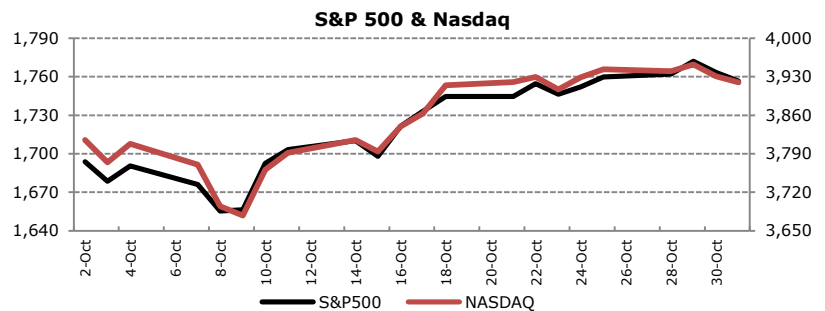
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Stantec Inc	+6.55%	+10.66%	+17.79%	+80.12%
Black Diamond Group Ltd	+4.64%	+5.73%	+10.93%	+26.55%
Transforce Inc	+4.39%	+4.81%	+6.55%	+26.66%
Methanex Corp	+4.37%	+1.96%	+14.35%	+101.97%
Linamar Corp	+2.60%	-0.40%	+1.59%	+59.36%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Bombardier Inc-B	-10.23%	-11.40%	-1.04%	+24.74%
Endeavour Silver Corp	-8.26%	-14.93%	-2.04%	-52.26%
Silver Wheaton Corp	-7.54%	-7.18%	-7.29%	-41.22%
China Gold International	-6.98%	-7.28%	-4.11%	-34.12%
Dundee Precious Metals In	-6.90%	-11.71%	-21.93%	-51.58%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing 31-Oct	1,756.54	15,545.75	3,919.71
1-day	-0.38%	-0.47%	-0.28%
5-day	+0.26%	+0.24%	-0.24%
1-month	+3.63%	+2.33%	+2.66%
3-months	+4.20%	+0.30%	+8.09%
6-months	+10.98%	+5.75%	+18.81%
12-months	+24.39%	+18.70%	+31.66%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.23%	+0.86%	+3.69%	+37.93%
C. Staples	-0.54%	+1.01%	+5.52%	+19.30%
Energy	-0.22%	+0.36%	+3.51%	+16.59%
Financials	-1.13%	-1.05%	+2.41%	+29.43%
Healthcare	-0.44%	+0.10%	+2.89%	+31.80%
Info Tech	-0.36%	+0.62%	+3.51%	+17.75%
Industrials	-0.02%	+0.31%	+4.29%	+32.69%
Materials	-0.20%	-0.79%	+3.63%	+21.20%
Telecom	-0.08%	+2.30%	+6.66%	+7.60%
Utilities	-0.53%	-0.16%	+3.29%	+4.98%

DJIA Top Performers

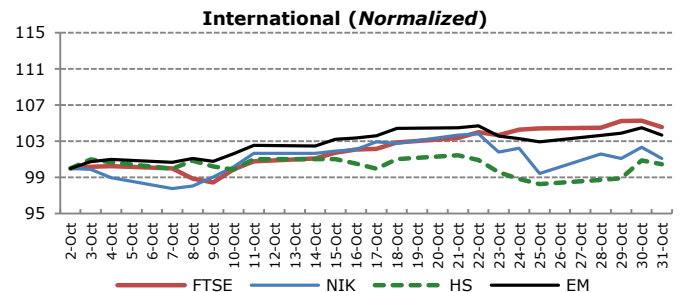
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Exxon Mobil Corp	+0.91%	+1.36%	+4.16%	-1.70%
3M Co	+0.85%	+1.91%	+5.39%	+43.66%
Boeing Co/The	+0.63%	+1.18%	+11.06%	+85.26%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Visa Inc-Class A Shares	-3.51%	-3.08%	+2.91%	+41.73%
Jpmorgan Chase & Co	-2.02%	-1.79%	-0.29%	+23.66%
American Express Co	-1.56%	+1.11%	+8.32%	+46.15%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing Last Close	6,731.43	14,327.94	23,206.37	1,034.42
1-day	-0.68%	-1.20%	-0.42%	-0.80%
5-day	+0.27%	-1.09%	+1.62%	+0.35%
1-month	+4.20%	-1.08%	+1.52%	+3.82%
3-months	+1.67%	+4.83%	+6.04%	+9.17%
6-months	+4.34%	+3.83%	+2.06%	-0.36%
12-months	+16.41%	+60.48%	+7.23%	+3.93%



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Nymex WTI Crude Oil

(\$US/Bbl)	31-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$96.38	-\$0.39	-0.40%	-0.75%	-7.42%
Cal 14	\$94.59	-\$0.29	-0.30%	+0.37%	-2.95%
Cal 15	\$88.71	-\$0.18	-0.20%	+0.92%	-0.98%

(\$US/bbl)	Q1-14	Q2-14	Q3-14	Q4-14	2015
Consensus Forecast	\$101.00	\$97.75	\$98.00	\$96.53	\$99.63
Current Forward	\$96.59	\$95.60	\$93.91	\$92.25	\$88.71

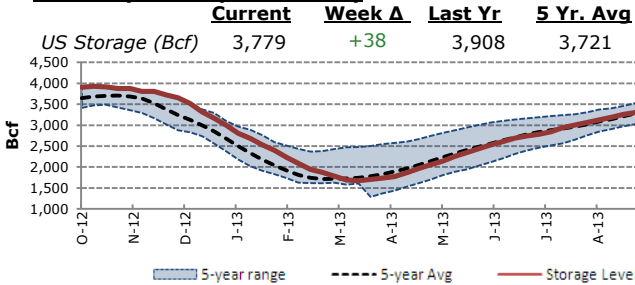
Inventory Levels (as of Oct-25)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	383,871	+4,087	337,426	319,411
Motor Gas	213,791	-1,713	214,389	200,481
Distillates	122,716	-3,058	171,756	140,851

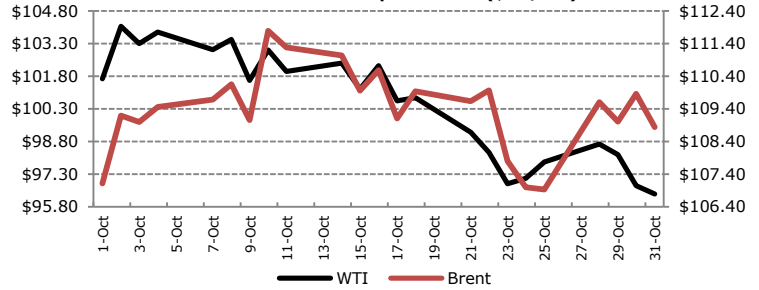
Nymex Natural Gas

(\$US/MMbtu)	31-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.58	-\$0.04	-1.08%	-1.32%	+1.10%
Dec13-Mar14	\$3.64	-\$0.05	-1.27%	-4.12%	-8.97%
Apr14-Oct14	\$3.71	-\$0.04	-1.19%	-3.53%	-7.01%
Nov14-Mar15	\$3.97	-\$0.05	-1.13%	-3.22%	-6.74%
Apr15-Oct15	\$3.87	-\$0.04	-1.04%	-2.66%	-5.44%

Inventory Levels (as of Oct-25)



Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	31-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$108.84	-\$1.02	-0.94%	+1.73%	-0.32%

Nat Gas Prompt (\$US/MMbtu)



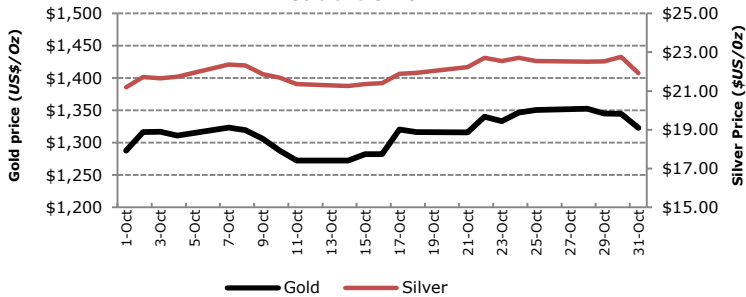
Alberta Natural Gas

(\$CAD/GJ)	31-Oct	day Δ	%Δ
AECO Dec-13	\$3.24	-\$0.02	-0.6%

Precious Metals

\$US/oz	31-Oct	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,323.10	-\$21.47	-1.6%	-1.8%	+2.8%	+2.8%
Silver	\$21.92	-\$0.84	-3.7%	-3.5%	+3.4%	+11.9%
Platinum	\$1,449	-\$24.60	-1.7%	-0.1%	+4.5%	+0.8%

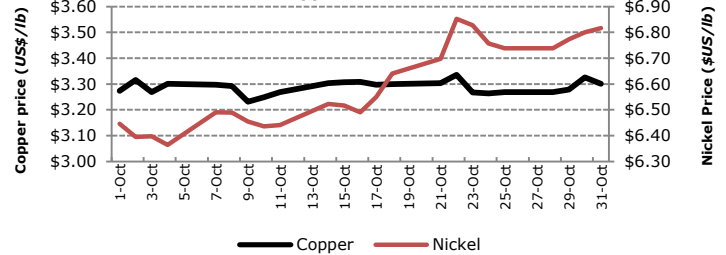
Gold and Silver



Industrial Metals

\$US/lb	31-Oct	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.30	-\$0.02	-0.8%	+1.1%	+0.8%	+4.0%
Nickel	\$6.82	+\$0.02	+0.2%	+0.9%	+5.7%	+6.9%
Zinc	\$0.97	-\$0.00	-0.1%	+2.0%	+4.2%	+5.7%
Aluminum	\$0.84	+\$0.00	0.0%	+2.4%	+3.7%	+6.3%
Uranium	\$34.35	-\$0.15	-0.4%	-1.0%	-2.4%	-4.3%

Copper and Nickel



Agriculture & Other

	31-Oct	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.28	-\$0.02	-0.5%	-2.7%	-2.4%
Wheat (\$US/bu)	\$6.68	-\$0.08	-1.1%	-4.2%	-2.7%
Soybeans (\$US/bu)	\$12.66	-\$0.10	-0.8%	-2.9%	-0.7%
Rough Rice (\$US/cwt)	\$15.11	-\$0.20	-1.3%	-1.5%	-0.6%
Sugar #11 (¢US/lb)	¢18.32	+¢0.00	+0.0%	-3.4%	-1.0%
Lean Hogs (¢US/lb)	¢89.18	-\$1.23	-1.4%	-0.5%	+3.5%
Live Cattle (¢US/lb)	¢132.73	-\$0.40	-0.3%	-0.1%	+0.7%
Cotton No.2 (\$US/lb)	\$0.77	-\$0.01	-0.8%	-2.6%	-11.2%
Lumber (\$US/Mbft)	\$368.00	-\$5.00	-1.3%	+1.2%	+7.0%

Commodity ETFs

	31-Oct	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.53	-\$0.04	-0.9%	-1.9%	-10.7%
HBP Nat Gas U	\$9.41	-\$0.22	-2.3%	-9.1%	-9.6%
iShares Gold ETF	\$11.76	-\$0.18	-1.5%	-1.6%	+2.4%
\$USD					
US Crude Oil	\$34.69	-\$0.16	-0.5%	-0.86%	-5.4%
US Nat Gas	\$17.77	-\$0.23	-1.3%	-4.51%	-4.2%
PSDB Agriculture	\$25.05	-\$0.15	-0.6%	-1.88%	-0.8%
PSDB Base Metals	\$16.74	-\$0.18	-1.1%	0.24%	+1.4%

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Interest Rates

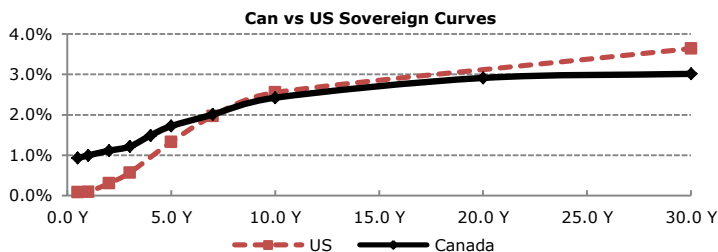
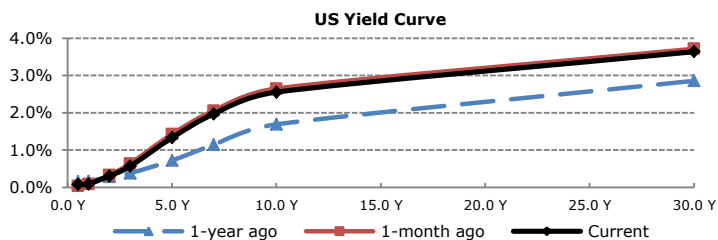
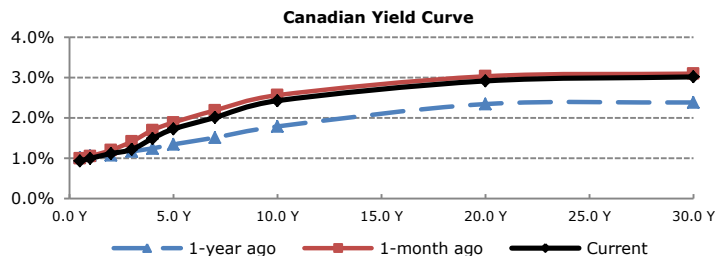
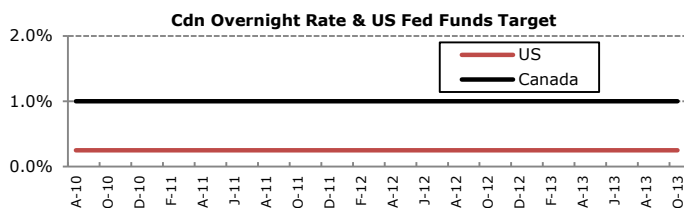
Canadian yield curve

	31-Oct	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.90%	-	0.97%	1.00%	0.99%
6-mnth	0.93%	-	0.99%	1.04%	1.02%
12-mnth	1.00%	+0.00%	1.05%	1.12%	1.06%
2-year	1.11%	+0.01%	1.20%	1.16%	1.07%
5-year	1.72%	-	1.88%	1.76%	1.34%
10-year	2.42%	-0.00%	2.56%	2.49%	1.79%
20-year	2.91%	-0.00%	3.03%	2.94%	2.34%
30-year	3.01%	-0.00%	3.09%	3.00%	2.38%

US yield curve

	31-Oct	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.04%	+0.01%	0.02%	0.03%	0.11%
6-mnth	0.08%	+0.01%	0.04%	0.07%	0.15%
12-mnth	0.09%	-	0.09%	0.10%	0.17%
2-year	0.31%	-0.01%	0.33%	0.30%	0.28%
5-year	1.33%	+0.01%	1.43%	1.36%	0.72%
10-year	2.55%	+0.02%	2.65%	2.60%	1.69%
30-year	3.64%	-0.00%	3.72%	3.68%	2.86%

	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	4-Dec-13	1.00%
US Fed Funds	0.25%	0.25%	18-Dec-13	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	31-Oct	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.043		-0.005	1.032	1.031	0.996
EURUSD	\$1.358		-0.015	1.353	1.326	1.280
USDJPY	¥98.36		-0.150	98.00	98.03	80.29
GBPUSD	\$1.604		+0.000	1.620	1.524	1.598
AUDUSD	\$0.946		-0.003	0.940	0.906	1.037

	Spot	31-Oct	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥94.28		+0.283	94.94	95.13	80.58
CADAUD	\$1.014		+0.008	1.031	1.071	0.968
GBPUSD	£1.673		-0.008	1.672	1.570	1.592
EURJPY	¥133.60		-1.720	132.55	130.01	102.74
EURAUD	\$1.44		-0.012	1.44	1.46	1.23

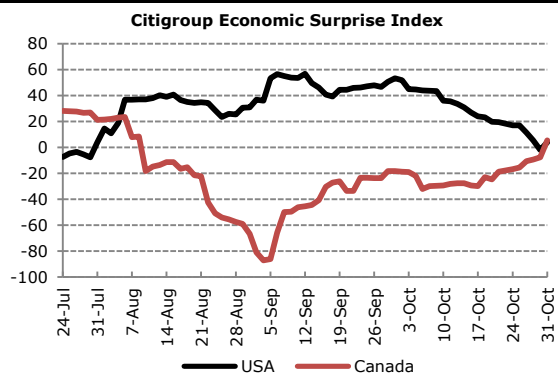
Economic Releases

United States

		Period	Survey	Actual	Prior
Mon, Oct 28	Industrial Production	30-Sep	0.4K	0.6K	0.4K
Tue, Oct 29	Advance Retail Sales	30-Sep	--	-0.1%	0.2%
Tue, Oct 29	Consumer Confidence	31-Oct	75%	71.2%	79.7%
Tue, Oct 29	Producer Price Index (MoM)	30-Sep	0.2%	-0.1%	0.3%
Wed, Oct 30	ADP Employment Change	31-Oct	150K	130K	166K
Wed, Oct 30	Consumer Price Index (MoM)	30-Sep	0.2%	0.2%	0.2%
Thu, Oct 31	Continuing Claims	19-Oct	2870K	2881K	2874K
Fri, Nov 01	ISM Manufacturing	30-Sep	55	--	56.2

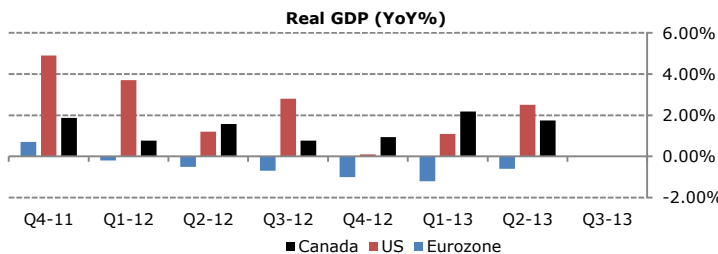
Canada

		Period	Survey	Actual	Prior
Thu, Oct 31	GDP MoM	31-Aug	0.1%	0.3%	0.6%



Economics

	Q4-12	Q1-13	Q2-13	Q3-13	2013E
Canada					
Real GDP	0.93%	2.18%	1.75%	NA	1.70%
CPI	0.93%	0.90%	0.77%	1.17%	1.10%
Unemployment	7.10%	7.20%	7.10%	6.90%	7.10%
US					
Real GDP	0.10%	1.10%	2.50%	NA	1.60%
CPI	1.90%	1.70%	1.43%	1.57%	1.50%
Unemployment	7.80%	7.60%	7.60%	7.20%	7.50%
China					
Real GDP	7.90%	7.70%	7.50%	7.80%	7.60%



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